Overview of CBC/Radio-Canada's Annual Reports to the Canadian Radio-Television and Telecommunications Commission for the Broadcast Year 2003-2004

The CBC/Radio Canada is pleased to file its Annual Report with the Commission for the 2003-2004 broadcast year, covering the following CBC/Radio Canada services:

- English Television Network and stations (ETV);
- French Television Network and stations (FTV);
- English and French Radio Networks; and
- Newsworld and Le Réseau de l'Information (RDI)

In the following pages, we provide a summary outlining CBC/Radio-Canada's performance for 2003-2004 with respect to the conditions of licence, requirements and expectations set out in the Commission's 6 January 2000 licence renewal decisions (CRTC Decisions 2000-1, 2000-2 and 2000-3).

While the feature film condition of licence for the English and French Television networks was lifted by the CRTC in 2003, we are still required to report on the number of popular foreign feature films aired in peak hours that the repealed condition of licence targeted. This information is included in Appendix A of the ETV Annual Report and in Appendix B of the FTV Annual Report, respectively.

In addition, further to the 22 June 2004 Commission letter accepting the third Annual Report, and its recent letter dated 17 November 2004, the Commission has requested that we report in further detail on the CBC/Radio Canada's news and information programming and Canadian feature films activities related to the French-language television services. This additional information is provided in FTV's Annual Report in Appendix A and Appendix C.

1. Introduction

Now mid-way through our licence term, CBC/Radio-Canada is filing its fourth Annual Report with the Commission. For the fourth year in a row, we are very pleased to be able to report that based on our performance in 2003-2004, we again have an excellent report card to present to the Commission.

Our English Radio and Television Network services, our French Radio networks and our specialty television services Newsworld and RDI are all fully in compliance with their conditions of licence, and they have also fully addressed the requirements and expectations set in the renewal decisions.

Both ETV and FTV have once again this year demonstrated that they have met, and in many instances considerably exceeded the Commission's requirements and expectations in a variety of important areas.

Performance by FTV has been exemplary in all areas except two. As was the case in the previous broadcast year, and while important improvements have been achieved, FTV has

been unable to completely achieve the 5 hours per week of Music, Dance and Variety programming in the peak viewing period required by its condition of licence in this area. This condition is proving particularly troublesome given our goal and the Commission's goal of maintaining a balanced schedule. As we indicated in our previous correspondence on this matter, FTV continues to make steady progress in reaching this condition of licence, increasing the average weekly level of Music, Dance and Variety Programming from 3 to 4.1 hours per week in 2003-2004. FTV has also increased its weekly average of Music, Dance and Variety programming where programs broadcast within the regions or on the network outside the peak viewing period are included, from 5.4 hours in 2002-2003 to 7 hours in 2003-2004.

In addition, we would like to bring to the Commission's attention a temporary deficiency that has recently occurred in our FTV children's programming. This year, FTV has not met its condition of licence requirement to provide 4 hours per week of original Canadian children's programming, providing an average of 1 hour per week in 2003-2004. This shortfall is of a one-time nature only and is entirely attributable to the major restructuring of FTV that was undertaken at the network over the past year. FTV will be fully compliant with this condition of licence during the 2004-2005 broadcast year.

Beyond these areas, our Television services, which are required to report on the majority of the areas and issues set out in the Commission's renewal documents, have substantially met and in many instances considerably exceeded the Commission's requirements and expectations.

2. A Summary of Our 2003-04 Performance

a. The Radio Services

English Radio

English Radio has, for the fourth year in a row, met or exceeded all of its conditions of licence.

Once again, English Radio has fully met or exceeded the Canadian content requirements for both category 2 and category 3 music, for both its Radio One and Radio Two services.

The Commission's renewal decision also required the Corporation to report progress in terms of extending its Radio Two service to 50% of the English language populations of each province within two years, and to 75% of the English-language Canadian population generally, within that same two year period. This was met in the second year of the licence renewal period.

Today, only two provinces – Saskatchewan and Newfoundland and Labrador – have coverage levels of less than 75% for the Radio Two service. New transmitter applications were submitted for Warmley and Yorkton, Saskatchewan and Stephenville, Newfoundland and Labrador during 2003-2004. CBC/Radio-Canada plans to apply for two additional transmitters in each province during the current licence term, ensuring that the Commission's objective of 75% coverage per province is achieved by the end of the licence term.

