

# **Canadian Radio-television and Telecommunications Commission**

**1999 – 2000  
Estimates**

**A Report on Plans and Priorities**

**Approved**

---

Sheila Copps  
Minister of Canadian Heritage



## Table of Contents

<i>Section I: Messages</i> .....	<i>1</i>
Minister's Message .....	1
The Chairperson's Message.....	3
Management Representation .....	4
<i>Section II: CRTC Overview</i> .....	<i>5</i>
Mandate, Roles and Responsibilities .....	5
Objectives .....	5
Mission and Vision Statements .....	5
Operating Environment.....	7
<i>Section III: Plans, Priorities, Strategies and Expected Results</i> .....	<i>11</i>
Summary of Priorities.....	12
Canada's Voices.....	13
Choices for Canadians .....	16
Good Governance .....	20
Consolidated Reporting.....	24
Regulatory Initiatives .....	24
Year 2000 .....	26
<i>Section IV: Supplementary Information</i> .....	<i>29</i>
Financial and Personnel Information.....	29
Other Information.....	36



## **Section I: Messages**

---

### **Minister's Message**

The overarching objective of the Canadian Radio-television and Telecommunications Commission is to supervise and regulate Canada's broadcasting and telecommunications systems.

The work of the Canadian Heritage Portfolio is to foster a greater sense of what it means to be part of the Canadian community. This includes enhancing pride in our country; encouraging participation in, and contribution to, our society; ensuring access to Canadian voices and spaces; and protecting our heritage. I am proud of the fine work of the women and men at the Canadian Radio-television and Telecommunications Commission and the role they play in building an ever better Canada.

Sheila Copps  
Minister of Canadian Heritage



## The Chairperson's Message

In September 1997, I announced a new Vision and Action Plan for the Canadian Radio-television and Telecommunications Commission (CRTC) that lays out quite deliberately and publicly its regulatory policy agenda for the next three years. I am happy to state that the Commission is on course in its implementation.

We have developed the foundations for a new framework that will allow Canadians to derive the greatest possible benefit from the information age in order to further our economic, social and cultural growth, in accordance with the *Broadcasting Act* and the *Telecommunications Act*. Furthermore, as communications technologies continue to evolve, we are examining the impact that these technologies and new media have on our approach to regulate the more traditional industries. The CRTC held a public hearing last fall and will soon report on the results.

In the context of the Vision, the Commission proposed a major review of its policies in Broadcasting. We have revised our regulatory policy on commercial radio. We have conducted a thorough examination of our TV policy and expect the decision to be released in May. To promote diversified French programming that is accessible to more Canadians, we approved last year the nation-wide broadcasting of the TVA Network and we are currently considering applications filed by French specialty stations. We also approved the licensing of Television Northern Canada (TVNC), an aboriginal programming network. We have initiated reviews on ethnic radio and TV, as well as on campus and community stations. Finally, we are conducting regional consultations prior to the renewal of CBC's licences in June.

We will continue to create a climate that stimulates competition, convergence and the emergence of new technology platforms. Recent advances and innovations in communication technologies, the public's appetite for greater choice and diversity, along with international agreements among governments, have contributed to the redefinition of the communications landscape. To respond to the new reality, we have begun to implement changes to the *Telecommunications Act*. One of the major issues still before us is ensuring that prices of core telephone services continue to be affordable and reasonable, especially in high cost areas.

We have also put in place a variety of processes to increase participation by the public in all regions of Canada. We will continue to seek out ways to provide for an open and frank discussion among all parties, citizens, consumers, community groups, media and business leaders. The CRTC's accomplishments in this area, as well as in convergence and self-regulation, were recognized internationally when it was awarded in September 1998 the Carl Bertelsmann Award for "Innovation and Responsibility in the Information Society".

Finally, we will continue to ensure a modern communications network that connects us to family, friends and business associates, across town and around the world — a communications network of which future generations will be as proud of as we are of today's system.

**Francoise Bertrand**  
Chairperson  
Canadian Radio-television and  
Telecommunications Commission

## Management Representation

I submit, for tabling in Parliament, the 1999 – 2000 Report on Plans and Priorities (RPP) for the Canadian Radio-television and Telecommunications Commission.

To the best of my knowledge the information:

- Accurately portrays the mandate, plans, priorities, strategies and expected key results of the organization.
- Is consistent with the disclosure principles set out in the *Guidelines for Preparing a Report on Plans and Priorities*.
- Is comprehensive and accurate.
- Is based on sound underlying information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The planning and reporting structure on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

---

**Francoise Bertrand**  
Chairperson

Date: \_\_\_\_\_



## Section II: CRTC Overview

### Mandate, Roles and Responsibilities

The Canadian Radio-television and Telecommunications Commission (CRTC) was established by Parliament in 1968. It is an independent public authority constituted under the *Canadian Radio-television and Telecommunications Commission Act* (R.S.C. 1985, c. C-22, as amended) and reports to Parliament through the Minister of Canadian Heritage.

The CRTC is vested with the authority to regulate and supervise all aspects of the Canadian broadcasting system and to regulate telecommunications common carriers that fall under federal jurisdiction. The CRTC derives its regulatory authority over broadcasting from the *Broadcasting Act* (S.C. 1991, c. 11, as amended). Its telecommunications regulatory powers are derived from the *Telecommunications Act* (S.C. 1993, c. 38, as amended) and various “special” acts of Parliament related to specific telecommunications companies, for example, the *Bell Canada Act*, and the *Telesat Canada Reorganization and Divestiture Act*.

### Objectives

The objectives of the CRTC are:

- to regulate and supervise all aspects of the Canadian broadcasting system to implement the broadcasting policy set out in the *Broadcasting Act*; and
- to regulate telecommunications in Canada to implement the policy set out in the *Telecommunications Act*.

### Mission and Vision Statements

In 1997, the CRTC announced its Vision for the new information age. The Vision articulates the CRTC’s mission which stems directly from the objectives of the *Broadcasting Act* and the *Telecommunications Act*. The Vision also takes into account the changing communications environment, which is characterized by rapidly evolving technologies, and an increasing rate of domestic and international competition. The Vision helps the CRTC focus on how it carries out its mandate, achieves objectives, improves operations and measures results in this increasingly competitive environment.

#### VISION

World-class, quality communications,  
with a distinct Canadian presence,  
in the public interest.

Further, the Commission's Vision anticipates the evolution of an integrated communications environment, applying to both broadcasting and telecommunications industries. The Vision supports both maximum choice and maximum access to Canadian content and services.

The Vision has three components: Canada's Voices, Choices for Canadians and Good Governance. Canada's Voices and Choices for Canadians are business lines. Good Governance is a management strategy that applies to the business lines and to the organization as a whole.

The actions of the CRTC have a significant impact on various dimensions of Canadian life. The CRTC's decisions benefit Canadians by making more available diverse programming that reflects Canadian society (Canada's Voices). The CRTC's decisions also benefit Canadians by promoting access to a broad range of communications services at reasonable prices (Choices for Canadians) through strong, competitive industries that can thrive in a global communications market.

Good Governance supports both business lines and permeates everything the CRTC does to ensure an effective decision-making process. Good Governance also ensures that the CRTC's practices and processes are transparent, inclusive, efficient, timely and carried out by due process. A major aspect of Good Governance is the CRTC's public process, which promotes citizen engagement and open dialogue. The CRTC also promotes teamwork and a results orientation to provide operational guidance to the decision-making process.

