

January 26, 2024

**FILED ELECTRONICALLY**

Mr. Claude Doucet  
Secretary General  
Canadian Radio-television and Telecommunications Commission  
Ottawa, Ontario, Canada  
K1A 0N2

**RE: Requests for information regarding the Contributions proceeding initiated by The Path Forward – Working towards a modernized regulatory framework regarding contributions to support Canadian and Indigenous content, Broadcasting Notice of Consultation CRTC 2023-138, 12 May 2023 (Reference: 1011-NOC2023-0138)**

Dear Mr. Doucet,

Thank you for the opportunity to submit this response regarding the *Contributions proceeding initiated by The Path Forward – Working towards a modernized regulatory framework regarding contributions to support Canadian and Indigenous content, Broadcasting Notice of Consultation CRTC 2023-138, 12 May 2023 (Reference: 1011-NOC2023-0138)*. In its RFI, the Commission asked Unifor to respond to Question 13.

**13. The public record shows that you have proposed the creation of a new fund or that funding be allocated to a new initiative. The Commission invites you to provide further details, if you wish to do so, about the new fund you proposed:**

**a) What would be the required steps to implement such a fund (steps, timelines, etc.)?**

Unifor believes the new fund should be administered by an independent, arm's length board of directors in order to ensure a fair and equitable distribution of funds. This independent board would be comprised of media sector stakeholders.

Local news is in crisis, and news businesses and news creators urgently need financial support in order to survive and thrive. Broadcast television news stations are laying off employees, consolidating and regionalizing services, and downsizing operations just to

stay on the air. Unifor lost 136 members in broadcast television last year, the equivalent of three or four TV or radio stations in a medium-sized market. And we know from our experience that for every union job lost, many more non-union jobs were also lost. The funds raised through the *Online Streaming Act* are urgently needed, and any delay in the distribution of those funds will exacerbate the crisis and make it more difficult to repair and restore local news in Canada.

Because of this need for urgent financial relief, Unifor respectfully suggests a two-stage implementation model for the new fund. The federal government should immediately establish an interim board, tasked with delivering interim relief for Canadian news businesses and news creators. The interim board should be given a clear and simplified mandate, based on fundamental principles of accountability, transparency and inclusion.

Unifor proposed these fundamental principles in relation to the *Online News Act*, but we believe they should also apply to the *Online Streaming Act*. In terms of accountability, we believe that in order to achieve the goals that guided the creation of the *Online Streaming Act*, new funding should specifically go towards the creation of local news. To achieve transparency, we believe participants should be required to disclose basic information about their own operations, and the distribution amounts should be publicly reported so that “everyone knows what everyone is getting.” Finally, the funding eligibility requirements should be inclusive, ensuring that smaller, local and independent outlets also have access to desperately-needed support.

The creation of an interim board, tasked with distributing the initial round of funding that will flow from agreements associated with the *Online Streaming Act*, would give the federal government, the Commission, and media stakeholders additional time to create a permanent board and more detailed and permanent guidelines, policies and procedures.

**b) Who should administer and be responsible for such a fund?**

Unifor believes that the fund should be administered by an independent, arm’s length board of directors, comprised of media sector stakeholders including broadcasters, employee representatives, journalist associations, journalism schools, and members of the public, and no group should have a majority of seats. The board would be independent of the federal government and the Commission.

**c) Would your proposed fund replace or expand an existing fund?**

As Unifor stated in our submission, we believe that any new monies that flow from these proceedings should be additive to the system, meaning they should be above and beyond the current supports already provided by existing funds. That being said, there could be some administration benefits to combining funds. For example, the Independent Local

News Fund (ILNF) could be merged with the proposed new fund with the caveat that no current ILNF recipient should receive less funding than they receive under the current program.

**d) What would be the eligibility criteria to have access to the fund?**

The new funds should be earmarked for news creation; therefore, Unifor respectfully recommends that designated news outlets that employ journalists should be eligible for funding.

However, it should be noted that it takes a team of people to put a television news cast to air, and those technicians and media workers (e.g. producers, makeup artists, production assistants etc.) should also be included when calculating employment levels. Based on this knowledge, the best metric to determine the success of the program is employment levels, and Unifor believes that this data should be the main factor in determining funding levels. Other metrics that should be taken into consideration include the number of hours of first-run original news, the number of first-run original news stories or items, and the geographic distribution of coverage (i.e. the number of stories by region or locale).

