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• (1630)

[English]

The Vice-Chair (Rachael Thomas (Lethbridge, CPC)): I will bring the meeting to order.

Welcome to meeting number four of the House of Commons Standing Committee on Canadian Heritage. I am replacing Ms. Hepfner for this meeting. Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application. I do not believe we have anyone with us today via Zoom; we are all here in the room.

Pursuant to Standing Order 108(2), the committee is meeting for a briefing on the implementation of the Online Streaming Act from the Canadian Radio-television and Telecommunications Commission, the CRTC.

It is my pleasure to welcome Ms. Vicky Eatrides, chairperson and chief executive officer. She is accompanied by Mr. Scott Hutton and Mr. Scott Shortliffe. Welcome.

In just a moment, I'll give the floor to you, and I believe it is up to the three of you to determine how you wish to split your time. You have 10 minutes for opening remarks.

You can begin.

Vicky Eatrides (Chairperson and Chief Executive Officer, Canadian Radio-television and Telecommunications Commission): Thank you very much, and good afternoon. Thank you for having us here with you today.

I would like to begin by acknowledging that we are gathered here on the traditional, unceded territory of the Algonquin Anishinabe people.

As mentioned, I am joined by the Scotts today. Scott Shortliffe is our head of broadcasting, and Scott Hutton is head of consumer, analytics and strategy. We are very pleased to be here to update the committee on the implementation of the Online Streaming Act.

Before getting into committee members' questions, perhaps I could share a brief overview of the CRTC, some of the work we are doing, and some of the detail on our progress.

I'll start with a quick overview of the CRTC. As you know, the CRTC is an independent, quasi-judicial tribunal that regulates the communications sector in the public interest. We hold public consultations on telecommunications and broadcasting matters, and we make decisions based on the public record.

The commission consists of nine members. There is a chairperson, a vice-chair for broadcasting, a vice-chair for telecommunications, and six regional members who are located across the country. The commission is supported by a team of expert staff who help us make informed decisions.

We are moving quickly to make those decisions, because we know that Canadians and businesses need certainty. At the same time, we are consulting broadly before making these major decisions. We are listening to diverse voices to better understand how changes in the communications landscape affect Canada's broadcasting system.

[Translation]

I know that we're here to talk about broadcasting. However, let me just briefly touch on some of our other priorities, such as promoting competition and affordability in telecommunications and empowering consumers.

In our meetings with Canadians, people spoke about the critical need for high-quality Internet and cellphone services to find employment, access health care and education, feel safe and stay connected with loved ones. They also spoke about the consequences of not having a reliable connection. Those stories are troubling.

To address these issues, we've helped provide Canadians with more choice for Internet and cellphone services. We've allowed competitors to sell plans using the networks of large telecommunications companies. We're seeing positive movement in the market. For example, according to Statistics Canada, prices for cellphone services decreased by 16.7% between 2023 and 2024.

At the same time, we want to ensure that we have a healthy and innovative industry. We've put measures in place to make sure that companies keep investing in high-quality networks.

Making sure that Canadians have access to high-quality networks and a variety of choices is a significant part of the equation. The other part is making sure that Canadians can easily find these choices and switch to plans that meet their needs without the risk of unexpected high bills.

Last year, the Canadian Radio-television and Telecommunications Commission, or CRTC, launched a comprehensive consumer protections action plan to address these issues. This is a crucial area of our work that will remain a focus for the CRTC.

[English]

That is a small glimpse into our work on the telecommunications side, but I know that this committee wants to focus on broadcasting.

As you know, Parliament gave the CRTC a major task when it entrusted us with implementing the Online Streaming Act. The act requires us to modernize Canada's broadcasting framework and ensure that online streaming services make meaningful contributions to Canadian and indigenous content. Modernizing the decades-old regulatory framework is no small task. The changes that are required are substantial, and they are complex.

Given this responsibility, we responded within days of the passage of the bill by launching a regulatory plan to facilitate participation and to increase transparency, and we have been making progress on that plan. We have launched 15 public consultations and have held four public hearings. At just those four public hearings, we received over 1,000 written interventions and heard oral presentations from over 300 interested parties.

We know that, following these public proceedings, people are very interested to see our decisions. We have issued seven decisions so far that start to set out the foundation of the future broadcasting framework, and other major decisions are coming very soon.

● (1635)

One of the first key decisions was on base contributions, which helped bring online streaming services into the broadcasting system. That decision was based on over 360 written submissions and over 120 presentations that we heard during a public hearing that lasted three weeks.

Based on the evidence provided, the CRTC determined that online streaming services should make initial contributions to the broadcasting system and that those contributions should be directed to areas of immediate need, which include local news on radio and television, French-language content and indigenous content. The decision will result in an estimated \$200 million annually flowing into the broadcasting system.

That decision was just the beginning. Over the summer, we issued two additional decisions to support local news on radio and television, particularly in smaller markets, where there are fewer options. We know how important news is. We hear this from Canadians across the country, and we're sure that committee members do, as well.

As well as issuing those decisions in June and August, we have also been busy holding public hearings.

[Translation]

The first hearing, in May, was three weeks long and focused on the definition of Canadian content for television and streaming. We heard a wide range of views on how the system can better support and promote our stories and on the investments needed to encourage a variety of productions and business, broadcast and distribution models.

We also heard about tools needed to support certain types of Canadian programming. We considered complex issues such as the

impact of artificial intelligence and the role of intellectual property in the broadcasting sector.

The second major hearing, in June, explored the dynamics among the different types of players in the Canadian broadcasting system. What we heard will help us create a sustainable model for the delivery and discoverability of diverse Canadian and indigenous content. The results of this hearing will help ensure equitable access to the broadcasting system and promote a fair and competitive marketplace with an updated dispute resolution framework.

Lastly, the third hearing, which wrapped up earlier this week, focused on radio and audio streaming services. We heard a variety of views on how to define Canadian content for music. We also considered the major changes in the industry and the impact of streaming services.

[English]

These three recent public hearings are key to ensuring a modern and sustainable broadcasting system for Canada.

The decisions flowing from these consultations and others will be issued in the coming weeks and months. In fact, within days you will see a decision that helps address the administrative burden on radio stations, so stay tuned.

To wrap up, we are doing work on multiple fronts. I touched on a few of those fronts, but the list is long.

As we continue to prioritize the implementation of the legislation that has been entrusted to us by Parliament, we are also taking action in other areas—such as the Online News Act, the service outages and the broadband fund—and making it easier for people to participate in CRTC proceedings.

Again, we're moving quickly, because we know that Canadians and businesses need certainty. At the same time, we are consulting broadly. As a quasi-judicial tribunal, we know that better decisions are made when we listen to individuals, when we listen to businesses and when we listen to organizations that bring diverse perspectives to the conversation. We are always listening to what Canadians need, and we know that committee members are, as well.

● (1640)

We look forward to your questions. Thank you.

[Translation]

Martin Champoux (Drummond, BQ): I have a point of order, Madam Chair.

I don't know the cause, but we can hear a sort of high-pitched sound. We could also hear it when you were speaking at the start, Madam Chair. I didn't want to interrupt Ms. Eatrides. However, I would like us to take the utmost care to prevent any hearing-related accidents.

I would like someone to check this before we continue. This high-pitched sound could cause significant damage to the interpreters' hearing, for example.

David Myles (Fredericton—Oromocto, Lib.): Madam Chair, I believe that it's probably caused by the sound volume in the room. We can lower it a bit.

[English]

It's feedback, because it's coming through the PA and then back into the microphone, something I've experienced before. It's never fun. If we turn it down in the room, it will probably happen less. I think that's what's going on.

Rachael Thomas: We're going to suspend for one moment and try to resolve this before we continue.

• (1640) _____ (Pause) _____

• (1645)

Rachael Thomas: We are back.

At this point, I will give the floor to Mr. Waugh.

Mr. Waugh, you have six minutes.

Kevin Waugh (Saskatoon South, CPC): Thank you, Madam Chair.

Welcome again, Ms. Eatrudes and the two Scotts.

It's coming up to three years for you, Ms. Eatrudes, as the CEO of the CRTC.

You mentioned that “online streaming services should make initial contributions to the broadcasting system”. Is that \$200 million? Saying “should make” tells me that we're not sure. In your speech, you said “should make initial contributions”. Saying “should” tells me that it's up in the air. Is that true?

Scott Shortliffe (Vice-President, Broadcasting, Canadian Radio-television and Telecommunications Commission): Perhaps I'll answer, sir.

The decision was that they have to contribute 5% of their annual revenue. We estimated that it is roughly \$200 million. Of course, it will change from year to year.

When we made that decision, we asked that the amounts be paid out by the end of the broadcast year, which would have been the end of August this year. The streaming companies did seek a stay in court, which they have a perfect right to do. The court granted it. We are waiting for the Federal Court of Appeal to rule on the issues they've raised.

Until that decision is made, the money has not actually flowed into the system completely, so we cannot give a complete account of whether it is \$200 million or a bit more or a bit less, although we will be doing that once that issue is resolved.

Kevin Waugh: Thank you, Scott.

It just seems to me that the more money you hand out, the worse the local news is in this country. I don't have to tell you what happened in Lloydminster and Medicine Hat this year. They lost television stations that were there for 60 and 70 years.

Ms. Eatrudes, you were saying that the CRTC cares about local news. Tell that to the laid-off employees. Tell that to Lloydminster and Medicine Hat people who have followed CHAT and CKSA for years. They just went dark overnight. Stingray, along with Pattison, just pulled the plug. They came in and said, “We're done. We can't make it go anymore.”

I just gave you two examples. Those are great examples, because this just happened this spring. What do you say to those people when you say that you want to help local news? I just gave you an example of probably 50 people laid off and communities now not being served by independent media. They're being served by the public broadcaster: CBC walked in. There is an issue I have when a public broadcaster with, let's face it, an advantage of millions of dollars, walks into these markets because these other broadcasters have shut down.

What are your thoughts on those two? I'm getting inundated with emails.

