



## Broadcasting Decision CRTC 2004-24

Ottawa, 21 January 2004

**CTV Television Inc.**  
Across Canada

*Application 2002-0894-3  
Public Hearing in the National Capital Region  
26 May 2003*

### **Report on Business Television – Licence renewal**

*In this decision, the Commission **renews** the broadcasting licence for the specialty television service known as Report on Business Television, from 1 March 2004 to 31 August 2010. The details regarding the licensee's specific proposals for the new licence term, and the conditions of licence and other obligations determined by the Commission are set out below.*

#### **The application**

1. The Commission received an application by CTV Television Inc. (CTV) for the renewal of the broadcasting licence for the national, English-language specialty television service known as Report on Business Television (ROBTV).
2. The Commission's general analysis with respect to its consideration of this and other applications heard at the 26 May 2003 Public Hearing for the licence renewal of specialty television services is set out in *Introduction to Broadcasting Decisions CRTC 2004-6 to 2004-27 renewing the licences for 22 specialty services*, Broadcasting Public Notice CRTC 2004-2, 21 January 2004 (Public Notice 2004-2).
3. The Commission received 45 interventions that specifically supported ROBTV's licence renewal application. No party expressed opposition or raised specific concerns in connection with this application.
4. Other interveners raised general concerns related to all the specialty television licence renewal applications considered as part of this public process. These concerns are discussed in Public Notice 2004-2.

5. On the basis of its review of this licence renewal application and having considered the interveners' comments, the Commission **renews** the broadcasting licence for Report on Business Television, from 1 March 2004 to 31 August 2010.<sup>1</sup> The licence will be subject to the conditions specified therein and to the conditions set out in the appendix to this decision.

### **Expenditures on, and exhibition of, Canadian programming**

6. During the current licence term, the licensee has been required, by condition of licence, to expend on Canadian programs a minimum of 50% of the previous year's gross revenues with respect to ROBTv. By condition of licence, the licensee must also devote in each broadcast year not less than 75% of the broadcast day and not less than 75% of the evening broadcast period to the exhibition of Canadian programs.
7. The Commission notes that the licensee recorded negative profit before interest and tax in each year of ROBTv's first licence term. Taking into account ROBTv's past financial performance and consistent with the approach described in Public Notice 2004-2, the Commission has determined that increases in the licensee's current requirements with respect to expenditures on, and exhibition of, Canadian programming are not warranted at this time. Accordingly, the Commission requires the licensee to maintain the level of its Canadian programming expenditures at 50% of the previous year's gross revenues. The Commission also requires the licensee to continue to devote in each broadcast year at least 75% of the broadcast day and at least 75% of the evening broadcast period to the exhibition of Canadian programs. **Conditions of licence** to this effect are set out in the appendix to this decision.

### **Regional reflection and production**

8. The licensee stated that providing regional reflection is an intrinsic part of the programming offered by ROBTv. It noted that ROBTv broadcasts news regarding publicly-traded companies that develop Canadian markets and natural resources coast-to-coast. In addition, ROBTv often provides in-depth coverage of regional economies and features on local business leaders.
9. The Commission expects the licensee to continue to ensure that the programming aired by ROBTv reflects all Canada's regions.

### **Cultural diversity**

10. As stated in Public Notice CRTC 2004-2, the Commission expects the licensee to endeavour, through its programming and employment opportunities, to reflect Canada's ethno-cultural minorities and Aboriginal peoples. The Commission further expects the licensee to ensure that the on-screen portrayal of such groups is accurate, fair and non-stereotypical.

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<sup>1</sup> In *Administrative renewals*, Broadcasting Decision CRTC 2003-290, 21 July 2003, the Commission granted a six-month administrative renewal for Report on Business Television, from 1 September 2003 to 29 February 2004.

