

# Canadian Radio- television and Telecommunications Commission

2018–19

## **Departmental Results Report**

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The Honourable Steven Guilbeault, P.C., M.P.  
Minister of Canadian Heritage

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## Minister's message

The organizations in the Canadian Heritage Portfolio, including the Canadian Radio-television and Telecommunications Commission (CRTC), play an important role in our society. They contribute to the vitality of the arts, culture, heritage and audiovisual sectors, while also highlighting our diversity in a spirit of inclusion and respect. This year, as we mark the 50<sup>th</sup> anniversary of the *Official Languages Act*, we have a wonderful opportunity to highlight how proud these organizations make us of everything that allows our country to stand out—including our linguistic duality, Indigenous languages and cultures, and the amazing talent and creativity of Canadians.



In 2018, the CRTC responded to the Governor in Council's request to review future distribution models for Canadian audiovisual programming creation, promotion and distribution, and submitted its report *Harnessing Change: The Future of Programming Distribution in Canada*. This report provides further insight for the government as it considers legislative changes.

The CRTC also hosted a Women in Production Summit, which brought together the presidents of Canada's largest public- and private-sector broadcasters to discuss lasting solutions to ensure that more women play leading roles in the Canadian film and television production industry. Further to the Summit, broadcasters have developed plans tailored to their business and markets to address this important issue.

The Commission also conducted a public inquiry and produced a report on the aggressive or misleading sales practices of large communication service providers, which can be stressful, confusing and frustrating. The CRTC concluded its report with a commitment to put in place consumer protections and to continue monitoring the situation.

As Minister of Canadian Heritage, I invite you to have a look at the *2018–2019 Departmental Results Report* for the Canadian Radio-television and Telecommunications Commission. In this report, you will see the CRTC’s many accomplishments in service of Canadians – evidence of an organization poised to meet the challenges of the important year ahead.

The Honourable Steven Guilbeault\*

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\* Appointed on November 20, 2019.

## Chairperson and Chief Executive Officer's message

**I** am pleased to present the CRTC's 2018-19 Departmental Performance Report. This year, we continued our efforts to ensure that Canadians have access to a world-class communications system.

**I**n this regard, we reached an important milestone in improving mobile Internet and wireless services by establishing the criteria for evaluating applications for funding under the Broadband Fund. This fund will provide up to \$750 million over five years to support projects in underserved areas. The CRTC issued a first call for applications for projects targeting Canadian territories and satellite-dependent communities. A second call followed in the fall of 2019 for the country at large.



**I**n December 2018, the CRTC announced that national wireless carriers would introduce a range of lower-cost data-only plans, which were not previously available in the market, to give Canadians affordable and innovative wireless options. In February 2019, the CRTC followed this by initiating a comprehensive review of mobile wireless services to ensure that all Canadians benefit from a competitive mobile market that offers a choice of affordable and innovative services.

**I**n 2018, we also released the "Harnessing Change: The Future of Programming Distribution in Canada" report, as requested by the Governor in Council. In that report, the CRTC proposes, among other things, that future legislative and regulatory approaches to content and its distribution should: focus on the production and promotion of high-quality content by Canadians; recognize that there are social and cultural responsibilities associated with operating in Canada; and be nimble, innovative and continuously capable of rapidly adapting to change.

**T**he CRTC has also stepped up its fight against unsolicited and illegitimate calls by requiring that telecommunication service providers implement a call-blocking system within their networks by December 2019. In addition, a working group of telecommunications service provider representatives is also testing a new process to determine the origin of unwanted calls within the Canadian network. The CRTC is committed to working with its key partners to address the issue of spoofing and continues to work on this important issue for Canadians.

**I**n response to the increasing number of complaints about Internet services, the CRTC also invited Canadians to voice their opinions on the creation of a mandatory code of conduct for Internet service providers. This code would, among other things, establish user-friendly business practices, require service providers to produce easy-to-understand contracts, and ensure that consumers have the tools they need to avoid unreasonable bills.

**I** am proud of what we have accomplished over the last fiscal year. This all bodes well for the next fiscal. Many major initiatives begun in 2018-19 will take form in 2019-2020 as we continue our regulatory efforts in the public interest.