### **MISSION**

To ensure that Canadian communications contribute fairly and equitably to Canada's economic, social and cultural prosperity, through regulation, supervision and public dialogue.

### **VISION THRUSTS**

We will:

- promote an environment in which existing and new communications services are available to Canadians;
- ensure a strong Canadian presence in content that fosters creative talent and reflects Canadian society, including its linguistic duality and cultural diversity;
- promote choice and diversity of high-quality communications services; and
- foster strong, competitive and socially responsive communications industries.

## **Operating Environment**

### **Convergence**

The new technology used by cable and telephone industries, and the capability of satellite and wireless technologies to deliver broadcasting and telecommunications services, are shaping the communications environment of the future. The most significant recent development in communications has been termed “convergence”. Convergence has been referred to as the intersection of cable and telecommunications, and to the transmission of digital information. Convergence not only encompasses the use of evolving digital techniques for the exchange of information but also includes multimedia whereby new services and products combine voice, data, text and/or image. Convergence also affects mergers and consolidations, whereby organizations come to operate across previously distinct boundaries.

Underlying these phenomena is a political, social, economic and cultural revolution, in which Canadians are redefining their business, social and institutional environments. Convergence is a new platform for interaction that provides for much greater access to information than was previously possible.

### **A Global Information Society**

The advancement of communication technologies, along with the abundance of information in today’s knowledge-based society, is creating a new, integrated “global” information society. While globalization offers vast opportunities for marketing cultural products, it also provides regulatory and policy challenges that demand new approaches to support domestic cultures. Government policies can be used to promote and support culture in the domestic market as well as to promote and develop cultural products for international markets. Achieving a successful balance between the demands of the open market, and the need to maintain and promote cultural sovereignty and national identity, reflecting Canada’s cultural diversity and linguistic duality, will be key to maximizing gains from the global information society.

### **Globalization and International Competition**

Industry participants are repositioning and consolidating and companies are developing strategic alliances to strengthen their position vis-à-vis their competitors. By extending their geographic reach through global alliances, companies can increase their competitive advantages through the control of intellectual property and the integration of previously unconnected businesses.

With the World Trade Organization (WTO) agreement on basic telecommunications, which was concluded 15 February 1997, Canada has agreed to end its remaining telecommunications monopolies – the Teleglobe monopoly on overseas traffic ended on 1 October 1998 and the Telesat monopoly on fixed satellite services will end on 1 March 2000 – and to liberalize the provision of international services and satellite services. This will increase competition in Canada for the provision of international telecommunications

services and will offer new opportunities for Canadian companies to compete in foreign markets.

### **New Media**

For Canada to develop a new media industry that is globally positioned, much remains to be learned. The CRTC held a public proceeding, under both the *Broadcasting Act* and the *Telecommunications Act*, to examine the rapidly expanding range of services known as “new media” (Broadcasting Public Notice CRTC 1998-82/Telecom Public Notice CRTC 98-20, New Media – Call for Comments, 31 July 1998). At an oral public hearing in November 1998, the Commission explored with interested parties a broad range of issues including: a) the ways, and the extent to which new media affect, or are likely to affect, the broadcasting undertakings and telecommunications carriers now regulated by the Commission; b) the ways, and the extent to which some or any new media services are broadcasting or telecommunications services; c) the Commission’s role, if any, in regulating and supervising these services under the *Broadcasting Act* and the *Telecommunications Act*; and d) other issues related to new media that parties to the proceeding had identified.

### **Digitization**

The development of digital delivery systems for broadcasting services will increase capacity. Consumers may be offered a wider choice of both Canadian and foreign services. The development of a competitive market will accelerate. However, the transition to digital is a costly one for cable companies because significant investment is required. The anticipated expansion of capacity that would permit the addition of new Canadian services has therefore not occurred as quickly as envisaged. At the same time, consumer demand for choice is increasing. There are presently 50 outstanding applications for English language specialty services. With the current technology there is little or no analogue capacity left in the system to distribute new pay or specialty television services until digital distribution is fully implemented. To ensure that Canadian content is part of this environment, the CRTC has issued a call for comments on the development of a new licensing framework for pay and specialty services. This input will help the CRTC define adequate criteria for licensing during the transition to more widespread digital distribution.

The expected competition to cable from other distribution services, Direct-to-Home (DTH) satellite and Multipoint Distribution Systems (MDS) – all of which are digital – is requiring a significantly longer transition period than anticipated. The CRTC must monitor both the transition to digital and the transition to competition, determine the impacts of any delays and anticipate changes in order to ensure that competition is fair and sustainable, that consumers and citizens are well served, and that the economic, social, cultural and linguistic objectives of the *Broadcasting Act* are met.

**Market impact on regulatory affairs**

The rapidly evolving communications industry means increasingly complex regulatory issues for the CRTC and other participants in the regulatory arena. At a time when the market is becoming more complex, the need to consult industry, consumer groups and citizens remains essential.

Changes and challenges, such as facilitating increased competition, convergence, and technology development and adoption, have brought changes in the Commission's approach to regulation. As part of its Vision, the CRTC uses a "full tool box" of regulatory approaches. For example:

- the CRTC utilizes approaches ranging from protection to promotion in order to preserve Canadian content and culture;
- the CRTC encourages competition to ensure maximum choice for Canadians, and use more detailed regulatory approaches only where necessary to achieve its legislated objectives;
- in its overall regulatory approach, the CRTC relies less on detailed regulation and places more emphasis on broad parameters and enabling frameworks; and
- the CRTC uses processes ranging from a detailed judicial approach to one that emphasizes more collaboration, depending on the situation.

Competition has developed in Canadian communications markets over the past several years, and has considerably increased the choice of both communications services and service providers to Canadians. The CRTC's workload has and will continue to increase over the next several years as we establish and implement new frameworks to facilitate competition. While the CRTC will actively promote fair competition, it is essential to note that market forces alone will not necessarily achieve all the public interest objectives of the Broadcasting and the Telecommunications Acts. We will continue to regulate to meet our public interest responsibilities, safeguard consumers, and ensure that the objectives of the *Broadcasting Act* and the *Telecommunications Act* are met.

**Impact of CRTC resource constraints**

In a highly competitive communications environment, the CRTC's ability to respond quickly and effectively to applications and requests is a key component of a strong and healthy communications environment. CRTC decisions impact directly on business decisions, innovation and on services offered to Canadians. Due to resource constraints and the increasing complexity of a competitive environment, the timeliness of CRTC decisions in certain areas has suffered in 1998. Some policy hearings have been delayed, which, in turn, affect the ability of some companies to plan for the future. There is increasing workload associated with new applications. Finally, new statutory responsibilities have been conferred on the CRTC as a result of changes to the

*Telecommunications Act.* They concern a licensing regime for international telecommunications services, the administration of numbering, and the establishment and operation of a universal service fund for Canada, that would ensure the delivery of basic telecommunications services to every part of Canada.

While CRTC is fully funded from the fees it collects from the broadcasting and telecommunications industries (i.e. 100% vote netted), it is important to note that the Commission cannot unilaterally set its resource levels (budget). Similar to other federal government departments, the Treasury Board approves the level of resources.

Without an increase in resources, there could be a further problem with the timeliness of CRTC decisions. As a result, the Government as well as the CRTC would be subject to increased complaints from industry players and consumers. The competitive position of Canadian companies in a global communications environment could be weakened. Regional needs and concerns could also be affected. Stakeholders are demanding more public processes to take into account regulatory fees and regional needs and concerns. The CRTC plans to address resource-based issues through consultative committees that will be held in 1999–2000.

