Broadcasting in the Era of Plenty: 
The Case for National Public Television in 
Canada

by

Amanda Marie Natsumi Oye

B.A., Kwantlen Polytechnic University, 2010

Thesis Submitted in Partial Fulfillment of the 
Requirements for the Degree of 
Master of Arts

in the 
School of Communication 
Faculty of Communication, Art and Technology

© Amanda Oye 2014

SIMON FRASER UNIVERSITY 
Spring 2014

All rights reserved. 
However, in accordance with the Copyright Act of Canada, this work may 
be reproduced, without authorization, under the conditions for 
“Fair Dealing.” Therefore, limited reproduction of this work for the 
purposes of private study, research, criticism, review and news reporting 
is likely to be in accordance with the law, particularly if cited appropriately.
Approval

Name: Amanda Marie Natsumi Oye

Degree: Master of Arts (Communication)

Title of Thesis: Broadcasting in the era of plenty: The case for national public television in Canada

Examining Committee: Chair: David Murphy
Senior Lecturer

Peter Anderson
Senior Supervisor
Professor

Alison Beale
Supervisor
Professor

Anne MacLennan
Internal Examiner
Associate Professor
Communication and Culture
York University

Date Defended/Approved: April 07, 2014
Partial Copyright Licence

The author, whose copyright is declared on the title page of this work, has granted to Simon Fraser University the non-exclusive, royalty-free right to include a digital copy of this thesis, project or extended essay[s] and associated supplemental files (“Work”) (title[s] below) in Summit, the Institutional Research Repository at SFU. SFU may also make copies of the Work for purposes of a scholarly or research nature; for users of the SFU Library; or in response to a request from another library, or educational institution, on SFU’s own behalf or for one of its users. Distribution may be in any form.

The author has further agreed that SFU may keep more than one copy of the Work for purposes of back-up and security; and that SFU may, without changing the content, translate, if technically possible, the Work to any medium or format for the purpose of preserving the Work and facilitating the exercise of SFU’s rights under this licence.

It is understood that copying, publication, or public performance of the Work for commercial purposes shall not be allowed without the author’s written permission.

While granting the above uses to SFU, the author retains copyright ownership and moral rights in the Work, and may deal with the copyright in the Work in any way consistent with the terms of this licence, including the right to change the Work for subsequent purposes, including editing and publishing the Work in whole or in part, and licensing the content to other parties as the author may desire.

The author represents and warrants that he/she has the right to grant the rights contained in this licence and that the Work does not, to the best of the author’s knowledge, infringe upon anyone’s copyright. The author has obtained written copyright permission, where required, for the use of any third-party copyrighted material contained in the Work. The author represents and warrants that the Work is his/her own original work and that he/she has not previously assigned or relinquished the rights conferred in this licence.

Simon Fraser University Library
Burnaby, British Columbia, Canada
revised Fall 2013
Abstract

Public service broadcasting (PSB) plays a unique role in media landscapes across the world. This thesis argues that, while the broadcasting landscape in Canada has changed as new technologies have developed and the overall environment in which PSB operates has evolved, there is still a role for it to play in the country. With a focus on national public television in Canada, a timeline of the evolution of PSB in the country as it appears in official policy documents is provided. After establishing a timeline of development, this thesis discusses national public television in the 21st century through an analysis of interventions submitted to the Canadian Radio-television and Telecommunications Commission for the Canadian Broadcasting Corporation’s (CBC) 2013 licence renewals. It is demonstrated through a content analysis of the nearly 6,000 English-language interventions submitted, that Canadians support the continued existence of the CBC. Suggestions for future research are also discussed.

Keywords: Public service broadcasting; television; Canadian Broadcasting Corporation; Canadian Radio-television and Telecommunications Commission; CBC finances; broadcasting policy
For Bachan
Acknowledgements

I would like to thank my supervisory committee for their invaluable assistance in bringing this project to life and for their support and encouragement throughout the process of putting it together. Peter Anderson, my senior supervisor, was always there to provide me with the help and feedback that I needed and to encourage me to keep going every time it seemed as though there was no end in sight. Alison Beale, who was also part of my supervisory committee, offered suggestions and guidance that proved instrumental to this thesis. I am grateful to both for their input at each stage of this project.

I would also like to acknowledge and say thank you to Jo-Anne from the CRTC’s Vancouver office for her assistance in tracking down many of the documents I needed to complete my research. Her willingness to help made the process a lot easier and quicker than it could have been.

Last, but not least, I would like to thank all of my family and friends who acted as sounding boards, offered feedback and provided moral support throughout this process. Your generosity in terms of both time and patience has been greatly appreciated and will not soon be forgotten.
Table of Contents

Approval ........................................................................................................................................... ii
Partial Copyright Licence .............................................................................................................. iii
Abstract .......................................................................................................................................... iv
Dedication ......................................................................................................................................... v
Acknowledgements ........................................................................................................................ vi
Table of Contents ........................................................................................................................ vii
List of Tables ......................................................................................................................................... ix
List of Figures ....................................................................................................................................... ix
List of Acronyms .................................................................................................................................. ix

Chapter 1. Introduction and Methodology ........................................................................... 1

1.1. Introduction ............................................................................................................................... 1
1.2. Defining Public Service Broadcasting ...................................................................................... 2
1.3. Scope and Objectives of This Project ...................................................................................... 6
1.4. Overview ....................................................................................................................................... 7
1.5. Methodology ............................................................................................................................... 10
  1.5.1. Using a Historical Approach ...................................................................................... 10
  1.5.2. Determining Public Opinion .................................................................................. 11
  1.5.3. Conducting the Content Analysis .............................................................................. 12
  1.5.4. Limitations and Obstacles .......................................................................................... 15
1.6. Conclusion ................................................................................................................................... 17

Chapter 2. Literature Review .................................................................................................. 18

2.1. Introduction ............................................................................................................................... 18
2.2. Broadcasting and the Canadian Public .................................................................................... 19
2.3. The Changing Role of PSB ...................................................................................................... 22
2.4. Market Failure ........................................................................................................................... 27
2.5. Funding the Canadian Broadcasting Corporation ................................................................. 32
2.6. Alternative Funding Models ..................................................................................................... 33
2.7. Conclusion .................................................................................................................................. 37

Chapter 3. The Development of Public Broadcasting in Canada ........................................ 39

3.1. Introduction ............................................................................................................................... 39
3.2. The Emergence of Radio Broadcasting in Canada ................................................................. 40
3.3. The Emergence of Television .................................................................................................. 42
3.4. Bringing in the CRTC ................................................................................................................ 46
3.5. Television After the 1991 Broadcasting Act ......................................................................... 54
3.6. Television at the Turn of the Century ..................................................................................... 57
3.7. Conclusion .................................................................................................................................. 60

Chapter 4. Public Opinion of the CBC ................................................................................. 62

4.1. Introduction ............................................................................................................................... 62
4.2. The Broadcasting Environment .............................................................................................. 63
4.3. General Overview of the Interventions ................................................................. 64
4.4. The CBC’s Contributions to the Lives of Canadians .............................................. 68
  4.4.1. Universal Access ......................................................................................... 68
  4.4.2. Cultural Sovereignty .................................................................................. 69
  4.4.3. National Identity ........................................................................................ 70
4.5. Concern for the Future of the CBC ........................................................................ 71
4.6. Getting Rid of the CBC ........................................................................................ 73
4.7. Financing the CBC .............................................................................................. 74
  4.7.1. Advertising ................................................................................................. 75
  4.7.2. Public Funding ........................................................................................... 78
  4.7.3. Alternative Funding Models ........................................................................ 80
4.8. Conclusion ............................................................................................................ 80

Chapter 5. The Future of Public Television in Canada ............................................. 82
  5.1. Introduction ..................................................................................................... 82
  5.2. The Role for Canadian National Public Television Moving Forward ............... 84
  5.3. Obstacles Facing PSB in Canada in the 21st Century ........................................ 86
  5.4. The Future of Funding PSB in Canada .............................................................. 88
  5.5. Possibilities for Further Research ..................................................................... 89
  5.6. Conclusion ....................................................................................................... 91

References .................................................................................................................... 92
Appendix. Description of Data Gathered for Content Analysis .................................... 99
  Quantitative Data ................................................................................................... 99
  Qualitative Data ................................................................................................... 100
List of Tables

Table 4.1.  Number of Interveners Broken-down by Province and Language .............. 65

List of Figures

Figure 4.1.  Level of Support Expressed in Intervention for the CBC ......................... 66
Figure 4.2.  Level of Support Expressed in Interventions for the CBC Parliamentary Appropriation ................................................................. 79

List of Acronyms

BBC       British Broadcasting Corporation
CBC       Canadian Broadcasting Corporation
CRTC      Canadian Radio-television and Telecommunications Commission
NPR       National Public Radio
PBS       Public Broadcasting Service
PSB       public service broadcasting
PSBs      public service broadcasters
U.S.      United States
RTFBP     Report of the Task Force on Broadcasting Policy
Chapter 1.

Introduction and Methodology

1.1. Introduction

Public service broadcasting (PSB) plays a unique role in the media systems of many democratic countries. Public service broadcasters (PSBs) were often developed, as was the case in Canada, to promote national unity and to ensure universal access to broadcasting, with the goal of informing citizens in mind (Debrett, 2010, p. 16). The first PSBs were established “in European democracies in the second quarter of the 20th century” (Seneviratne, 2006, p. 22). They emerged during a period of spectrum scarcity, generally as monopoly broadcasters (Jakubowicz, 2006, p. 97). In the decades that have passed since radio and television broadcasting were first established, the technological environment in which these broadcasters operate has evolved, resulting in an abundance of channel options.

This thesis argues that, while the broadcasting landscape in Canada has changed as new technologies have developed and the overall environment in which public broadcasting operates has evolved, there is still a role for PSB, specifically public television, to play in the country. It outlines the emergence of PSB both in Canada and more generally, and provides a discussion of the characteristics that distinguish PSB from other forms of broadcasting, including commercial and state broadcasting.

There is special attention paid throughout this thesis to the way by which national public television in Canada has been and continues to be funded. This is essential as funding is a major way through which PSB distinguishes itself from other broadcasters. The theory of market failure, which happens when private industry either cannot or will not provide a necessary service (Ward, 2006), is used to help illustrate why Canada should invest in broadcasting.
A key component to this thesis is a discussion of what role the general Canadian public views the national public broadcaster as playing in the overall media landscape of the country. That the public is asked for their input is an important characteristic of Canada’s broadcast system. As Marc Raboy (1995) has argued: “One of the salient features of the Canadian broadcasting system is that so much of the politics surrounding it is played out in public” (p. 455). Canada’s broadcast regulatory system has a long history of calling for the public’s input on matters pertaining to broadcast licensing and policy. “As far as the basic legislative and policy framework is concerned, a deep-rooted tradition stemming from the early days of radio in Canada ensures that no major change to the system can be instituted or even seriously contemplated without public consultation” (Raboy, 1995, p. 455). Because of the important role the public has played in broadcast decisions, this thesis takes into consideration the public’s input on the future of broadcasting in the country. Recommendations are ultimately made with regards to funding national public television in Canada, and suggestions for further research are proposed.