Ian Scott

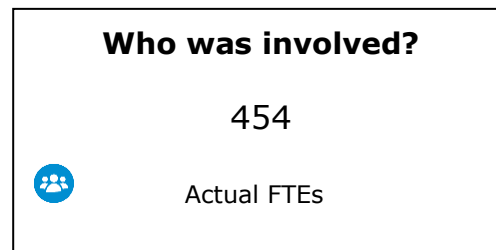
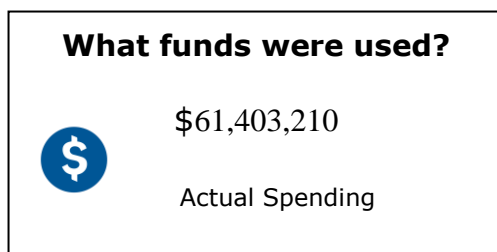


## Results at a glance

The CRTC’s total actual spending in 2018-19 was \$61,403,210 and its total number of actual full-time equivalents was 454.

- Responded to Governor in Council requests: delivered report “Harnessing Change” on the future of programming distribution in Canada, delivered report on misleading and aggressive sales practices by large telecommunications service providers, and reconsidered the licence renewal decisions of large TV groups, increasing expenditure requirements for Canadian programming.
- Developed and announced criteria for funding applications under its new Broadband Fund regime, and established the Fund’s governance, accountability framework and operating details.
- Released a joint statement with participants of the first summit on Women in Production committing to work towards achieving gender parity in the industry.
- Took enforcement action for the first time against Canadian companies allegedly aiding in the installation of malware through the distribution of online advertising (under Canada’s Anti-Spam Legislation).

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





## Results: what we achieved

### Core Responsibility

#### Regulate and Supervise Canada’s Communications System

##### **Description**

The CRTC is an administrative tribunal that is responsible for regulating and supervising Canada’s communications system in the public interest.

Established to develop, implement and enforce regulatory policies on the Canadian communications system, the CRTC performs a wide range of functions, including rule making and policy development. It has the quasi-judicial powers of a superior court with respect to the production and examination of evidence and the enforcement of its decisions. As an administrative tribunal it operates at arm’s length from the federal government.

The CRTC develops regulatory policies for Canada’s communication system; approves mergers, acquisitions and changes of ownership of broadcasting distribution undertakings; approves tariffs and agreements for certain telecommunication services; issues, renews and amends licences for broadcasting distribution and programming undertakings; and resolves competitive disputes. The CRTC intervenes specifically in situations where market forces alone cannot achieve the policy objectives set out within its legislative mandate.

##### **Results**

##### **Departmental Results 1 and 4: “Canadian content is created” as a result of processes that are efficient and fair**

The CRTC met its result with respect to its role in creating Canadian content. The total investment in Canadian TV programming production for 2018-19 was \$4.21 billion (exceeding the minimum target of \$4 billion).

To fulfil its commitments in the 2018–19 Departmental Plan, the CRTC:

- Delivered the report, [Harnessing Change: The Future of Programming Distribution in Canada](#),<sup>1</sup> in May 2018, in response to a Governor in Council request issued in September 2017. The report proposes new tools and regulatory approaches to support the production and promotion of audio and video content made by and for Canadians;

- Renewed the licences of major broadcasting distribution undertakings (Rogers, Shaw, Vidéotron, Telus, and Cogeco);
- Renewed the licences and mandatory distribution orders for APTN, Weather Network/MétéoMédia, TV5/UNIS TV, AMI-audio, AMI-tv and AMI-télé, and Canal M;
- Renewed the licences of 158 radio broadcasting undertakings;
- [Approved](#)<sup>ii</sup> a licence for Rogers’ OMNI Regional service following the issuance of a [competitive call for applications](#)<sup>iii</sup> for a new multilingual and multi-ethnic television service to receive mandatory distribution. The new licence takes effect on September 1, 2020, and will enhance the television broadcasting content, including news and information, available to Canada’s ethnically diverse communities;
- Reconsidered the licence renewal decisions of Canada’s [French-language TV groups](#)<sup>iv</sup> and [English-language TV groups](#)<sup>v</sup> increasing expenditure requirements for programs of national interest (such as drama and documentaries), original French-language programs, and music programming, in response to a Governor in Council request;
- Extended CBC/Radio-Canada’s broadcast [licence by one year](#)<sup>vi</sup> (to August 31, 2020) to afford the new CBC President time to prepare for the licence renewal process.

The CRTC also held a [summit](#)<sup>vii</sup> on Women in Production on December 13, 2018, which brought together the presidents of Canada’s largest broadcasters to discuss opportunities to increase women’s access to key creative positions and production budgets in the Canadian film and television industry. Participating broadcasters announced in a joint statement with the CRTC that they would work on [voluntary action plans](#)<sup>viii</sup> (released October 2019) to address the issue.