**CRTC — Financial Spending Plan (\$ millions)**

	<b>Forecast Spending 1998–99*</b>	<b>Planned Spending 1999–00</b>	<b>Planned Spending 2000–01</b>	<b>Planned Spending 2001–02</b>
<b>Gross Program Spending</b>	36.7	<b>35.3</b>	33.7	33.7
<i>Less:</i> Revenue credited to the Vote	29.0	<b>29.3</b>	29.3	29.3
<b>Net Program Spending</b>	7.6	<b>5.9</b>	4.4	4.4
<i>Less:</i> Revenue credited to the Consolidated Revenue Fund (CRF)	78.5	<b>80.8</b>	83.2	85.7
<i>Plus:</i> Cost of services provided by other Departments	17.7	<b>16.5</b>	16.5	16.5
<b>Net Cost of the CRTC</b>	<b>(53.1)</b>	<b>(58.4)</b>	<b>(62.4)</b>	<b>(64.9)</b>

\*Reflects best forecast of total planned spending to the end of the fiscal year  
N.B. Because of rounding, columns may not add to totals shown.

## Section III: Plans, Priorities, Strategies and Expected Results

### Key Results Commitments

<b>Canadian Radio-television and Telecommunications Commission (CRTC)</b>	
<i>Assurance that Canadian communications contribute fairly and equitably to Canada's economic, social and cultural prosperity through regulation, supervision and public dialogue</i>	
<b>To provide Canadians with:</b>	<b>To be demonstrated by:</b>
a place for Canadian voices in national and, thus, global communications	<ul style="list-style-type: none"> <li>a. content that reflects the linguistic duality, cultural diversity and social values of Canada</li> <li>b. Canadian content in communications services</li> <li>c. programming that reflects national, regional and community voices</li> <li>d. programming that features Canadian creative talent</li> <li>e. meaningful investment in Canadian audio and video content</li> </ul>
a broad range of communications services through competitive communications industries	<ul style="list-style-type: none"> <li>a. competitive Canadian communications industries</li> <li>b. availability of a broad range of Canadian communications services</li> <li>c. reliable, high-quality communication services that are responsive to consumer needs and social values</li> <li>d. core communications services that are reasonably priced</li> <li>e. a communications infrastructure that is innovative and supports evolving communications services</li> </ul>
credibility and value of the governance process	<ul style="list-style-type: none"> <li>a. fair and impartial decisions</li> <li>b. collaborative processes with many players</li> <li>c. teamwork, trust, openness, pride and respect at the CRTC</li> <li>d. effective, efficient, timely and clear actions (processes and services)</li> </ul>

The performance expectations of the CRTC are set out in its Vision and also in the CRTC's Planning, Reporting and Accountability Structure (PRAS), which was approved by Treasury Board in October 1997. To facilitate results reporting, the CRTC developed a performance framework measurement plan after approval of its PRAS. This plan includes performance indicators that will be phased in over the next three years for each business line. The CRTC continues to review, adjust and refine its performance indicators to ensure that performance information relevant to Canadians is reported. Performance indicators include short-term measures such as steps taken to achieve objectives (decisions, for example), as well as some intermediate measures (compliance with regulations) and longer-term measures (trends of specific outcomes, such as affordability of core communications services).

## Summary of Priorities

In the next three years, the CRTC will:

- ensure that Canadian voices and images can be seen and heard, and that Canadians will be able to choose attractive Canadian products in a competitive and technologically advanced communications environment;
- shape the regulatory framework and related process to allow the broadcasting and telecommunications industries to position themselves as strong, viable participants in an increasingly competitive market;
- foster fair, sustainable competition in the delivery to Canadians of electronic information and of Canadian and foreign programming services, giving Canadian consumers increased choice among domestic and foreign distributors of telecommunications and broadcasting services, and access to diverse and innovative new programming services;
- facilitate the deployment of new technologies such as digital radio and television broadcasting, digital video compression, and universal addressability so subscribers have access to the full range of new services these technologies are able to deliver;
- review carefully the many complex broadcasting mergers and acquisitions that are expected as firms position themselves to compete;
- implement changes to the *Telecommunications Act*, as a result of Canada's commitments to the WTO agreement on basic telecommunications services, as it relates to the liberalization of the provision of international and satellite services;
- assess the impact of Internet on telephony; in particular, the challenges it may create with respect to the relevance of regulatory frameworks now in place and the need for potential changes;
- implement its strategic plan, in the context of its Vision, by establishing priorities, clarifying responsibilities for results, and developing and implementing effective communication strategies;
- improve public participation to promote citizen engagement and high-quality service to industry and the public; and
- implement effective communications strategies to reach out to the public and inform them of key processes and decisions.



## Canada's Voices

### Objective

The objective of Canada's Voices is to ensure that diverse Canadian content and an appropriate mix of foreign programs is made available to consumers.

**CANADA'S VOICES**

Presence and diversity of  
Canadian voices at home  
and abroad

The CRTC continues to face the challenge of ensuring that attractive Canadian services are available, within a Canadian broadcasting system, so as to implement the objectives set out in the *Broadcasting Act*, while providing Canadians with access to an increasing volume of foreign information and entertainment. Key results must be considered in the context of the CRTC's need to balance demands for increased choice with the cultural and economic objectives, set out in the *Broadcasting Act*.

This business line includes activities related to the provision of specific expertise in the evaluation and development of policy and regulations, by:

- evaluating, analyzing and processing all applications received by the CRTC;
- monitoring the Canadian broadcasting system;
- ensuring compliance with statutes, regulations and conditions of licence; and
- identifying policy issues for consideration.

## Key Strategies and Plans

As part of its assessment of the regulatory landscape, the CRTC will undertake the following strategies and plans.

Strategies	Plans
<p>Create and implement policies on content display and expenditures that recognize economic and cultural objectives</p>	<ul style="list-style-type: none"> <li>• Foster new, diverse forms of content, packaging and delivery (Proceeding to review Licensing Framework for New Specialty Services to be completed by 1999, French specialty decision to be released spring 1999)</li> <li>• Complete review of the policy on Canadian television programming, (Policy framework to be released spring 1999)</li> <li>• Review contribution of major station groups: CBC TV and Radio (spring 1999); CTV and affiliates (spring 2000); Educational TV (fall 2000); CanWest/Global (2001)</li> <li>• Complete ethnic radio and TV policy review (summer 1999)</li> <li>• Complete campus and community radio review (summer 1999)</li> <li>• Conduct an internal review of future rights in North America</li> </ul>
<p>Develop mechanisms to encourage the creation and promotion of Canadian content in traditional and new media</p>	<ul style="list-style-type: none"> <li>• Monitor development of new technologies, and develop strategic proposals for digital radio and television</li> <li>• Develop a strategy for a New Media policy (report, summer 1999)</li> </ul>
<p>Ensure access to distribution for Canadian and foreign services</p>	<ul style="list-style-type: none"> <li>• Review continued appropriateness of the new broadcasting distribution regulations in a competitive environment (2000)</li> <li>• Complete review of access policies for distribution of English and French language specialty services in bilingual markets (fall 1999)</li> </ul>
<p>Support the distinctive role of public broadcasting</p>	<ul style="list-style-type: none"> <li>• Examine the contribution of the CBC television and radio networks to the Canadian broadcasting system (public hearing, spring 1999)</li> </ul>
<p>Foster industry self-regulation, where appropriate, to respond to social issues</p>	<ul style="list-style-type: none"> <li>• Review existing self-regulation and expand it where appropriate (2000)</li> <li>• Review the role of the CRTC in social issues in the new communications environment (2000)</li> </ul>
<p>Develop a comprehensive international approach</p>	<ul style="list-style-type: none"> <li>• Monitor international developments and policy initiatives</li> </ul>

## Expected Results

The following table summarizes the key results and broad performance measures of the Canada's Voices business line.

