Canadian Radio-television and Telecommunications Commission

2017–18

Departmental Results Report

The Honourable Pablo Rodriguez, P.C., M.P.
Minister of Canadian Heritage and Multiculturalism

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Minister's message

In 2017, Canada 150 celebrations gave rise to projects and activities all across the country. Over the course of that landmark year, the organizations in the Canadian Heritage portfolio—including the Canadian Radio-television and Telecommunications Commission (CRTC)—invited Canadians to learn more about their culture and heritage, to reflect on their future, and to journey down the path of reconciliation with First Nations, Inuit and Métis Peoples. In keeping with their own mandates, they also promoted Canadian creativity in a digital world, as well as the vitality of our official languages and Indigenous languages and cultures.

As part of its project to celebrate Canada 150, the CRTC honoured 23 exceptional Canadians, for their contributions to our communications sector, including entrepreneurs, inventors, public figures and great communicators.

At the Governor-in-Council's request, the CRTC examined future distribution models for the creation, promotion and distribution of Canadian audiovisual programming. It invited comments, solicited the opinions of Canadians and commissioned evidence-based research to gain a better understanding of changing consumer behaviours and business models. The CRTC's report will help the Government in its review of the Broadcasting and Telecommunications Acts.

The CRTC also took steps to ensure that Canada's broadcasting system responds to the needs of Indigenous communities in urban centres by granting licences for five new radio stations to serve these communities. As well, it reaffirmed its commitment to net neutrality by declaring that all Internet service providers must treat data traffic equally to ensure the free flow of ideas and information.

As Minister of Canadian Heritage and Multiculturalism, I am pleased to present the 2017–18 Departmental Results Report for the Canadian Radio-television and Telecommunications Commission. This report offers an overview of what the CRTC has accomplished and demonstrates its ongoing efforts to build a society in which diversity is a strength and everyone is able to contribute in a respectful and inclusive atmosphere.

The Honourable Pablo Rodriguez

Chairman and Chief Executive Officer's message

I am pleased to present the CRTC's 2017–18 Departmental Results Report. As we celebrated the CRTC's 50th anniversary, we took the opportunity to reflect upon our past accomplishments and our focus on regulating in the public interest.

The CRTC held a public consultation on how audio and video content will be accessed and distributed in the future to help prepare a report for the government. As part of this consultation, we invited Canadians to fill out a survey to gain insight in the choices they make when listening to music or watching video content. We also commissioned research to better understand the impact of audiences and revenues shifting from traditional to digital platforms on the creation of Canadian-made content.

To improve public safety, the CRTC required that all telephone and mobile service providers update their networks in order to be ready to support next-generation 9-1-1 services by the end of December 2020. Next-generation 9-1-1 will provide Canadians with new and innovative emergency services and capabilities, such as the ability to stream video or send photos from an incident.

Canadians also saw the end of locked mobile devices and unlocking fees thanks to changes made to the CRTC's Wireless Code. Since December 1, 2017, Canadians can have their mobile devices unlocked free of charge by their provider, and all newly bought devices must be provided unlocked at no charge. In addition, the CRTC directed the large wireless service providers to come up with lower-cost data-only plans in an effort to promote affordability, innovation and choice for Canadians.

In April 2017, we held a public consultation on the development of a broadband funding regime. Once established, a new fund will allocate $750 million over five years to build or upgrade fixed and mobile broadband Internet services in underserved areas across the country. This will support the CRTC's target that Canadians have access to speeds of at least 50 megabits per second (Mbps) for downloads and 10 Mbps for uploads.

To better protect Canadians from unwanted calls, the CRTC directed telecommunications services providers to develop technical solutions to block and trace illegitimate calls within their networks by March 2019. Furthermore, the CRTC took part in a global initiative to fight illegitimate online marketing activities and continued to work with its international partners to ensure commercial emails and text messages are compliant with Canada's anti-spam legislation.

As we look ahead to the next 50 years, the CRTC will continue to build on its reputation of being a world-class regulator. We look forward to hearing from Canadians as we work to maximize participation in our proceedings by using innovative digital tools and adopting best practices from other regulators.

Ian Scott

Results at a glance

The CRTC's total actual spending in 2017–18 was $63,604,746 and its total number of actual full-time equivalents was 449.

Key results achieved in 2017–18:

- Strengthened its commitment to net neutrality by declaring that Internet service providers (ISPs) should treat data traffic equally to foster consumer choice, innovation and the free exchange of ideas

- Granted broadcasting licences for the operation of five radio stations to serve urban Indigenous communities in Canada

- Created a safer environment for Canadians by requiring all wireless service providers to distribute wireless public emergency alert messages on their LTE (long-term evolution) networks

- Signed cooperation agreements with Japan, the UK and Australia to combat email spam and nuisance phone calls

For more information on the CRTC's plans, priorities and results achieved, see the "Results: what we achieved" section of this report.