Vicky Eatrudes: We are equally concerned about local news. In speaking with Canadians—I'm sure committee members hear about this often—we hear about the importance of local news: on-the-ground news when there are wildfires and other disasters. People are learning from local news and from radio about what's happening on the corner of their street and when they actually need to evacuate. We've heard this from people, so we are concerned about the state of local news.

As mentioned, in the base contribution decision, we decided that one area of immediate need was news. That is why we directed a certain portion of that initial base contribution to news. We've issued decisions recently, in June and August, for news, for TV as well as radio, and we can talk a bit about the support that we're bringing there.

• (1650)

Kevin Waugh: Okay, so local news.... The CRTC is all about local news. Why, then, is the CTV network showing American football all day Sunday and all night Monday? We don't get any local news out west, from Saskatoon on. I pay for a TSN subscription, but TSN is also owned by Bell Media, as you know, and they made the decision to have NFL-style football all day Sunday, meaning no newscasts. Also, tonight, on Monday, there are no newscasts: “We're going to show American football.” Who approved that?

Scott Shortliffe: Thank you very much for the question. I think it's a question that a lot of people have.

To explain a bit how we approach news, we try to make sure that news is supported through all of our licensing decisions, and we're building that into our decisions now and directing more money towards it, as Chairperson Eatrides said.

Once that is done, we will be looking at implementing all the changes through the broadcasting system by looking at everyone's conditions of licence. I have a suspicion that when we look at Bell's conditions of licence, this will be raised—

Kevin Waugh: I'm raising it. I've raised it.

Scott Shortliffe: Yes, and certainly it will be something on the public record for us to discuss.

We have to be careful, though, as a tribunal, not to pronounce in advance where we may or may not go with that. I think there's a lot of concern about making sure that there is local news available to Canadians and that it is properly supported with journalistic resources. That is absolutely a question that we'll be asking.

Having said that, we don't dictate to private broadcasters exactly how to set up their schedule. We can tell them how to spend money on news—we have and we will—but we don't tell them that they have to program something at a particular hour, because that then would be government stepping into operating a private enterprise.

Kevin Waugh: They are doing so many hours a week of local news, so to pull the pin on a Sunday newscast entirely and Monday at six o'clock is just asinine, in my mind.

Now, the Google money, if I can—

Rachael Thomas: I'm sorry, Kevin, that is your time. Thank you.

We'll go over to the Liberals for six minutes.

Mr. Al Soud.

Fares Al Soud (Mississauga Centre, Lib.): Thank you, Madam Chair.

Thanks to all of you for being here. Last week, we had three Andrews. This time, we have two Scotts. We appreciate all of you individually.

I'll get right into it. Bill C-11 is the by-product of a reality that I trust everyone in this room agrees on. The old rules won't work in the new reality we all live in. The Broadcasting Act hadn't been updated since 1991, before streaming, smart phones or YouTube even existed, and if that doesn't reinforce my point, it was before I was born. For decades, Canadian broadcasters carried obligations to invest in Canadian stories, while global platforms held no such responsibility.

I have primarily two questions, also bearing in mind and maybe denoting this committee's upcoming study on AI. Could you speak to the timeliness of this important piece of legislation and how the CRTC is making sure this modernization reflects today's digital reality and will reflect tomorrow's inevitable reality?

Vicky Eatrides: Perhaps I'll start with your second question and then turn things over to Scott, our head of broadcasting.

In terms of reflecting the reality, as I mentioned at the outset, we are a quasi-judicial tribunal. We hold public hearings, and that's

how we build a public record upon which to base our decisions. We ask very open-ended questions, and we get submissions from a wide range of Canadians, businesses and organizations.

We do ask questions about new digital realities. We've certainly seen artificial intelligence come up as a question. It is something that came up in the context of Canadian content and what the definition is. We did hear a lot of perspectives on that during our three-week hearing in the spring. We are seeing a lot of new.... We're seeing radio hosts that are AI, so it does raise a lot of questions.

We've heard the public discourse and a lot of fear about AI, with people saying that film and television will no longer be made by humans. There's that fear. There's fear around loss of jobs. We've also heard some positive feedback in terms of what AI can do for accessibility and closed captioning and those kinds of initiatives.

We are taking all of these into account. We certainly have been hearing about these new digital realities as part of our public hearings, and that is something we will be coming back to with our decisions.

Maybe I can turn it over to you, Scott.

Scott Shortliffe: In addressing your first question about timeliness, one of the things we try to build into all of our questions in our public hearings—and we've had, as we said, 15 consultations before, major public hearings—is to try to find out whether anyone has a sense of how things are evolving and has ideas so that we can have rules that will work not just today but in five years. I think we've built up a very interesting public record on that.

Participating in our processes have been Canadian storytellers and a diverse number of artists, but also foreign streamers and academics. It's been crucial for us—and I think for the chairperson or colleagues who, as members of the tribunal, will be voting on this—to hear that this is where people think the industry is going but that no one knows for sure, and therefore that we need to be very careful as we make rules, so they do not have unintended consequences.

I think that, in asking those questions, we've built a record and we believe we'll be able to issue decisions that will have enough flexibility for the future, so that we won't paint ourselves into a corner or create something that will be unsustainable for private sector companies.

• (1655)

Fares Al Soud: Thank you. That was very comprehensive.

Bill C-11 needs to level the playing field, promote Canadian culture domestically and globally, support under-represented creators, modernize outdated laws and ensure reinvestment into the Canadian economy. It's a lot.

Could you tell us, plainly, how Canadians stand to benefit from this?

Scott Shortliffe: As you said, it's a lot. When we step back, we try to simplify it. I use the test of whether or not I can go to my dinner table and explain to my family what this bill means.

What I say to them is that the ultimate objective of this bill is to make sure you have choices. You have choices of diverse Canadian content in the future on different platforms, and you have news. You have local news and you have national news. If we can achieve that and keep it sustainable in a global environment that is hyper competitive, that, I think, is the large-scale success we read into the bill that was handed to us.

A big part of that is also keeping the choices Canadians have. Canadians benefit from having an enormous access to content, both within Canada and across the world. Certainly, we don't see a role for us in trying to limit that, but we want to make sure there's an ecosystem that will give them Canadian choices as they go forward.

Fares Al Soud: Thank you.

[Translation]

I have a question about content selection. We've seen a roughly 280% increase in French Canadian content on Spotify in the past five years. This clearly shows that French-language podcasts, music and cultural voices don't simply exist. They're finding their audience.

How will Bill C-11 ensure that these voices aren't left to chance and that platforms take responsibility?

Scott Hutton (Vice-President, Consumer, Analytics and Strategy, Canadian Radio-television and Telecommunications Commission): Traditionally, music, for example, has been broadcast on the radio or distributed on physical media. Nowadays, streaming technology offers a way to make it available online and on platforms such as Spotify, as you said.

The Online Streaming Act provides a certain framework, which requires us to ensure that we pay attention to both Canadian cultural products as a whole and the differences between the French-speaking and English-speaking markets.

[English]

Rachael Thomas: Mr. Hutton, I'm sorry to interrupt, but I do have to call time there. Thank you.

Monsieur Champoux, you have six minutes.

[Translation]

Martin Champoux: Thank you, Madam Chair.

I would like to thank our three witnesses for joining us today.

Am I right in thinking that it has already been three years since you appeared before the committee?

Vicky Eatrides: Almost. It has been at least two years.

Martin Champoux: What have you been doing all this time? I hope that you have been a bit busy. I think that we'll schedule a meeting with you right away for next year. You should meet with the committee every year to report on the CRTC's activities. That would be quite productive.

Thank you for being here.

You spoke earlier about the CRTC's decision regarding the financial contribution of platforms, meaning their obligation to pay 5% of their revenue to Canadian content creators. This decision is currently before the Federal Court of Appeal, which should make its ruling in the coming days, or even sooner.

Do you have any idea when the ruling will be made? This money is quite urgently needed.

Vicky Eatrides: Unfortunately, we don't have an answer. We don't know. We hope that the ruling will be made soon.

Martin Champoux: I would like to go back to the CRTC's decision.

You estimated that the payment of that 5% of revenue would amount to \$200 million. In addition, the amount received from the platforms would be shared. For example, 2% would be allocated to the Canada Media Fund, or CMF, which supports the production of Quebec and Canadian content. However, according to the decision, platforms have the right to take this money and invest it themselves in Quebec and Canadian content.

What prompted this decision?

If 5% amounts to approximately \$200 million, this means that the remaining 95% of the platforms' revenue comes to around \$4 billion. In light of this, didn't you consider that the platforms would really have the resources to invest in original Quebec and Canadian content with the fortunes raked in by doing business here?

I find it hard to understand why the CRTC has given platforms the option of using the money themselves rather than entrusting it to a well-established organization.

I would like to know more about this.

Scott Hutton: I'll answer first.

Initial contributions had to be established. Clearly, time was of the essence and various measures were needed to promote English-language and French-language Canadian content.

You said that a significant portion of that 5% was allocated to the core institution to support both English-language and French-language television productions. That 5% is also allocated to various other funds, including funds that support indigenous productions, various ethnocultural communities and even official language minority communities, or OLMCs. All types of support measures are available.

This 5% contribution is generally allocated to these funds, which serve to develop Canadian productions. Nevertheless, we provided some flexibility by ensuring that various methods are promoted and that these companies can generate Canadian productions that also reflect the country's francophone reality. However—

• (1700)

Martin Champoux: I must stop you there.

Scott Hutton: —when they must spend their own money, it's necessary to ensure that they stick to the same proportions as the Canada Media Fund, or CMF.

Martin Champoux: Absolutely. I hear you on that.

However, I just think that it wasn't necessary to give them that option. These aren't large sums of money.... Of course, this money is needed and welcome. That said, it seems that these companies wouldn't have responded any differently if they hadn't had this option. The likely outcome is that they'll try to send as little as possible to the CMF. They'll also likely find all sorts of ways to invest as they see fit in whatever they please, rather than supporting content producers who are established and recognized, particularly by the Canada Media Fund.