1.2. Defining Public Service Broadcasting

It is relevant to note that the following description of public broadcasting does not give an extensive look into the debates surrounding the role and definition of PSB so much as it provides an overview of the subject. The debates around what specifically constitutes a public broadcaster and what a PSB should aim to achieve are more complex than is represented here, but are outside of the scope of this thesis.

A significant reason why the definition of PSB is under debate is because there is no unanimously agreed upon definition, nor has there ever been. This is in part because “around the world they can operate under different financial constraints and editorial independence” (Cushion 2012, p. 22). While public broadcasters have emerged in different circumstances, generally speaking, early PSBs were established at a time of spectrum scarcity, often as monopoly broadcasters (Jakubowicz, 2006, p. 97). Many of these broadcasters were developed to fulfill roles including promoting unity within a nation and providing universal access to broadcasting services. “Universal coverage and access is generally considered most important among these because of the social value
of mass audience reach as a public sphere or forum for democratic public discourse” (Debrett, 2010, p. 16).

Furthermore, funding systems for PSB can be diverse as well. While Canadian PSB is funded through a combination of resources, primarily a parliamentary appropriation and commercial revenue, not all public broadcasters are funded the same way or to the same extent. Public broadcasting in Britain by way of the British Broadcasting Corporation (BBC), for example, is funded largely through a licence fee, while National Public Radio (NPR) and Public Broadcasting Service (PBS) in the United States receive funding from government grants and through sponsorships.

PSB may operate and be funded differently in various countries, depending on the specific needs of the country, but there are general principles that broadcasters that fall under this category tend to operate in light of. “What it broadly represents is the recognition that in the cultural industries public funding in some form is necessary, since left alone to market forces the content of media is unlikely to fulfill the programming needs of all citizens in a democracy” (Cushion, 2012, p. 22). As such, an important role of PSBs is that of providing programming for minorities. “The system’s broader civic and cultural functions are also evident in the public service mandate for representing minority interests and for ‘quality’ programming that reflects and contributes to national culture and systems in pluralist society” (Debrett, 2010, p. 16). Another role that PSBs can play is that of providing information that has not been subjected to market forces. PSB “is seen as operating above market manipulation or proprietorial propaganda, conveying a more rational “window on the world” for citizens to deliberate and form public opinion” (Cushion 2012, p. 25).

The 1986 Peacock Committee in Britain outlined some of the key characteristics of PSB, which include:

geographic universality of provision and reception; the aim of providing for all tastes and interests; catering for minorities; having a concern for national identity and community; keeping broadcasting independent from government and vested interests; having some element of direct funding by the public (thus not only from advertisers); encouraging competition in programmes and not just for audiences; and encouraging the freedom of broadcasters. (McQuail, 1994)
Canadian PSB was developed with similar goals in mind. Its most important aspects are based largely on three complex, but defining characteristics: universal access, cultural sovereignty and national identity. Universal access was an important consideration in developing the Canadian broadcast system as Canada has large groups of citizens living in hard to reach areas and large minority communities, whose interests may be served by PSB but not by private broadcasters. Universality is also important given the fact that Canada has two official languages, large aboriginal populations and large populations of citizens living in rural areas of the country.

The contributions of public broadcasting to Canadian cultural sovereignty and national unity are also significant. There has been a desire expressed by Canadians throughout the country’s broadcast history for specifically Canadian programming. This has not always been easy to provide due to economic considerations and the availability of programming from the U.S. Furthermore, public broadcasting in Canada was developed and maintained partly through a conversation of national unity and an attempt to distinguish the country from the United States (Raboy, 1990). It was developed in part to help the country maintain “a political entity distinct from the US”, and to help foster national unity within the country (Raboy, 1990, p. 8). It also had the responsibility of helping to foster Canadian content.

Public service broadcasters, more generally speaking, represent a model of broadcasting that exists in a larger media environment. Countries around the world have broadcast systems set up that feature other models or combinations of models including state, commercial and community broadcasters. PSB operates by a different logic than other broadcasters, often in contrast to them. “In many countries, public service broadcasting has been established to prevent state corruption and to act as a safe haven from market manipulation” (Cushion, 2012, p. 28).

More specifically, public broadcasters are different from private, or commercial, broadcasters because they are funded, at least in part, by the public through the state. Commercial broadcasters operate by a different logic due to the fact that they rely on market forces. “While commercial broadcasters have to rely primarily on market forces to survive, public service media tend to be funded by a variety of mechanisms either directly or indirectly by state subsidy” (Cushion, 2012, p. 21). Commercial broadcasters
do not enjoy the financial support from government that PSBs generally do. They are instead “sustained by advertising without heavy-handed government regulation; products on television, radio or online media are sold to fund what programming is commissioned. Thus the commissioning of programming is largely a commercial exercise because it needs to appeal to the needs of advertisers” (Cushion, 2012, p. 21).

Public broadcasters also differ from state broadcasters because, while both receive financial support from the state, public broadcasters are designed to operate at arms-length from the funding government. State broadcasters, on the other hand, are intended to follow state editorial control. “According to this model, national broadcasting institutions were owned and operated by government information departments, financed from centralized state budgets, and were expected to reflect official political views and cultural orientations” (Ayish, 2010, p. 10). The major point of difference from public broadcasting being that state broadcasters operate to serve the interests of the state that funds them. Public broadcasters are different because they are designed to enjoy editorial autonomy (Cushion, 2012, p. 21). State broadcasters are not common. Those that do exist are, much like PSBs, finding themselves needing to adapt to a changing broadcast environment. “With the advent of transnational satellite television and the Worldwide Web, state broadcasters were reduced to minority voices in their own national media spheres” (Ayish, 2010, p. 10).

Beyond public, state and commercial broadcasters, some countries, including Canada, also license community broadcasters. Community broadcasters were developed as “one of the results of the trend to democratization and social change which began in the sixties” (Report of the Task Force on Broadcasting Policy [RTFBP], 1986, p. 491). Canada’s 1986 Report of the Task Force on Broadcasting Policy states that community broadcasters “were designed to fulfil social and cultural needs which the traditional broadcasting systems by their nature could not meet” (RTFBP, 1986, p. 491). The report went on to characterize community broadcasting as being an important part of the Canadian broadcast landscape, and as operating in a complementary role to the country’s public and private broadcasters in terms of creating an accessible system (RTFBP, 1986, p. 491). These broadcasters focus on the needs of small, remote communities and the minority populations of larger communities and are “designed to
reflect people’s daily concerns” (RTFBP, 1986, p. 491). PSBs, while also catering to minorities, tend to operate with national objectives in mind as well.

1.3. Scope and Objectives of This Project

While the Canadian broadcast landscape consists of commercial broadcasters, community broadcasters and public broadcasters (both national and provincial), the focus of this thesis is on national public television in Canada. Specifically, the focus is on Canada’s English-language national public television networks under what is now the Canadian Broadcasting Corporation (CBC). A brief discussion of radio will be provided to help situate television in the larger broadcasting landscape in Canada.

The focus on the CBC’s English-language television networks means that the CBC’s French-language services will not be taken into consideration. This focus on English-language services and public input was decided on as the English and French services of the CBC face very different problems and have experienced very different successes. Because of this, addressing the services in each official language would have required more time and space than was realistic.

Also outside of the scope of this thesis is provincial public broadcasting in Canada. Provincial broadcasters were established in Canada on the basis of the educational capacity that broadcasting has. As broadcasting emerged in Canada, there was a dispute over whether or not broadcasting should remain in the domain of the federal government only, eventually ending in provincial governments being allowed to own and operate broadcast stations on the basis of “provincial jurisdiction over education in Canada's constitutional arrangements” (RTFBP, 1986, 1986, p. 337). While regulated by the Canadian Radio-television and Telecommunications Commission (CRTC), as all Canadian broadcasters are, provincial broadcasters face different challenges in terms of funding and strive to reach different goals than the national public broadcaster. A discussion of provincial public broadcasters in Canada would require the contextualization of each circumstance of funding as each province has been able to adopt broadcasting as they saw fit. There will be a brief discussion of funding models used by Canadian provincial public broadcasters in a discussion of alternative funding
models for national PSB in Canada. Beyond that, however, provincial PSB is not considered by this thesis as time and space constraints have made it unrealistic in terms of providing a context for each separately mandated broadcaster.

With this scope in mind, three main objectives are undertaken in the following chapters. First, this thesis provides an explanation of what PSB is, situating it in a global media environment, and explaining the benefits associated with governments’ funding broadcasting at arm’s-length.

Second, it demonstrates how public broadcasting has evolved in Canada specifically by creating a timeline of key events in the country’s broadcasting history, leading up to its current state. This is approached by analyzing the findings of various government-appointed commissions and the comments Canadians have submitted regarding the CBC’s performance and direction.

Finally, it considers the future of national public television in Canada, discussing both the recommendations made by various government-appointed commissions and, perhaps more importantly, the recent input Canadians have had on its performance and direction through the CRTC, which was formally the Canadian Radio-television Commission. Particular attention is paid throughout this thesis to the relevance of PSB in Canadian society and to how Canada has funded and continues to fund its national public television broadcaster.

1.4. Overview

Each chapter in this thesis ultimately aims to explain public service broadcasting and its benefits to democratic societies, illustrate the evolution of public television in Canada, and discuss the future of Canadian publicly funded television.

To start, Chapter Two discusses the circumstances under which the Canadian broadcast system emerged. It looks at the notion of Canada as a country and the debates that took place during the development and implementation of a national broadcast strategy. This chapter briefly outlines the evolution of broadcasting in terms of technology, discussing the implications for Canadian society.
The theory of market failure, which argues that governments need to step in to provide essential services when the market will not (Ward, 2006) is used in this chapter to explain why public service broadcasting is beneficial when funded, at least in part, by the government. In this discussion of market failure, PSB is characterized as a merit good, which is a good that has greater public benefits than private ones (Ward, 2006).

This discussion is followed by an explanation of the CBC’s parliamentary appropriation model of funding, as well as of alternative funding models, including a licence fee and sponsorship. In situating PSB as being funded differently than private broadcasters, Chapter Two also provides a brief discussion of the implications of having advertising on public networks.