What funds were used?	Who was involved?
63,604,746	449
Actual Spending	Actual FTEs
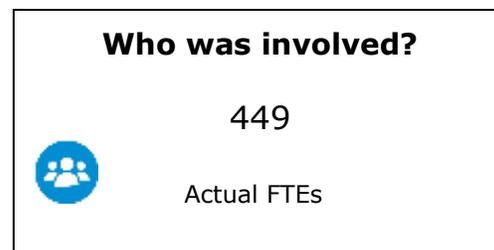
Raison d'être, mandate and role: who we are and what we do

Raison d'être

The Canadian Radio-television and Telecommunications Commission (CRTC) is an administrative tribunal that regulates and supervises Canadian broadcasting and telecommunications in the public interest, as well as enhances the privacy and safety of Canadians.

Mandate and role

Regulatory Policy, Legislative Implementation and Regulation
- Developing regulatory policies for Canada's communication system
- Approving tariffs and agreements for certain telecommunications services
- Issuing, renewing and amending licences for broadcasting distribution and programming undertakings
- Approving mergers, acquisitions and changes of ownership of broadcasting undertakings
- Resolving competitive disputes

Outreach and Engagement with Stakeholders and Canadians
- Consulting and informing Canadians
- Responding to enquiries and complaints from Canadians
- Collaborating with domestic and international partners on issues
- Facilitating industry co-regulation and self-regulation through consultations, committees and working groups

Monitoring, Compliance and Enforcement
- Monitoring and reporting on the Canadian communication system
- Promoting and enforcing compliance with legislation, regulation and rules, such as the Unsolicited Telecommunications Rules, Canada's anti-spam legislation (CASL) and the Voter Contact Registry

The CRTC undertakes its responsibilities with a focus on Canadians as citizens, creators and consumers. Canada's communication system continues to evolve in a complex and dynamic manner, and is of growing importance in the lives of Canadians.

For more general information about the department, see the "Supplementary information" section of this report.

Operating context and key risks

Operating context

Rapid technological innovation is continually changing the global communications landscape. These changes include Canadians' increasing reliance on broadband, growing risks to cybersecurity, the rise of mass personalized media consumption and the displacement of advertisement revenues from traditional media to digital platforms. These trends have significant implications for the operating contexts of other government departments and agencies, but they have a direct impact on the CRTC's core responsibility: regulating and supervising the Canadian communication system. In order for regulatory approaches to keep pace with current technological and social realities, the CRTC must assume that unforeseen change is now the norm and strive to be flexible and agile enough to continuously adapt to emerging realities.

In 2017–18, the CRTC continued adapting to the transforming environment through policy innovation, knowledge partnerships and sustained dialogue with Canadians as citizens, consumers and creators.

The CRTC must also be ready to respond to Government of Canada directives. In 2017, it received an Order in Council requesting that the Commission deliver a report, in 2018, on future audio-video programming distribution models. The Government of Canada also requested that the CRTC reconsider certain aspects of its 2017 decisions to renew the licences of Canada's large television groups. To comply with these requests, and ensure that Canadians were consulted effectively, the CRTC reallocated resources from across the organization. The report on future audio-video programming distribution models was released in May 2018 and a decision on the licence conditions for large television groups is expected in 2018–19.

Key risks

In its 2017–18 Departmental Plan, the CRTC identified two key risks to its ability to fully serve the public interest and meet the expectations of Canadians:

- the CRTC may not be able to ensure that a wealth of Canadian content is created and that Canadians have a choice of affordable, quality communications services; and

- the CRTC may not be able to anticipate and effectively respond to Canadians' privacy, security and safety needs within the communication system.

Throughout 2017–18, the CRTC took steps toward mitigating these risks, as described in the table below.

Key risks

Risks	Mitigating strategy and effectiveness	Link to the department's Programs	Link to mandate letter commitments[1] or to government-wide and departmental priorities
The CRTC may not be able to ensure that a wealth of Canadian content is created and that Canadians have a choice of affordable quality communication services.	• The CRTC continued to monitor and strategically analyze market conditions and technological developments to advance regulatory policies. • The CRTC engaged in continuous dialogue with Canadians, creators, and service providers to identify and analyze trends. • The CRTC continued to collaborate with external parties on the promotion and discoverability of programming made by Canadians.	Program 1: Canadian Content Creation Program 2: Connection to the Communication System	Program 1, Priority 1: Compelling and Diverse Content in a Digital World Program 2, Priority 1: Empowering Canadians to Participate in the Digital Economy
The CRTC may not be able to anticipate and effectively respond to Canadians' privacy, security and safety needs within the communication system.	• The CRTC enhanced its collaborative efforts with key international and domestic organizations to strengthen its protection mechanisms. • The CRTC focused its enforcement efforts using an intelligence-led approach and publicized high-impact cases to protect Canadians and promote compliance. • The CRTC enhanced	Program 3: Protection Within the Communication System	Program 3, Priority 1: Safety and Security in the Communication System

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[1] The CRTC is an administrative tribunal that operates at arm's length from the Government of Canada; however, the CRTC reports to Parliament through the Minister of Canadian Heritage. The CRTC's operations are subject to the Government of Canada's policies and guidelines.

	public awareness so that Canadians can protect themselves within the communication system.		
	• The CRTC proactively examined possible enhancements to 9-1-1 networks and evolved its regulations as a result.		