Elsewhere, in response to extraordinary demand and high population centres still un-served, CBC/Radio-Canada submitted and has received approval for new Radio Two transmitters in

Chilliwack (BC), Red Deer (AB) and Whitehorse (YK) and expects to implement these three new transmitters in 2004-2005.

French Radio

French Radio has also met or exceeded all its conditions of licence with respect to Canadian content and French language vocal music. In fact, in 11 of the 12 months of the 2003-2004 broadcast year CBF-FM provided an average of 55% Canadian content for category 2 music where 50% is the requirement, while Canadian content for category 3 music averaged 30% over the full year, where the requirement is 20%.

On CBFX-FM, category 2 music averaged 55% in 8 of the 12 months of the broadcast year, and category 3 music averaged at least 30% in 7 of the 12 months. French language vocal content was more than 97% for 8 of 12 months on CBFX-FM and more than 96% for 5 of 12 months on CBF-FM, where the requirement is 85%.

In terms of coverage, since the renewal decision, French Radio has undertaken a significant accelerated program to ensure that Canadians in all provinces are able to receive and enjoy the service of what was then known as La Chaîne culturelle (now Espace Musique). Since January 2003, new transmitters providing the service of Espace Musique have been implemented in Edmundston and the four Atlantic capitals of Fredericton, Charlottetown, Halifax and St. John's. Transmitters have also been implemented in Paris (Ont.), Dolbeau and Sept-Iles in Quebec, and in Calgary, Regina, Victoria and Edmonton in Western Canada.

All ten provincial capitals now have the Espace Musique service. When fully implemented, the new transmitters for Espace Musique will provide service to more than 90% of the Canadian population whose mother tongue is French.

b. The Specialty News Services

Newsworld and RDI

Both Newsworld and RDI were granted rate increases as their licences were renewed. These rate increases were predicated on a range of improvements to the two programming services, for which they are being held accountable as part of the annual reporting process. Both services have been operating in full compliance with all their conditions of licence.

Noteworthy achievements for **Newsworld** in 2003-2004 include:

- The Canadian content level of the service continues to exceed the 90% minimum level required by condition of licence.

- Newsworld has closed captioned 100% of its programming since November 1, 2002, exceeding the 90% condition of licence target that the Commission had required be achieved by September 2002. Newsworld spent $866,000 on closed captioning in 2003-2004.

- Newsworld, in partnership with CBC Television, has established new video-journalist bureaus in the following locations across Canada: Bathurst, NB; Summerside, PEI; Yarmouth, NS; Brandon, Man.; Swift Current, Yorkton, Prince Albert and North Battleford, SK.; Red Deer, AB.; and Kelowna, BC.

- Newsworld also continued its cross-cultural joint projects with RDI, contracting together with RDI for another full season of Culture Shock episodes.

Noteworthy achievements in the past year for **RDI** include:

- Canadian programs made up 95% of the RDI broadcast schedule in 2003-2004.

- RDI exceeded condition of licence requirements for closed captioning, in terms of both spending and percentage of programming captioned, allocating a budget of $530 000 that results in a schedule that is more than 60% closed captioned overall.

RDI expanded its live, regional, international and special interest programming with several significant measures including:

- RDI produces and broadcasts a live, out-of-studio broadcast of *En Direct*, from regional locations in Atlantic Canada, Quebec, Ontario and the West on a weekly basis.
- RDI has continued its cooperative ventures with Newsworld, again providing 23 episodes of Culture Shock.
- The two services have continued to cooperate to expand their journalistic coverage across Canada. RDI operates three SNG vehicles located in the Saguenay, Toronto and Winnipeg.

c. CBC Television Services

Our two television services have met or exceeded virtually all the requirements set for them by CRTC in the renewal decisions. Some of the many significant achievements of both English and French Television for the last broadcast year are highlighted below.

English Television

Amongst the notable achievements during the 2003-2004 broadcast year are the following:

- Canadian content was 77.7% over the full broadcast day and 86.5% in the 7-11 p.m. peak broadcast period, an increase of almost 2% over the previous broadcast season, exceeding the CRTC's expectation.

- Regional production for the network was 42 hours per week vs. 36 hours expected.

- ETV has again met its condition of licence that stipulated for the period from 2002-2003 to the end of the licence term it broadcast at least 6 hours a week of priority regional programming in the peak period (7 – 11 p.m.) for which the principal photography occurs more than 150 kms outside Toronto.