In short, it seems that the collection of funds in this manner will compromise the potential for truly high-quality content.

Scott Hutton: I can add to my answer, and Mr. Shortliffe can then provide further details.

Our goal was to encourage Canadian productions and to work with Canadian producers at the same level as we do in other ways, but not directly through the CMF in this case. This flexibility will help them get used to working on development so that they can gain confidence and invest even more in Canadian and Quebec productions.

Martin Champoux: With all their good will, we can see that it works! That was tongue in cheek.

We hear a great deal about the discovery and promotion of Quebec content, particularly French-language content, and Canadian content in general on platforms.

During the study of Bill C-11, I personally moved an amendment to create paragraph 3(1)(r), which calls for the implementation of regulations to force digital platforms to invest in methods that will produce results in terms of content discovery.

Where do we stand on this? Have you found the right approach?

Scott Hutton: Mr. Shortliffe is currently working on this. I'll let him talk about the various hearings.

Of course, discoverability isn't easy, but it's a key part of the equation. If you make a product, but no one listens to it, then you have failed, as Mr. Shortliffe said earlier.

I'll let him talk about the various entities involved in our serious discussions on discoverability.

Scott Shortliffe: Yes.

[English]

Rachael Thomas: I'm sorry, Mr. Shortliffe. I have to hit the pause button there, but Mr. Champoux can come back to this in his next round.

At this point in time, we are going to switch to five-minute rounds. We are starting with Mr. Diotte.

Kerry Diotte (Edmonton Griesbach, CPC): Thank you so much.

Madam CEO, you've probably heard the name Travis Dhanraj. He was a CBC journalist. In the summer, he launched a human rights complaint against the CBC. He says he was silenced because he wanted to include conservative voices on his news show.

Does it concern you to hear that certain voices are being quashed by our national broadcaster?

Vicky Eatrises: This would be a good question to ask the CBC, which I think is appearing before you soon.

• (1705)

Kerry Diotte: Would you have no concern about his allegations whatsoever?

Vicky Eatrises: I am aware of those allegations. I think that's a question for the CBC. The CBC is obviously an independent organization, and we would not be involved in those kinds of matters with the CBC.

Kerry Diotte: As an independent tribunal that regulates the Canadian communications sector, your strategic plan says the CRTC is an organization that respects Canada's diversity. Does your definition of diversity include a diversity of views and opinions in the Canadian content the CRTC regulates?

Vicky Eatrises: It absolutely does, and we could provide some detail on how it does.

Kerry Diotte: Could you provide a bit of detail right now?

Scott Shortliffe: When we license someone, we don't want to tell them what kind of content to have, but we require them to adhere to certain codes that were created by the industry. There's something called the Canadian Broadcast Standards Council, which administers codes that were developed by the industry. The CRTC then blessed them and added them to our standard conditions of licence for everyone. When someone has a complaint about content, they go to this independent organization, which looks into it.

Now, from my understanding about the particular complaint you've raised, it has two elements. It has a complaint that voices were silenced, and it has a complaint about internal treatment at the CBC/Radio-Canada, which is obviously a question for their management. We require that there be an equitable portrayal of all points of view, including conservative points of view. We allow that, however, to work through an independent body rather than have us declare whether a standard of fairness is met. That seems to be the best way to keep an arm's length between us, as a representative of the Canadian government, and decisions about what you put on the air.

Kerry Diotte: Thanks.

A poll from Public Square Research last year found that 76% of Canadians believe the government subsidies could negatively impact journalistic objectivity. Is the CRTC doing anything to protect diversity of opinion and objectivity on Canadian TV and radio?

I'd like the chair to answer, please.

Vicky Eatrdes: Again, I would come back to our role as a quasi-judicial tribunal. We fulfill our mandate, as I've explained, in a number of ways. We're doing that through the implementation of the new Online Streaming Act.

I will turn it over to my colleague Scott to provide more details.

Scott Hutton: Our approach to that is multi-faceted. It includes everything from what we've already mentioned about complaints and not making decisions about individual programs that are put on air, or who is employed by the companies as they are broadcasting on that front, to ensuring that we license as many different parties as possible and that there is a diversity of voices through the licence system we have had in place for many years. We are moving forward through new proceedings, going into the future, to make it easier and make sure that all voices are represented by the system. That's quite key for the CRTC on that front.

We've talked about funding and supporting local news, whether it be on the radio, on the television or in other forms of broadcasting going forward. A concern is how we implement that funding to ensure that we remain at arm's length. It is quite key and quite important to us. Every time we have set up something of that nature, it has been through independent parties. The means by which those funds are distributed are also done in a manner that avoids questions about decisions of what is on air and what views are put forward on air.

• (1710)

Rachael Thomas: Mr. Hutton, thank you.

That is your time, Mr. Diotte.

We'll move over to Mr. Ntumba.

You have five minutes.

[*Translation*]

Bienvenu-Olivier Ntumba (Mont-Saint-Bruno—L'Acadie, Lib.): Thank you.

I'll focus on support for Canadian creators.

How will the new framework ensure that Canadian creators won't face a disadvantage when it comes to content posted by major platforms such as Netflix?

Scott Shortliffe: Thank you for your question.

I don't want to sidestep your question. However, we asked this question directly during our public hearings, which ended this week. We took this factor into account during our consultations on Canadian audiovisual content.

We also asked the following questions. How can we ensure the independence of Canadian creators?

What steps should we take to promote their stories?

We don't have any results yet, but we consider this a key issue. Our policy framework must ensure the independence of creators and their work.

Bienvenu-Olivier Ntumba: Ms. Eatrdes, in your opening remarks, you spoke about Canadian content in music.

Can you provide some feedback on the expected results in this area?

Is the Canadian Radio-television and Telecommunications Commission, or CRTC, considering requiring platforms to promote content based on language and geographical location for regions outside major cities, such as my own constituency of Mont-Saint-Bruno—L'Acadie?

Vicky Eatrdes: I can start answering your question, and then I'll let Scott Shortliffe take over.

We just held public hearings on these issues. The hearings lasted three weeks and ended on Monday.

I don't know how much information we can add.

Scott Shortliffe: I can say that some speakers who addressed this issue suggested that geographical location should be taken into account.

At the same time, major foreign platforms such as Spotify and Apple participated in the hearings. They said that this wouldn't be an issue. This issue was also addressed in this group. The various speakers eloquently conveyed their different points of view.

Unfortunately, since the hearings just ended, I can't share the results. However, it's a significant issue.

Your question about the need for people living in the regions to access local content rather than just international content is important to us. In fact, we asked that very question.

Bienvenu-Olivier Ntumba: How will the CRTC ensure that Bill C-11 is implemented in compliance with the charter rights, particularly when it comes to freedom of expression?

Vicky Eatrides: Again, I'll start answering and then I'll let one of my colleagues take over.

The act is clear and it requires compliance with the charter.

Scott Hutton: This is key to the CRTC's work.

The Broadcasting Act, as adopted in 1991 and amended by the Online Streaming Act, includes an initial interpretation provision instructing the CRTC to ensure that its regulations, policies and decisions comply with the freedom of expression. This takes precedence over all the policy considerations listed in the Broadcasting Act.

We must take this broader context into account in all our decisions.

• (1715)

Bienvenu-Olivier Ntumba: Do you plan to impose specific obligations for algorithms that affect companies such as TikTok in order to better regulate consumer rights?

Scott Hutton: The act states that we mustn't interfere with the algorithms.

[*English*]

Rachael Thomas: That's your time.

Now we'll move over to Mr. Champoux for two and a half minutes, please.

[*Translation*]

Martin Champoux: Thank you, Madam Chair.

I was talking earlier, ironically, about the attitude that platforms in general have toward their responsibilities, or at least what we think their responsibilities should be to the cultural sector and the broadcasting sector in Canada.

This week, Spotify made probably the best joke, saying that it does a lot for artists, when we know that's completely false. In the meantime, you're holding hearings with broadcasters, who are asking you to lighten their regulatory burden and review French-language music quotas, perhaps even review the formula.

Of course, representatives of the artistic community—people in the music sector, songwriters and so on—are also insisting on being protected. You are facing quite a challenge with all those sectors that you have to protect. Broadcasters are also very important for the promotion of culture and for the artists who create that culture.

How do you see this kind of huge paradigm shift in the broadcasting sector with new players, as well as with artists, especially francophone artists, who are afraid of disappearing in the current context? How are you going to address that?

Vicky Eatrides: I'll come back to our role as a quasi-judicial tribunal.

We always hold public hearings where we hear from stakeholders representing platforms, the broadcasting sector and the cultural sector. We hear all the comments and perspectives, and it's always a

matter of balance. We make our decisions based on the public record.

Martin Champoux: However, you also have a “duty” to protect the industry, the Canadian sector.

Do you have that in mind when you hear from stakeholders who appear before you? Do you have a bias in favour of our cultural sector, Canadian creators, Canadian broadcasters over foreign companies?

Scott Hutton: You know that, as an administrative tribunal, we cannot show favouritism and give preferential advantage to one player or another. That would be an error in administrative law. That's why I'm taking the liberty of answering your question, as Ms. Eatrides represents the part of the commission that makes decisions in this regard.

Certainly, we take inspiration from the act as it is written, the many objectives that specifically ask us to consider Canadian artists—

[*English*]

Rachael Thomas: I'm sorry, Mr. Hutton. That's your time. Thank you.

Now we'll move on to a five-minute round, and our first MP up is Mr. Dawson.

Mike Dawson (Miramichi—Grand Lake, CPC): Thank you, Chair.

Thank you all for being here today.

Can the CRTC confirm the purpose of the local news fund?

Scott Shortliffe: I just want to make sure that I know which fund you're asking about. We have a series of local news funds. We have an independent news fund for television stations, which has existed for a long time but which we are expanding following a decision this summer. It will probably go out to another 15 stations or so.

We are creating a commercial radio news fund for radio stations outside of major centres. We anticipate that more than 500 radio stations across Canada will be eligible for funding support for news operations from that fund.