Results: what we achieved

Programs

Canadian Content Creation

Description

This program focuses on ensuring that a wealth of Canadian content is created and made available to all Canadians on a variety of platforms. Through its orders, decisions, licensing frameworks, and other regulatory activities, the Canadian Radio-television and Telecommunications Commission (CRTC) encourages the creation of diverse programming that reflects the attitudes, opinions, ideas, values, and artistic creativity of Canadians. By requiring the display of Canadian content in entertainment programming and the provision of information and analysis concerning Canada, the CRTC is enabling Canadians to better participate in their country's democratic and cultural life.

Results

The CRTC measures the effectiveness of this Program by measuring the total spending on Canadian television production by independent production companies, private broadcasters, and public broadcasters, including CBC/Radio-Canada.[2] In 2016–17, the most recent year for which data is available, this spending was $2.99 billion. This is higher than industry spending for the prior year and exceeds the CRTC's target of $2.6 billion.

The 2017–18 Departmental Plan stated that the CRTC would continue to encourage the creation and broadcast of diverse and compelling Canadian programming and help ensure that the broadcasting system provides Canadians with a wealth of Canadian programming. In fulfillment of these commitments, the CRTC:

- Granted licences for the operation of five radio stations that will serve the Indigenous communities in Vancouver, Edmonton, Calgary, Toronto and Ottawa, further to a public consultation process that included a three-day hearing. In the interest of working to advance reconciliation between Indigenous people and the rest of Canadian society, these licences require that the stations' programming reflect their local communities, include a large portion of local content, such as news, and address the specific concerns of Indigenous people in the regions the stations serve. A certain proportion of each station's spoken-word programming must also be in an Indigenous language in accordance with the terms of its conditions of licence;

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[2] This spending is measured annually by the Canadian Media Producers Association (CMPA) and published in "Profile," the CMPA's annual economic report on the screen-based production industry in Canada

- Issued a competitive call for applications[i] for a new television service that would offer multilingual and multi-ethnic programming across Canada, including news and information. If licensed, this service will receive mandatory distribution on digital basic service starting in 2020. To ensure that Canada's ethnically diverse communities are well-served in the interim, the CRTC approved[ii] the mandatory distribution of OMNI Regional (proposed by Rogers Media Inc. [Rogers]), a multilingual, multi-ethnic service, on all digital basic television packages in Canada for a three-year period;

- Imposed the payment of "tangible benefits" representing $28.7 million on the transaction involving Sirius XM Canada Inc. (Sirius) in accordance with the CRTC's authority to impose financial investments that will benefit the Canadian broadcasting system (tangible benefits) when a Canadian broadcaster changes hands. In the case of the privatization of Sirius (the sole provider of satellite radio services in Canada), the CRTC determined[iii] that Sirius must pay tangible benefits over the next seven years and that $27.1 million must be distributed equally between French- and English-language funds that promote Canadian musical talent, such as FACTOR and MUSICACTION, and $1.6 million be distributed to the Broadcasting Participation Fund; and

- Issued a series of decisions renewing the licences of Canada's large television groups for a new five-year term effective September 2017 (large French-language TV groups[iv] Bell Media Inc. [Bell], Corus Entertainment Inc. [Corus], Groupe V Média inc. and Quebecor Media Inc, [Groupe TVA]; and large English-language TV groups[v] Bell, Corus and Rogers). In response, however, the Minister of Canadian Heritage received a number of petitions objecting to these decisions, and, in August 2017, the Governor in Council referred[vi] certain aspects of the decisions back to the CRTC for reconsideration. The CRTC therefore requested additional information from the large TV groups and, in December 2017, sought the opinions of Canadians on the new information for both the French-language[vii] and English-language[viii] groups.

The CRTC also held a public consultation process[ix] to support the production of a report on future distribution models for Canadian programming and its continued creation, production and distribution. This report was requested by the Governor in Council in September 2017 and will serve to guide the Government of Canada's review of the Broadcasting and Telecommunications Acts. The CRTC delivered the report, Harnessing Change: The Future of Programming Distribution in Canada,[x] in May 2018. It proposes new tools and regulatory approaches to support the production and promotion of audio and video content made by and for Canadians.

Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
The broadcasting system provides Canadians with a wealth of Canadian programming	Total spending on Canadian television programming projects	$2.6 billion	March 2018	$2.99 billion[3]	$2.6 billion	$2.6 billion

Budgetary financial resources (dollars)

	2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
Gross expenditures	15,205,244	15,205,244	16,974,733	16,364,109	1,158,865
Respendable revenue	13,383,046	13,383,046	14,548,486	14,548,486	1,165,440
Net expenditures	1,822,198	1,822,198	2,426,247	1,815,623	-6,575

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
112	110	-2

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[3] Source: Profile 2017, CMPA (covers the period from April 1, 2016 to March 31, 2017)

Connection to the Communication System

Description

The CRTC facilitates the orderly development of a communication system for all Canadians in order to strengthen the social and economic fabric of Canada and enhance the safety and interests of Canadians. This program focuses on ensuring that Canadians can connect to a choice of accessible, innovative, and quality communication services at affordable prices, and thereby have access to, amongst other things, compelling and creative Canadian programming.

Results

The CRTC measures the effectiveness of this Program by measuring the percentage of retail telecommunications service revenues from competitive markets ("competitive markets" are defined as areas where the CRTC has forborne from regulation, having found that a service is subject to sufficient competition to protect the interests of users, or where refraining from regulation is consistent with the Canadian telecommunications policy objectives.) In 2017–18, this measure was 97.3%, which exceeds the CRTC's 94% target and demonstrates that most Canadians throughout the country have a meaningful choice of Telecommunication Service Providers (TSPs).

The 2017–18 Departmental Plan stated that the CRTC would continue to ensure that the Canadian communication system provides quality, affordable service options to Canadians. In fulfillment of these commitments, the CRTC:

- Strengthened its commitment to net neutrality, consumer choice and the free exchange of ideas online. It determined that "differential pricing"—a marketing strategy in which the same data is delivered to different customers at different prices—generally gives an unfair advantage or disadvantage to certain content providers and consumers. The CRTC therefore declared that Internet Service Providers (ISPs) should treat all data traffic equally and, to that end, established a new framework[xi] for regulating differential pricing practices; and

- Helped enable greater competition and choice in Canada's broadband Internet services market. The CRTC directed[xii] facilities-based ISPs (large TSPs that own parts of Canada's "backbone" Internet delivery infrastructure) to make their facilities, including fibre, available on a wholesale basis to Internet service resellers in Ontario and Quebec.

The CRTC also concluded its public consultations[xiii] on the development of its broadband funding regime and launched a public proceeding[xiv] to make lower-cost data-only wireless plans available to Canadians across the country, as part of its efforts to foster affordability, innovation and choice in the wireless market.

Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
The communication system provides quality and affordable communication service options to Canadians	Percentage of retail telecommunication revenues from competitive markets	94%	March 2018	97.3%	97%	96.6%

Budgetary financial resources (dollars)

	2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
Gross expenditures	19,570,717	19,570,717	21,451,426	19,409,731	-160,986
Respendable revenue	17,243,006	17,243,006	18,536,251	18,536,251	1,293,245
Net expenditures	2,327,711	2,327,711	2,915,175	873,480	-1,454,231

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
147	130	-17

Protection Within the Communication System

Description

Through this program, the CRTC promotes compliance with and enforcement of its various laws and regulations, including unsolicited communications. It helps to ensure that Canadians have access to emergency communication services such as 9-1-1 service and alerting systems. As a result, Canadians have increased protection and benefit from a more secure communication system.

Results

The CRTC assesses the effectiveness of this Program by measuring the percentage of Canadians who consider that the CRTC is taking measures to enhance their safety and protection in the communication system. In a 2017 survey by Environics Research, the result was 60%. This figure exceeds the target of 50%, but was less than the response of 66% in the 2015 survey.

The 2017–18 Departmental Plan stated that the CRTC would continue to ensure that the security, privacy and safety of Canadians are respected and enhanced within the evolving Canadian communication system. In fulfillment of this commitment, the CRTC created a safer environment for Canadians by:

- Enabling access to Next Generation 9-1-1 (NG9-1-1) services. NG9-1-1 services are possible as a result of the prevalence of mobile devices and the evolution of telecommunications networks. To ensure that Canada's 9-1-1 system takes advantage of technological advancements to improve public safety, the CRTC directed[xv] all telephone and mobile wireless service companies to update their networks so that NG9-1-1 voice services will be available by June 30, 2020, and NG9-1-1 text messaging services will be available by December 31, 2020; and

- Directing[xvi] all wireless service providers (WSPs) using LTE (long-term evolution) networks to join the National Public Alerting System. This system allows emergency management officials, such as fire marshals and police agencies, to warn Canadians on their mobile devices of dangers to life and property, such as by sending text-message alerts. WSPs were required to install a wireless public alerting system on their LTE networks by April 2018 so that alerts could be sent to mobile devices connected to LTE networks, which are available to over 97% of Canadians. The CRTC also tasked service providers to work with their federal, provincial and territorial counterparts to develop an awareness campaign and test schedule.