Changes in priorities due to Governor in Council requests ([PC 2017-1060](#)<sup>ix</sup> and [2017-1195](#)<sup>x</sup>) resulted in the CRTC rescheduling some initiatives to 2019-20. These include the Indigenous broadcasting policy review (launched in June 2019); the review of Bell Canada and small distributors’ distribution licences (launched in April 2019), the Commercial radio policy review (and the related review of the French-language vocal music framework), and the review of Canadian programming expenditures, including ways to help contribute to gender equality, diversity and inclusiveness in the industry.

**Departmental Results 2 and 4: “Canadians are connected to world-class communications services” as a result of processes that are efficient and fair**

The CRTC is on track to meet its targets for connecting Canadians to world-class communications services. In 2018-19, 85.7% of households have access to fixed broadband 50/10 Internet access services with the option of an unlimited data plan: on track to meet the 90% target by December 2021. The percentage of households that have access to the latest mobile wireless technology (LTE) is 99.2%: on track to meet the 100% target by December 2026. In April 2019, Canada had a 7.6 percentage point lead on the OECD average of total high capacity fixed broadband subscriptions, close to meeting the target of a 7.9 percentage point lead by December 2019.

The 2018–19 Departmental Plan stated that the CRTC would continue to ensure that Canadians are connected to world-class communications services. In fulfilment of these commitments, the CRTC:

- Developed and [announced criteria](#)<sup>xi</sup> for funding applications under its new Broadband Fund and established the Fund’s governance, accountability framework and operating details;
- Pursuant to a CRTC proceeding, wireless providers began introducing a variety of lower-cost data only plans that were not previously available in the Canadian market. The CRTC also launched a public consultation to broadly [review mobile wireless services](#)<sup>xiii</sup> in order to explore ways to further improve the choice and affordability of mobile wireless services available to Canadians;
- Initiated a [proceeding](#)<sup>xiii</sup> in June 2018 to review certain elements of the price cap and local forbearance regimes and launched a public consultation on wholesale high speed services;
- Initiated a [proceeding](#)<sup>xiv</sup> in January 2019 on the accuracy of closed captioning for live English-language TV programming;
- Laid the groundwork for a review of Canada’s Video Relay Service to take place in 2019-20;
- Updated the regulatory framework for text-based [message relay services \(MRS\)](#)<sup>xv</sup> to improve the quality of and access to MRS on mobile devices;
- Launched a [review](#)<sup>xvi</sup> regarding possible exemptions to the telecommunications services resellers’ registration obligations (decision published on October 24, 2019).

### **Departmental Results 3 and 4: Canadians are protected within the communications system as a result of processes that are efficient and fair**

The CRTC met two of its three results targets for protecting Canadians within the communications system: 100% of facilities-based telecommunications service providers were in compliance with 911 requirements (target of 100%); and 100% of organizations remained compliant<sup>2</sup> after enforcement action was taken on unsolicited commercial communications, surpassing the target of 80%. However, 83.4% of broadcasters and wireless service providers participated in the National Public Alerting System, missing the target of 90% participation. The current indicator measures the compliance rate of entities. It measures entities with multiple large undertakings serving major urban centers on an equal footing with entities with only a single community, Indigenous or specialty service serving a small community. The majority of non-compliant entities are small and have had financial and personnel challenges that have prevented them from meeting their public alerting commitments, whereas the large entities have fully met their commitments towards public alerting. Accordingly, the current result does not reflect the actual rate of public alerting services available to Canadians. The CRTC is working with the Treasury Board Secretariat of Canada (TBS) to amend the current indicator to better measure the availability of public alerting services in Canada.

The 2018–19 Departmental Plan stated that the CRTC would help protect Canadians within the communications system. In fulfillment of this commitment, the CRTC:

- Contributed to the development of a framework for a series of public alerting tests as a follow-up to its [2017 directive](#)<sup>xvii</sup> to wireless service providers ensuring the mandatory participation of the Canadian communications industry in the National Public Alerting System;
- Held a public inquiry and delivered a [report](#)<sup>xviii</sup> as per a Governor in Council request on misleading and aggressive sales practices by large telecommunications service providers;
- Issued a [call for comments](#)<sup>xix</sup> and began a proceeding towards the creation of a mandatory [code of conduct for Internet service providers](#)<sup>xx</sup> (published on July 31, 2019). The Code addresses contract clarity and barriers to switching service providers, and will help resolve consumers' problems with bill shock;
- Monitored the implementation of its [2017 directive](#)<sup>xxi</sup> to telephone and mobile wireless service companies to update their networks to support next-generation 9-1-1 services in Canada by 2020.