Of course, we are also involved in the administration of Bill C-18, the Online News Act, by which \$100 million is being provided to broadcasters, news organizations and newspapers across Canada.

So, we actually have several news funds that we're involved with at the moment.

Mike Dawson: Can the CRTC confirm which one of the funds Corus was added to and whether it's taking 40% of the whole fund without any additional money being added to the fund?

• (1720)

Scott Shortliffe: That is in reference to the independent local news fund, the ILNF. The decision was made to add Corus because it is no longer what is called a vertically integrated broadcaster. This decision was made with the intention of the additional monies coming from the base contribution decision, which would, in fact, increase the fund from \$18 million to \$42 million, in which case we can add those funds.

Since that decision has been held up by the courts, we haven't distributed that money yet, but it wasn't a decision to add Corus to the fund without adding additional money to the fund.

Mike Dawson: Thank you.

How will Corus use the fund, as it's related to local news, and will the CRTC protect the delivery of the local news?

Scott Shortliffe: As Mr. Hutton indicated earlier, we don't directly administer these funds. The fund will be administered through the Canadian Association of Broadcasters, which will set up standards where Corus, and anyone who receives the funds, will report on the number of journalists they have, which determines the funding they get. It's related to their status, through the Canada Revenue Agency, as a qualified journalistic organization. Corus will have to make commitments in terms of its journalism. If it reduces its journalism, it receives less through the fund.

Our hope is that the decision to provide Corus with access will actually strengthen local news through Corus across Canada.

Mike Dawson: Did the CRTC evaluate the impact and the consequences that the decision will have on the smaller broadcasters that deliver local news and depend on the fund to survive?

Scott Shortliffe: It was absolutely a part of our calculations in creating the fund. It's one of the reasons we did put limits on the amount that Corus could actually receive out of that fund, to make sure that other entities were supported by the fund, would continue to be supported by the fund and would not be displaced.

Mike Dawson: Does the CRTC have any concerns? Can it advise the committee on what the direct impact of the decision will be for the smaller broadcasters?

Scott Shortliffe: We don't see the decision as having a negative impact on small broadcasters. We realize that a number of them have concerns, which they have raised, saying, "If the court rules another way and the money is not forthcoming, what does that mean?" At that point, they would, of course, be free to make an application to the commission, which the commission would consider.

We are proceeding on the basis that we made that decision saying that it will let more stations into the fund. However, the existing stations will continue to be strongly supported. More stations will be supported on the basis of more money coming into the fund.

Mike Dawson: What corrective measures will be taken to ensure that smaller independent broadcasters aren't destabilized or crowded out as the larger players are now assessing this one?

Scott Shortliffe: Well, as I said, the fund has been set up in a way that it should have no negative impacts on smaller players. In the case that there is less money in the fund because the courts rule against us, that would be a hypothetical for which, as a tribunal, we

can't address what measures we might or might not take. We would have to assess the facts on the ground at that time.

Mike Dawson: Do you have any plans to add more money to the budget to help the smaller broadcasters deliver the local news?

Scott Shortliffe: I think what we can say is that we will continue to look at news in a holistic way in the weeks, months and years to come. If needed, the tribunal, of course, will look at what is needed to support local news across Canada.

I think the decisions we took this summer will provide substantial support to local news across Canada, and we'll continue to focus on local news going forward.

Rachael Thomas: I'm sorry, Mr. Dawson. That's your time. Thank you.

I will now go over to Mr. Myles for five minutes.

David Myles: Thank you, Madam Chair.

I just think some context would be helpful. I'm particularly interested in the Canadian creative ecosystem, and some context around.... I think that, traditionally, some of the money for the Canada music fund and some of these other funds that Martin has been bringing up has come from broadcasters.

Maybe you can just tell us a little bit about how that's happened in the past and how that revenue has tracked over the last number of years. What's been the trend? Some of the motivation, obviously, behind Bill C-11 was that money wasn't coming in from broadcasters as it traditionally had been.

Maybe you can just give us a sense of that context and what that has looked like over the last 15 or 20 years.

Scott Hutton: If we're looking more economically as a question on that front, our main approach is that our support for music has been through radio station regulations and other new ventures that have come up in the last number of years, such as satellite radio. For example, Stingray does have a product that is on the cable channels also.

All of those approaches are helping by making sure there is an availability of Canadian music on the airwaves, if I can oversimplify it, and contributing dollars to something we call "Canadian content development funds". Those dollars serve to help create new music, in both the creation and the marketing and distribution of that music, not only across Canada but across the world.

That's sort of the high level on that front. Naturally, radio stations' revenues have been declining over the last number of years, so those funds have in fact diminished slightly, addressing both francophone and anglophone markets there. With us having moved forward in looking at the new streamers and asking them to contribute dollars going forward, that's how we will be addressing that diminishing support. That is based on radio revenue.

Something similar with respect to cable television.... Mr. Champoux mentioned the CMF—not the Canada music fund, but the people who support television in that case. It has been widely supported both by government and by a percentage of cable revenue. Generally, 3% to 5% of cable revenue has been supported on that front.

Those funds have also been diminishing as Canadians are subscribing less to cable. When we started all these ventures, we were probably around 90% penetration of cable, and now you're looking at something more akin to 60%. All forms of cable, whether it's IP or satellite, are what I'm mentioning in that case. Government has stepped in over the last number of years to backstop that diminishing amount, and certainly decisions were made about the initial contributions to ask the streamers to start contributing to those funds. That's how we're working the system on that side.

The vast majority of production dollars for the companies that have licences in this country in fact have requirements, again, for a percentage of their revenue to contribute towards programming that includes local news and other forms of programming, as well as actual production for their own airwaves by themselves. That's the other regime. On that front, certainly local television has been struggling for a number of years, whereas the other big component has been related to specialty channels. That, however, has been more robust over the last number of years.

Hopefully, that's the high level—

• (1725)

David Myles: That's exactly what I was looking for, getting a sense of how that has diminished. Obviously, as Martin brought up, this becomes a matter of expediency to a certain degree, because that money is declining year after year as the radio licences aren't being sold or whatever degeneration is happening.

I'm curious to know how the 5% compares to the previous amount that was generated through some of this radio and television. Is it an equitable amount or is it going to be greater?

Scott Shortliffe: Perhaps I'll jump in there.

When we established the 5%, we said that this was base contributions. This was, for lack of a better term, table stakes for entry into the Canadian system. We had a lot of evidence on the record that said it is equivalent to what certain companies have to do—what we call BDUs, broadcast distribution undertakings—and it is less than Canadian broadcasters have to do. They have a bigger percentage that they have to spend.

There is a record, which is before us now as part of our hearings this summer, where we asked that question: What is equitable? The act says that it doesn't have to be exactly the same, but it needs to

be equitable. That is before us. We don't have decisions that we can announce on it yet.

Rachael Thomas: Thank you.

That is the end of your time, Mr. Myles.

As committee members know, this is not normally the seat I occupy. I am vice-chair of this committee and therefore here in this seat because of the absence of our chair. That said, I did prepare a question round, and I will take that opportunity at this point in time.

I'll ask the clerk to set the timer for five minutes. Thank you.

As has been mentioned, streamers are required to pay 5% of their Canadian revenue over to the CRTC, which goes into a fund, or they can invest money directly into the production of Canadian content. Now, in order to do that, they would need to know what Canadian content is. Is there a redo on that definition? Do we have a new definition with regard to CanCon?

• (1730)

Scott Shortliffe: When we made that decision, there was an existing definition. The hearing we had this May was specifically on whether there should be a new definition. We had input, including from streamers, on various propositions that we had on what a new definition might look like or whether we should keep the same one.

I can tell you that there will be a decision forthcoming on that in the not-too-distant future. Unfortunately, we have not issued a decision yet, so I cannot provide any more precision on what it will look like in the future.

Rachael Thomas: Okay.

With regard to the fund that is put aside, will streamers have an opportunity to apply for money from that fund in order to produce Canadian content?

Scott Shortliffe: This relates to the point raised earlier by Monsieur Champoux. We said there are two ways they could contribute. One would be through the Canada Media Fund, which we do not directly manage. The Canada Media Fund has a question before it on whether or not it would allow streamers to access its funds. We do not manage the Canada Media Fund, so that is up to them to determine.

In recognition of the fact that they asked if they would have flexibility in that way, we provided them with an alternate way: You can invest directly a great deal of that fund if you want to commission Canadian content. I can say that there are some cases where streamers have said to us that they have commissioned or participated in elements of Canadian content. Our practice is not to mention specific title names when we're at a hearing, but they have done some of that.

We've been trying to explore ways they can contribute to the system where it's not just them contributing to funds. They can also invest in the system themselves. That is very much a work in progress. Obviously, once we have a final decision on definitions of Canadian content, that may affect how they adjust their approach.

Rachael Thomas: The same question goes for digital creators. Will they have the opportunity to apply for funds?

Scott Shortliffe: We don't support individual creators. We support funds that commission programming. Individual creators, if they are creating a program, can go to those fund administrators. We don't create funds that support individual creators directly.

Rachael Thomas: Okay.

How does Bill C-11 make the Internet better?

Vicky Eatrides: That's a big question.

I would come back to our role with respect to Bill C-11, which is the implementation of the legislation. We're a quasi-judicial tribunal. We are implementing the legislation given to us by Parliament.

Rachael Thomas: I understand that. I think you and I could probably agree that the definition of success in terms of the implementation of Bill C-11 would be to serve the Canadian public to a greater extent. How does Bill C-11 do that?

Vicky Eatrides: We are here to work in the public interest. Coming back to our role, we are here to ensure that we are implementing the regime that has been given to us by Parliament to make sure that we are including online streamers in the regulatory regime.

Rachael Thomas: Again, in the implementation of Bill C-11, the CRTC, I would imagine, is motivated by wanting to implement it in such a way that it serves the intent of Parliament. At the time, the minister said it would make the Internet better for Canadians. How are you implementing it in order to achieve that goal?