11. CTV has filed a corporate cultural diversity plan with the Commission setting out specific commitments relating to corporate accountability, reflection of diversity in programming, and community involvement as they relate to the presence and portrayal of cultural diversity. The licensee indicated that ROBTv adheres to the policies, procedures and initiatives established in this plan.
12. The Commission expects ROBTv to continue to contribute to cultural diversity and to implement the commitments set out in CTV's corporate cultural diversity plan.
13. The Commission notes that CTV's corporate cultural diversity plan encompasses persons with disabilities. As discussed in Public Notice 2004-2, the Commission expects the licensee to continue to incorporate persons with disabilities into its corporate planning for cultural diversity and to ensure that this is reflected in its annual reports on cultural diversity, beginning with the report to be filed in December 2004.

### **Employment equity and on-air presence**

14. Pursuant to section 5(4) of the *Broadcasting Act*, the Commission does not regulate or supervise matters concerning employment equity in relation to broadcasting undertakings with more than 100 employees, as they are subject to the *Employment Equity Act*. However, the Commission continues to regulate matters such as on-air presence.
15. The Commission expects the licensees of specialty television services to ensure that the on-air presence of members of the four designated groups (women, Aboriginal persons, persons with disabilities and members of visible minorities) is reflective of Canadian society, and that members of these groups are presented fairly and accurately.
16. In the present case, the Commission notes that ROBTv reported 16 on-air employees, of which five are women. The Commission considers that, as a national news service, ROBTv should be more representative of the Canadian population. The Commission expects CTV to take steps during the new licence term to address any gaps in the on-air presence of members of the four designated groups on ROBTv.

### **Service to persons who are deaf or hard of hearing**

17. The Commission is committed to improving service to viewers who are deaf or hard of hearing, and has consistently encouraged broadcasters to increase the amount of closed captioned programming they broadcast. The Commission generally requires all broadcasters to offer a minimum percentage of closed captioned programs consistent with the nature of their services. Most English-language services must close caption at least 90% of their programming.

18. In its application, the licensee stated that it would achieve a 90% level of closed captioning by 31 August 2003. The licensee also indicated that it would accept a condition of licence requiring that it close caption 90% of all programming broadcast on ROBTv during each broadcast day of the new licence term.
19. Consistent with the licensee's commitment and with the Commission's general approach for English-language services, the Commission is imposing a **condition of licence** requiring the licensee to close caption not less than 90% of all programming aired during the broadcast day, beginning not later than 1 September 2004. The condition of licence is set out in the appendix to this decision.
20. The 90% obligation is based on the recognition that requiring 100% captioning at all times by condition of licence may not be reasonable. Thus, the obligation is designed to provide some flexibility to cover unforeseen circumstances (such as late delivery of captions, technical malfunctions, or the lack of availability of captions for programs acquired outside North America), or programming where captioning may not be feasible, such as third-language programming.
21. The Commission expects that, during the new licence term, the licensee will focus on improving the quality, reliability and accuracy of its closed captioning, and work with representatives of the deaf and hard of hearing community to ensure that captioning continues to meet their needs.

### **Service to persons who are blind or whose vision is impaired**

22. The Commission is committed to improving the accessibility of television programming for persons with visual impairments through the provision of audio description<sup>2</sup> and video description (also known as described video).<sup>3</sup>
23. When asked to describe how it serves the particular needs of persons with visual impairments, the licensee noted that ROBTv's programming is primarily audio. The licensee stated that it attempts to provide voice-overs to accompany news and information that is presented in visual formats, such as charts or text. During the new licence term, the licensee plans to undertake focus groups to define which program formats must require descriptive video and identify the programs that should be accorded priority for descriptive video.

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<sup>2</sup> Audio description involves the provision of basic voice-overs of textual or graphic information displayed on the screen. A broadcaster providing audio description will, for example, not simply display sports scores on the screen, but also read them aloud so that people who are visually impaired can receive the information.

<sup>3</sup> Video description, or described video, consists of narrative descriptions of a program's key visual elements so that people who are visually impaired are able to form a mental picture of what is occurring on the screen.

24. The Commission considers that news services have a particular responsibility to ensure that their programming is as accessible as possible. The Commission expects that, during the new licence term, the licensee will:
- provide audio description, wherever appropriate;
  - acquire and broadcast the described versions of a program, wherever possible; and
  - take the necessary steps to ensure that its customer service responds to the needs of viewers who have visual impairments.