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<sup>2</sup> In terms of enforcement actions on unsolicited commercial communications taken in 2018-19, there have been zero cases of recidivism.

As part of its ongoing operations in 2018-19, the CRTC also:

- Continued to promote and enforce compliance with the [Unsolicited Telecommunications Rules \(UTRs\)](#),<sup>xxii</sup> the [Voter Contact Registry](#),<sup>xxiii</sup> and [Canada’s Anti-Spam Legislation \(CASL\)](#);<sup>xxiv</sup>
- Took enforcement action for the first time against Canadian companies allegedly aiding in the installation of malware through the distribution of online advertising (under CASL);
- Issued a total amount of \$490,000 in administrative monetary penalties for alleged violations under either the UTRs or CASL;
- Compelled telecom service providers to implement network-level call blocking, by December 19, 2019, to prevent demonstrably illegitimate caller identification (telephone numbers that do not conform with established numbering) from reaching Canadians;
- Supported the development and implementation of additional technical solutions to restore trust in caller ID information. For example, the CRTC Interconnection Steering Committee (CISC) Network Working Group examined and reported on measures that could be implemented to reduce caller identification [spoofing](#)<sup>xxv3</sup> and to determine the origins of nuisance calls;
- Entered into an [undertaking](#)<sup>xxvi</sup> with Northwestel Inc. for the investment of \$5 million in new and unplanned network infrastructure upgrades following the determination of Northwestel’s contravention of s. 25(1) of the *Telecommunications Act*.

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<sup>3</sup> Your caller identification (caller ID) display normally indicates the phone number and name associated with the line used to call you. Spoofing occurs when callers deliberately alter their caller ID information when placing a call. Spoofing is often used by illegitimate telemarketers to misrepresent themselves and fool called parties into answering a call. It should be noted that there are instances where altering caller ID information is used for legal and legitimate purposes, such as a doctor who is calling a patient to discuss lab results and wants the hospital’s general call back number to be displayed in order to direct all future inquiries appropriately.

## Results achieved

Departmental results	Performance indicators	Target	Date to achieve target	2018–19 Actual results	2017–18 Actual results	2016–17 Actual results
Canadian content is created	Total investment in Canadian television programming production	Between \$4.0 and \$4.5B	March 2019	\$4.21B	Not available <sup>4</sup>	Not available <sup>4</sup>
Canadians are connected to world-class communications services	% of households that have access to fixed broadband Internet access services <sup>5</sup>	At least 90%	December 2021	85.7% <sup>6</sup>	84.1%	Not available
		100%	December 2036 <sup>7</sup>			
	% of households that have access to the latest generally deployed mobile wireless technology <sup>8</sup>	100%	December 2026	99.2%	99%	98.2%
	% of total fixed broadband subscriptions that are high capacity network connections <sup>9</sup> compared to the OECD average	At least a 7.9% point lead <sup>10</sup>	December 2019	7.6% point lead <sup>11</sup>	Not available	Not available

<sup>4</sup> Prior to 2018-19, the creation of Canadian content was measured by total spending rather than the total investment on Canadian television programming. Total spending was \$2.99 billion in 2017-18 and \$2.6 billion in 2016-17.

<sup>5</sup> This indicator measures Internet access service speeds of at least 50 megabits per second (Mbps) download and 10 Mbps upload (50/10) with the option of an unlimited data plan.

<sup>6</sup> Data reflects the 2018 calendar year.

<sup>7</sup> The date to reach the target of 100% of households was further refined by the Commission in 2018 as the range of years between 2026 and 2031 (TRP 2018-377). To reflect the clarification made in 2018, the 100% target year should be 2031. The CRTC is working with TBS to amend the current indicator.

<sup>8</sup> The latest generally deployed mobile wireless technology is currently long-term evolution (LTE).

<sup>9</sup> “High-capacity network connections” refer to broadband connections that are capable of providing minimum access speeds of 50/10, which are generally delivered via networks based on cable and fibre technologies.

<sup>10</sup> As of June 2016, 60.1% of Canada’s fixed broadband subscriptions were delivered via high-capacity networks, 7.9 percentage points higher than the OECD average. The CRTC’s target for this indicator is to maintain or improve Canada’s 7.9 percentage point lead in comparison with the OECD average.

<sup>11</sup> As of December 31, 2018.