Next, an overview of broadcasting policy in Canada is provided, which serves as a means of illustrating the evolution of the country’s national public television system. Chapter Three approaches this topic by identifying key periods in the country’s broadcasting history and providing a discussion of how it evolved up until the year 2000. This is done by discussing past major licence renewals for the CBC’s English-language television networks under the CRTC, from 1974, the first major CRTC renewal of the CBC’s licences, to 2000, as well as other documents that are relevant to the development and analysis of the path followed by public broadcasting in Canada, all of which allowed for public input. These documents include: The Report of the Royal Commission on Radio Broadcasting (1929), The Royal Commission on National Development in the Arts, Letters and Sciences (1951) and The Royal Commission on Broadcasting (1957). Licence renewals for individual CBC stations and affiliates are not addressed as the major network licence renewals provide a better look at the system as a whole instead of the system simply as it operates in the area served by individual stations or affiliates.

All of the documents reviewed in this chapter help to illustrate how the broadcasting environment in Canada has changed, as well as how many of the problems that Canadian broadcasting faces are ongoing. The purpose of creating this timeline of broadcasting history in Canada is to establish not only how public broadcasting and the funding of it are spoken about from a policy point of view but also
from the perspective of Canadians. Since the public helps to fund PSB, its input is essential to determining its role and to considering its direction.

This overview of the evolution of national public television in Canada is followed by an analysis of the written interventions submitted for the CBC’s first licence renewal since the turn of the century.

All broadcasters have their licences reviewed periodically by the CRTC, which is currently in charge of licensing broadcasters in Canada. When a broadcaster has its licence renewed or when there are changes proposed to their licence, members of the Canadian public can submit interventions to the Commission, expressing their thoughts on the matter. They can also request to appear at public hearings.

Chapter Four considers the input of Canadians in the CBC’s 2012 licence renewal proceedings. It addresses how Canadians are talking about the CBC in terms of the official comments that they submitted to the CRTC regarding the performance and direction of the Corporation.

It does so through an analysis of close to 6,000 English-language interventions sent to the CRTC for the CBC’s 2013 licence renewal. It shows that Canadians are generally in favour of keeping the CBC around in one capacity or another, but also that there is some skepticism towards the direction that it is taking and hopes to take, in particular with regards to advertising levels. While Canadians have expressed a desire to keep the CBC, they want a CBC that acts as an alternative to private broadcasters, instead of one that acts as yet another commercial broadcaster and airs content that is virtually indistinguishable from the programming aired on other networks.

Canadians would like to see several things from their public broadcaster including: Programming that is distinctly different from that which is offered by commercial broadcasters; News and information that keeps them informed as citizens of the country and that challenges those in power; Networks that support and provide an outlet for the creativity of artists of all kinds from all across the country; Programming that helps bring Canadians together and reflects the country’s diversity; and Networks that will reach rural Canadians.
The final chapter of this thesis considers the future of national public television broadcasting in Canada. It argues that there is still a role for PSB to play in the country, despite the emergence of new technologies and the prevalence of programming available from private broadcasters. While an environment of spectrum scarcity is no longer a major concern due to new technology creating multi-channel broadcasting capabilities, PSB was developed with objectives in mind that are still relevant. This includes but is not limited to being universally accessible by serving underserved and un-served communities and providing an alternative to commercial media. This final chapter also addresses the future of funding for the CBC, with a brief discussion of alternative funding models, and proposes areas for further research.

1.5. Methodology

In terms of methodology, this thesis contains two main components: a historical approach to the overall thesis, which aims to give context to the current operation and funding of national public television in Canada, and a content analysis, which aims to address the question of what Canadians want from their national public broadcaster in the 21st century broadcasting environment, and whether or not they want one at all.

1.5.1. Using a Historical Approach

A historical approach was chosen for this thesis because it is necessary to see how public service broadcasting has developed in order to give context to where it is now and in order to understand the direction it is heading. To do this, a timeline of the development of national public television in Canada is created through use of primary documents, specifically reports published by several government-appointed commissions. This approach helps to determine whether or not PSB is relevant in Canada, and ultimately whether or not the public should still be helping to fund it.

The focus of this historical account is on the discussion of financing national public broadcasting and the purpose and goals of the service, which were both key themes in all of the primary documents considered. Information on new technology and
its impact on the country’s broadcasting environment were also considered in the analysis.

Each of the primary documents looked at was chosen because the commissions that published the final reports included a component that gave the public a chance to comment on the Canadian broadcasting environment and on what they wanted from their public broadcaster. Important texts were also identified because they played a role in later discussions of the CBC or broadcasting in general in Canada.

This discussion of broadcasting history helps to situate PSB in Canada and demonstrates its development within the country’s broadcast environment, which constantly changes with the introduction of new technologies.

1.5.2. Determining Public Opinion

Once a history of national public television broadcasting in Canada is established, the broadcasting system in the early 21st century in Canada is discussed in the context of the latest CRTC licence renewal for the CBC, the decision for which was published on May 28th, 2013.

To determine public opinion regarding the CBC’s English-language television service, I conducted a content analysis of close to 6,000 English-language interventions that were submitted to the CRTC for the CBC’s most recent licence renewal. All of the interventions were publicly available online through the CRTC’s website (CRTC, 2013), whether they were submitted to the Commission online, by mail or by fax. Both qualitative and quantitative information was gathered.¹

This methodology was beneficial to this project as it provided a means of determining how many Canadians participated in the CBC’s licence renewal process and how many of those who did are supportive of it, among other things.

Typically, “content analysis has been defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on

¹ The full list of what was looked at can be found in the Appendix
explicit rules of coding” (Stemler, 2001). The three uses Steve Stemler identifies for content analysis in his article *An Overview of Content Analysis*, are determining authorship, “examining trends and patterns in documents,” and “providing an empirical basis for monitoring shifts in public opinion” (Stemler, 2001).

As new media technologies emerge, content analysis is being used in increasingly diverse ways, which have benefited as well as brought about new challenges for this methodology. “The application of traditional methods to new phenomena raises challenges that must be acknowledged and met, if standards of rigor and interpretability are to be maintained” (Herring, 2004).

Using online content as a unit of measure is still relatively new in academia. As with other methodologies that are making use of the Internet for research, such as data collection through surveys, content analysis of websites is a new area that is still being navigated.

With this project in particular, conducting a content analysis online was mostly beneficial as it allowed easy access to the content submitted and did not pose too many additional problems. The content that was posted, for example, was relatively static, so unlike online news or blog posts, the question of when the document was last updated was not a concern.

There were, however, technical issues that resulted in some interveners noting that they submitted their intervention more than once to make sure that it went through. Fortunately, the CRTC seemed to catch those particular duplicates, but had they not it would have made for an important consideration in terms of counting and categorizing interventions.

1.5.3. **Conducting the Content Analysis**

A wide variety of information was collected for this project. Specifically, for quantitative purposes, information was recorded from each intervention, when available, on: whether or not the intervention mentioned financing the CBC, what level of funding it suggested, in what language the intervener commented, in which province and city the intervener lives, on which broadcast medium the intervention focused on, whether the
intervener wanted to fix, keep, privatize or otherwise get rid of the CBC, and what was the overall tone of the intervention.

For the tone of the submissions, each of the interventions was recorded as being generally positive, generally negative, an even mix of both, neither positive nor negative, or as was the case for a few, unclear. Those interventions that were mostly positive towards the CBC but contained a minor criticism (typically this was a programming criticism) were categorized as being generally positive, while when the reverse was true the intervention was categorized as being mostly negative. “Negative” interventions included those interventions that would like to see the CBC continue but only offer suggestions for its improvement. The few interventions that were categorized as being “unclear” were categorized as such usually because it was not clear that the intervention was, in fact, discussing the CBC. The categorization of this section was based on the intervener’s attitude towards public broadcasting in Canada and did not account for the attitudes expressed towards either the Canadian government or the CRTC which were in some cases, focused on by the intervener more than on the CBC itself.

In terms of quantitative data regarding funding, the category of whether or not the intervener mentioned the CBC’s finances was somewhat vague to account for all discussions of the CBC’s financial situation and its budget generally. Each intervention that was categorized as having mentioned funding needed to have a clear indication that they were talking about the CBC’s finances. Because of this, the interveners had to do more than mention the CBC in contrast to commercial networks and they had to be more specific than mentioning that they are tax payers. Mention of ownership was not counted as discussing the CBC’s finances either as it does not directly acknowledge how the CBC is being funded other than to say that it is owned by the public or not owned by private interests. Mention of the fact that the intervener is a tax payer does not provide sufficient information to categorize the intervention as having spoken about the CBC’s finances either, although mention of tax dollars going to the CBC and how that money was being spent was counted. The terms “cutback”, “invest” and “support” are vague and as such were not assumed to be referring specifically to the Corporation’s financial situation.
Topics that were brought up and were included in this category include: direct mention of the CBC’s budget (whether it be that the intervener sees the CBC as receiving too much public funding, not enough public funding or an adequate amount of public funding), the impact of the CBC’s budget on its programming, discussion of advertising on the CBC and discussion of the commercial-free nature of the CBC.

Next, all of those interventions that did directly mention the Corporation’s funding were categorized according to what they said about specific funding levels. Whether the intervener called for increased, decreased, maintained, none, adequate, stable or an unspecified amount of funding was recorded. An intervention was categorized as wanting increased funding if the intervener noted that the CBC is underfunded, that he/she would be willing to pay more for it, or, more directly, that the funding for the corporation should be increased. This quantitative data is used to determine whether or not Canadians want a PSB and to determine whether or not they feel the government should be funding PSB, and if so, to what extent.

Beyond quantitative data, information was also collected more specifically on what each English-language intervention discussed in terms of funding, the role that Canadians see the CBC as playing and the role that Canadians want the CBC to play in the country. Notes were also taken for each intervention on what, if anything, the intervener said about new technology and its impact on the CBC. Included in these categories was mention of things such as the importance or irrelevance of the CBC to Canadian democracy, the role of the CBC as an alternative to private broadcasters, the role of the CBC in terms of helping to create and maintain Canada’s identity and culture, mention of the CBC’s online presence and mention of new digital technologies and the shift they have caused in how broadcasting is delivered, as well as the impact they have on the country and individual citizens.

In order to make sure that there was space to include any comments on subjects that were not anticipated or any general observations of relevance, an “other” section was included in the qualitative analysis. This category ended up mostly including comments regarding Americanization and competition from American programming.
1.5.4. Limitations and Obstacles

The process of categorizing each intervention proved to be difficult at times. I chose to use fairly vague terms to categorize each of the interventions, thinking that it would help with the fact that there were thousands of submissions and no way to know going into coding, what was going to be there - a fact that proved difficult both in terms of time management and categorizing interventions for the quantitative part of this research project.