Vicky Eatrides: I would point to what my colleague Mr. Shortliffe said. Implementing Bill C-11 does support the Canadian broadcasting system. It does offer choice to Canadians in terms of what they're able to watch and what they're able to consume. Obviously, there is an economic perspective to that as well in terms of supporting the broadcasting system.

Rachael Thomas: I can appreciate what you just said. You outlined how it makes the broadcasting system better, but how does it make the Internet better?

Scott Hutton: I guess it's a question of the selection of words. I have responsibilities on both the broadcasting side of our house and the telecom side of our house. The pure Internet is the pure pipe that delivers product to Canadians. What Bill C-11 is doing is making sure that product is delivered—

Rachael Thomas: I'm sorry, Mr. Hutton. To be fair, I have to call time on myself.

Thank you. I do appreciate that.

At this point, we go to Ms. Royer.

You have the floor for five minutes.

• (1735)

Zoe Royer (Port Moody—Coquitlam, Lib.): Thank you, Madam Chair and esteemed colleagues.

To our panel, thank you very much for joining us today.

Once the new framework is fully implemented, what kinds of experiences can Canadian viewers expect daily in their experience with Netflix, with Spotify and with YouTube? What would that look like?

Scott Shortliffe: Thank you very much for the question.

Unfortunately, again, I cannot provide a precise answer, because those are the questions before us.

What we've heard in the presentations we've had throughout the summer is that people value having access to lots of content, including foreign content, but at the same time they want to have the opportunity to find Canadian content, so it really goes to the question about discoverability.

We posed this question directly in all three of the hearings we had in the last couple of months. We also commissioned a study on discoverability, looking at the best practices around the world, which we'll receive shortly and which we will make public, because I think that is the key question.

The dividing line that the commission has to walk is that we don't want to interfere with what people love about platforms, whether they're streaming platforms or any other way of getting content, but at the same time we want to make sure there are options there so that they can see Canadian content and access it easily and so that it's not buried somewhere 15 clicks into something.

That is exactly the question that is before us, and we look forward to being able to come back in the future and describe what our decisions are and how they will achieve that.

Zoe Royer: Thank you.

I'm really glad that you raised the business of discoverability. How will you measure Canadians' success rate in finding, discovering and being able to actually see Canadian content?

Scott Shortliffe: That's a fascinating question, and I'm going to try to do this in a pithy manner and not be a geek about it.

One thing that became clear as we met with intervenor after intervenor was that they said the data is everything and you cannot measure success unless you have data. Unless you have that, you don't know what you're getting into. It was frankly fascinating to even talk to some of the streamers—not just foreign streamers, but streaming companies in Canada—that talked about the challenges of asking, “Is this Canadian? If it is Canadian, is it anglophone or francophone? Is it indigenous, or is it not?”

What we walked away with was an appreciation that discoverability is difficult, because, first of all, you need clear definitions, which we are in the process of creating. Second, you need to make sure those are widely shared and widely understood. Third, you need to make sure there is then an infrastructure so you can share them and you're not comparing apples and oranges.

It's a huge task in front of us, but I think it's one that we, as staff, also find energizing, because if we can get this right, then we will be able to compare apples to apples, and we will therefore be able to have success measures that will be useful and transparent, not just for us but for Canadians.

Zoe Royer: That is amazing. It really is an enormous task ahead.

In terms of the implementation of a major reform like this one, what have been some of the biggest challenges you've experienced so far, and what have you learned from them that will guide you into the future?

Vicky Eatrides: One of the biggest challenges is that it's a monumental task, as is finding that right balance. We know that everybody needs certainty. We've heard the urgency. We heard at our public hearing how important it is to move quickly and that measures need to be put in place right away. We've heard that. We've heard the need to move quickly, and it's balancing that with making sure we're consulting widely, as we have been told to do. It is in our nature as a quasi-judicial tribunal, but also, this legislation does put in place additional requirements in terms of consultation, so it's always about finding the right balance to make sure we're moving quickly and consulting broadly.

Zoe Royer: Can you share examples of how the CRTC is ensuring that the voices of indigenous, French and English minority communities and youth and other equity-seeking groups are being captured?

• (1740)

Scott Hutton: We have something we call engagement teams. We built something called the indigenous relations team. We have a similar team with the official-language minority groups. We're doing something similar with accessibility and with consumer groups. We are going out there and trying to make it easier—we are a tribunal, as we've said—for them to come and share their views so that our decisions can take them into consideration. That's the approach that we are giving ourselves.

Rachael Thomas: Thank you, Mr. Hutton.

I will go to Mr. Champoux for two and a half minutes.

[Translation]

Martin Champoux: Thank you, Madam Chair.

Ms. Eatrides, in your opening remarks, you opened the door to topics other than broadcasting. However, I want to talk to you about the decision that allows large telecommunications companies to sell plans using the networks of other telecommunications companies. This measure was originally put in place to increase competition by allowing small players to move in to markets and offer consumers better prices. So the goal was to prevent monopolies from arising.

Companies like Cogeco, a well-established company in my region, in Centre-du-Québec, as well as in Mauricie, have decided to invest in their network. However, allowing the big players to come in and use these networks means that the smaller ones will no longer be able to afford to invest in maintaining their networks.

You say you have put these measures in place to ensure that businesses continue to invest in high-quality networks, but if this decision is upheld, the opposite will happen instead. Even the big companies won't want to invest because the maintenance of these networks costs a fortune. In the end, consumers will have had better rates over a short period of time, but in the long term, we will end up with poorly maintained networks. That's what we're hearing, generally speaking, from telecommunications companies.

How do you plan to remedy this situation?

Vicky Eatrides: Thank you for your question.

Before making our decision, we conducted 18 months of consultations and held a public proceeding and a public hearing. We heard from industry stakeholders, Competition Bureau Canada and consumer organizations.

Our decision was based on competition and investment.

When it comes to competition, we wanted consumers to have more choice and lower prices. However, we have also put in place measures to promote investment, such as preventing competitors from accessing networks for five years. We also took into account the high cost of investing in networks to determine the rates that companies have to pay large players to access their network. We know that investments are very expensive.

[English]

Rachael Thomas: Thank you. That's the time.

Moving on to the next five-minute round, we have Mr. Waugh.

Kevin Waugh: Thank you, Madam Chair.

In terms of Google money, they came through with \$100 million, and \$63 million was distributed to digital media and some newspapers.

What does success look like to the CRTC? I don't buy that you care about local news, because it's all about money. If the newsrooms aren't at the trough, they disappear, as we've seen in every province of this country.

What does success look like to the CRTC?

Vicky Eatrides: I can start and then turn things over to Scott, who's overseeing the work on the Online News Act.

Success would be fulfilling the role we've been given as a tribunal, which is to ensure the administration of the Online News Act. The CJC, or the Canadian Journalism Collective, has been set up to ensure that the money is distributed, and it decides to whom it goes. Ensuring that the money is distributed by the CJC and that the role is fulfilled would be success for us in terms of our role.

Kevin Waugh: You have said here for the last hour and a half that newsrooms are not really a priority. Well, you say it's a priority, but I don't see the correlation with the money being handed down to TV and radio stations, because the first cut they make is to local news. I've talked about it here.

How much money is it going to take from the government, at the end of the day, to make this successful and make your organization carry out what Canadians want? How much money will it take?

• (1745)

Scott Hutton: That's a very big question to ask. It involves a lot of speculation.

Kevin Waugh: Give us a number.

Scott Hutton: I don't have such a number. It's not there.

Quite frankly, money isn't the only solution. That's why we are looking at a whole bunch of different things. We've spoken often enough about conditions of licence, to ensure that those who do have licences in those markets are producing local news and are investing in it. These are two different types of conditions of the licences we have in place with them.

There is the Google money that's flowing. We have created new funds to help support businesses that produce news. Very precisely, that support is dependent upon how many reporters you hire on staff on that front. It's going to news and the people finding the news. It has been quite important in support from our end on that front.

Kevin Waugh: Who follows up when the CTV network decides not to have local news on Sundays and Mondays? Does the CRTC do that? You used to get a seven-year contract for a licence. Are there any licences anymore? I'm sure the CTV did not have that in its licence.

Radio-wise, I can tell you what is happening. I can do the morning show in Saskatoon from six to nine, and then I go off the air and I'm doing the mid-morning show in Calgary. You knew this. This is what owners are doing to shave money to stay alive in this country. A number of so-called disc jockeys or morning shows will do them and then turn around.... We're in Edmonton now. It's a

quarter to the hour. I don't know what hour it is, but I have the mid-morning show from nine to noon.

I don't see the CRTC following up with certain broadcasters in this country about what I just talked about—local news and radio stations that are doing programming like what I just mentioned. Years ago, we were all scared of the CRTC. Now nobody gives a damn about you guys—I'm going to be honest—because you don't follow up.

Scott Hutton: You've shifted from television to radio on that front.

Kevin Waugh: Yes. I did both.

Scott Hutton: I think we've had many discussions over the years about television. We do follow up. There have been precise rules in place to support local news on television stations. Yes, CTV does have rules or regulations applied to it in that instance.

With respect to radio, for decades radio had been producing local news and putting it on air. Therefore, regulation was not needed on that front.

Kevin Waugh: It is now.

Scott Hutton: We are looking at various proceedings right now and how we can help. One of the radio-related items is to have a fund that, for the first time, supports news on commercial radio and on markets across the country in more rural areas. That was identified as an area of prime concern at our hearings.

We do care, and we have been putting in place measures to help.

Kevin Waugh: It doesn't do anybody any good. This is broadcast news, because it's not local.

Rachael Thomas: Mr. Waugh, that's your time.

Kevin Waugh: Thank you.

Rachael Thomas: We will now move over to Mr. Ntumba.

[*Translation*]

Bienvenu-Olivier Ntumba: Thank you, Madam Chair.

Let's go back to the implementation and enforcement of the Online Streaming Act.

What mechanisms will be put in place to address non-compliance by online platforms?

Scott Hutton: As my colleague Mr. Shortliffe said earlier, at this time, it is a bit too early for us to be able to answer your question about how we ensure online platforms' compliance.