Canadians are protected within the communications system	% of organizations that remain compliant within 12 months after compliance / enforcement action is taken on unsolicited commercial communications	At least 80%	March 2019	100%	100%	100%
	% of broadcasters and wireless service providers participating in public alerting system	At least 90%	March 2019	83.4% <sup>12</sup>	Not available	Not available
	% of facilities-based telecommunications service providers in compliance with 911 requirements	100%	March 2019	100%	100%	100%
Proceedings related to the regulation of the communications system are efficient and fair	% of decisions on Part 1 applications issued within four months of the close of record <sup>13</sup>	At least 75%	March 2019	81%	74%	73%
	Number of decisions overturned on judicial appeal related to procedural fairness	0	March 2019	0	Not available	Not available

Note: Some data in the table above are not available because the departmental result indicators are new and the CRTC started reporting data on these indicators in this report.

<sup>12</sup> The CRTC is working with TBS to amend the current indicator to better measure the rate of public alerting services available to Canadians.

<sup>13</sup> These are decisions on telecom and broadcasting applications.

## Budgetary financial resources (dollars)

	2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
Gross expenditures	46,353,441	46,353,441	50,093,596	46,767,108	413,667
Revenues netted against expenditures	37,191,213	37,191,213	39,119,875	38,677,823	1,486,610
Net expenditures	9,162,228	9,162,228	10,973,721	8,089,285	-1,072,943

## Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
330	330	0

Financial, human resources and performance information for the CRTC's Program Inventory is available in the [GC InfoBase](#).<sup>xxvii</sup>

## 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:

- ▶ Acquisition Management Services
- ▶ Communications Services
- ▶ Financial Management Services
- ▶ Human Resources Management Services
- ▶ Information Management Services
- ▶ Information Technology Services
- ▶ Legal Services
- ▶ Materiel Management Services
- ▶ Management and Oversight Services
- ▶ Real Property Management Services

### Results

In fulfilment of Departmental Plan 2018-19 commitments, the CRTC:

- Conducted extensive consultations with sectors to determine their human resources needs (staffing and recruitment, learning and development, official languages, etc.). This led to the development of a comprehensive, three-year human resources plan that will be adjusted annually.
- Undertook a number of initiatives to help build a healthy, diverse and inclusive workplace. These included learning opportunities and documentary screenings touching on Racism, Inclusion, LGBTQ+, Gender, as well as Indigenous rights, history and language. Champions were nominated for Inclusion and Diversity, for Gender Based Analysis Plus and Status of Women, and for Indigenous issues/Reconciliation to promote greater understanding through education and communication, to set objectives and to dedicate energy and effort to achieving them.

- Postponed the onboarding to the Government of Canada Financial and Materiel Management (GCFM) solution to April 1, 2021, to align with departmental priorities; the CRTC is actively preparing for the project and has hired an employee to assist with its development.

#### Budgetary financial resources (dollars)

	2018–19 Main Estimates	2018–19 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used)	2018–19 Difference (Actual spending minus Planned spending)
Gross expenditures	14,659,680	14,659,680	15,710,244	14,636,102	-23,578
Revenues netted against expenditures	12,258,261	12,258,261	12,607,929	11,644,943	-613,318
Net expenditures	2,401,419	2,401,419	3,102,315	2,991,159	589,740

The table above shows that the CRTC's gross expenditures are slightly lower than planned spending for 2018-19, as well as a variance in the use of the sources of funding (revenues vs. appropriation). Net expenditures indicate only what was spent on activities funded by appropriation.

#### Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2018–19 Difference (Actual full-time equivalents minus Planned full-time equivalents)
133	124	-9