As anticipated, there ended up being a wide variety of interventions submitted. Many were straightforward, expressing thoughts regarding the CBC’s overall performance, its programming, its technology and/or its use of public funds, to name a few things.

There were over 8,000 interventions submitted by Canadians and a few non-Canadians or Canadians living abroad, mostly in America. The majority of the submissions (5,772) were in English, but there were 1,933 submitted in French and six that were submitted in both English and French. Given the scope of what was being considered, there were bound to be a few interventions that proved difficult to categorize.

The process of categorizing each intervention was not an easy one. There was a large range of topics submitted in the interventions, and while this was anticipated, the extent to which the submissions varied was greater than prepared for. Topics of submissions that were written in English varied from expressions of general support for the CBC and its programming to passionate disapproval of tax dollars being spent on it – both topics that were to be expected. What was not expected, however, were the interventions that did not have any real indication that the intervener was talking about the CBC and the interventions that were questions directed at the Corporation and not comments for the CRTC.

There were many vague interventions as well. These were difficult to categorize because throughout the process I remained cognizant of the fact that I could not categorize interventions based on assumptions that I had made. For example, I wanted to make the basic assumption that everyone who was intervening in the CBC’s licence
renewal was, in fact, going to be talking about the CBC, but soon realized that this was not a legitimate assumption.

In reality, the scope of what was being looked at was so large that there was a little bit of everything represented, from a group of blank interventions to 11 interventions that did not mention the CBC in any direct way. There was a submission that was simply a story pitch for the CBC, another asking advice on how to get a song accepted as a theme song for a CBC program and yet another that simply reiterated part of the CBC’s proposal without mentioning anything about their thoughts towards it.

Another problem with working with such a large number of interventions was that I had to be selective about what information I chose to record and what information I chose to leave. I decided to stay away from recording too much information about the intervener’s thoughts on programming unless it was mentioned in relation to the way that the CBC is funded. I decided on this because I did not see a list of each intervener’s favourite programs or the programs they dislike as adding value to addressing my research question.

The most difficult part of this process was staying away from assumptions and focusing on recording information based on what was actually there and not what I wanted to be there. For example, throughout this project I was particularly interested in the financing of the CBC and so I wanted to pay special attention to how the public is talking about financing the CBC. Because I was looking for this information in each intervention I needed to make sure that I was not reading too much into the wording of the interventions. There were many comments that used words such as “cut backs” or “resources” without anything in the intervention to actually suggest or prove that what the intervener was talking about these things specifically in terms of money. As mentioned already, those interventions, while possibly talking about funding, were not counted in the quantitative analysis category because without further information it is not certain that they were in fact talking about the CBC’s finances.
1.6. Conclusion

The main goal of this thesis is to show how PSB has developed in Canada, looking specifically at its role in the country, how it has been funded and what Canadians have said they want from PSB through the input they have given to government-appointed commissions over the years since public broadcasting was first established in the country. It aims to provide a discussion of the current state of public television in Canada and looks to its future, in terms of its role in the country and its financing. This thesis argues that, despite a rapidly and constantly changing broadcasting environment, national public television still has an important role to play in Canada.

Each chapter in this thesis aims to contribute to the overall explanation of national public television in Canada in terms of its evolution and direction. Looking at television broadcasting in Canada both in the past and the present, aids in determining what future role it can play in the country and what role Canadians would like to see it play in the country in the future.

A content analysis of the interventions submitted by Canadians to the CRTC during the CBC’s 2013 licence renewal process suggests that, while sceptical of the direction the CBC has taken, Canadians do see the Corporation as being a key part of the country’s future broadcasting landscape.
Chapter 2.

Literature Review

2.1. Introduction

Public broadcasting in Canada has faced a number of challenges throughout its development. As broadcasting technologies emerged and became an official part of the country, there were pronounced struggles between members of private industry and advocates of a public sector orientation for broadcasting, as well as between different conceptions of what Canada’s identity as a nation was to be. Both of these particular struggles can be seen to have had an influence on Canadian broadcast policy and the manifestation of public service ideals in that system. That the notion of Canada as a sovereign state has been a difficult concept to define when taking into consideration that there has never been a strong sense of sovereignty in the country despite its having independent state apparatus has also been problematic (Smythe, 1981). This is particularly the case when taking into consideration that “Anglophone Canadians have been substantially assimilated to American cultural values of all kinds, after their first dependency on Britain weakened” (Smythe, 1981, p. 182).

Advancements that have been made in technology, especially digital technology, have further complicated the role of PSB in Canada. These advancements have made it important to consider the increasingly global nature of broadcasting. While access to an abundance of programming choices allowed by new technology means that PSB can no longer be justified in terms of spectrum scarcity, national unity, cultural identity and dissemination of non-commercial content are still valid reasons for continued public funding for broadcasting in the 21st century. PSB needs to be reframed taking into consideration the abundance of channel options that now exist.
Possibly more important than reframing the role of PSB in the digital age, however, is justifying it in terms of public funding. A constant in PSB history and development has been the necessity of these broadcasters to justify their use of public funds, the traditional purpose of which is to correct market failure. In other words, PSB must be seen to serve a function in society that private enterprise either cannot or will not fulfill. Market failure explains that it is the responsibility of governments to step in and provide an essential service to its citizens when the market will not provide it because it is not profitable to do so (Ward, 2006). It remains that PSB needs to offer citizens a service that private industry will not.

The main objectives of this chapter are to illustrate the environment in which broadcasting in Canada has emerged and developed, to demonstrate how the broadcasting environment has changed, particularly through the 1980s and 1990s into the new millennium, and to explain the role PSB has the ability to play in the new broadcasting environment. Furthermore, this chapter outlines Canada’s method of funding its current PSB, and discusses possible alternative methods of funding for it.

2.2. Broadcasting and the Canadian Public

The national strategies for both radio and television broadcasting in Canada have roots in the intention of fulfilling public service ideals. The Aird Commission, the first major report released with regards to radio in the country, recommended that broadcasting be established to fulfill a public service role in the country (Raboy, 1990, p. 28). This opinion was later echoed by the 1949 Royal Commission on National Development in the Arts, Letters and Sciences, also known as the Massey Commission, with regards to television (Raboy, 1990, p. 94). There have been a number of problems that broadcasting in Canada has had to face, however, which have hindered the full realization of the intended public service role of each technology. These issues have had to do with the question of defining the Canadian identity and the Canadian public, as well as with the struggle between private interests and advocates of a public sector orientation for radio and television broadcasting.
The timing of the emergence of broadcasting in Canada is significant as it was a time when the very idea of the public and the direction of the country were under debate. “The idea of the public was in a state of flux and was itself a topic of public discussion in the 1920s” (Raboy, 1990, p. 5). This meant that discussions about broadcasting and the role that it could play in the Canadian public were happening at a time when there was not any clear articulation of who the public was. As it happened, “Broadcasting policy emerged and has evolved in this context of curiously articulated notions of “the public” and “its” role in democracy” (Raboy, 1990, p. 7).

That there was no clear articulation of Canada as a sovereign nation at this time presented a range of difficulties as well. “In the 1920s, the dominant vision of Canada was that of an emerging nation struggling to find its place between a British colonial past and the American dream of the future” (Raboy, 1990, p. 18).

The struggle for an identity different from that of the United States was particularly influential in the development of Canada’s communications industries. Broadcasting policy in terms of a national strategy specifically, included both the intent for the system to contribute to the government’s overall strategy “for maintaining a political identity distinct from the US” and “to serve as a strategic instrument against the internal threat to Canada’s national integrity posed by cultural resistance among French Canadians in Quebec” (Raboy, 1990, p. 8). Distinction from the United States, in particular, was difficult considering, as Dallas Smythe (1981) has argued, “Canada’s communications media have been shaped mostly during the period of dependency on the United States” (p. 91). This issue was not unique to the field of broadcasting, but rather was a problem in the development of other communications industries in Canada as well. “As far as print media and popular culture were concerned, Canada was already identified with those of the United States” (Smythe, 1981, p. 100).

Canadian dependency on the United States has contributed to the country being “the world’s most dependent “developed” country and the world’s richest “underdeveloped” country” (Smythe, 1981, p. 91). It furthermore created a situation in which the autonomy of the nation stopped at the existence of state apparatus as Canadians “undervalue their state apparatus because they so rarely try to use it to
assert Canadian needs when these needs conflict with American wishes” (Smythe, 1981, p. xi).

While Smythe (1981) argued that Canada has never really been a sovereign nation, George Grant (2005) credits the Diefenbaker government with surrendering Canada’s sovereignty. Grant argues that the Diefenbaker government’s “policies led to the impossibility of an alternative to the American republic being built on the northern half of this continent” (Grant, 2005, p. 6). Smythe (1981) too, places at least some responsibility on the Diefenbaker government, noting that the Board of Broadcast Governors, which was created by the Diefenbaker government, “devoted its attention to protecting the interests of the private sector” (p. 179).

The forfeiting of Canadian sovereignty was not something that was inevitable. Canada had the opportunity to implement measures that would have created a very different communications landscape in the country. When television emerged Canada had the opportunity to establish a system, similar to those in European countries, which would have prevented the problem of imported programming coming in to the country from the United States (Smythe, 1981, p. 176). This would have been done through measures including the adoption of technical standards that were different from those adopted by the United States (Smythe, 1981, p. 176). Given that this path was not taken, television ended up contributing to the decline of public service purpose as opposed to contributing to its revitalization. Instead, “From the innovation of television on, the public service aspects of the Canadian broadcasting system steadily deteriorated” (Smythe, 1981, p. 178).

The struggle that Canada faced as broadcasting came to be goes beyond its identity and the conception of the Canadian public in light of United States dominance. There is also the country’s struggle in terms of establishing and maintaining its broadcast system due to the conflicting interests of those who supported private enterprise and those who supported the public sector to consider. These private interests were competing against public sector advocates who saw broadcasting as playing an important role in Canadian society and who wanted it to fulfill a public service mandate, as indicated by work undertaken by various government-appointed
commissions (Royal Commission on Radio Broadcasting [RCRB], 1929; Caplan & Sauvageau, 1986).

Private interests, however, have impacted the development and operation of the Canadian broadcast system in that they have generally taken precedence over the public component to broadcasting. “In the process of building the Canadian system, social and cultural aspects have been consistently subordinated to economic and political interests as the public dimension has steadily diminished, stripping broadcasting of its democratic potential” (Raboy, 1990, xiii). This is problematic as private interests do not exactly align with public service goals. In Canada, “Canadian popular culture has been produced and marketed by businessmen more concerned with short-term profits than with nation-building” (Smythe, 1981, p. 98). Private interest involvement has meant that programming from the United States is a major issue. Due to economic considerations, prior even to the Aird Commission, “An alarming proportion of the program material broadcast was imported from the United States” (Raboy, 1990, p. 22).