Results	Measures
<ul style="list-style-type: none"> <li>• Programming reflects the linguistic duality, cultural diversity and social values of Canada</li> <li>• Canadian content exists in communications services</li> <li>• Programming features national, regional and community voices</li> <li>• Programming features Canadian creative talent</li> <li>• Meaningful investment exists in Canadian audio and video content</li> </ul>	<ul style="list-style-type: none"> <li>• Hours and proportion of programming devoted to Canadian content, by linguistic market, in under-represented categories and in peak viewing hours</li> <li>• Trends in percentage of closed-captioning as a percentage of total programming hours by linguistic market</li> <li>• Appropriate standards and mechanisms for industry self-regulation to address social issues</li> <li>• Trends in viewership of Canadian programming by linguistic markets and time of day</li> <li>• Viewing of local news as a percentage of overall television viewing per linguistic market</li> <li>• Trends in distribution of radio and television undertakings including pay and specialty by type (e.g., native, campus, community)</li> <li>• Trends in annual investment by undertakings in Canadian content, programming and production</li> <li>• Conformity with licence conditions and regulations</li> </ul>

### Canada's Voices — Planned Business Line Spending (\$ millions)

	1998-99*	1999-00	2000-01	2001-02
<b>Gross Spending</b>	18.2	18.3	17.4	17.4
<i>Less:</i> Revenue Credited to the Vote	14.3	15.3	15.2	15.2
<b>Net Spending</b>	<b>3.9</b>	<b>3.0</b>	<b>2.3</b>	<b>2.3</b>
<i>Less:</i> Revenue Credited to the Consolidated Revenue Fund	72.4	75.6	78.9	81.4
<i>Plus:</i> Cost of Services Provided by Other Departments	15.3	14.2	14.2	14.2
<b>Net Cost of Canada's Voices</b>	<b>(53.1)</b>	<b>(58.4)</b>	<b>(62.4)</b>	<b>(64.9)</b>

\*Reflects best forecast of total planned spending to the end of the fiscal year.  
N.B. Because of rounding, columns may not add to totals shown.

## Choices for Canadians

### Objective

The objective of Choices for Canadians is to ensure that a broad range of communications services, and affordable communications services will be provided to Canadians, through competitive industries.

The CRTC works to implement the policy objectives of the *Telecommunications Act* and the *Broadcasting Act*. In the area of telecommunications, the Commission works to foster competition in all regulated markets, while ensuring that high quality services are affordable and accessible.

The activities include the provision of specific expertise in the evaluation and development of policy and regulations, by:

- evaluating, analyzing and processing all applications received by the CRTC;
- providing advice on all matters related to telecommunications regulation and broadcasting distribution;
- ensuring compliance with statutes, regulations and conditions of licence; and
- identifying policy issues for consideration.

**CHOICES FOR  
CANADIANS**

A wide array of choices for  
Canadians through strong,  
competitive communications  
industries

## Key Strategies and Plans

As part of its assessment of the regulatory landscape, the CRTC will undertake the following strategies and plans.

Strategies	Plans
Rely more on market forces to permit fair and sustainable competition	<ul style="list-style-type: none"> <li>• Continue to promote economic entry and competition in local and other regulated telecommunications and broadcasting markets (consider local competition for independents, summer 1999; implement Local Number Portability (LNP) and assessment of LNP and other local competition start-ups; implement toll competition in NWTel and ONTEL territory, summer 2000; consider an appropriate approach to regulation of SaskTel, 1999; implement a new regulatory regime for Teleglobe, 1999)</li> <li>• Consider telecommunications regulatory framework in the context of New Media proceeding (report, summer 1999)</li> <li>• Implement price cap regimes for larger telecommunications companies (initiate proceeding to review price cap regime, 2000; revised regime in effect January 2002); develop price cap regime for Québec Tel and Télébec (1999)</li> <li>• Implement <i>Telecommunications Act</i> changes (1997–2000)</li> <li>• Review continued appropriateness of broadcasting distribution regulations in a competitive environment (2000)</li> </ul>
Monitor competition and regulate when market forces are not achieving public interest objectives	<ul style="list-style-type: none"> <li>• Implement monitoring program in telecommunications with respect to reasonable prices (1997–2000)</li> <li>• Ensure core communications services are accessible to disabled people</li> <li>• Implement strategy for provision of service to high-cost areas (1999)</li> <li>• Monitor transition to competitive environment in broadcasting</li> </ul>
Support evolving convergence	<ul style="list-style-type: none"> <li>• Co-ordinate telecommunications and broadcasting regulatory policies (e.g. respecting new media, competitive service providers' access to infrastructure, consumers' access to services, 1999-2000)</li> <li>• Develop and implement a telecommunications regulatory framework for incumbent cable companies operating as carriers under the <i>Telecommunications Act</i> (1999)</li> </ul>
Monitor the evolution of industry structure	<ul style="list-style-type: none"> <li>• Collect data and assess market status in areas such as ownership, vertical integration, cross media, new entrants and affordability of access</li> </ul>

### Expected Results

The following table summarizes the key results and broad performance measures of the Choices for Canadians business line.

Results	Measures
<ul style="list-style-type: none"> <li>• Canadian communications industries are competitive</li> <li>• A broad range of Canadian communications services is available</li> <li>• Communication services are high quality and responsive to consumer needs and social values</li> <li>• Core communications services are reasonably priced</li> <li>• The communications infrastructure is innovative and supports evolving communications services</li> </ul>	<ul style="list-style-type: none"> <li>• Telecommunications markets found to be workably competitive; market shares in selected communication services; profile of major competitors; entry into core cable distribution and local telephony markets by alternative suppliers</li> <li>• Services offered by broadcast licensee, by type; number of stations showing technological change (AM to FM, implementation of digital radio and digital television broadcasting); international comparison of service diversity</li> <li>• Quality of service indicators collected by telephone companies and reported to the Commission; international comparison of faults repaired within 24 hours, and other</li> <li>• Trends in national telephone penetration rate; analysis of reasons for disconnections and non-subscriptions; international comparison of affordability and penetration</li> <li>• Internet hosts per 1,000 inhabitants in countries part of the Organization for Economic Co-Operation and Development (OECD); deployment of fibre optic cable in OECD countries; mainlines per 100 inhabitants in OECD countries; penetration rates of advanced services</li> </ul>

**Choices for Canadians — Planned Business Line Spending (\$ millions)**

	1998-99*	1999-00	2000-01	2001-02
<b>Gross Spending</b>	<b>18.5</b>	<b>17.0</b>	<b>16.3</b>	<b>16.3</b>
<i>Less: Revenue Credited to the Vote</i>	14.8	14.1	14.1	14.1
<b>Net Spending</b>	<b>3.7</b>	<b>2.9</b>	<b>2.2</b>	<b>2.2</b>
<i>Less: Revenue Credited to the Consolidated Revenue Fund</i>	6.1	5.1	4.4	4.4
<i>Plus: Cost of Services Provided by Other Departments</i>	2.3	2.2	2.2	2.2
<b>Net Cost of Choices for Canadians</b>	—	—	—	—

\*Reflects best forecast of total planned spending to the end of the fiscal year.  
N.B. Because of rounding, columns may not add to totals shown.