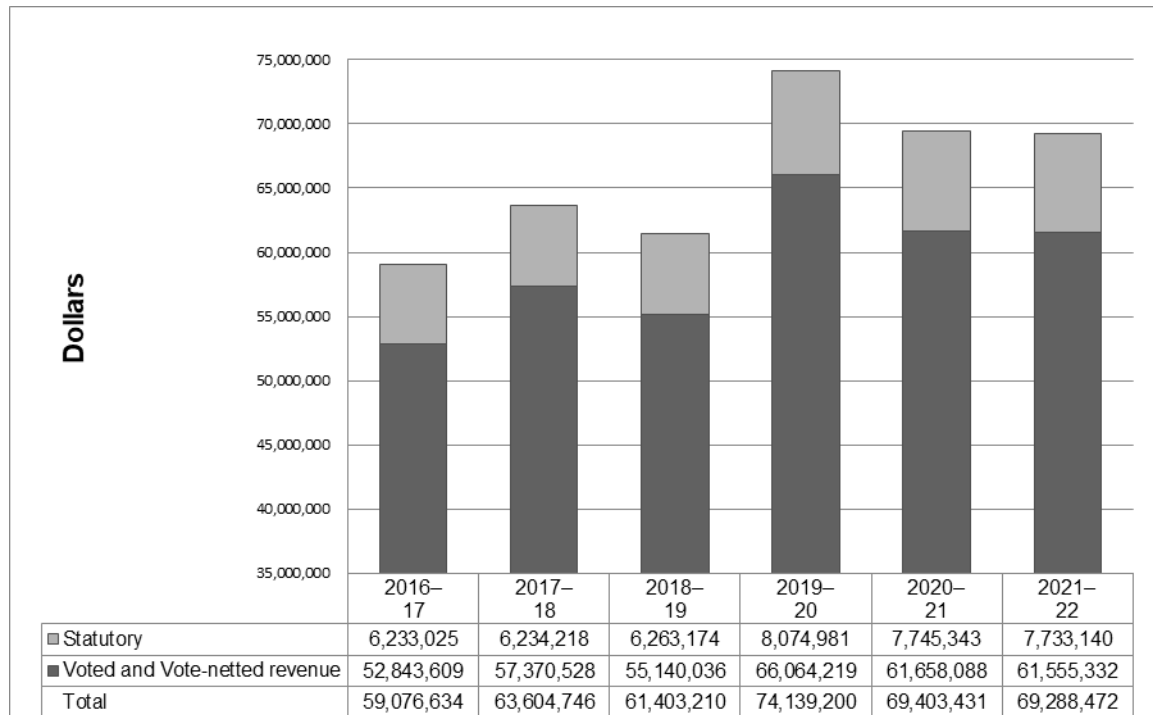
The decrease in the number of full-time equivalents (FTEs) had a minimal impact on the CRTC's gross expenditures as it was offset by salary increases resulting from the ratification of collective agreements in 2018-19. These incremental expenditures were not reflected in the 2018-19 planned spending.

## Analysis of trends in spending and human resources

### Actual expenditures

#### Departmental spending trend graph

The graph below illustrates the CRTC's spending trend over a six-year period.



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, Treasury Board Vote transfers (including the operating budget carry forward), and revenues from broadcasting licence fees (Part I), telecommunications fees and unsolicited telecommunications fees.

For fiscal years 2017-18 to 2018-19, actual spending represents the actual expenditures as reported in the Public Accounts of Canada. For the period from 2019-20 to 2021-22, the planned spending reflects approved funding to support CRTC's programs, which includes the implementation and the operationalization of the project management function of the Broadband Fund, starting in 2019-20.

### Budgetary performance summary for Core Responsibilities and Internal Services (dollars)

Core Responsibilities and Internal Services	2018–19 Main Estimates	2018–19 Planned spending	2019–20 Planned spending	2020–21 Planned spending	2018–19 Total authorities available for use	2018–19 Actual spending (authorities used) (Note 1)	2017–18 Actual spending (authorities used) (Note 1)	2016–17 Actual spending (authorities used) (Note1)
Regulate and Supervise Canada's Communications System	46,353,441	46,353,441	57,103,290	53,043,672	50,093,596	46,767,108	47,332,930	44,236,441
<b>Subtotal</b>	46,353,441	46,353,441	57,103,290	53,043,672	50,093,596	46,767,108	47,332,930	44,236,441
Internal Services	14,659,680	14,659,680	17,035,910	16,359,759	15,710,244	14,636,102	16,271,816	14,840,193
<b>Total gross expenditures</b>	61,013,121	61,013,121	74,139,200	69,403,431	65,803,840	61,403,210	63,604,746	59,076,634
<b>Revenues netted against expenditures</b>	49,449,474	49,449,474	61,291,806	56,885,990	51,727,804	50,322,766	51,560,113	47,685,088
<b>Total net expenditures</b>	11,563,647	11,563,647	12,847,394	12,517,441	14,076,036	11,080,444	12,044,633	11,391,546

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

For fiscal years 2016-17 to 2018-19, actual spending represents the actual expenditures as reported in the Public Accounts of Canada.

The decrease in actual spending between 2017-18 and 2018-19 is attributable to a decrease in salary expenses and to lower investments in IT equipment.