The 1980s especially were a time that was indicative of the policy orientation in Canada towards favouring private interest over cultural questions (Raboy, 1990, p. 14). There was a shift in rational for Canada’s cultural policy from being political to, in the 1980s, being economic (Raboy, 1990, p. 338). “The idea of broadcasting as a public service was thus at a low point, both in Canada and internationally, in an increasingly interconnected global system where conservative economic policies antithetical to a democratic public life were in command.” (Raboy, 1990, p. 15). The challenge for Canadian PSB in overcoming free enterprise logic, was that it needed to not only make economic sense in the long-run, it also needed “to be recognized as essential to the survival of Canada, as a political entity, as a single market autonomous of the American economy to the south, and as an idea.” (Raboy, 1990, p. 17-18).

### 2.3. The Changing Role of PSB

The 1980s furthermore represented the emergence of an identity crisis for PSB. New broadcast technology at this time created even more challenges for public broadcasters. Chief among the implications of new developments was that the
broadcasting environment was rapidly becoming a multi-channel one - spectrum scarcity at this point was no longer a major issue for nations (Debrett, 2010, p. 16). Canadian PSB, which had already found itself in international competition with broadcasters from the United States, was then faced with even more competition. This was due not just to technological capacity, but also because of the trend towards the deregulation of media that happened in the 1980s and 1990s (Cushion, 2012, p. 1). The growth of the private sector of broadcasting that resulted has meant "seemingly limitless options through cable, satellite, and the Internet", resulting in a fragmented audience for PSB (Conway, 2011, p. 4). This "contributes to the sustained crisis of legitimacy public broadcasting has been undergoing since at least the 1980s" (Conway, 2011, p. 4).

Complicating matters even further, the 1990s then saw the development of digital technologies. "With the rapid spread of digital communication technologies in the 1990’s, broadcasting, telecommunications and the computer have blended together to revolutionize the way we receive and consume broadcasting services today (Seneviratne, 2006, p. 10). The impact of new technologies in the broadcast landscape include that digital communication “has dramatically increased the speed at which we can receive these services and also in many cases made it a lot cheaper to receive an ever more increasing number of channels” (Seneviratne, 2006, p. 10).

These changes to the broadcasting environment have meant that PSBs have had to find ways of staying relevant. It is important for all forms of broadcasters, not just PSBs, to find their place within a broadcasting system that is local and global all at once (Raboy, 1998, 170). Marc Raboy, in 1998, argued that “in the very near future we are going to see a lot more attention being paid to the global ecology of broadcasting as a public service environment” (p. 171).

That PSB operates in an environment that is increasingly global in nature is of particular relevance to the changing notion of broadcasting. New technologies have allowed for the creation of transnational broadcasters, although broadcasting policy is still made on a national level (Raboy, 1998). In his article Public Broadcasting and the Global Framework of Media Democratization, Marc Raboy (1998) states that "every national government is at some point faced with some basic decisions about broadcasting, if only to consider the allocation of frequencies to which it is entitled by
international agreements” (p. 170). This, he says results in “a national broadcasting system in every country, made up of one or more component parts” (Raboy, 1998, 170). Raboy goes on to argue that national systems of broadcasting are merging into global, mixed-modeled broadcasters (Raboy, 1998, p. 170). This is the reason PSBs find themselves necessarily trying to find alternative funding sources and why “competition for revenues, both public and commercial, is more intense than it has ever been” (Raboy, 1998, p. 170). Interesting developments in PSB are hybrid systems of ownership, where public and private organizations partner up, as is the case with the BBC’s global channel (Seneviratne, 2006, p. 18).

This shift has had an impact on policy. Raboy (1998) argues that the national nature of communication policy framework has changed and that decisions are now made in a global environment (p. 176). “National governments have lost important parts of the sovereignty they once enjoyed in communication, and at the global level, accountability is loose, where it exists are all” (Raboy, 1998, p. 176). National systems increasingly resemble each other and are being affected by decisions made beyond any single government (Raboy, 1998, p. 176). As the media system develops and adapts according to new technologies, “national governments and groups of states are trying to influence the activities of this transnational system in their own countries or regions as best they can” (Raboy, 1998, p. 177).

The original justifications for PSBs, specifically in terms of their establishment as monopoly broadcasters, are not all relevant or simple in nature in this new global broadcasting climate. It is problematic that “the shape and remit of PSB as developed in these contexts are erroneously (but sometimes deliberately so) represented as the defining features of public service broadcasting” (Jakubowicz, 2006, p. 97). This leads to the misperception that PSBs are no longer necessary in the global age. Karol Jakubowicz argues that the acceptance of this view makes it “easy to draw the conclusion that changing circumstances spell the doom of public service broadcasting” (Jakubowicz, 2006, p. 97). He goes on to argue “one thing is certain: Convergent digital communication system will no longer provide a natural habitat for traditional public service broadcasting” (Jakubowicz, 2006, p. 100).
There is then, the question of what role public broadcasters should play in a global media environment, besides that of ensuring that their audiences are being addressed as citizens. Should these broadcasters focus on being national or branch out into being global in nature?

Jakubowicz (2006) argues that “country-bound PSB organizations will be at a disadvantage when competing on a globalized market with multinational media corporations” (p. 107). Given a digital, multichannel, converged environment, “the problem for public broadcasters is deciding where they belong and how they should react to retain audience loyalty” (Steemers, 1999, p. 45). Jeanette Steemers (1999) argues that “there is clearly a need for a rethink of the concept of PSB to reflect ongoing changes in content, access, and distribution” (p. 47).

PSB needs to be reimagined in terms of an overall system. Raboy (2003) argues, “as issues involving the regulation of broadcasting go global, then, we need to begin thinking about appropriate global regulatory mechanisms” (p. 114). He suggests that an international PSB, would be a worthwhile development, arguing that the “international appropriation of some air and space for the distribution outside the country of origin of viable creative products that currently have no access to the global agora that figures so prominently in utopian discourses on the new information technologies” (Raboy, 1998, p. 178).

While an internationally funded project would be an interesting development, it is unrealistic in scope, given the diversity of its target audience in terms of cultural and socio-economic circumstances. The best way for public service broadcasting values to retain their significance is for PSB to operate in a hybrid national/global framework as opposed to a purely global one. Countries, including Canada, still need nationally-based broadcasters for purposes including national unity and cultural sovereignty. They also now need to have access to information and debates regarding matters of importance that are happening in the world on a global scale, as global issues increasingly affect their lives.

Jakubowicz (2006) outlines several characteristics that public broadcasters will need to take on if they are to survive the new multi-media, multi-channel landscape. He
suggests that programming should be reoriented towards things such as the spreading of “awareness of the additional (both supra- and sub-national) dimensions of political citizenship, as well as individual and societal co-responsibility for developments at these other levels”, that they should provide “more in-depth information on the situation prevailing on the international scene and in individual countries” and that they should serve a watchdog role or international organizations (Jakubowicz, 2006, p. 107). The latter is something that is both difficult and important to implement as “today, fully informed citizenship requires considerable effort to understand and become involved in the processes of global governance, affecting everyone’s life” (Jakubowicz, 2006, p. 107). Another interesting suggestion made by Jakubowicz (2006) is that PSBs should engage in peace broadcasting, and, in general, help to “promote the peaceful existence not only of the nation-state, but also of the larger international community” (p. 107). Jakubowicz (2006) argues that if PSBs cannot re-orient their programming in the manner outlined, “they will not be able to equip their audiences with the knowledge and skills need[ed] to operate with ease in a globalized, multicultural context” (p. 107).

PSB needs to be reimagined, taking into consideration the global environment, in order to remain relevant in a global world, while remaining nationally grounded. This is important because, as Jakubowicz (2006) suggests, PSBs need to play a role in informing their audience in such a way that they can participate in a global environment. The public service role of broadcasters is still necessary, but the delivery and the goals need to change as the environment in which they exist changes.

Just as there is no consensus in terms of an exact definition of PSB, there is no consensus as to what PSBs should look like once redesigned to fit into a global world. As a starting point, “in an increasingly globalized world, it is essential to have broadcast institutions that address viewers and listeners as social beings and citizens rather than as mere consumers” (Banerjee & Seneviratne, 2006, p. 3). This is a key benefit to publicly funded broadcasting, which makes it difficult to disagree that this should remain a characteristic of PSBs.

Public broadcasters all over the world, not just in Canada, need to find a place in a world that is global in nature, while still serving national citizens. The question that is central to whether or not PSB is still relevant in a global, multi-channel environment is:
what can public broadcasters deliver that private broadcasters cannot? Key roles such as national unity are still important. “It is a tricky balancing act to rejuvenate (or, as in the case of the emerging democracies, create) public broadcasting institutions amid the pressures for integration into the global broadcasting market” (Raboy, 1998, p. 173).

2.4. Market Failure

The emergence of a multi-channel broadcasting environment where people have an abundance of programming choices has brought into question not only the role that PSBs play, but why the public should continue to fund broadcasting at all. Justifying public spending on broadcasting is something that remains crucial for public broadcasters.

Traditionally, PSBs warrant public funding because they are considered merit goods. “Merit goods are ones where social benefits exceed private ones and they are characterized by having positive externalities in wider areas” (Ward, 2006, p. 55). In the case of merit goods, “free market mechanisms are seen to fail” (Ward, 2006, p. 55).

Because PSB aims to fill the role of informing citizens, a key component to a healthy democracy, without economic constraints, its social benefits can be seen as being greater than the private benefits that would be derived from it. The role that these broadcasters play as an alternative to commercial broadcasters is a particularly positive characteristic of PSB. Public broadcasting also aims to broadcast to all members of a country, and not just those who are most profitable to reach.

Since it can be considered a merit good, a common justification for government funding of PSB is that of market failure. The logic behind the existence of any public good is that the government needs to step in to provide an essential service that isn’t supported by the market - in other words, the government needs to intervene in situations where the market has failed to provide the public with a service.

Traditional public goods are defined based on the failure of the market to satisfactorily distribute, according to competition and pricing logic a specific commodity form either because the quantity of the product cannot be divided based on individual pricing or the non excludable nature of a
certain commodity means that free riders can use that said service without the possibility that they can be excluded if they do not pay for consumption. (Ward, 2006, p. 55)

David Ward (2006) notes two premises on which market failure has developed as a defence of PSB. First, he points out that broadcasting is a “crucial social, cultural and political platform in contemporary societies providing a range of social objectives that are seen as positive” (p. 54). The second premise involves how these social objectives are delivered as “broadcasting demonstrated certain features that distinguished it from the normal range of commodities efficiently producing choice and price quality through market mechanisms” (Ward, 2006, p. 54). While Ward (2006) points out that there are public service goals that the commercial sector can and will support in terms of broadcasting, there are others that it will not (p. 60). Areas where the market can be seen to fail include news, information and education (Davies, 2005, p. 146). Market failure in broadcasting does not mean that the market would be completely absent of public service programming under a purely commercial system and that it does not mean that public service broadcasters should only provide content that is absent from the marketplace (Davies, 2005, p. 132).

