CIRPA

Canadian Independent Record Production Association

October 20, 2005

Mr. Charles Dalfen
Chair
CRTC
Ottawa, ON
K1A 0N2

Dear Mr. Dalfen,

Re: Commercial Policy Review Proceeding

This letter is in response to that filed by the Canadian Association of Broadcasters requesting a delay in this process.

CIRPA wishes to go on record as opposing this request. CIRPA sees no reason not to proceed with the Review of Radio which has already been delayed and CIRPA feels it should now proceed expeditiously.

In response to the issues raised by the CAB requesting a delay, we would make the following responses:

1) The hearing date is already delayed. There is in our view no urgent public policy reason to delay the hearing further and indeed with the many issues of concern that need to be addressed we feel that there should be no further slippage of the process.

2) As CIRPA and its members are very well aware, the changes that are occurring both in the music industry and in many allied industries due to technological advances and the constant introduction of new products and distribution methods are literally ongoing and will be so for the foreseeable future. The argument that the picture will become clearer is, in our view, just not a viable one – it could be made almost indefinitely for the next few years and used to delay any hearing almost indefinitely. CIRPA's view is that this is an appropriate time for a policy review to be called, both to discuss the many developments that have occurred since the previous review and to chart a solid policy path into the future for Commercial Radio in Canada.

3) With regard to the arguments put forward by the CAB regarding Digital Radio, CIRPA feels that a further delay is unlikely to make matters clearer in two years time. The reality is that, in our view, Digital Radio is a technology with a future that is still unclear. There are many issues surrounding it and a policy review hearing would be a valuable place to have a serious and informed discussion on the whole issue with the objective of advancing the commercial introduction of digital radio following a detailed review of the options available.

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4) With regard to the issues surrounding Satellite Radio and many other technologies and the uncertainties regarding their introduction that the CAB cites as reasons for delaying the hearing, CIRPA repeats its earlier contention that there will be changes occurring year by year for the foreseeable future. If this argument is accepted then it could be repeated every year with equal truth and a hearing would conceivably never take place. In the view of CIRPA it is the responsibility of all participants to present at the hearing their considered views and to address the public policy issues involved to assist the Commission in its deliberations. Again, in CIRPA's view, there is no justification for holding up the hearing for this reason, quite the reverse in fact. We feel that the Commission will be greatly assisted by detailed research and submissions in crafting a cogent and valuable public policy decision that will benefit Canadians as a whole in the second half of this decade and beyond.

5) The CAB's letter also raises many other issues which it cites as reasons for a delay, ranging from CTD matters, to Cancon bonus schemes, to copyright payments, to the business effects of satellites, to the commercial situation of the radio industry. CIRPA submits that the CAB has got its arguments entirely upside down in this respect. All of these matters cited are in fact a clear reason why a hearing is of great importance so that all of these issues can be fully researched, discussed and evaluated by the Commission in reaching its decision on the structure of Commercial Radio for the rest of the decade. For example, CIRPA views many of the facts presented in the CAB letter as either irrelevant or incorrect and will be pleased to discuss these at length at a hearing and present alternative views and approaches than those of the CAB for the Commission's consideration. We submit that this dialogue and discussion of different views will be extremely valuable to the public policy debate on this vitally important issue and is clearly a reason to proceed with a hearing expeditiously, not to delay it.

As we have stated above, there are many subjects where opinions are clearly very different and where different options and solutions may be proposed. We would once again reiterate our position that there should be no delay in the hearing process – for all the reasons we have stated above – and that CIRPA looks forward to being an active participant in the process at it evolves in 2006.

We trust that these comments will be helpful.

Yours sincerely,

Brian Chater
President

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