- Over the broadcast week, for the full broadcast day, ETV provided 25 hours per week of regionally produced priority programming.

- ETV now provides a weekly average of 31.9 hours per week of children's programming, all of it non-commercial, including 23.3 hours of which is Canadian, significantly exceeding the CRTC's expectation of 15 hours.

- Youth programming averaged 6.1 hours per week in 2003-2004, 5.9 hours a week of which was Canadian, exceeding the CRTC's expectation of 5 hours per week.

- Independent production now represents 79% of non-news and sports programming, an increase of 5% over the previous year, and of 12% over the course of the current licence term. Moreover, 86% of regional programming comes from the independent production sector, an increase of 10% since 2002-2003, and a full 13% since 2001-2002.

- 100% of the ETV schedule is closed captioned, effective 1 November 2002. This includes all news-breaks, station breaks and CBC produced promotional material.

- ETV broadcast 63 hours of described video programming, all of it Canadian. This was made up of 33 hours of original first time broadcasts and 30 hours of programs first broadcast in other seasons.

French Television

Amongst the notable achievements during the 2003-2004 broadcast year are the following:

- Full day Canadian content was 77%, while prime time Canadian content was 88%, both increases over the previous broadcast year, and significantly more than the 80% level for the 7-11 p.m. peak broadcast period, called for by the Commission.

- Regional production greatly exceeded the Commission's expectation, with a total of 310 hours of regional productions broadcast over the year, 33 hours of which were in peak hours. An average of 5.8 hours of regional productions were broadcast on the network each week.

- Programming for children and youth fully met CRTC's overall expectation with 20.4 hours of programs for children and youth. Included in this total was 16,9 hours of programming for children aged 2 to 11 years, and 3.5 hours of programming for youth aged 12 to 17 years.

- The quantity of Canadian performing arts programming showcased on FTV exceeded expectations. It included 19 Canadian performances in the peak viewing period in 2003-2004.

- FTV also broadcast 18 long form documentaries acquired from the independent production sector in the peak viewing period, meeting the Corporation's commitment.

- The network continues to showcase Canadian feature films, and at the beginning of 2004 announced plans to spend $12 million over the next three years for the development, production, promotion and acquisition of Canadian feature films.

- Program exchange between FTV and ETV continues to be significant with 93.4 hours in the 2003-2004 period, more than double the 40 hours set as a benchmark in the Commission's expectation.

3. Extending the reach of the CBC/Radio-Canada through the Internet

While the CRTC does not regulate Internet services, CBC/Radio-Canada has taken significant steps to extend the reach of its programming and enhance its service offerings to Canadians in all regions of the country. We have included this information to illustrate the breadth of our activities in this area. For example:

- *CBC.ca* has 16 regional sites and *Radio-Canada.ca* has 14 regional sites. The regional pages are a sub-section of our main sites which focus on network programming and national news. Regional content focuses on news and basic information in support of Radio and Television.

- More and more Canadians are visiting our sites. Usage of *CBC.ca* and *Radio-Canada.ca* has increased by more than 40% between the second quarter of 2003 and the second quarter of 2004. The CBC/Radio Canada's regional sites attract over 2 million visits each month, while Radio-Canada's regional sites receive almost half a million visits a month.

- In 2003-2004, CBC/Radio-Canada's websites reached the number one position of online media and broadcasting companies among Canadians.

- We have received national and international recognition for the quality of the programming on our French and English websites. In 2003-2004, the *cbc.ca* Online News team, CBC Radio 3, the CBC Archives Website/Archives de Radio-Canada, *Radio-Canada.ca*'s "zone jeunesse" and "zone nouvelle" all received awards.

- We are continuing to improve our websites for Canadians. Some initiatives during 2003-2004 include:

    - English Radio and Television have concentrated their efforts over the last year on measures designed to "put the user first" at *CBC.ca*. This has included more joint productions as well as efforts to improve the user experience with clear navigation, effective search, consistency in content, and consolidated content zones such as news and current affairs, regions, kids, sports and arts and entertainment.

    - English Radio has also continued to push new and innovative content such as 'advanced media' through Radio websites, such as NewMusicCanada web/radio.

- French Radio and Television have united in their objective to provide an essential public service for Canadian francophones using the Internet, broadening the Radio-Canada portal to offer high quality content on areas of particular expertise, notably news, culture, youth, the regions of Canada, sports and archives.