Market failure is not only a justification for keeping PSBs around, but also for sufficient funding. The chapter Public service – beyond the obsession with technology and the markets by Dominique Wolton in Making a Difference (2006) discusses the role of public service broadcasting, arguing that it needs to be funded in such a way that it is able to grow. Wolton (2006) argues that the key economic challenge PSBs face is “to have the means to cope with the inexorable costs, both in the production of drama, and news and current affairs, as well as in magazine programmes and documentaries” (p. 203). He notes that “the risk is that governments fail to keep up, and that public service ceases to flex the muscle of its competitors” (Wolton, 2006, p. 203). When talking about programming, the author argues that the worst case scenario for a PSB would be for it to stop producing programming and start merely disseminating content from elsewhere because of lack of resources (Wolton, 2006, p. 204). He argues that broadcasting needs to be intervened in by public authorities the same as in other industries such as health because in broadcasting, “the effects of power are disastrous” (Wolton, 2006, p. 204).
PSB needs to be funded in such a way so that it can fill in the gaps left by the market and at the same time, avoid commercial influence.

The problem with the notion of market failure as a way of justifying PSB is that it is difficult to measure. Colin Hoskins and Stuart McFadyen (1992) state that even if they were to accept the theory of market failure, there is no way to measure its worth, meaning that “no rigorous cost-benefit analysis is possible and everyone resorts to their gut feelings on the issue” (p. 283).

This is problematic when looking at the question of market failure from an economics perspective. The article *Refocusing the CBC* (2001) by Colin Hoskins, Stuart McFadyen and Adam Finn addresses the question of whether or not Canada needs a PSB by looking at which, if any, of the CBC’s roles private broadcasters may realistically take on and which, if any, of the CBC’s roles would have a negative impact on Canada should they no longer be available. If the CBC did not already exist, the authors question whether or not creating it would have benefits that outweigh the costs (Hoskins, McFadyen, & Finn, 2001).

Hoskins et al. (2001) state that “broadcasting programming has three economic characteristics that are not shared with most other products” (p. 19). The first is that it is “non-rival in consumption,” which means that consumers are not competing for a product (Hoskins et al., 2001, p. 19). Because of this, the cost of production does not depend on the number of viewers of the program.

The second characteristic is that broadcast programs are often paid for through advertising. Because of this “the product being sold is not programs to viewers but viewer exposures to advertising messages” (Hoskins et al., 2001, p. 19). The broadcaster is then not concerned so much with the quality of program but the size of the audience watching the program.

The third characteristic the authors note is the possibility of consumption externalities (Hoskins et al., 2001, p. 20). Externalities are benefits or costs that come “from an economic transaction that falls on a third party and that is not taken into account by either parties, that is, the seller (producer) or buyer (consumer), to the transaction” (Hoskins et al., 2001, p. 20). A common defence of the CBC is that they
provide external benefits such as promoting “a better-informed public” (Hoskins et al., 2001, p. 20).

The authors go through categories of CBC programming to distinguish whether or not the market could reasonably be expected to take up that role should the CBC not be there to fill it (Hoskins et al., 2001). The only instance where they believe that the costs are greater than the benefits is local news, as “it is more cost effective to produce a one-hour television program for a national audience than the set of programs needed to fill one hour for local or regional audiences” (Hoskins et al., 2001, p. 25). In terms of funding, the authors note that “a partial reliance on advertising revenue inevitably results in some programming decisions reflecting commercial imperatives rather than public service goals” (Hoskins et al., 2001, p. 26). They cite the results of a survey done in 1999 by McKinsey & Company, which “found that the higher the proportion of ad funding, the less distinctive the programming” (Hoskins et al., 2001, p. 26).

While not solving the problem of how to address external benefits referred to by Hoskins et al. (2001), how to go about determining the value of the CBC to the public is discussed in the article Quantifying the Sources of Value of a Public Service (2001) by Maureen Hupfer. Hupfer (2001) uses the CBC as a subject to help determine whether or not choice evaluations “can quantify the use and nonuse values placed on a public service and the value provided by each of the service’s components” (p. 225). A simple choice evaluation would present participants of the study with a description of a good with a price, and they are then asked whether or not they would pay for it (Hupfer, 2001, p. 226). Hupfer (2001) discussed the methodology she used for a study that included a sample of 1,000 Albertans in 1998. Through this study she determined that “choice experiments can obtain useful information when a public organization is making resource-allocation decisions” (Hupfer, 2001, p. 237). The conclusions of this study do not offer particularly relevant findings in terms of the CBC as a whole, only the CBC as it is received in Alberta where the study was conducted. It does offer recommendations, however, for methodology for future studies looking to place a value on the CBC.

Another study that used choice experiments to help determine the value of the CBC to Canadians appears in the article Valuing the Canadian Broadcasting Corporation (2003), which discusses a survey conducted by Adam Finn, Stuart
McFadyen and Colin Hoskins, which was intended to put a monetary value on what Canadians think the CBC is worth. The authors note that funding for the CBC has been a topic of debate “with its public subsidy cut from approximately $1,100 million to about $850 million during the 1990s” (Finn, McFadyen & Hoskins 2003, p. 177).

To value the CBC using public input the authors used choice experiments (CE) and contingent valuation methods (CVM) to survey Canadians in 1998, creating both French and English versions of the survey (Finn et al., 2003). They estimated the CBC’s value to be $664 million according to the CVM data, and $752 million for their CE data, pointing out that “both these valuations are less than the CBC’s $996 million in public expenditures” (Finn et al., 2003, p. 187). According to the article, “these results do not support a case for increased funding of the CBC, although they cannot completely refute it either” (Finn et al., 2003, p. 190). The authors note that the cutbacks that happened in the 1990’s are then appropriate, but the study does not seem to take fully into account the effect the cutbacks may have had on the quality of programming aired and therefore the value of the CBC to Canadians at the time of the survey, or the external benefits associated with a strong PSB.

The impact of budget cuts on programming can be seen in programming decisions. As Hoskin et al. (2001) pointed out, commercial activities affect the content aired on PSBs. Even when taking advertising out of the equation, there still is a desire for the audience numbers to justify spending public funds on broadcasting. At the CBC, this commercial pressure can be seen in the corporation’s decision to air what it refers to as “factual entertainment”, which is essentially reality television by another name.

The article Chasing the Public: The CBC and the Debate Over Factual Entertainment on Canadian Airwaves (2009) by Derek Foster talks about the CBC’s decision to air “factual entertainment”. The CBC could not ignore the trend towards reality television because it “provided the CBC’s competition with a high return on their investment, attracting large audiences and advertising revenue” (Foster, 2009, p. 61). The CBC moved from first claiming that they would not air reality television, stating that it was not something they needed to do, to a more “populist” model of broadcasting, which included “factual entertainment” (Foster, 2009, p. 62).
Foster (2009) suggests that the “CBC’s populist turn” is not something to be lamented as it is another way for Canadian stories to be told (p. 62). It is also a financially beneficial move. “Confronted by the prospects of continually diminished funding, CBC executives have turned to reality TV/factual entertainment just as public broadcasters in other countries have done” (Foster, 2009, p. 66). Alternatively, this “populist turn” can be seen as a consequence of the “dumbing down” of content for the sake of market considerations.

The two criticisms of this move that Foster (2009) discusses are that the broadcasting of factual entertainment “threatens the traditional sobriety associated with the public broadcaster” (p. 68), and that it calls into question the Canadian aspect of programming that the CBC is supposed to provide (Foster, 2009, p. 69).

He talks about the “CBC effect,” which is to say that beyond being a material entity, the CBC “is an assortment of voices and images that is a selection and a representation of what it means to be Canadian” (Foster, 2009, p. 71). Part of his argument for factual entertainment is that the idea of what it is to be Canadian is changing. Whether or not reality television helps to provide a realistic image of what it is like to be Canadian is debatable, but the money that it brings in by being cheap to produce and by being watched by large audiences helps fund the CBC. Proper funding is important at a time when funding is needed to help cope with the fact that broadcasting is happening on an increasingly global level and to help keep up with the emergence of new media technologies.

2.5. **Funding the Canadian Broadcasting Corporation**

Marc Raboy’s chapter *The Hybridization of Public Broadcasting* in the book *Public Broadcasting for the 21st Century* (1996b) discusses the hybrid model of broadcasting that Canada has developed. In this article, Raboy (1996b) goes through the history of broadcasting, noting key moments in the development of the CBC and the fact that the country’s history of broadcasting “gives some indication of the vast historical consensus in favour of public service broadcasting” (p. 104). He argues that what developed in Canada is a hybrid broadcast system where “no sector of broadcasting can
claim to be entirely independent of public purpose” (Raboy, 1996b, p. 105). At the same time the CBC “has never been entirely sheltered from the industrial aspects of broadcasting” (Raboy, 1996b, p. 105). Raboy (1996b) argues that the broadcasting landscape in Canada can be seen as shifting towards “privatization of conventional public broadcasting, as commercial and budgetary pressures on the CBC force it to adopt a posture increasingly resembling that of the private sector,” on one hand or as they “can also be seen as a “publicization” of the private sector,” due to the fact that the private sector has had to rely on public funds (p. 105). He argues that there is an inconsistency between the Broadcasting Act, which describes broadcasting in Canada as being a public service, as it is written and as it is operationalized by the system (Raboy, 1996b, p. 105-106). As such, the hybridization of PSB in Canada has a negative impact on the CBC’s ability to operate with the purpose of correcting market failure in mind.

The impact of having commercials as a significant source of funding is not insignificant. As is mentioned in the Massey Commission’s 1951 report, the commercialization of broadcasting often means programming decisions are made according to “inferior cultural standards”, the goal of which is to attract large audiences (Royal Commission on National Development in the Arts, Letters and Sciences [RCNDALS], 1951, p. 303).

If the role of the CBC is reconsidered, with the current multichannel, globalized environment in mind, alternative funding options should also be explored. In light of the fact that the influence of advertising on content is negative, what possible alternatives to the hybrid model are there?