The planned spending for fiscal years 2019-20 to 2020-21 corresponds to the planned spending level approved in the Main 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 are reflected. The planned spending for 2019-20 and 2020-21 is higher than for 2018-19 because, beginning in 2019-20, it will include the implementation and the operationalization of the project management function of the Broadband Fund. However, due to the progressive implementation of this new activity, the CRTC will be spending less than its overall authorities in 2019-20.

## 2018–19 Budgetary actual gross spending summary (dollars)

Core Responsibilities and Internal Services	2018–19 Actual gross spending	2018–19 Actual gross spending for specified purpose accounts	2018–19 Actual revenues netted against expenditures	2018–19 Actual net spending (authorities used)
Regulate and Supervise Canada's Communications System	46,767,108	0	38,677,823	8,089,285
<b>Subtotal</b>	46,767,108	0	38,677,823	8,089,285
Internal Services	14,636,102	0	11,644,943	2,991,159
<b>Total</b>	61,403,210	0	50,322,766	11,080,444

CRTC's revenues come from fees recovered pursuant to fee regulations established under the authority of the *Broadcasting Act* and the *Telecommunications Act*. These fees and the associated regulations are as follows:

- Part I broadcasting licence fees (*Broadcasting Licence Fee Regulations, 1997<sup>xxviii</sup>*);
- Annual telecommunications fees (*Telecommunications Fees Regulations, 2010<sup>xxix</sup>*); and
- Unsolicited telecommunications fees for compliance and enforcement activities related to the National DNCL (*Unsolicited Telecommunications Fees Regulations<sup>xxx</sup>*).

## Actual human resources

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

Core Responsibilities and Internal Services	2016–17 Actual full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2018–19 Actual full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents
Regulate and Supervise Canada's Communications System	331	320	330	330	389	392
<b>Subtotal</b>	331	320	330	330	389	392
Internal Services	129	129	133	124	138	138
<b>Total</b>	460	449	463	454	527	530

The increase in full-time equivalents between fiscal years 2017-18 and 2018-19 is attributable to the ramp up of the project management function of the Broadband Fund. The number of full-time equivalents is expected to continue to increase in 2019-20 and into 2020-21, but it will then stabilize as the project management function of the Broadband Fund is fully implemented and operationalized.

## Expenditures by vote

For information on the CRTC's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2018–2019](#).<sup>xxxii</sup>

## 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](#).<sup>xxxiii</sup>

## Financial statements and financial statements highlights

### Financial statements

The CRTC's financial statements (unaudited) for the year ended March 31, 2019, are available on the [departmental website](#).<sup>xxxiii</sup>



## Financial statements highlights

Condensed Statement of Operations (unaudited) for the year ended March 31, 2019 (dollars)

Financial information	2018–19 Planned results	2018–19 Actual results	2017–18 Actual results	Difference (2018–19 Actual results minus 2018–19 Planned results)	Difference (2018–19 Actual results minus 2017–18 Actual results)
Total expenses	68,812,000	68,612,000	68,970,000	-200,000	-358,000
Total revenues	49,449,000	50,323,000	51,560,000	874,000	-1,237,000
Net cost of operations before government funding and transfers	19,363,000	18,289,000	17,410,000	-1,074,000	879,000

Note: These figures are net departmental revenues and do not include the revenues collected on behalf of the Government of Canada, which totalled \$127.1 million for 2018–19.

Note: The CRTC’s Future-Oriented Statement of Operations (unaudited) for the year ended March 31, 2020, is available on the [departmental website](#).<sup>xxxiv</sup>

### Revenues

Revenues collected in 2018-19 totalled \$177.4 million (\$127.1 million mainly from Part II broadcasting licence fees + \$50.3 million from regulatory fees), a net increase of \$6.5 million when compared to the total revenues collected in 2017-18. The increase is mainly attributable to an increase in regulatory fees and Part II broadcasting licence fees.

### Expenses

Expenses in 2018-19 totalled \$68.6 million, a decrease of \$0.4 million when compared to 2017-18 total expenses. The decrease is mainly attributable to a decrease in salary expenses.

**Condensed Statement of Financial Position (unaudited) as of March 31, 2019  
(dollars)**

<b>Financial Information</b>	<b>2018–19</b>	<b>2017–18</b>	<b>Difference (2018–19 minus 2017–18)</b>
Total net liabilities	12,072,000	11,146,000	926,000
Total net financial assets	7,807,000	7,298,000	509,000
Departmental net debt	4,265,000	3,848,000	417,000
Total non-financial assets	3,795,000	4,297,000	-502,000
Departmental net financial position	-470,000	449,000	-919,000

**Assets**

Assets in 2018-19 totalled \$11.6 million, which remained constant when compared to 2017-18 total assets.