## Good Governance

### Objective

Good Governance is a management strategy that supports the two business lines, Canada's Voices and Choices for Canadians. Its goal is to ensure the credibility and value of the governance process through a public process, open dialogue, teamwork and a results orientation.

**GOOD GOVERNANCE**  
Public process, openness, fairness, effectiveness and trust

Good Governance is the component of the Vision that ensures an effective decision-making process, and that practices and processes are transparent, inclusive, efficient, timely and carried out using due process. It includes Executive Management (including Commissioners) and Corporate Services which includes the internal advisory and support services to guide program delivery and the decision-making process.

**VALUES**

- Public interest and results-oriented processes
- Transparency
- Inclusiveness
- Timeliness
- Due process

Regulatory bodies must also find ways to become more effective and efficient in serving the often conflicting demands and desires of the public and in meeting public interest objectives. In implementing its Vision, the CRTC pays particular attention to the public process with a view to ensuring effective citizen engagement and development of a productive dialogue with many partners.

The competitive environment effects the CRTC's regulatory approaches. As part of the Regulatory Plan (see Consolidated Reporting for details), many competitive services are being deregulated. The CRTC is increasing the use of self-regulation in collaboration with industry groups such as the Canadian Broadcast Standards Council (CBSC). In addition to the established regulatory processes, new processes, such as alternative dispute resolution, are being used to settle an increasing number of disputes, a characteristic of competitive markets. The role of the CRTC is changing with the growth of competition, including a greater role for monitoring the broadcasting and telecommunications systems.

New mechanisms are also being used in collaboration with industry and other interested parties. The CRTC Interconnection Steering Committee (CISC) is a collaborative process designed to facilitate local competition so the new regulatory framework is implemented smoothly. Consultations are also being used to identify issues, increase participation and encourage collaboration with interested parties. In tandem with our renewed regulatory framework, regulatory procedures are being streamlined, and broadcasting and telecommunications procedures are being harmonized. Finally, concerning its funding structures, the CRTC will enhance the consultative process with fee paying clients by setting up formal consultative committees with Commission stakeholders, including Canadian telecommunications carriers and broadcasting undertakings, that will ensure full compliance with the Government's Cost Recovery and Charging Policy.



The CRTC has put in place a variety of mechanisms to increase participation by the public in its processes. The Commission conducts public consultations, holds regional forums and uses electronic interactive media to seek input into significant policy matters. It will also strive to serve and communicate better with the public in all regions of Canada. A documentation center was opened in Toronto; plans are underway to set one up in Regina and the Montreal office is now located at l'Université du Québec à Montréal.

The development of a human resources strategy is also an important initiative in achieving Good Governance objectives. A three-year action plan, which started in fiscal year 1998-99, was developed to realize the intended results of this new strategy.

## Key Strategies and Plans

Over the next three years the CRTC will implement the following strategies and plans.

Strategies	Plans
Implement a more proactive and flexible approach to public processes, including increased public participation in an evolving competitive environment	<ul style="list-style-type: none"> <li>• Continue to implement ways to increase public participation</li> <li>• Continue to improve processes for incorporating public input into policy formulation (e.g., workshops and roundtables with industry and associations representing public interests)</li> </ul>
Develop a strategic communications approach	<ul style="list-style-type: none"> <li>• Continue to develop and implement external and internal communication strategies</li> </ul>
Enhance information for decision-making	<ul style="list-style-type: none"> <li>• Conduct regulatory research and explore use of other information gathering and analysis approaches</li> </ul>
Increase CRTC's role as an impartial referee in the resolution of disputes	<ul style="list-style-type: none"> <li>• Continue to develop, review, implement a dispute-resolution process and improve dispute-resolution skills</li> </ul>
Promote excellence and professionalism in CRTC working relationships	<ul style="list-style-type: none"> <li>• Implement human resources strategy and action plan adapted to the current environment</li> <li>• Match employees with staff vacancies and recruit as needed to create a representative workforce</li> <li>• Develop leadership skills, management capability and technical expertise</li> <li>• Develop ways to facilitate convergence through better interaction and understanding</li> </ul>
Foster high-quality management practices that are results-oriented, cost-effective, timely and focused on client service	<ul style="list-style-type: none"> <li>• Simplify and harmonize broadcasting and telecommunications procedures where appropriate</li> <li>• Implement a cost-effective performance measurement strategy</li> <li>• Develop and implement service standards</li> <li>• Monitor funding structures (establishment of committees with industry representatives by July 1999)</li> <li>• Encourage electronic filing of documents to the Commission</li> <li>• Implement new information technology (IT) strategy</li> <li>• Compliance with Financial Information Strategy (FIS)</li> <li>• Complete testing of exposure to Year 2000</li> </ul>

## Expected Results

The following table summarizes the key results and broad performance measures of the Good Governance management strategy.

Results	Measures
<ul style="list-style-type: none"> <li>• Decisions are fair and impartial</li> <li>• Collaborative processes are established with many players</li> <li>• The CRTC is characterized by teamwork, trust, openness, pride and respect</li> <li>• CRTC actions are effective, efficient, timely and clear</li> </ul>	<ul style="list-style-type: none"> <li>• Perception of process by interested parties</li> <li>• Proportion of decisions turned down by Federal Court on grounds of fairness</li> <li>• Bilateral and multilateral processes in place with other organizations</li> <li>• Number of participants per public process</li> <li>• Employee perception</li> <li>• Incidences of use of electronic correspondence; web-site traffic (no. of hits)</li> <li>• Number of applications/filings processed and percentage of electronic filings; number of decisions and notices; number of calls and correspondence, complaints and inquiries</li> <li>• Average time from application to decision by route and type of application</li> <li>• Appropriate service and quality standards in place and adhered to</li> </ul>

## **Consolidated Reporting**

### **Regulatory Initiatives**

#### **Context**

The regulatory issues facing the CRTC continue to increase in complexity. The significance of communications industries to Canadian and global business and social interaction is highlighted daily in the media. Competition has developed rapidly in Canadian communications markets, and this has considerably increased the choice of both communications services and service providers available to Canadians. Competition has also increased the complexity of the regulatory issues for industry, the CRTC, the Government of Canada and other participants in the regulatory arena.

#### **Historical Background**

The CRTC permitted the introduction of competition into regulated telecommunications markets in 1978, in mobile radio communications; in 1992, the CRTC allowed facilities based competition in the public long-distance voice telephone market. Competition in many other telecommunications markets was occurring before that date. Increased competition in broadcasting distribution was introduced with the licensing of the Multipoint Distribution System and direct-to-home satellite distribution undertakings.

In 1995–96, the CRTC held a public hearing and issued the report *Competition and Culture on Canada's Information Highway: Managing the Reality of Transition*. This report says that effective competition in local telephone markets is a fundamental precondition for competition in all markets on the Information Highway, and sets out the terms under which the CRTC would expect to manage the transition to competition between the telephone companies and cable companies. Major changes were introduced in a framework that called for a fully competitive market, including local telephone service, and a series of reforms are currently being implemented.