2.6. Alternative Funding Models

Outside of getting rid of commercials altogether and having the public foot the entire bill for PSB, two main alternative funding models were brought up by Canadians in written submissions to the CRTC during the Corporation’s 2013 licence renewal process. The first is a sponsorship model and the second is a licence fee.
While PSB in the United States, which includes PBS and NPR, is funded, like the CBC, partly by a parliamentary appropriation, it is, unlike the CBC, also funded by money derived from sponsorships and individual donations. Public radio in America receives direct funding from the government in terms of grants, including matching grants, as well as indirect funding “through the special tax treatment of charitable contributions” (Brooks, 2003, p. 554). The matching grants are based on private donations “from individuals, corporations and foundations” (Brooks, 2003, p. 555).

The article *Taxes, Subsidies, and Listeners Like You: Public Policy and Contributions to Public Radio* (2003), by Arthur C. Brooks looks at the relationship between government funding and private donations, finding that “low levels of public funding to stations have a leveraging impact on private giving, but this impact rapidly decreases as the magnitude of government subsidies increases. At high-enough levels of government funding, it becomes negative, with public dollars displacing private donations” (Brooks, 2003, p. 559). The article also found that “increases in state tax rates correspond with significantly more dollars in donations per capita to public radio” (Brooks, 2003, p. 559).

In *Conflicting Communication Interests in America* (1999) Tom McCourt argues that “a public medium should be collectively owned and freely accessible, and it should provide services to all members of the public” (p. 114). He notes that “characterizing a broadcasting system as “public” implies public ownership and control, yet the Corporation for Public Broadcasting, Public Broadcasting Service, and National Public Radio are private nonprofit organizations” and points out that there is a contradiction in CPB-funded radio stations as many “are licensed to private groups and institutions” (McCourt, 1999, p. 114). NPR is essentially funded based on a non-profit model as it “inaugurated a major fundraising operation, targeting “big money,” when it created the NPR Foundation in November 1992” (McCourt, 1999, p. 121).

Another important revenue source for public broadcasting in the United States is that which is derived from audiences. “Audience financial support has become essential to public broadcasting, and it also provides credibility with other funding agencies” (McCourt, 1999, p. 121). PSB in America uses on-air pledge drives, which “are a proven method for drawing new listeners and viewers, since they often are organized around
special programming (particularly in public television)” (McCourt, 1999, p. 122). A downside to these pledge drives is that “their incessant handwringing and evocations of guilt may alienate audiences as well as disrupt viewing and listening patterns; also, they are costly in both time and labor” (McCourt, 1999, p. 122).

McCourt (1999) also highlights the problem of funding received from sponsorship, noting that it places considerable restrictions on the content and tone of the program (p. 122-123). “Although underwriting practices help ensure stable flows of money to public broadcasters, they often lead to overt commercialism and further erase the distinction between public and commercial broadcasting” (McCourt, 1999, p. 141). McCourt (1999) quotes Lawrence Grossman, a former PBS president, who pointed out that no matter where the money comes from, it’s tainted (p. 123). “With federal funds we worry about becoming a governmental broadcasting arm. Corporate money means you stay away from controversy. Membership money means you cater to upper middle class viewers. The saving grace is that we have diversified sources” (McCourt, 1999, p. 123).

That having money come from a variety of places is a positive thing is not considered to be true by everyone, as Mary Debrett (2010) points out that funding for PSB is particularly problematic in the United States as it “necessarily gleans revenue from multiple sources – government appropriations, corporate sponsorship and audience membership subscription, along with assistance through various institutional affiliations” (p. 134). She argues that having unreliable funding undermines “the primacy of the public television mission” (Debrett, 2010, p. 134).

Some of Canada’s provinces, however, have adopted sponsorship models of funding with some success. Knowledge Network, British Columbia’s public broadcaster, for example, derives more than 70 per cent of the funds needed for their broadcast schedule from people in the community (“Knowledge: Partners,” n.d.). “Knowledge Network is commercial free, funded by an annual operating grant from the provincial government and through support from over 35,000 individual donors” (“K: British Columbia’s public broadcaster,” n.d.).

Similarly, TVO in Ontario is funded through a mix of provincial government funds and money that has been fundraised in the community (“Support TVO,” n.d.). TVO
manages to collect money through fundraising initiatives including telemarketing and approaching people “in malls and on the streets as part of our monthly donor program” (“About TVO,” n.d.).

Alternative to sponsorships, another model by which some PSBs are funded is a licence fee. This is the model that the BBC in Britain is funded largely by. The licence fee is a mandatory payment made by everyone who owns a television set “with a concession for the blind and those over 75” (Fenn, Paton, & Williams, 2009, p. 337). Britain is considered to be well funded in terms of PSBs in developed countries. “The UK devotes a significantly larger share of gross national product to PSB than any other developed economy” (Fenn et al., 2009, p. 337). How much funding the BBC gets is looked at every five years “by a ‘license fee settlement’ resulting from negotiations between Government and the BBC” (Fenn et al., 2009, p. 337).

The CBC was, until the 1950’s funded through a licence fee as well (Raboy, 1996b, p. 108). This was not a particularly effective model of financing for Canada, and so it was short lived. “Soon after CBC television began broadcasting in 1952, it became clear that the service could not be supported by the license fee, even when supplemented with advertising” (Raboy, 1996b, p. 108). In Canada, in place of the licence fee, “an annual grant from Parliament became the norm for balancing the CBC’s budget. This formula remains in effect to this day, despite repeated calls for more stable, multi-year funding” (Raboy, 1996b, p. 108).

While the implementation of sponsorship or licence fee models would be two major changes to funding PSB in Canada, there are a number of other alternatives to funding PSB partially through commercial revenue - one, simply put, being to provide the CBC with stable, multiyear funding as Raboy (1996b) has indicated. A more complicated way of getting rid of commercials would be by reducing expenses by cutting back on the amount of time spent on air. This suggestion is discussed by Colin Hoskins and Stuart McFadyen in the article *The Mandate, Structure and Financing of the CBC* (1992). The authors focus on CBC television, recommending ways for it to eliminate advertising and save money (Hoskins & McFadyen, 1992). They don’t see a licence fee as being a better option to fund the CBC and they suggest that the parliamentary appropriation is a suitable method for funding, only they mention that the annual uncertainty of the current
system is a disadvantage (Hoskins & McFadyen, 1992, p. 286-287). The authors suggest getting rid of commercials is important because “with the increased importance of advertising as a source of funds, it is not surprising that CBC has been criticized for becoming too commercial” (Hoskins & McFadyen, 1992, p. 281). To get rid of advertising, the authors recommend that the broadcaster reduce the amount of time they air programming to seven hours per day, initiate greater collaboration with regards to programming between English and French networks, contract out drama and documentary creation to independent producers and focus on national schedules by selling off regional studios (Hoskins & McFadyen, 1992).

If this is not accepted as a feasible alternative to the hybrid system the CBC currently operates under, another option is to redistribute the benefits of private broadcasting to help fund public broadcasting. In the introduction to the book Public Service Broadcasting in the 21st Century, Raboy (1996a) argues that the distinction between public and private broadcasters “is that the latter is only commercially driven, while the former, despite various shapes and forms it assumes from time to time and place to place, is necessarily propelled by a different logic” (p. 7). Raboy (1996a) suggests that if certain broadcasting activities are commercially viable and others are not there could be a method of redistributing “the benefits of the commercial sector to finance the non-commercial sector” (p. 8). He goes on to note that “if this is an unlikely formula, it is not because of any conceptual flaw, but because of broadcasting’s capture by private industry” (Raboy, 1996a, p. 8).

2.7. Conclusion

As the environment in which broadcasting operates changes and becomes increasingly global in nature, questions of whether or not public service broadcasters are still necessary emerge. Is it appropriate for governments to be spending public money on broadcasting when there is an abundance of private broadcasters citizens are able to turn to? In a global media environment PSB is still necessary. Public broadcasters inform citizens in a way that private broadcasters will not, and they address citizens that private broadcasters will not, simply because it is not profitable to do so. This is
especially relevant in Canada where there are large minority populations, and large populations of people living in rural areas of the country.

Public funding for broadcasting, regardless of the specific model of funding, is still relevant in the 21st century, given that PSB can be categorized as a merit good and because of market failure logic, which suggests that the government should continue to fund broadcasting so that it can fill a role in society that private broadcaster will not.

Murray (2001) likens the CBC to a wellspring of knowledge, a wellspring being “the source of a stream which sustains life within and beyond the riverbanks, or which may deny life by becoming dammed up or polluted” (p. 34). Public broadcasting is important to ensuring a healthy democracy for Canada and a cultural and political identity for the country that is distinct from the country’s southern neighbours.
Chapter 3.

The Development of Public Broadcasting in Canada

3.1. Introduction

Public broadcasting in Canada has always been complicated. This is partly because public broadcasting in the country emerged after already having been established elsewhere. While this meant that commissions such as the Aird Commission and the Massey Commission had the opportunity to study radio and television broadcasting respectively in other countries before making recommendations on how to best proceed with each medium in Canada, it also meant that Canada was behind in each technology’s development.

Significantly, Canada borders a cultural giant whose commercial programming was available to Canadians before broadcasting had really begun to develop at home. That Canadians were early consumers of programming originating in the United States and that American broadcasting developed as a commercialized industry proved to be a contributing factor to the development of two issues that would come up consistently in documents pertaining to Canadian broadcasting: commercialization and Americanization.

Both Canadian citizens and official commissions appointed by the government expressed throughout the history of broadcasting in Canada, concern about the impact of too many commercials on television and the impact of the prevalence of programming from the U.S. These two topics were often discussed hand in hand because the prevalence of American programming was seen as being a symptom of the commercial nature of broadcasting in the country.
A main part of the struggle faced by public broadcasting, which is supposed to be based on content that is predominantly Canadian and free from market pressures, has been related to funding concerns. While various commissions have made suggestions for how national public broadcasting should be funded, these suggestions have never been adequately followed through with or fully implemented.

It can be seen through policy documents ranging from the Aird Commission’s 1929 report, which addressed the question of how best to develop radio broadcasting in Canada, to the CRTC’s 2000 decision to renew the CBC’s broadcast licences that Canadians have been historically supportive of the idea of having a public service broadcaster. Not only that, but these documents show that the manner in which the CBC has been funded has been a major hindrance to its performance, not to mention a cause for concern amongst its stakeholders.

By addressing the findings of government-appointed commissions as they are laid out in primary documents, this chapter gives an overview of how public television developed in Canada and provides a discussion of recommendations that were made by various commissions.

While this thesis addresses public television in Canada specifically, it is relevant to consider how public radio emerged as it was suggested that television follow a similar public service path. Taking the development of the public radio as a starting point, this chapter will go through Canadian broadcasting history as it has appeared in public policy documents up until the CRTC’s decision to renew all of the CBC’s licences in 2000.