The CRTC also helped protect:

- The consumer interest, by putting an end to the sale of locked cellphones and unlocking fees. As of December 1, 2017, all individual and small business wireless service

customers have the right to have their cellphones and other mobile devices unlocked free of charge upon request, and all newly purchased devices must be provided unlocked. This decision supplements the Wireless Code,[xvii] a mandatory code of conduct for providers of retail mobile wireless voice and data services. The CRTC created the Wireless Code in 2013 to make it easier for Canadians to understand their mobile contracts, switch service providers and avoid bill shock;

- Canadians' activities within the telecommunications system, by signing separate Memoranda of Understanding with Japan, the UK and Australia on combatting spam and nuisance phone calls, as well as by collaborating with international partners to fight illegitimate online marketing activities through the Unsolicited Communications Enforcement Network (UCENet). The CRTC also helped protect Canadians when it determined that Canadian TSPs should implement authentication and verification of caller ID information for IP voice calls by no later than March 31, 2019. This will help empower Canadians to better protect themselves against nuisance calls; and

- The democratic process, by registering parties who used a calling service provider or sent "robocalls" during federal by-elections in British Columbia, Alberta, Saskatchewan, Ontario, Quebec, and Newfoundland and Labrador.

Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Canadian communication services contribute to the protection and safety of Canadians	Percentage of Canadians who consider that the CRTC is taking measures to enhance their safety and protection in the communication system	50%	March 2018	60%[4]	60%	66%[5]

Budgetary financial resources (dollars)

	2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
Gross expenditures	10,677,018	10,677,018	11,819,397	11,559,090	882,072
Respendable revenue	5,638,785	5,638,785	6,105,762	6,105,762	466,977
Net expenditures	5,038,233	5,038,233	5,713,635	5,453,328	415,095

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
83	80	-3

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[4] The CRTC measures this performance indicator every two years. Environics conducted a public opinion poll for the CRTC in March 2017.

[5] Harris/Decima conducted a public opinion poll for the CRTC in March 2015, the results of which were used for 2014–15 and 2015–16.

Information on the CRTC's lower-level programs is available in the GC InfoBase.[xviii]

Internal Services

Description

Internal Services are those groups of related activities and resources that the federal government considers to be services in support of Programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Results

Budgetary financial resources (dollars)

	2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
Gross expenditures	13,778,324	13,778,324	15,279,934	16,271,816	2,493,492
Respendable revenue	11,480,269	11,480,269	12,369,614	12,369,614	889,345
Net expenditures	2,298,055	2,298,055	2,910,320	3,902,202	1,604,147

Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
133	129	-4

Analysis of trends in spending and human resources

Actual expenditures

Departmental spending trend graph

Dollars	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21
■ Sunset Programs – Anticipated	0	0	0	0	0	0
▨ Statutory	6,415,197	6,232,070	6,234,011	6,505,049	6,505,049	6,505,049
■ Voted and Vote-netted revenue	51,289,134	52,844,564	57,370,735	54,508,072	54,508,072	54,508,072
Total	57,704,331	59,076,634	63,604,746	61,013,121	61,013,121	61,013,121
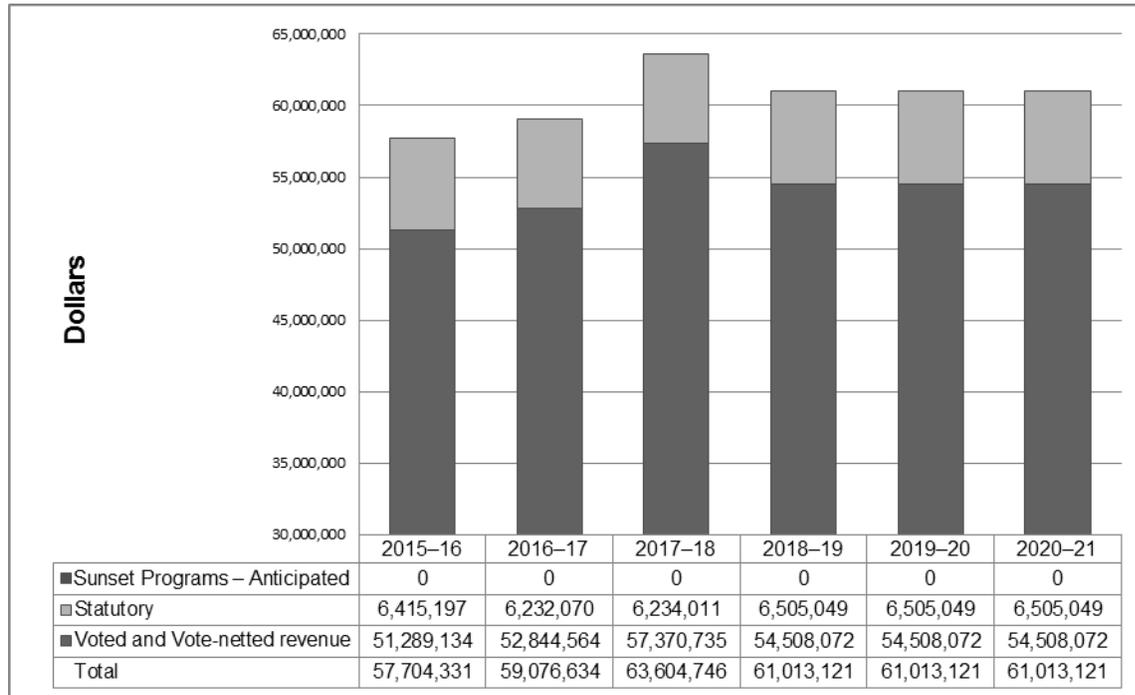
Total spending pertains to expenditures incurred by the CRTC in relation to all funding authorities approved during the fiscal year. Funding authorities include all parliamentary appropriations and revenue sources: Main Estimates, Supplementary Estimates, and Treasury Board Vote transfers (including the operating budget carry-forward), as well as revenues from broadcasting licence fees (part I), telecommunications fees and unsolicited telecommunications fees.