In May 1997, new rules to facilitate the entry of new service providers into the local telephone market were announced. A new price cap regulatory regime to replace the traditional earnings-based approach, was established for the Stentor telephone companies. These decisions also opened the door for these telephone companies to apply for licences to operate broadcasting distribution services, thus creating another milestone leading to convergence in the communications industries. In December 1997, the CRTC announced a series of decisions for the telecommunications market that, taken together, will result in increased consumer choice in long distance services as well as local telephone services. These decisions concern: i) the implementation of a price cap rate regime, ii) the effective deregulation of discount toll and toll free (800/888) rates for long distance services offered by most Stentor companies, and for high speed private line services; iii) the introduction of new rules for the regulation of Quebec-Telephone and Telebec in order to allow them to be subject to the same

competition and finally, iv) the establishment of the scope of contributions for Alternative Providers of Long Distance Service (APLDS).

Finally, a new regulatory regime for broadcasting distribution came into effect in early 1998 and applies to all distributors of distribution services in Canada, including cable, multipoint distribution systems (MDS) and local multipoint communication systems (LMCS) as well as Direct-to-Home (DTH) satellite distributors. These new rules are designed to foster fair competition between distributors and new distribution technologies in the broadcast distribution market, while strengthening the presence of high-quality Canadian programming.

### **The Regulatory Process and Planned Regulatory Changes**

The CRTC regulates both public and private broadcasters. It has the power to issue, renew, amend, suspend or revoke licences, and set conditions of licence for the achievement of the objectives of the *Broadcasting Act*. The members of the CRTC, or the members of a panel for a public hearing, decide broadcast licensing matters and determine the CRTC's broadcasting policies. The CRTC prescribes classes of licences, and makes by-laws, regulations and rules of procedure.

Regulations on broadcasting matters are issued after public consultation in accordance with subsections 10(3) and 11(5) of the *Broadcasting Act*. When major changes to broadcasting regulations are proposed, written comments are invited and a public hearing may be held at which interested parties present their views. In accordance with subsection 18(1) of the *Broadcasting Act*, public hearings are also held in connection with the issuance, suspension or revocation of a licence, and the making of orders. As per subsection 18(2), they are also held in connection with the renewal or amendment of a licence. In addition, the CRTC solicits public comments before developing or modifying policies and practices. To reduce the regulatory burden and to ensure a timely process, the CRTC also uses streamlined approaches such as a paper process and non-appearing hearings.

The CRTC's regulatory mandate with respect to telecommunications derives from several statutes, including the *Telecommunications Act* and special acts for some of the federally regulated carriers. The CRTC also seeks public comments on applications from federally regulated carriers and other parties, and holds oral public hearings on significant policy issues.

The activities of the CRTC, such as the licensing of broadcasting undertakings or the approval of the interconnection of telecommunication carriers, are usually in response to private sector initiatives and applications. Therefore, much of the CRTC's longer term agenda is difficult to plan in detail.

The chart below identifies the potential regulatory changes initiated by the CRTC.

**Chart on Regulatory and Legislative Initiatives**

<i>Potential Changes to Regulations and Legislation</i>	<i>Expected Results</i>
<b>Broadcast Distribution Regulations</b>	<ul style="list-style-type: none"> <li>• Implement decisions further to review to be held in 2000, to further promote the development of competition in broadcasting distribution.</li> </ul>
<b>Television Broadcasting Regulations, 1987</b>	<ul style="list-style-type: none"> <li>• Implement the Commission's new TV policy (spring 1999), to support a healthy and viable industry, in a rapidly evolving communications environment.</li> </ul>
<b>Radio Regulations , 1986</b>	<ul style="list-style-type: none"> <li>• Implement decisions further to campus and community review, to be held in summer 1999.</li> </ul>
<b>Broadcasting Information Regulations, 1993</b>	<ul style="list-style-type: none"> <li>• Implement changes in response to the Standing Joint Committee for Scrutiny of Regulations.</li> </ul>
<b>Telecommunications Fees Regulations, 1995</b>	<ul style="list-style-type: none"> <li>• A more equitable allocation of the cost of the regulatory function, minimized regulatory fee burden on small companies and recovery of the cost of issuing licences.</li> </ul>
<b>Rules of procedure</b>	<ul style="list-style-type: none"> <li>• Adapt Broadcasting Rules of Procedure and Telecommunications Rules of Procedure to the realities of a converging environment.</li> </ul>

**Year 2000**

During the period from January to March 1998, the Commission sent over 1,100 letters to broadcasting and telecommunications companies stressing the importance of being prepared for the Year 2000. The Commission encouraged them to take the necessary steps to review their operations and to take appropriate actions to address Year 2000 issues.

As a follow-up, the Commission reminded all telecommunications companies, both regulated and unregulated, of the potential Year 2000 problems unless remedial action was taken. The Commission also required these companies to provide specific information on their Year 2000 planning, including significant milestones such as the expected date of Year 2000 compliance and when a contingency plan would be in place. The responses received from all the telecommunications companies - both large and small - were encouraging. They indicate that virtually all of the roughly 100 companies expect to achieve Year 2000 compliance for all critical systems by June 1999, or earlier. Finally, because Industry Canada was already canvassing broadcasters along with all other Radiocommunication Act licensees, it was agreed that this department would follow-up with companies in the broadcasting sector to obtain information from them regarding their Year 2000 compliance status.

Internally, the CRTC's Year 2000 team has conducted an in-depth analysis and has concluded that the operational exposure to Year 2000 problems is relatively minimal. In 1988, the Commission had adopted a fixed format eight-digit date standard (YYYYMMDD) and all corporate systems had subsequently been designed based on this standard. In December 1998, the CRTC finished an assessment of all of its technology-based products to ensure Year 2000 compliance. An independent review of the Year 2000 project began in January 1999. Any non-compliance issues are expected to be resolved by April 1999. Contingency plans have been prepared.

The Commission's Year 2000 team participates in the Treasury Board Year 2000 Interdepartmental Working Group and the Locally Shared Informatics Year 2000 Group. The CRTC's team has established guidelines for hardware and software acquisitions to ensure compliance. All current purchases are made against these specifications and appropriate testing methods are in place to ensure compliance.

The CRTC Year 2000 team is also providing assistance to staff who has developed small information systems and databases using a variety of tools. While these end user developed systems/databases are generally not operationally critical, the CRTC's Year 2000 team is committed to ensuring that all of the Commission's informatics supported resources will be Year 2000 compliant. Accordingly, guidelines and testing procedures have been distributed to all end users to assist them in assessing their stand-alone systems.





