**Unifor’s CRTC Speaking Notes** December 5, 2023

RE: Unifor speaking notes regarding BNOC 2023-138-1 - The Path Forward – Working towards a modernized regulatory framework regarding contributions to support Canadian and Indigenous content

Good morning, my name is Randy Kitt, and I am the director of media at Unifor. And with me is Marc Hollin, our media sector researcher.

Unifor is Canada’s largest private sector union with more than 315,000 members and over 10,000 members in the Media sector, including about 4500 members in broadcasting.

What do ---**Netflix**, Apple and Amazon have to do with the news?

This is the question that we need to answer here today.

In 1999 and 2009 when the CRTC decided to exempt foreign digital streamers from Canada’s tightly regulated broadcasting system,

They effectively upended a decades old business model for Canadian broadcasters.

The effects of those decisions have caused severe harm to the production of Canadian News, especially local news.

Now we can’t go back to 2009, but

We can ensure that we address the shortfalls that the Broadcasting Act was supposed to protect.

In effect Netflix, Amazon and the other foreign streamers have been getting a free pass in Canada,

Allowed to broadcast in this country, without contributing to the system, as Canadian broadcasters have had to.

And that must end now!

Local news holds power to account, strengthens democracy and builds community, and these roles have never been more important.

Since **2012**, private conventional TV has been a big money loser for both independent and big media companies: from 2019 to 2022 the rate of profit for conventional TV was minus 7%, minus 18.6%, minus 12.4% and minus 17.7% respectively.[[1]](#footnote-1)

Those losses are real to our members,

Between 2017 and 2022, employment in broadcasting decreased by almost 15%.[[2]](#footnote-2)

This year alone Unifor has lost over 100 good paying **television** full-time jobs, and for every union job, many more **non-union** jobs we are also lost.

And yesterday’s announcement that the CBC will axe 600 jobs keeps adding to the pile of **lost** locally relevant programming for Canadians.

Week in, week out we brace ourselves for more job loss and programming cuts from Canadian broadcasters.

The issue with Corus and Global News is also top of mind, and I believe it is generally agreed that the Independent Local News Fund - ILNF is not sufficient to accommodate Global TV and **needs immediate attention**. The Rogers/Shaw merger decision promised to address this issue.

The Policy Directive for this initiative also stresses the importance of local news, asking the Commission to “consider the importance of sustainable support by the entire Canadian broadcasting system for news and current events programming…”

Therefore,

Unifor Recommends

That the Commission establish a **local news media fund** attached to the Online Streaming Act, similar to the former Local Programing Improvement Fund - LPIF.

Like BDUs, **qualifying** foreign streaming companies would be required to contribute a portion of their revenue generated in Canada to a fund that would, in turn, be distributed to qualifying **news organizations** in Canada.

Under the current system, domestic legacy based TV distributors must contribute at least 5% of their broadcast revenues to Canadian content creation and production.

Other interveners here would have you --reduce these amounts --**for all--** and ask less of the foreign streamers to maintain the current level of funding or even **lessen** funding levels, which in our view is not the way to ‘level the playing field’.

Unifor, on the other hand, thinks the Commission should make the whole pie bigger. Therefore, we recommend that the Commission should increase contribution levels from 5 to 7%.

The additional 2% should go directly to the proposed local news media fund.

Under this proposal the ILNF could then be carefully merged with this proposed news fund.

In addition, Unifor recommends that the Commission should maintain current Canadian programming expenditure (CPE) requirements, and extend this obligation to online undertakings.

Further, the Commission should consider requiring that a portion of this CPE money should be earmarked for the production of local news and programming,

Or the equivalent amount should be directed towards the local news media fund if the online undertaking doesn’t produce any news programming.

We’ve been talking all along about **leveling the playing field**, but that should mean **added** funds and obligations to better support the Canadian Broadcasting system.

Not less from everyone, to maintain a level of funding that we **already know** is not enough.

Everyone knows that local broadcasters producing local news are in crisis,

And only when we increase the pie, can we then start to repair the damage that has been created over the last 15 years.

We are behind and we need to catch-up.

Foreign streamers’ entry into the Canadian broadcasting system, has created a crisis in local programming and local news and its time for them **to pay their fair share** and it should be **the cost of doing business** in Canada.

So, What do **Netflix**, Apple and Amazon have to do with the news?

The answer is everything!

Thank you!

Respectfully Submitted,

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1. “Commercial Profitability by Broadcasting Sector.” Annual highlights of the broadcasting sector 2020-2021. CRTC. (from <https://crtc.gc.ca/eng/publications/reports/policymonitoring/2022/rad.htm#f5>). [↑](#footnote-ref-1)
2. Statistics Canada. Table 14-10-0202-01 Employment by industry, annual

DOI: <https://doi.org/10.25318/1410020201-eng> [↑](#footnote-ref-2)