In accordance with our work plan, we are in the process of putting in place all the policies that the platforms will have to comply with and defining all the industry needs they will have to meet. We look at the definition of Canadian content, we ensure a fair market and we also look at audio content. Our job is to put in place the measures that platforms will have to comply with, but we then also have to make sure that they do indeed meet those objectives. However, we're not there yet.

Bienvenu-Olivier Ntumba: I appreciate that.

Do you want to add anything, Mr. Shortliffe?

Scott Shortliffe: Yes, I would like to add a couple of quick comments, which do not necessarily apply to this company in particular.

Passing this bill gives us new tools. If a platform breaks our rules, we have the power to request the necessary information or data. In some cases, monetary penalties can be imposed. We have tools we can use if a party does not comply with our rules.

• (1750)

Bienvenu-Olivier Ntumba: How do your new requirements support local media?

I want to come back to local media because that's still an important issue in the regions. You've done a series of consultations, which is very good. In anticipation of your final decisions at the end of these consultations, how do you plan to make room for local media or make them shine?

For us in the regions, this issue is of the utmost importance.

Scott Hutton: Those are precisely the questions we ask ourselves at all our public hearings, whether the discussion involves music or other elements. Earlier, I mentioned the development of Canadian content and the funds allocated to it. Those funds are available in every market across the country. Every radio station invests in local production.

Naturally, we were wondering how to consider this aspect in the era of digital systems. If we continue to support the organizations that benefit from those funds, we will potentially be able to maintain these very specific efforts for local content across the country.

Bienvenu-Olivier Ntumba: There are current issues across Canada, from east to west. I'm thinking in particular of the place of the francophone minority outside Quebec.

While remaining in your neutral position, can you tell us whether the CRTC has planned to promote and highlight the French content of local media outside Quebec over the next month or weeks?

Scott Hutton: Just today, our consultation committee held an important meeting, as I mentioned to one of your colleagues. We work very closely with the communities, be they producers representing people in television, journalists or people in the music or community radio world. All those people are very active with us and we try to consult them as much as possible so that we can make informed decisions in our proceedings to support them.

There are different communities across the country—either anglophones in Quebec or francophones outside Quebec. Those people participate fully in the consultations, and we also support them in our decisions. The funds we have set up support programming designed by and for these communities.

Bienvenu-Olivier Ntumba: I have met with people from a number of organizations who invited me, including the Black Screen Office.

What steps is your organization taking to increase the visibility of minority or racialized communities?

Scott Hutton: As you know, we are an administrative tribunal.

We are working very hard to ensure that it is easy to interact with the CRTC and share views with it.

[English]

Rachael Thomas: Thank you very much.

We will move to Mr. Diotte for five minutes, and then to Mr. Champoux.

Kerry Diotte: Thank you.

I'd like to return once again to the issue of diversity, specifically diversity of opinion. What is the CRTC doing specifically to ensure Canadians are getting a diversity of opinion in the media they're exposed to?

Vicky Eatrides: Perhaps I could start off and then turn things over to our head of broadcasting.

I will just address a couple of points. One is that, as part of the implementation of the new legislation, we are looking at the issue of how we can increase diversity. Another thing I would say is that, through all of the licensing decisions we make in broadcasting, which my colleague could speak about, we do ensure that we are licensing a number of different broadcasters that have diversity of views and perspectives. We could provide more detail.

• (1755)

Kerry Diotte: Sure. A bit more is good.

Scott Shortliffe: We have a couple of different lenses when we approach licensing decisions. One of them is that when someone approaches or looks for a licence, we look at the market and make sure there is enough economic room in the market. We also try to emphasize that there should be diversity of opinion. Now, in this case, I'm talking about radio, because there's only so much spectrum.

To look at television services, we license a vast variety of television services. We also permit a large number of foreign services to broadcast in Canada that present a wide variety of points of view. I think we pride ourselves on trying to make sure that Canadians have access to as many different opinions as possible.

We also have journalistic codes and accessibility codes, which are then administered by the Canadian Broadcast Standards Council. When there are complaints about viewpoints being shut down, there is somewhere to take those complaints.

We're trying to build a system that has as much diversity of opinion in it as possible.

Kerry Diotte: Thanks for that.

You have a lot of public consultations, obviously. You've talked about it. Do you have any plans to hold consultations on fair representation of diverse opinions in Canadian radio and TV? Is there anything coming up?

Scott Shortliffe: I have to be a little coy here because, as a tribunal, until we've announced something publicly, we don't speak about what our future plans are.

What I can say—and we've expressed this in the past—is that when we finish this major policy work, for which we have a bit of the end in sight, that does not mean all of our work is done. There are a number of issues we need to follow up on. Certainly, we have more questions to answer. There, unfortunately, I have to be a bit coy and stop, but I can say that the question of fair representation in a different media system is obviously an important one for the future.

Kerry Diotte: Thank you.

Does the CRTC currently monitor online and broadcast content for hate speech?

Scott Shortliffe: We operate on a complaint basis. There are two kinds of things. When we issue a licence, we don't issue licences to online entities currently, but you have broadcasters. Typically, when we're renewing their licence, we do compliance checks to make sure they've met their requirements, which can happen every couple of years. The other thing we do is respond to public complaints, usually around licence renewal time. If someone comes to say there has been a problem with content on, say, a radio station, either we will look at that issue at licence renewal time or, if we get enough complaints and it's serious enough, we can obviously do it off-cycle.

We don't do it on a regular basis. I don't have staff who sit there monitoring everybody. At the same time, we try to make sure we are responsive and responsible in dealing with any issues that are brought to us.

Vicky Eatrides: I'd like to add something very briefly and come back to something we talked about earlier.

There are very formal processes in place. To the extent to which there are concerns about what's being broadcast, if it's through a private broadcaster and the concerns or complaints are about them, that goes through the Canadian Broadcast Standards Council. If it's about a public broadcaster, any concerns or complaints about that content would go through the ombudsperson for that public broadcaster.

Kerry Diotte: Very quickly, what's your definition of hate?

Scott Shortliffe: As Vicky was just explaining, because we don't manage those complaints directly, we do not have a definition of hate that we apply. If there is a separate case brought to us, we treat each case on its merits.

Kerry Diotte: You have no definition of hate speech. Is that correct?

Rachael Thomas: Thank you. That's your time.

Mr. Myles, you have the floor for five minutes.

David Myles: Thank you very much, Madam Chair.

I think we're mainly speaking about Bill C-11 here, so I'm going to come back to it.

First of all, this is a very important piece of legislation, for all the reasons we've talked about today, particularly in terms of the mon-

ey that has been generated for the ecosystem over a number of years and also in terms of regulating the digital space as traditional broadcasting has been regulated for years and years, which has benefited Canadians and Canadian content. There's no reason why we can't move into the future and do the same thing in the digital realm in the Internet era. I understand that it's huge work, and I commend you for it.

I am a little concerned about enforcement. Maybe you can't talk about the legal challenge, but maybe you can. What I'm really curious about is some of the resistance that you've received from the streaming services and what the legal challenge looks like.

Vicky Eatrides: I will turn things over to my colleague Scott in just a moment.

Yes, there are legal challenges before the courts, but in terms of the public proceedings that we've held, we did receive a number of diverse views, including from the streamers, on those public proceedings.

• (1800)

Scott Shortliffe: What we can say is that the streamers participate in our public proceedings. In one of the proceedings, they ultimately declined to appear in person, but they did in fact make representations, and they responded to our requests for information, of which we had many, and provided final replies. They've been fully involved, even up to the last few days, when Spotify and Apple appeared at our audio hearing. We have seen them be very willing to engage with us.

In terms of the legal proceeding, it's before the courts, so we obviously can't refer to what the court's decision will be. I will simply note that, in what they put before the court, they raised a number of technical issues as well as an overall issue. We don't know where the courts will go with any of this, but we need to proceed with our work. Appealing to the courts is something everyone has the right to do, so they have the right to do it. Frankly, Canadian broadcasters and other entities had recourse to the courts with other CRTC decisions in the past. It is a normal course of business. We will see what the courts decide. In the meantime, we will continue administering the act that Parliament entrusted us with.

David Myles: This is a nerdy question. I'm just wondering about accounting. How do you trust their accounting on the 5% amount?

Scott Hutton: That's my job. Data is king. Certainly, they are sharing some data with us, so we do get amounts directly from them with respect to subscribers or revenues. However, there are also a number of other services out there that we subscribe to in order to be able to estimate and verify that those numbers are correct.

David Myles: So, they have been forthcoming with the numbers.

Scott Hutton: They have been forthcoming with their own information. As with everyone else, we do verify it, and we have different means to be able to do that at the CRTC.

David Myles: Is there any concept of a timeline around some of the CanCon definitions?

Scott Shortliffe: I'm going to be incredibly coy here and say "coming soon". We have been working very hard on this, so it's coming soon.

David Myles: I appreciate it.

Obviously, these are really complex questions and very important questions, I think, for all of us. This will determine what gets funding and how we're going to work towards discoverability.

Discoverability is a big question. Has there been resistance in actually modifying the algorithm itself?

Scott Shortliffe: As Mr. Hutton mentioned in answer to an earlier question, the bill actually says that we cannot require them to touch the algorithm. I will say, on the record, that the streaming companies have been quite forthcoming about what they do for discoverability and what they see its potential options are. When we've said to them, "Will you continue to engage with us around discoverability as we investigate it more?", they certainly seem open to that dialogue. Now, does that mean that they will like our eventual decisions? We can't say, but they have indicated that they understand the importance of this and of engaging in this discussion with us, as have traditional broadcasters and other players in Canada. I think everyone realizes that discoverability is an absolutely key question when you're talking about Canadian content. Simply having it produced and sitting on a shelf is not good enough.

I see I'm getting the hook, so I'll stop here.

David Myles: Thank you very much.

Rachael Thomas: Thank you, Mr. Shortliffe.

I will go over to Mr. Champoux for two and a half minutes.

[*Translation*]

Martin Champoux: Thank you, Madam Chair.