## Section IV: Supplementary Information

### Financial and Personnel Information

#### Spending Authorities — Summary of Part II of the Estimates

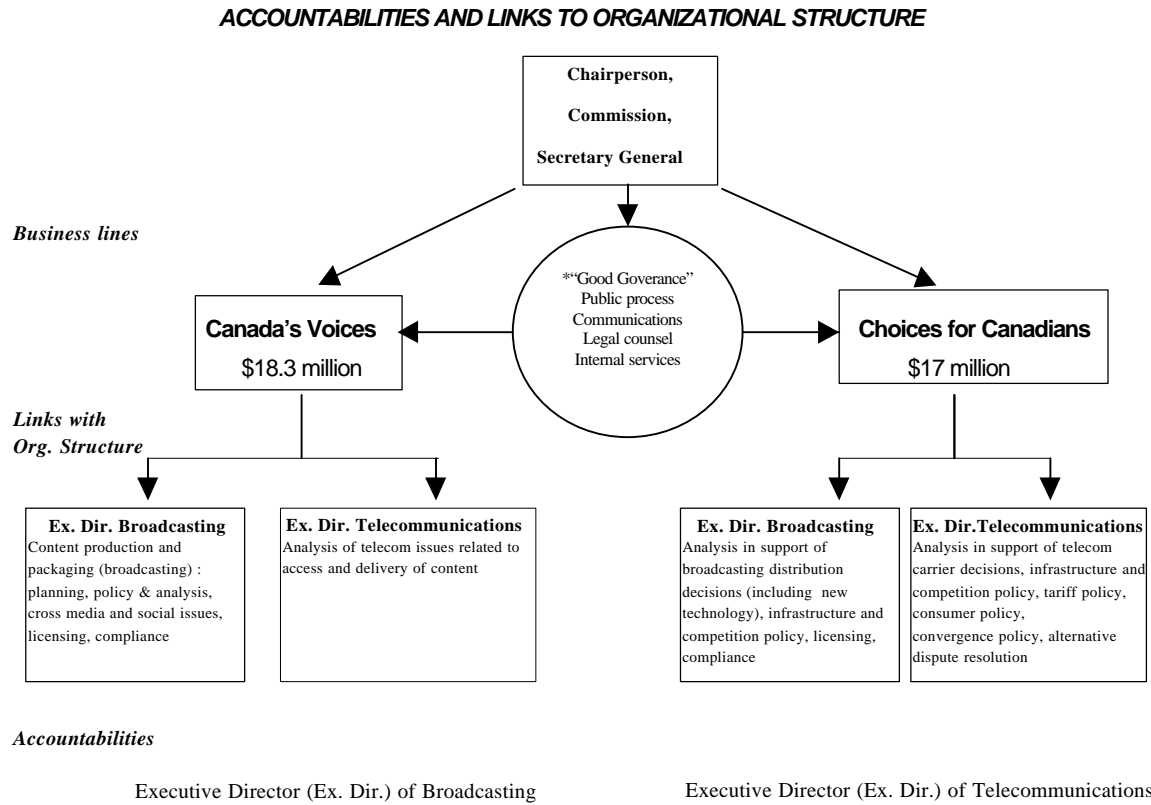
**Table 1: Financial Requirements by Authority**

Vote (thousands of dollars)		1999-00 Main Estimates	1998-99 Main Estimates
<b>Canadian Radio-television and Telecommunications Commission</b>			
55	Program expenditures	1,500	-
(S)	Contributions to employee benefit plans	4,442	4,573
<b>Total Agency</b>		<b>5,942</b>	<b>4,573</b>

**Table 2.1: Organization Structure**

The CRTC’s external accountability is by its two business lines, namely “Canada’s Voices” and “Choices for Canadians”. Internally, the management of resources and delivery of results is by responsibility centre, in an organizational structure that cuts across the business lines to facilitate convergence and promote competition.

An accountabilities chart linked to the organizational structure and activities is noted below.



\* Good Governance is not a business line. Rather it is a management strategy that supports the two business lines.

**Table 2.2: Accountability for 1999–2000 Planned Spending by Business Line (\$ millions)**

Business Line	Accountability	
	Executive Director, Broadcasting	Executive Director, Telecommunications
Canada's Voices	18.1	0.2
Choices for Canadians	0.5	16.5
<b>Total Planned Spending</b>	<b>18.6</b>	<b>16.7</b>

**Table 2.3: Planned FTEs, by Business Line**

Business Line	1998–99	1999–00	2000–01	2001–02
Canada's Voices	215	215	215	215
Choices for Canadians	189	189	189	189
<b>Total FTEs</b>	<b>404</b>	<b>404</b>	<b>404</b>	<b>404</b>

**Table 3: Presentation by Standard Object of Expenditure (\$ millions)**

<b>Standard Object</b>	<b>1998-99*</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>
<b>Personnel</b>				
• Salaries and wages	23.2	22.2	22.2	22.2
• Contributions to employee benefit plans	4.6	4.4	4.4	4.4
• Other salary and wages				
• Other personnel costs				
<b>Subtotal</b>	<b>27.7</b>	<b>26.7</b>	<b>26.6</b>	<b>26.6</b>
<b>Goods and Services</b>				
Transportation and communications	1.9	1.9	1.8	1.8
Information	1.4	1.6	1.5	1.5
Professional and special services	3.3	3.5	2.2	2.2
Rentals	0.3	0.4	0.3	0.3
Purchased repair and maintenance	0.4	0.4	0.4	0.4
Utilities, materials and supplies	0.8	0.7	0.7	0.7
Other subsidies and payments	0.6	—	—	—
<b>Subtotal</b>	<b>8.7</b>	<b>8.5</b>	<b>7.0</b>	<b>7.0</b>
Capital	0.3	0.1	0.1	0.1
Gross Expenditures	36.7*	35.3	33.7	33.7
<i>Less:</i> Revenues credited to the Vote	29.0	29.3	29.3	29.3
<b>Net Budgetary Expenditures</b>	<b>7.6</b>	<b>5.9</b>	<b>4.4</b>	<b>4.4</b>

\*Includes best forecast of total planned spending to the end of the fiscal year.

N.B. Because of rounding, columns may not add to totals shown.

**Table 4: Program Resources for 1999 – 2000, by Business Line (\$ millions)**

<b>Business Lines</b>	<b>FTEs</b>	<b>Operating</b>	<b>Gross Voted</b>	<b>Gross Planned Spending</b>	<b>Less: Revenue Credited to the Vote</b>	<b>Total Net Planned Spending</b>
Canada's Voices	215	18.3	—	18.3	15.3	3.0
Choices for Canadians	189	17.0	—	17.0	14.1	2.9
<b>Total Resources</b>	<b>404</b>	<b>35.3</b>	<b>—</b>	<b>35.3</b>	<b>29.3</b>	<b>5.9</b>

N.B. Because of rounding, columns may not add to totals shown.

**Table 5: Total Planned Program Spending for 1999–2000, by Activity (\$ millions)**

<b>Activity</b>	<b>Operating</b>	<b>Gross Planned Spending</b>	<b>Less: Revenue Credited to the Vote</b>	<b>Total Main Estimates</b>
Broadcasting <sup>1</sup>	18.6	18.6	16.3	2.3
Telecommunications <sup>1</sup>	16.7	16.7	13.0	3.6
<b>Subtotal</b>	<b>35.3</b>	<b>35.3</b>	<b>29.3</b>	<b>5.9</b>
<i>Less: Other Revenue and Expenditures</i>				-
<i>Less: Revenue Credited to the Consolidated Revenue Fund</i>				80.8
<i>Plus: Estimated Cost of Services Provided by Other Departments<sup>2</sup></i>				16.5
<b>Net Cost of Program</b>				<b>(58.4)</b>

<sup>1</sup> Includes spending related to Good Governance (i.e., Corporate Services and Executive Management).

<sup>2</sup> Of this total, \$12 million are related to the regulation of the broadcasting spectrum by Industry Canada.

N.B. Because of rounding, columns may not add to totals shown.

## **Revenues for Fiscal Year 1998–99**

### *Broadcasting*

Section 11 of the *Broadcasting Act* empowers the Commission to make regulations respecting licence fees. Pursuant to this section of the Act, the Commission implemented new *Broadcasting Licence Fee Regulations*, effective 1 April 1997. These regulations apply to all licensees other than those classes of undertakings specifically exempted under section 2 of the *Fee Regulations*.