For fiscal years 2015–16 to 2017–18, actual spending represents the actual expenditures as reported in the Public Accounts of Canada. For the period from 2018–19 to 2019–20, the planned spending reflects approved funding by Treasury Board to support CRTC's programs, with the exception of a salary adjustment of $54,663 approved above the Main Estimates levels.

Budgetary performance summary for Programs and Internal Services (dollars)

Programs and Internal Services	2017–18 Main Estimates	2017–18 Planned spending	2018–19 Planned spending	2019–20 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2016–17 Actual spending (authorities used)	2015–16 Actual spending (authorities used)
1.1 Canadian Content Creation	15,205,244	15,205,244	16,180,091	16,180,091	16,974,733	16,364,109	15,225,035	14,854,316
1.2 Connection to the Communication System	19,570,717	19,570,717	18,870,058	18,870,058	21,451,426	19,409,731	17,827,785	18,454,821
1.3 Protection Within the Communication System	10,677,018	10,677,018	11,303,292	11,303,292	11,819,397	11,559,090	11,183,621	10,387,641
Subtotal	45,452,979	45,452,979	46,353,441	46,353,441	50,245,556	47,332,930	44,236,441	43,696,778
Internal Services	13,778,324	13,778,324	14,659,680	14,659,680	15,279,934	16,271,816	14,840,193	14,007,553
Total	59,231,303	59,231,303	61,013,121	61,013,121	65,625,490	63,604,746	59,076,634	57,704,331
Respendable revenue	47,745,106	47,745,106	49,449,474	49,449,474	51,560,113	51,560,113	47,685,088	46,705,914
Total net expenditures	11,486,197	11,486,197	11,563,647	11,563,647	13,965,377	12,044,633	11,391,546	10,998,417

Note 1: Actual spending reflects gross expenditures, which include respendable revenues.

For fiscal years 2015–16 to 2017–18, actual spending represents the actual expenditures as reported in the Public Accounts of Canada.

The increase in actual spending between 2016–17 and 2017–18 is due mainly to a) an increase in salary expenses resulting from the ratification of collective agreements, including retroactive payments dating back to 2014–15; and b) an increase in information technology investments (equipment and software).

The projected spending for fiscal years 2018–19 and 2019–20 corresponds to the planned spending level approved in the Main Estimates. An incremental amount of $54,663 approved above the Main Estimates levels will be funded through Supplementary Estimates. Other items such as salary adjustments for new collective agreements and carry-forward adjustments are unknown at this time. Therefore, none of these adjustments is reflected.

The planned level of spending for 2018–19 and 2019–20 is lower than 2017–18 because from now on, it includes salary increases only for the current fiscal year.

In 2017–18, the CRTC used all of its vote-netted revenue authorities (respendable revenue). This could occur again in the coming fiscal years.

Actual human resources

Human resources summary for Programs and Internal Services (full-time equivalents)

Programs and Internal Services	2015–16 Actual full-time equivalents	2016–17 Actual full-time equivalents	2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents
Canadian Content Creation	118	115	112	110	114	114
Connection to the Communication System	139	133	147	130	134	134
Protection Within the Communication System	80	83	83	80	82	82
Subtotal	337	331	342	320	330	330
Internal Services	113	129	133	129	133	133
Total	450	460	475	449	463	463

The decrease in full-time equivalents between fiscal years 2016–17 and 2017–18 is attributable to the departure of a number of employees, which was partially offset by new hiring, bringing the number of full-time equivalents to the 2015–16 level.