**Liabilities**

Liabilities in 2018-19 totalled \$12.0 million, a net increase of \$0.9 million when compared to 2017-18 total liabilities. The increase is mainly attributable to an increase in accrued liabilities.

## Supplementary information

Corporate information

Organizational profile

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

**Institutional head:** Ian Scott, Chairperson and Chief Executive Officer

**Ministerial portfolio:** Canadian Heritage

**Enabling instruments:**

- *Canadian Radio-television and Telecommunications Commission Act*<sup>xxxv</sup>
- *Bell Canada Act*<sup>xxxvi</sup>
- *Broadcasting Act*<sup>xxxvii</sup>
- *Telecommunications Act*<sup>xxxviii</sup>
- *Canada Elections Act*<sup>xxxix</sup>
- *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*,<sup>xl</sup> referred to as “Canada’s Anti-Spam Legislation” or “CASL” in this document.

**Year of incorporation / commencement:** 1968

**Raison d’être, mandate and role: who we are and what we do**

“Raison d’être, mandate and role: who we are and what we do” is available on the [CRTC’s website](#).<sup>xli</sup>

**Operating context and key risks**

Information on operating context and key risks is available on the [CRTC’s website](#).<sup>xlii</sup>

## Reporting Framework

The CRTC’s Departmental Results Framework and Program Inventory of record for 2018–19 are shown below.

Graphical presentation of Departmental Results Framework and Program Inventory

<b>Departmental Results Framework</b>	<b>Regulate and Supervise Canada’s Communications System</b>		<b>Internal Services</b>
	Canadian content is created	Total investment in Canadian television programming production	
	Canadians are connected to world-class communications services	% of households that have access to fixed broadband Internet access services	
		% of households that have access to the latest generally deployed mobile wireless technology	
		% of total fixed broadband subscriptions that are high capacity network connections compared to the OECD average	
	Canadians are protected within the communications system	% of organizations that remain compliant within 12 months after compliance / enforcement action is taken on unsolicited commercial communications	
		% of broadcasters and wireless service providers participating in public alerting system	
		% of facilities-based telecommunications service providers in compliance with 911 requirements	
	Proceedings related to the regulation of the communications system are efficient and fair	% of decisions on Part 1 Applications issued within four months of the close of record	
		Number of decisions overturned on judicial appeal related to procedural fairness	
<b>Program Inventory</b>	Support for Canadian content creation		
	Connection to the communications system		
	Protection within the communications system		

## Supporting information on the Program Inventory

Financial, human resources and performance information for the CRTC's Program Inventory is available in the [GC InfoBase](#).<sup>xliii</sup>

## Supplementary information tables

The following supplementary information tables are available on the [CRTC's website](#):<sup>xliv</sup>

- ▶ [Departmental Sustainable Development Strategy](#)<sup>xlv</sup>
- ▶ [Gender-based analysis plus](#)<sup>xlvi</sup>

## 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](#).<sup>xlvii</sup> 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

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1 Promenade du Portage  
Gatineau, Quebec J8X 4B1

or

Ottawa, Ontario K1A 0N2

CRTC telephone numbers

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.

### **Core Responsibility (responsabilité essentielle)**

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

### **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 Result (résultat ministériel)**

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

### **Departmental Result Indicator (indicateur de résultat ministériel)**

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

### **Departmental Results Framework (cadre ministériel des résultats)**

Consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

### **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.

### **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 process used to help identify the potential impacts of policies, Programs and services on diverse groups of women, men and 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.

**government-wide priorities (priorités pangouvernementales)**

For the purpose of the 2018–19 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.

**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 presented in 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)**

Individual or groups of services, activities or combinations thereof that are managed together within the department and focus on a specific set of outputs, outcomes or service levels.

**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.

**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.

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## Endnotes

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- xviii. CRTC says more can be done to ensure fair treatment of consumers, <https://www.canada.ca/en/radio-television-telecommunications/news/2019/02/crtc-says-more-can-be-done-to-ensure-fair-treatment-of-consumers.html>
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- xx. Appendix 1 to Telecom Notice of Consultation CRTC 2018-422 (Internet Code Working Document), <https://crtc.gc.ca/eng/archive/2018/2018-422.htm#a1>
- xxi. Telecom Regulatory Policy CRTC 2017-182, <https://crtc.gc.ca/eng/archive/2017/2017-182.htm>
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- xl. *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*

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