Every applicable licensee shall pay annually to the Commission a Part I licence fee, payable on 1 April each year, and a Part II licence fee, payable on or before 30 November each year. The Part I fee is based on the broadcasting regulatory costs incurred each year by the Commission and other federal departments or agencies, excluding spectrum management costs and is equal to the aggregate of:

- (a) the costs of the Commission's broadcasting activity; and
- (b) the share that is attributable to the Commission's broadcasting activity of:
  - i. the costs of the Commission's administrative activities, and
  - ii. the other costs that are taken into account to arrive at the net cost of the Commission's program, excluding the costs of regulating the broadcasting spectrum.

There is an annual adjustment amount to the Part I Fee to adjust estimated costs to actual expenditures. Any excess fees are credited to the licensee in the following year's invoice while shortfalls are charged to the licensees.

The Part II fee amounts to 1.365% of a licensee's gross revenue in excess of an applicable exemption limit. A portion of the Part II fees collected by the CRTC is allocated to cover the expenses of Industry Canada for services provided through its Spectrum Management and Regional Operations Activity, including the certification of broadcast undertakings, the broadcast inspection program and the investigation of complaints of interference to broadcast reception.

### *Telecommunications*

The *Telecommunications Fees Regulations 1995*, made under section 68 of the *Telecommunications Act*, set out the formula for collecting telecommunications fees from the carriers that the Commission regulates. Each company must pay fees based on its operating revenues, as a percentage of the revenues of all the carriers that are regulated.

The annual fees the CRTC collects is equal to the aggregate of:

- the cost of the Commission's telecommunications activity;
- the share of the costs of the administrative activities that is attributable to its telecommunications activity; and
- the other costs included in the net cost of the Commission's program attributable to its telecommunications activity.

Similar to the Broadcasting Licence Fee Part I, telecommunications fees are adjusted on an annual basis from estimated costs to the actual expenditures that were incurred in conducting telecommunications activities during the fiscal year. Any excess fees are credited to the carriers, while shortfalls are subject to an additional billing.

**Table 6: Details of Revenue, by Program (\$ millions)**

<b>Revenue Credited to the Vote</b>	<b>1998-99</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>
Broadcasting licence fees	16.2	16.3	16.3	16.3
Telecommunications fees	12.9	13.0	13.0	13.0
<b>Total Credited to the Vote</b>	<b>29.0</b>	<b>29.3</b>	<b>29.3</b>	<b>29.3</b>
<b>Revenue Credited to the CRF</b>	<b>1998-99</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>
Broadcasting licence fees	74.2	76.8	79.3	81.8
Telecommunications fees	4.3	3.9	3.9	3.9
<b>Total Credited to the CRF</b>	<b>78.5</b>	<b>80.8</b>	<b>83.2</b>	<b>85.7</b>
<b>Total Program Revenue</b>	<b>107.5</b>	<b>110.0</b>	<b>112.5</b>	<b>115.0</b>

N.B. Because of rounding, columns may not add to totals shown.

**Table 7: Net Cost of the CRTC for 1999-2000 (\$ millions)**

<b>Gross Planned Spending</b>	<b>35.3</b>
<i>Plus:</i> Services received without charge	
• Accommodation (Public Works and Government Services Canada)	2.6
• Contributions covering employees' share of insurance premiums and costs (Treasury Board Secretariat)	1.2
• Employee compensation payments (Human Resources Development Canada)	0.1
• Severance and maternity leave payments (Treasury Board Secretariat)	0.6
• Regulation of broadcasting spectrum (Industry Canada)	12.0
<b>Total Cost of the CRTC</b>	<b>51.7</b>
Less: Revenue Credited to the Vote	29.3
Less: Revenue Credited to the CRF	80.8
<b>1990-2000 Net Cost of the Program</b>	<b>(58.4)</b>
<b>1998-1999 Estimated Net Program Cost</b>	<b>(53.1)</b>

N.B. Because of rounding, columns may not add to totals shown.

## Other Information

### Statutes and Regulations

#### Statutes

<i>Canadian Radio-television and Telecommunications Commission Act</i>	R.S.C. 1985, c. C-22, as amended
<i>Broadcasting Act</i>	S.C. 1991, c. 11, as amended
<i>Telecommunications Act</i>	S.C. 1993, c. 38, as amended
<i>Bell Canada Act</i>	S.C. 1987, c. 19, as amended
<i>Telesat Canada Reorganization and Divestiture Act</i>	S.C. 1991, c. 52, as amended

#### Regulations and Rules of Procedure

CRTC Rules of Procedure
Broadcasting Information Regulations, 1993
Broadcasting Licence Fee Regulations, 1997
Broadcasting Distribution Regulations
Pay Television Regulations, 1990
Radio Regulations, 1986
Specialty Service Regulations, 1990
Television Broadcasting Regulations, 1987
CRTC Telecommunications Rules of Procedure
Telecommunications Fees Regulations, 1995
Canada Telecommunications Common Carrier Ownership and Control Regulations

#### Statutes and Regulations for which potential changes are planned

	Estimated date
Broadcast Distribution Regulations	2001
Television Broadcasting Regulations, 1987	1999
Radio Regulations, 1986	1999-2000
Broadcasting Information Regulations, 1993	1999
Telecommunications Fees Regulations, 1995	1999
Rules of Procedure	1999-2000



**Contacts – CRTC Addresses, Locations and Contact Numbers**

<b>CRTC Head Office mailing address</b>	CRTC Ottawa, Ontario K1A 0N2	
<b>CRTC Head Office street address</b>	1, Promenade du Portage Terrasses de la Chaudière Central Building Hull, Quebec	
<b>CRTC e-mail address</b>	<a href="mailto:info@crtc.gc.ca">info@crtc.gc.ca</a>	
<b>CRTC WWW address</b>	<a href="http://www.crtc.gc.ca">http://www.crtc.gc.ca</a>	
<b>CRTC Head Office contact numbers</b>	Client Services	(819) 997-0313
	Client Services - Toll-free Number	1-877-249-2782
	Human Resources Information	(819) 997-2219
	Public Examination Room	(819) 997-2429
	Library	(819) 997-4484
	Access to information and privacy co-ordinator	(819) 994-5366
	Fax (General)	(819) 994-0218
	Fax (Telecommunications)	(819) 953-0795
	Fax (General Counsel)	(819) 953-0589
	Fax (Finance)	(819) 953-5107
	TDD	(819) 994-0423
<b>Regional Office: Atlantic Region</b>	Bank of Commerce Building Suite 1007, 1809 Barrington Street Halifax, Nova Scotia B3J 3K8 Tel.: (902) 426-7997 Fax: (902) 426-2721 TDD: (902) 426-6997	
<b>Regional Office: Quebec Region</b>	Place Montréal Trust Room 1920, 1800 McGill College Avenue Montreal, Quebec H3A 3J6 Tel.: (514) 283-6667 TDD: (514) 283-8316 Fax: (514) 283-3689	
<b>Regional Office: Prairie Region</b>	Suite 1810, 275 Portage Avenue Winnipeg, Manitoba R3B 2B3 Tel.: (204) 983-6306 Fax: (204) 983-6317 TDD: (204) 983-8274	
<b>Regional Office: Western and Territories</b>	530 - 580 Hornby Street, Vancouver, British Columbia V6C 3B6 Tel.: (604) 666-2111 Fax: (604) 666-8322 TDD: (604) 666-0778	
<b>Documentation Centre Toronto</b>	Suite 624, 55 St. Clair Avenue East Toronto, Ontario Tel.: (416) 952-9096	