As for which news outlets are eligible, the CRTC is currently determining broadcasters' eligibility for the *Online News Act* based on the Qualified Canadian Journalism Organization (QCJO) criteria,<sup>1</sup> and Unifor submits that this standard serves as a good foundation for determining eligibility for the proposed news fund. It is critical that eligibility criteria emphasizes the creation of original, first-run news content, and excludes organizations and outlets whose primary product is opinion-based content.

Eligible news outlets should adhere to an accepted journalist code of ethics, such as the Radio Television Digital News Association (RTDNA) Code of Journalistic Ethics,<sup>2</sup> and should be in good standing with the Canadian Broadcast Standards Council. Eligible broadcasters should meet a minimum standard of employment, and other tracking mechanisms as discussed above (the number of hours of first run original news, the number of first run original news stories or items, and the geographic distribution of coverage). Finally, eligible broadcasters must be in compliance with the Conditions of licence set out by the Commission.

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<sup>1</sup> 'Registered journalism organization.' (<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/business-tax-credits/qualified-canadian-journalism-organization/registered-journalism-organization.html>).

<sup>2</sup> Radio Television Digital News Association (RTDNA) 'Code of Journalistic Ethics.' ([https://rtdnacanada.com/wp-content/uploads/2021/02/2016RTDNA\\_Code\\_Poster\\_EN.pdf](https://rtdnacanada.com/wp-content/uploads/2021/02/2016RTDNA_Code_Poster_EN.pdf))

**e) How would the contributions be disbursed among the recipients? What would be the funding allocation method?**

Funding should be allocated based on an eligible outlet's number of active full-time or equivalent journalists or news creators. As noted above, other metrics that should be taken into consideration include number of hours of first run original news, the number of first run original news stories or items, and the geographic distribution of coverage (i.e. the number of stories by region or locale).

The proposed fund could use a points-based approach or a weighting system based on the criteria above. This question, how to create a fair system to distribute funds in the long-term, should be a task for the Commission and the permanent board, with consultation from media sector stakeholders.

The success of this program can only be determined if the appropriate metrics are in place. The participating news businesses must be required to submit data including, but not limited to, employment levels (by job classification/title, workplace and location), number of hours of first run original news, the number of first run original news stories or items, and the geographic distribution of coverage (i.e. the number of stories by region or locale).

Without this data, it will be difficult to measure the success of the program, and the board will not be able to make informed decisions regarding the allocation of funds. Unifor would like to reiterate that the funding that flows from the proposed news fund should be tied to the creation of local news, based on the number of news creators employed, and a number of related criteria. Without relevant data from fund participants, the funding program will not be transparent, accountable and inclusive, and the goals of the *Online Streaming Act* will not be achieved.

**f) What type of activities or expenses would be covered? Please also specify if day-to-day and/or operational expenses would be covered and what proportion of the fund would be dedicated to those expenses.**

The long-term goal of the program should be to create a stable, sustainable flow of additional funding allowing broadcasters to increase spending on the creation of local news. In other words, the new funding should increase the amount already being spent by eligible broadcasters (i.e. it should be in addition to) and should not be used as a replacement for broadcasters' expenditures with no increases in local news coverage.

As a fundamental principle, Unifor believes the new funding should not be used by news businesses for shareholder dividends, executive bonuses or other non-news purposes. The amount of funding a news business receives should be based first on the number of

news creators it employs, with the other criteria discussed above also taken into consideration. Unifor respectfully argues it would be an embarrassment, and would undermine the *Online Streaming Act* if participating broadcasters received funding under the new program without increasing their local news coverage, while also continuing to pay out shareholder dividends and huge executive salaries and bonuses.

Unifor also believes the proposed fund *should not* be responsible for the employers' operating decisions. The purpose of the proposed fund is to provide long-term, sustainable funding for news businesses and news creators. Ideally, the new funding should be additional to whatever the outlet was already spending on news creation. This should be done in a way that ensures that broadcasters continue to devote more resources to local news.

Thank you for the opportunity to provide these responses. As always, we are available for any additional follow-up and comment you may require.

Sincerely,

*Randy Kitt*

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