### **Compliance with industry codes**

25. In accordance with its usual practice for specialty television services, the Commission is imposing **conditions of licence** requiring the licensee to adhere to industry codes related to sex-role portrayal, advertising to children, and the depiction of violence in television programming.

Secretary General

*This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined at the following Internet site: <http://www.crtc.gc.ca>*

## Appendix to Broadcasting Decision CRTC 2004-24

### Conditions of licence

1. (a) The licensee shall provide a national English-language specialty television service consisting of business and financial news and information.
- (b) The licensee shall draw its programming exclusively from the following categories, as set out in section 6 of Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time:
  - 1 News
  - 2 (a) Analysis and interpretation
  - (b) Long-form documentary
  - 3 Reporting and actualities
  - 5 (b) Education, informal
  - 12 Interstitials
  - 13 Public service announcements
  - 14 Infomercials, promotional and corporate videos
2. In each broadcast year, the licensee shall devote to the exhibition of Canadian programs not less than 75% of the broadcast day and not less than 75% of the evening broadcast period.
3. In accordance with the Commission's position on Canadian programming expenditures as set out in *New Flexibility With Regard to Canadian Program Expenditures by Canadian Television Stations*, Public Notice CRTC 1992-28, 8 April 1992, in *The Reporting of Canadian Programming Expenditures*, Public Notice CRTC 1993-93, 22 June 1993 and in *Additional Clarification Regarding the Reporting of Canadian Programming Expenditures*, Public Notice CRTC 1993-174, 10 December 1993:
  - (a) In each broadcast year of the licence term, the licensee shall expend on the acquisition of and/or investment in Canadian programs a minimum of 50% of the gross revenues derived from the operation of this service during the previous broadcast year.
  - (b) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programs that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.

- (c) In each broadcast year of the licence term, where the licensee expends an amount on Canadian programs that is greater than the minimum required expenditure for that year calculated in accordance with this condition, the licensee may deduct:
    - (i) from the minimum required expenditure for the following year of the licence term, an amount not exceeding the amount of the previous year's over-expenditure; and
    - (ii) from the minimum required expenditure for any subsequent broadcast year of the licence term, an amount not exceeding the difference between the over-expenditure and any amount deducted under (i) above.
  - (d) Notwithstanding paragraphs (b) and (c) above, during the licence term, the licensee shall expend on Canadian programs, at a minimum, the total of the minimum required expenditures calculated in accordance with this condition of licence.
4. (a) The licensee shall not distribute more than twelve (12) minutes of advertising material during each clock hour.
    - (b) The licensee shall not distribute any paid advertising material other than paid national advertising.
  5. The licensee shall charge each exhibitor of this service a maximum wholesale rate of \$0.25 per subscriber per month, where the service is distributed as part of the basic service.
  6. The licensee shall provide closed captioning for not less than 90% of all programs aired during the broadcast day, beginning not later than 1 September 2004.
  7. The licensee shall adhere to the guidelines on gender portrayal set out in the Canadian Association of Broadcasters' (CAB) *Sex-role portrayal code for television and radio programming*, as amended from time to time and approved by the Commission. The application of the foregoing condition of licence will be suspended as long as the licensee remains a member in good standing of the Canadian Broadcast Standards Council (CBSC).
  8. The licensee shall adhere to the provisions of the CAB's *Broadcast code for advertising to children*, as amended from time to time and approved by the Commission.

9. The licensee shall adhere to the guidelines on the depiction of violence in television programming set out in the CAB's *Voluntary code regarding violence in television programming*, as amended from time to time and approved by the Commission. The application of the foregoing condition of licence will be suspended as long as the licensee remains a member in good standing of the CBSC.

For the purpose of these conditions of licence, the terms, "broadcast day", "broadcast year", "evening broadcast period" and "clock hour" shall have the same meaning as those set out in the *Television Broadcasting Regulations, 1987*; "paid national advertising" shall mean advertising material as defined in the *Specialty Services Regulations, 1990* and that is purchased at a national rate and receives national distribution on the service.