I'm concerned about that court decision. If the court agrees with the platforms' arguments and they don't have to pay the 5%, what recourse would there be? Could the CRTC, on its own, make another decision and start from there, or should we redo the legislative work and submit, for example, an amendment to the bill on online broadcasting?

• (1805)

Vicky Eatrides: It would depend on the decision.

If the court found that the decision was not correct, the reason for that decision would inspire us to decide on the next steps.

Martin Champoux: Do you have any idea to what side the court's decision will lean? What is your intuition as to the viability of your decision? Are your prognoses correct?

Vicky Eatrides: Personally, I think so—

Voices: Oh, oh!

Vicky Eatrides: Unfortunately, we don't know.

Martin Champoux: That's good. You gave your opinion on the matter. I find that very helpful.

Earlier, we started talking about sharing infrastructure for cell-phones and the Internet. You also said there were measures in place that required large businesses to reinvest in networks and infrastructure.

I'll give an example, and I don't favour one company over another, but let's take the case of Telus and Rogers, which are entering the market in my region, in Drummond. They are offering plans using existing networks, existing infrastructure. Do they have an obligation to invest in the markets where they will generate revenue, or are they only required to invest in their infrastructure, as all businesses are required to do?

Scott Hutton: Based on the measures we've put in place and mentioned to you, we make sure that those who rent their network are able to make the necessary investments. We don't scrutinize the investments they make in each market, but rather the rate that has been set, so they can make sure they have the funds to properly maintain their network.

In other cases, we generally make sure that the networks are reliable. Various proceedings of ours have already concluded—others are under way—to ensure that everything that's going on, whether it's in the environment—

[*English*]

Rachael Thomas: Thank you for your explanation, Mr. Hutton.

Next is Mr. Dawson.

Mike Dawson: Thank you, Madam Chair.

I didn't hear an answer on whether Corus was getting 40% of the independent fund. All I got was that the fund was going from \$18 million to \$42 million.

Can you answer on how much Corus is getting?

Scott Shortliffe: I don't have a precise answer yet. The fund will be administered by the Canadian Association of Broadcasters, based on submissions to it. It could be up to 40%. That's a maximum we have put in. I cannot give you a precise number yet, because it has not yet been determined.

Mike Dawson: Is there any indication on what it will be?

Scott Shortliffe: I simply don't have the numbers. I'm sorry.

Mike Dawson: Are there any restrictions with the fund that's being given to Corus?

Scott Shortliffe: It needs to be expended and used on the same basis as it would need to be expended by an independent local news company and other independent local news television broadcasters.

Mike Dawson: Can they use the funds for operating budgets? Are there any restrictions? Can they hire new staff, raise salaries and balance their budget with new funds, or is the money restricted to providing additional service to the listeners?

Scott Shortliffe: That's an interesting question. They can spend it in many different ways, as other news organizations can, because there is a question about what quality news is. That can lead to more investment in your back office. It can lead to hiring new journalists. They do have some flexibility in doing that, but it needs to be determined that it is being spent on news.

As with any of our programs, of course, we will be doing a review of it in the future to see what the ultimate effects are and whether it has had the effect we intended, which is to provide for better and stronger local news across Canada.

Mike Dawson: With Corus potentially getting 40% of the local news fund given out, should I expect local news in my riding in rural New Brunswick, or are we going to lose out to bigger places like Ottawa, Montreal, Vancouver and Toronto, where they don't understand where Blackville or Minto or Chipman or the smaller parts of my riding are in rural New Brunswick?

Scott Shortliffe: That is certainly not the intention of any of the funds we're providing. In fact, we've specified, especially on the radio side, that we want investment outside the major centres. In terms of television use, we want to see investments kept locally and not have everything fed through the five largest cities in Canada. Certainly, that is absolutely the intention of our funding.

• (1810)

Mike Dawson: How many people are employed by the CRTC?

Vicky Eatrides: Currently, we have about 750 people. That includes roughly 60 people who are temporary resources just for the year to get us through moving ahead on the Online Streaming Act. Those are temporary resources that will not exist in a year.

Mike Dawson: Did you say it includes 60 people since the act was enacted?

Vicky Eatrides: We received funding for roughly 60 people to help us through the Online Streaming Act. Again, that's temporary. That funding will disappear next year.

Mike Dawson: I'll turn the rest of my time over to you, Chair.

Rachael Thomas: Thank you.

To date, how much money that has been collected based on the 5% of Canadian revenue has been remitted to the CRTC?

Scott Shortliffe: I'll answer that.

None of it comes directly to the CRTC. One thing we did when we made our base contribution decision was that we set up a mechanism where, when the streamers asked for an independent company to administer it to preserve some of their corporate secrecy, they were allowed to do that. There is an independent body that is collecting and will administer the money, disburse the money and report to us on the money that it has received from the streamers, so that we can do the accounting that Mr. Hutton talked about, and that will go out.

Because of the court ruling—

Rachael Thomas: If I may, I think the question is clear: What is the amount that has been remitted, whether to the CRTC or to a third party?

Scott Shortliffe: We do not have an accounting yet. As the court has not ruled, they have not been required to provide us with the money that has been collected and what money will be disbursed.

Rachael Thomas: So, because of the court order, there is a stay. Therefore, no revenue or percentage of revenue has been collected yet.

Scott Shortliffe: We understand that the money has been received and is being held in trust. In fact, we have been told that, at the choice of the streamers, some has actually been distributed to some of the recipients. They are not legally required to do that. They have chosen to do so.

Our complete accounting will come once the courts have ruled. Then we will receive the complete report on what has been collected and what has been paid out.

Rachael Thomas: Thank you. That is the time.

We're moving over to Ms. Royer. You have five minutes.

Zoe Royer: Thank you, Madam Chair.

The topic of consultation with stakeholders was raised by Mr. Ntumba and later as well. In my riding in beautiful west coast B.C., in the riding of Port Moody—Coquitlam, we have some producers. One of them is Tri-Cities Community Television, which represents five communities of the 21 Lower Mainland metro Vancouver communities. That's one organization.

The other one is the Canadian Ethnic Media Association. In my riding, there are specific outlets, including Parvaz TV and KTV media, among others. The Canadian Ethnic Media Association represents about 85 producers across Canada. I know they are looking for sustainable support.

In the context of consultation, has the window closed or are you still seeking consultation with stakeholders?

Scott Shortliffe: The specific hearings we had this summer have closed and the records have closed, but we are always seeking consultation with stakeholders. In fact, with numerous stakeholders, we've said that if we're not holding a consultation but they want to better understand what we're doing and what they might do in the future, they should reach out to us. Call me. If they contact Vicky, she will put them in touch with me or the other Scott, or anyone else in the organization who could help them.

We encourage people to reach out to us and start communicating with us, and we will keep a dialogue with them. Part of our job is to give them the best information on how they can intervene on the record in our proceedings and be taken into account in our future decisions.

Certainly, there are some specific windows that have closed, but the grand window remains open and we encourage people—I'm going to mix my metaphors—to walk through the door to see us.

• (1815)

Zoe Royer: I really appreciate that response. I think it will be music to their ears, so thank you for that.

Looking ahead, what milestones should Parliament and Canadians watch for as final implementation steps continue? How will you track outcomes such as audience reach, employment, investment and growth in the creative sector?

Vicky Eatrises: Perhaps I can start and turn things over to my colleague.

In terms of the milestones coming up, as we've mentioned, there were a number of major proceedings and major public hearings that took place over the summer. In the coming weeks and months, these major decisions will be released.

The big policy part of implementing the Online Streaming Act will be completed over the next several months. After that, there will be specific conditions of service that we will need to follow up on with certain companies.

In all of our work—and I would say this is on the broadcasting side as well as on the telecommunications side—it's very important to monitor. This comes back to a previous question about what's happening with telecommunications. We have said very publicly that we need to continue to monitor to make sure that the measures we're putting in place are meeting the objectives we are trying to meet.

Zoe Royer: Thank you for that.

To sum up, with the Online Streaming Act, could you very concisely give us your pitch? How will it strengthen Canada's cultural sovereignty in this digital era?

Scott Shortliffe: I think it is what Parliament gave us and asked us to do. What it will do is make sure that Canadians continue to have choices. Our understanding of the act is that it's not forcing Canadians to take any of those choices, but making sure they are there.

In response to one of the questions from one of your colleagues earlier, we talked a bit about the ecosystem and how it has developed to fund both music and television content in Canada, but it has been under stress as revenues have declined. We are trying to find a sustainable path forward so that Canadians will be able to continue to listen to the music they want, have Canadian choices in it, have it in both official languages and have choices on their television screens, and in all of those, have choices that reflect their local experiences and local news.

That, to us, will be the definition of success, and that is the path we are on to try to implement it.

Zoe Royer: Thank you.

Rachael Thomas: Thank you very much. That is time.

We are headed into the final round. We will have one period of questions from the Conservatives, another from the Liberals, and

then the Bloc Québécois. Then we'll be bringing this meeting to a close.

With that, I will be the Conservative member asking questions during this round.

On the note of choice, you said that you want to be able to explain to your family what Bill C-11 does. You said it's about creating choice. How has Bill C-11 provided greater choice within the sphere of the Internet for Canadians?

Scott Shortliffe: Our interpretation of the bill is that we weren't asked to regulate the entire Internet as it stands. In fact, the bill was very careful to say in the policy direction that we should not be regulating the programming of social media creators. I would step back and say we weren't given the task of making sure the Internet as a whole will be better. We were asked to look at where there is broadcasting, including by streamers, and to make sure there are Canadian choices available, or support for the Canadian system on that, and it's a work in progress. We have our base contribution decision, which we think will help with local news, with French content, with indigenous content, with content for racialized Canadians. That is an important start.

In terms of the other things we want to achieve, it is still a work in progress, but we're very pleased that we've had robust public consultations and are now at the point where, shortly, we'll be able to come out with concrete decisions that will allow us to return and answer your question more fulsomely.