Expenditures by vote

For information on the CRTC's organizational voted and statutory expenditures, consult the Public Accounts of Canada 2017–2018.[xix]

Government of Canada spending and activities

Information on the alignment of the CRTC's spending with the Government of Canada's spending and activities is available in the GC InfoBase.[xviii]

Financial statements and financial statements highlights

Financial statements

The CRTC's financial statements (unaudited) for the year ended March 31, 2018, are available on the departmental website.[xx]

Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2018 (dollars)

Financial information	2017–18 Planned results	2017–18 Actual results	2016–17 Actual results	Difference (2017–18 Actual results minus 2017–18 Planned results)	Difference (2017–18 Actual results minus 2016–17 Actual results)
Total expenses	67,109,000	68,970,000	64,769,000	1,861,000	4,201,000
Total revenues	47,745,000	51,560,000	47,685,000	3,815,000	3,875,000
Net cost of operations before government funding and transfers	19,364,000	17,410,000	17,084,000	-1,954,000	326,000

Note: These figures are net departmental revenues and do not include the revenues collected on behalf of the Government of Canada, which totalled $119.3 million for 2017–18.

Revenues

Revenues collected in 2017–18 totalled $170.9 million ($119.3 million plus $51.6 million), a net decrease of $0.7 million when compared to the total revenues collected in 2016-17. The decrease is attributable mainly to a decrease in miscellaneous revenues.

Expenses

Expenses in 2017–18 totalled $69.0 million, an increase of $4.2 million when compared to total expenses in 2016–17. The increase is attributable mainly to salary increases due to the ratification of collective agreements, including retroactive payments dating back to 2014–15.

Condensed Statement of Financial Position (unaudited) as of March 31, 2018 (dollars)

Financial information	2017–18	2016–17	Difference (2017–18 minus 2016–17)
Total net liabilities	11,146,000	9,843,000	1,303,000
Total net financial assets	7,298,000	6,015,000	1,283,000
Departmental net debt	3,848,000	3,828,000	20,000
Total non-financial assets	4,297,000	3,140,000	1,157,000
Departmental net financial position	449,000	-688,000	1,137,000

Assets

Assets in 2017–18 totalled $11.6 million, a net increase of $2.4 million when compared to total assets in 2016–17. The increase is attributable mainly to increases in the amount due from the Consolidated Revenue Fund and in tangible capital assets.

Liabilities

Liabilities in 2017-18 totalled $11.1 million, a net increase of $1.3 million when compared to total liabilities in 2016–17. The increase is mainly attributable to increases in accounts payable and in accrued liabilities.

Supplementary information

Corporate information

Organizational profile

Appropriate minister: The Honourable Pablo Rodriguez, Minister of Canadian Heritage and Multiculturalism, P.C., M.P.

Institutional head: Ian Scott, Chairman and Chief Executive Officer

Ministerial portfolio: Canadian Heritage

Enabling instrument:

- Canadian Radio-television and Telecommunications Commission Act[xxi]
- Bell Canada Act[xxii]
- Broadcasting Act[xxiii]
- Telecommunications Act[xxiv]
- Canada Elections Act[xxv]
- An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act, and the Telecommunications Act,[xxvi] referred to as "Canada's anti-spam legislation" or "CASL" in this document.

Year of incorporation / commencement: 1968

Reporting framework

The CRTC's Strategic Outcome and Program Alignment Architecture of record for 2017–18 are shown below.

1. Strategic Outcome: Canadians have access to a world-class communication system

    1.1 Program: Canadian Content Creation

        1.1.1 Sub-Program: Diverse Canadian Content

        1.1.2 Sub-Program: Compelling Canadian Content

    1.2 Program: Connection to the Communication System

        1.2.1 Sub-Program: Quality Communication Services

        1.2.2 Sub-Program: Affordable Communication Services

    1.3 Program: Protection Within the Communication System

        1.3.1 Sub-Program: Safety-Enhancing Communication Services

        1.3.2 Sub-Program: Unsolicited Commercial Communications

    Internal Services

Supporting information on lower-level programs

Supporting information on lower-level programs is available on the GC InfoBase.[xviii]

Supplementary information tables

The following supplementary information tables are available on the CRTC's website:[xxvii]

- ▸ Departmental Sustainable Development Strategy[xxviii]
- ▸ Evaluations[xxix]
- ▸ Fees[xxx]

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.[xxxi] This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational contact information

CRTC Central Office

Les Terrasses de la Chaudière
Central Building
1 Promenade du Portage
Gatineau, Quebec J8X 4B1

or

Ottawa, Ontario K1A 0N2

In Canada:
Toll-free: 1-877-249-CRTC (2782)
Toll-free TTY line: 1-877-909-CRTC (2782)

Outside Canada:
819-997-0313
TTY line: 819-994-0423

Fax: 819-994-0218

Website: http://www.crtc.gc.ca

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Plan (plan ministériel)

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental Plans are tabled in Parliament each spring.