• (1820)

Rachael Thomas: Isn't it true, though, that there really is more choice than ever before in the online sphere, in particular with streamers—Spotify, Apple Music, etc.? It's why people, as Ms. Eatrises rightly pointed out, are switching more and more from cable television and what we would call traditional broadcast systems to streamers. It's because they're drawn to choice, and that choice is made available to them often at a fragment of the cost.

Scott Shortliffe: There's enormous choice available on streaming services, and this is very much something we want to support. Part of choice, though, is that if you're Canadian, you can find Canadian content. That is an element of choice.

I think what we're talking about here is expanding choice, certainly not trying to limit choice.

Rachael Thomas: Your definition, then, of expanded choice is defining what that choice should be for Canadians. Is that true choice?

Scott Shortliffe: That's not what we're saying at all. We're not trying to define at all what Canadians should choose to watch. We're saying that if they choose to watch Canadian content, if they want to seek out local news and expression, if they want to listen to Canadian music, there should be a way that is available to them and discoverable. We're not dictating to any Canadian what they should choose to watch or listen to. That will be up to them as individuals.

Rachael Thomas: It's deemed that this is necessary because there is somehow a lack of options available to Canadians currently.

Scott Shortliffe: I think what we're saying is that the bill that Parliament passed and gave to us said that we should find an equitable way, not necessarily an equal way, to have both streamers and traditional broadcasters support the creation of Canadian content in the system. That is what we're implementing, following the will of Parliament.

Rachael Thomas: Essentially, streamers are incredibly successful, because they actually do provide great choice at a price point that is realistic to consumers. Because they are so successful, the CRTC must take a portion of that revenue and pass it off to traditional media outlets in order help them, because they're struggling.

Is that correct?

Scott Shortliffe: Respectfully, I would not agree with that interpretation, because one thing we're trying to explore is how those streamers can be involved in making content themselves, and several of them are. They're commissioning Canadian shows and programming in Canada. There is involvement with Canadian music.

We don't see this as an adversarial process. We see this as a process where we're trying to make sure that each part of the industry is contributing in an appropriate way, and we're consulting broadly to achieve that end.

Rachael Thomas: As my Liberal colleague rightly pointed out, Spotify has seen an increase in French content by 225% in the last five years. This was done without Bill C-11. That seems like an increase in choice, doesn't it?

Scott Shortliffe: I would say that's actually something Spotify presented in its public testimony in front of us a few days ago. We were very pleased that Spotify came and shared its point of view. Obviously, it's a point of view that we are taking into account in our deliberations. One of the things we looked for was to hear the voices of streamers, as well as people who think streamers should be doing more in different ways. That is absolutely something they shared with us, and we'll be looking at that.

Rachael Thomas: Thank you very much.

I will move over to Mr. Al Soud.

You have five minutes.

Fares Al Soud: Thank you, Madam Chair.

Hello, again.

It's clear that we collectively share the personal goal of ensuring and incentivizing the growth of Canadian broadcasting while also weighing the interest of consumers. You mentioned public consultations on several occasions already. What can we expect from the CRTC in terms of ensuring that both clarity and predictability are provided to both creators and platforms?

Vicky Eatrides: Maybe I can start with that.

We know that is key. We know that transparency and predictability are key. We know that moving quickly is key. I would say, again coming back to the outset of our being given the Online Streaming Act to implement, that we immediately set out a regulatory plan to give certainty as to what would be coming up and to give some sense of when that would be happening. That's one part of it: laying

out what our regulatory plan was so that people knew what to expect.

I have a couple of other things, and then I can ask Scott to provide addition detail.

One is obviously in terms of our decisions. That is a key component of that. As we are rolling out these decisions, we are trying our very best, as a quasi-judicial tribunal, to make sure these decisions are in plain language so that they are clear: that they lay out the perspectives and the evidence that we've heard and are very clear in terms of what the decisions are.

One last thing that I could mention very quickly—and this comes back to the point about engagement—is that we are very much engaging a lot more with interested parties, with stakeholders. We have engagement teams, as Scott mentioned, that we have set up to make it easier to engage with the CRTC so that it's not just through the public proceedings. We've heard that the public proceedings don't work for everyone in terms of how formal they are. We certainly heard that in Whitehorse when we had a hearing on telecom in the Far North. We heard that this kind of formality is difficult to get through.

We've been engaging a lot. Scott and his team went across the country to engage with people on Canadian content. We really are trying to do better in terms of explaining our work.

I don't know if that does it. I'm happy to pass it over to Scott.

● (1825)

Scott Shortliffe: Can I add maybe just one thing?

In our hearings, we heard wildly divergent points of view. I'll make reference to the last question we had about Spotify presenting what it does. We had radio stations coming and disagreeing with them. People disagreed on many, many things, which is helpful. There were two things they seemed to agree on. One was the importance of data; the other one was the importance of clear rules. Everyone told us this: When you make your decisions, please make your rules clear, because the clearer they are, the easier it will be for us to implement them. I certainly think that is something the commissioners are taking into account in making decisions.

Fares Al Soud: Thank you for that. That was excellent.

My next question is in a similar vein. Would it be an accurate characterization, in your opinion, going back to the 280% growth that was highlighted earlier within the Franco-Canadian space on Spotify, that the goal here is to ensure that it's not merely coincidental or luck but that it's part of a growth strategy that our country and our media space infers? Is that an effective characterization of the intent here?

Scott Shortliffe: I want to be careful, again, about speaking about what it might mean for any specific player, including streaming services. I think, though, that we always bear in mind this question: What are our public policy objectives? In the end—and I'll use music as the example—we need to have a system that will create Canadian music, make it available and make it available in both languages. We recognize that the challenges for French-language music are appreciably different from the challenges for English-language music and that it will need specific strategies to support French-language music.

The test for us is a little less about what it will mean for this company or that company. Obviously, we need to determine that. However, the success measure will be that French-language music will continue to be produced in Canada and will be made available. People will discover it, and it will be enriching. That is a success.

That is the challenge that is before us. As several people have noted in their questioning, it is quite a challenge, but we're also, I believe, genuinely excited by the material that we have in front of us and the decisions that we can proceed to make.

Fares Al Soud: Fantastic.

I have 30 seconds left, so I will take these last seconds to say, Mr. Shortliffe, that I look forward to future conversations, during which we can bond on our common nerdiness about the data and the way to get there.

Once again, we all truly appreciate your taking the time to be here with us. It is sincerely appreciated.

Rachael Thomas: Next is Mr. Champoux for two and a half minutes.

[Translation]

Martin Champoux: Thank you very much.

When Bill C-11 came before the CRTC, the commission was already undergoing major changes. It was supposed to undertake other studies, including on broadcasting licences.

Given the urgency attached to it, was this bill too big for the structure of the CRTC? Should it have been fragmented or presented in a different way?

Do you have any comments on that?

Vicky Eatrides: We accepted the bill as it was given to us.

We set our priorities very quickly and put in place a regulatory plan to have smaller hearings. That's what we did.

Martin Champoux: This is a good opportunity to make these observations, as other bills may be examined, including on artificial intelligence, which, as has been said, will be an element of major change in the industry.

We could do things differently and would certainly be very open to your suggestions on how to introduce such important bills that are likely to generate as much feedback, as many briefs and as many hearings as Bill C-11 has.

I don't want to say this in a negative way, but do you think the CRTC has the resources it needs to regulate the industry right now? The industry is evolving as a result of all the technological changes,

all the new ways of consuming culture, among other things, but also information.

Do you feel that you still have what you need to deal with all those changes?

Would you like to undertake a reform of the CRTC's operating method to be more agile, perhaps, precisely at times when so many regulations need to be put in place?

• (1830)

Vicky Eatrides: Thank you for your question.

Internal changes are constantly taking place.

As a quasi-judicial tribunal, we still have the formal processes to study bills and put regulations in place. That's our role.

It's really important to prioritize this work, and that's what we've done. Internally, we have a team of experts on a host of topics. Nine CRTC members from across Canada bring their very diverse experience to the table. We have a good team. We also always have very different perspectives, as our consultations are for everyone.

[English]

Rachael Thomas: That's time.

[Translation]

Vicky Eatrides: So my answer is “yes”. Thank you.

[English]

Rachael Thomas: I'll take this opportunity to thank each of you for coming today and bearing testimony to the CRTC and the implementation of Bill C-11.

At this point in time, I'm going to say goodbye to you and pause the meeting for one moment. We have to do some quick committee business. It will take one minute or less. I'll suspend for just a minute.

• (1830)

(Pause)

• (1830)

Rachael Thomas: All right, colleagues, this should only take a moment. We need to approve a couple of funding things. We have two operational budgets for two studies. One is for \$500 for our meeting on the implementation of the Online Streaming Act—today's meeting—and one is for \$30,500 for our upcoming study on the effects of technological advances in AI on the creative industries. Both budgets were emailed to you earlier, I believe. You should have a copy of them in your inbox.

I will ask for a mover for the first budget, which is for the \$500. Can I have a mover?

Bienvenu-Olivier Ntumba: I so move.

The Chair: Perfect. I will look for any dissent in the room.

Mr. Champoux, go ahead.

[*Translation*]

Martin Champoux: I have a quick question.

Are we discussing a \$500 budget for today's meeting, for meal expenses?

The Clerk of the Committee (Jean-François Pagé): For food, the costs will surely be less than \$500, as there are no witness expenses.

Martin Champoux: Yes. I was wondering because we're adopting a budget of \$500, when there was essentially—

[*English*]

Rachael Thomas: I'll call the question. Is there agreement?

Some hon. members: Agreed.

Rachael Thomas: I would look for a mover for the spend of \$30,500 for the upcoming study on AI.

Some hon. members: Agreed.

Rachael Thomas: I will take this opportunity to remind everyone that we have our next committee meeting on Monday, October 6, and we will begin our study on AI and its impact on the creative sector. Come prepared for that.

I will not be in this chair either. I believe your real chair will be returning.

• (1835)

David Myles: You did great.

Rachael Thomas: Enjoy your evening, folks. Thank you. Good night.

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