Departmental Results Report (rapport sur les résultats ministériels)

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

evaluation (évaluation)

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

experimentation (expérimentation)

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])

An analytical approach used to assess how diverse groups of women, men and gender-diverse people may experience policies, programs and initiatives. The "plus" in GBA+ acknowledges that the gender-based analysis goes beyond biological (sex) and socio-cultural (gender) differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or

physical disability. Examples of GBA+ processes include using data disaggregated by sex, gender and other intersecting identity factors in performance analysis, and identifying any impacts of the program on diverse groups of people, with a view to adjusting these initiatives to make them more inclusive.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2017–18 Departmental Results Report, those high-level themes outlining the government's agenda in the 2015 Speech from the Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

horizontal initiative (initiative horizontale)

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

Management, Resources and Results Structure (structure de gestion, des ressources et des résultats)

A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement)

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

priority (priorité)

A plan or project that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s) or Departmental Results.

program (programme)

A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (architecture d'alignement des programmes)

A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique)

A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (programme temporisé)

A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

i   Broadcasting Notice of Consultation CRTC 2017-154, https://crtc.gc.ca/eng/archive/2017/2017-154.htm
ii   Broadcasting Decision CRTC 2017-152 and Broadcasting Order CRTC 2017-153, https://crtc.gc.ca/eng/archive/2017/2017-152.htm
iii   Broadcasting Decision CRTC 2017-114, https://crtc.gc.ca/eng/archive/2017/2017-114.htm
iv   Broadcasting Decision CRTC 2017-143, https://crtc.gc.ca/eng/archive/2017/2017-143.htm
v   Broadcasting Decision CRTC 2017-148, https://crtc.gc.ca/eng/archive/2017/2017-148.htm
vi   Order in Council P.C. 2017-1060, http://orders-in-council.canada.ca/attachment.php?attach=34971
vii   Broadcasting Notice of Consultation CRTC 2017-428, https://crtc.gc.ca/eng/archive/2017/2017-428.htm
viii   Broadcasting Notice of Consultation CRTC 2017-429, https://crtc.gc.ca/eng/archive/2017/2017-429.htm
ix   Broadcasting Notice of Consultation CRTC 2017-359, https://crtc.gc.ca/eng/archive/2017/2017-359.htm
x   Harnessing Change: The Future of Programming Distribution in Canada, https://crtc.gc.ca/eng/publications/s15/
xi   Telecom Regulatory Policy CRTC 2017-104, https://crtc.gc.ca/eng/archive/2017/2017-104.htm
xii   Telecom Order CRTC 2017-312, https://crtc.gc.ca/eng/archive/2017/2017-312.htm
xiii   Telecom Notice of Consultation CRTC 2017-112, https://crtc.gc.ca/eng/archive/2017/2017-112.htm
xiv   Telecom Notice of Consultation CRTC 2018-98, https://crtc.gc.ca/eng/archive/2018/2018-98.htm
xv   Telecom Regulatory Policy CRTC 2017-182, https://crtc.gc.ca/eng/archive/2017/2017-182.htm
xvi   Telecom Regulatory Policy CRTC 2017-91, https://crtc.gc.ca/eng/archive/2017/2017-91.htm
xvii   Your Consumer Rights for Mobile Phones (The Wireless Code of Conduct), https://crtc.gc.ca/eng/phone/mobile/code.htm
xviii. GC InfoBase, https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start
xix   Public Accounts of Canada 2017–2018, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html
xx   CRTC Financial Statements, https://crtc.gc.ca/eng/publications/reports/fin18a.htm
xxi   Canadian Radio-television and Telecommunications Commission Act, http://laws.justice.gc.ca/eng/acts/C-22/
xxii   Bell Canada Act, http://laws.justice.gc.ca/eng/acts/B-3.6/
xxiii   Broadcasting Act, http://laws-lois.justice.gc.ca/eng/acts/B-9.01/index.html
xxiv   Telecommunications Act, http://laws-lois.justice.gc.ca/eng/acts/T-3.4/index.html
xxv   Canada Elections Act, http://laws.justice.gc.ca/eng/acts/E-2.01/
xxvi   An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act, and the Telecommunications Act ("Canada's anti-spam legislation" or "CASL"), http://laws-lois.justice.gc.ca/eng/acts/E-1.6/page-1.html
xxvii   Supplementary Information tables, https://crtc.gc.ca/eng/backgrnd/drr2018/sup2018.htm
xxviii Departmental Sustainable Development Strategy, https://crtc.gc.ca/eng/backgrnd/drr2018/sup2018.htm#sup1
xxix   Evaluations, https://crtc.gc.ca/eng/backgrnd/drr2018/sup2018.htm#sup2
xxx   Fees, https://crtc.gc.ca/eng/backgrnd/drr2018/sup2018.htm#sup3
xxxi   Report on Federal Tax Expenditures, http://www.fin.gc.ca/purl/taxexp-eng.asp