### 3.2. The Emergence of Radio Broadcasting in Canada

The Wireless Telegraph Act of 1905 was the first instance of government involvement in radio broadcasting, followed by the Radiotelegraph Act of 1913, which anticipated sound broadcasting (Raboy, 1990, p. 21). It was not until 1928, however, after the licensing of dozens of commercial stations, that the Canadian government decided a national strategy was needed to regulate the industry, and so established a commission to look into the matter (Raboy, 1990, p. 21-22).
The Report of the Royal Commission on Radio Broadcasting, better known as the Aird Commission, was headed by Sir. John Aird and had been appointed by the government through an order in council to “determine how radio broadcasting in Canada could be most effectively carried on in the interests of Canadian listeners and in the national interests of Canada” (RCRB, 1929, p. 5). As part of its research, the Commission visited countries including Great Britain, Germany and America, to study their various broadcasting systems (RCRB, 1929, p. 5). The Aird Commission was established partly because of a fear of radio broadcasting in Canada being taken over by America (RCNDALS, 1951, p. 24).

The public was invited to comment on the proceedings, in writing or verbally at one of the public sessions that were held across the country in 25 cities (RCRB, 1929). In total, the Commission received 124 written submissions and 164 people contributed verbal submissions (RCRB, 1929, p. 5). Not only were there individual citizens who contributed their thoughts, but there were also “numerous representative bodies” who submitted comments, “the large majority favouring the placing of broadcasting on a basis of public service” (RCRB, 1929, p. 6). The Commission released its findings in 1929.

In its report, the Commission acknowledged the potential benefits of radio. For Canada in particular, because of its vast size, broadcasting had the ability to play a key role “in fostering a national spirit and interpreting national citizenship” (RCRB, 1929, p. 6).

Through its research, the Commission found that, unanimously, “Canadian radio listeners want Canadian broadcasting” (RCRB, 1929, p. 6). This was despite the fact that the majority of programming available to Canadians at that point was of foreign origin (RCRB, 1929, p. 6). The prevalence of foreign content was met with concern expressed to the commission that the continued reception of non-Canadian programming could lead to “a tendency to mould the minds of the young people in the home to ideals and opinions that are not Canadian” (RCRB, 1929, p. 6).

Also problematic at this time was the commercialization of radio broadcasting. The Commission lamented the fact that the nature of radio broadcasting, which in and of itself does not produce revenue, meant that the broadcasters that already existed had an
overreliance on advertising revenue and that populated areas outside of urban areas were being underserved (RCRB, 1929, p. 6).

The report ultimately suggested a public service model of broadcasting for Canada. Specifically, the organization that was recommend was to consist of “A national company which will own and operate all radio broadcasting stations located in the Dominion of Canada” (RCRB, 1929, p. 7).

To fund the capital and operational expenses of the new company, the Aird Commission suggested that a portion of the funds needed for radio should come from public funds based on the fact that broadcasting was seen to have educational value and it had the ability to foster national unity (RCRB, 1929, p. 9). At the time, the Commission did not think that it was appropriate for the entire operation to be funded by Parliament as not all Canadians were listeners, but it did not dismiss the possibility of full funding being justified in the future as more Canadians began to reap the benefits of the service (RCRB, 1929, p. 9).

In its final report, the Commission recommended that funding for the national public service broadcaster be derived from three places: a licence fee, government subsidy, and “rental of time on broadcasting stations for programs employing indirect advertising” (RCRB, 1929, p. 9).

3.3. The Emergence of Television

It wasn’t long after the Aird Commission released its report and a national public radio service had been established that television came to Canada. Despite the short amount of time that passed, a lot had changed in the Canadian broadcasting environment.

Three years later, in 1939, television emerged in the United States (RCNDALS, 1951, p. 43). It was developed there by private broadcasters who were funding it with their profits from radio (RCNDALS, 1951, p. 44). Because of this, and their close proximity to the U.S., Canadians had access to American television programming prior to its introduction through official means at home.

This new medium wasn’t addressed by the BBG until 1948, at which point the board recommended that television in Canada, like radio, be developed in the national interest (RCNDALS, 1951). The BBG acknowledged the importance of the new medium, and “drew attention to its high cost, particularly in Canada, to special technical problems, and to the availability of American commercial programmes” (RCNDALS, 1951, p. 44).

With this in mind, the Canadian government decided to give the BBG the responsibility of guiding the general direction of television in Canada in 1949 (RCNDALS, 1951, p. 44). It was decided that television would be introduced to Canada on an experimental basis because of its high costs and uncertain nature (RCNDALS, 1951, p. 44). Seeing as there had already been progress made, “it was decided to lay down an interim policy for a planned development of a Canadian system of television in which private enterprise would participate” (RCNDALS, 1951, p. 44).

At this point, the government decided to appoint a commission whose role was, in part, to study the emergence of television. Work for The Royal Commission on National Development in the Arts, Letters and Sciences, also known as the Massey Commission, began 1949 and the final report was published in 1951. Part of the Commission’s goal in conducting this report was to address how television broadcasting should be developed and to suggest the policies that would guide its development (RCNDALS, 1951, p. 43). The importance of the medium was emphasized, “which, if it does not supersede the others, will almost certainly exercise a profound influence over them. In our country of difficult communications, consideration of the use of this new force cannot be neglected” (RCNDALS, 1951, p. 43).

Beyond reporting on the emergence of television, the Commission was mandated to “examine certain national institutions and functions and to make recommendations regarding their organization and the policies which should govern
them” (RCNDALS, 1951, p. 3). This was no small task as the Commission covered “the entire field of letters, the arts and sciences within the jurisdiction of the federal state” (RCNDALS, 1951, p. 3).

Over the course of the study, the Commission held 224 meetings, 114 of which were public and for which over 1,200 people participated (RCNDALS, 1951, p. 8). They also received 462 briefs including “submissions from 13 Federal Government institutions, 7 Provincial Governments, 87 national organizations, 262 local bodies and 35 private commercial radio stations” (RCNDALS, 1951, p. 8). The sessions that the Commission conducted did not go into television programming specifically as there were not many Canadians who had seen much, if any, at that point (RCNDALS, 1951, p. 46-47).

Despite this, those who participated in the public process “were aware of the general implications of television development in Canada” and “all showed a realization of the possibilities of this new medium” (RCNDALS, 1951, p. 49). Both the potential benefits and the potential harms of the medium were discussed, with some Canadians expressing “a fear of excesses and abuses”, while others expressed interest “in exploiting television’s commercial possibilities” (RCNDALS, 1951, p. 49). The educational importance of the medium was brought up as well, just as it was discussed when radio first emerged, although with television “Some pointed out the danger of encouraging passivity in the viewer, especially in children” (RCNDALS, 1951, p. 49).

Beyond the significance of television, the question of how to finance television in Canada was addressed by the Commission. The question of financing this medium was and continues to be, a difficult one. The technical implications of Canada’s vast size are no small matter. As the Commission noted: “The present Canadian policy in radio broadcasting matters is partly dictated by the cost of covering the entire country; this will be even more true of television where costs, compared with radio broadcasting, are variously estimated to be from three to ten times higher” (RCNDALS, 1951, p. 45). While American television could be financed by profits from radio, public radio in Canada did not bring in the funds needed to subsidize television (RCNDALS, 1951, p. 303). Given this, the Massey Commission recommended that the capital costs for television, which was to be developed initially under the CBC in a specifically national context, come from
Parliament and that programming costs come from a mixture of a licence fee, commercial revenue and statutory grants (RCNDALS, 1951, p. 304).

In terms of programming, the Commission ultimately decided that American programming was not what they were looking for to serve the needs they established that television broadcasting in Canada should fulfill - namely that it should foster unity and understanding in the country, and in a broad sense be educational (RCNDALS, 1951, p. 46). As the Commission pointed out, “Television in the United States is essentially a commercial enterprise, an advertising industry” (RCNDALS, 1951, p. 47).

This was decidedly something that Canadian broadcasting wanted to stay away from as the impact of advertising on the content broadcast was understood as being negative. In the case of commercialized broadcasting, programming decisions were made, often leading to shows of “inferior cultural standards” in order to attract as many viewers as possible (RCNDALS, 1951, p. 47). The Commission ended up recommending that the direction of television broadcasting in Canada be left to the CBC and that private stations not be licensed until national programs were established, which all private broadcasters would be required to air (RCNDALS, 1951, p. 303).

After the Massey Commission’s report was released, broadcasting became increasingly more prevalent in the lives of Canadians. In order to provide a look at its development and status, another study, this time focusing on radio and television broadcasting, was published in 1957. The Royal Commission on Broadcasting, chaired by Robert Fowler, held 47 days of public hearings across the country and heard from over 876 organizations and individuals in writing (Royal Commission on Broadcasting [RCB], 1957, p. 2). Even though television was still a relatively new technology, the Commission’s report pointed out that both “radio and television have entered into our lives and changed them in ways that are often unobtrusive and unnoticed” (RCB, 1957, p. 3).

This particular commission looked extensively into the financial considerations of broadcasting in Canada. The Commission hired an expert for additional help looking into the CBC’s finances, as well as, to a lesser extent, the finances of private broadcasters in the country (RCB, 1957, p. 253).
One of the major problems the Fowler Commission found the CBC faced was the fact that the financial recommendations set out by the Massey Commission were not implemented (RCB, 1957). The money that the CBC needed for capital costs for television was given as loans instead of as the grants the Massey Commission had recommended (RCB, 1957, p. 255). Also, the operating costs, which were recommended to be covered by a licence fee, came from the proceeds of a “15 per cent excise tax on the factory price of radio and television receivers and parts” (RCB, 1957, p. 255). The Fowler Commission argued that “the greatest financial weakness of the CBC has been the lack of an assured and definite basis of current funding” (RCB, 1957, p. 256).

3.4. Bringing in the CRTC

Further major changes came to broadcasting in Canada during the late 1960’s through to the 1980’s as new technologies were developing. Significantly, a new broadcasting act was put in place in 1968, which handed over regulatory power of Canadian broadcasting to the newly established Canadian Radio-television Commission (CRTC), later to be known as the Canadian Radio-television and Telecommunications Commission (CRTC).

The first renewal of the CBC’s licences under the CRTC, following the original CRTC licensing of the Corporation, happened in 1974. This renewal considered the state and performance of the broadcaster. During this renewal there were 305 written submissions sent in by the public, who were invited to express their thoughts on and feelings towards the CBC (CRTC, 1974, p. 1). There were also public hearings held in Ottawa, from February 18-22, 1974 (CRTC, 1974, p. 1).

Generally speaking, the CRTC reaffirmed the role of the CBC in Canada and pointed out that Canadians are the owners of the airwaves, making the CBC responsible to them first (CRTC, 1974, p. 17). It also, like others who reported on the CBC before it, acknowledged that the difficult nature of public broadcasting in Canada was due to the vast size of the country, the fact that it is sparsely populated in areas, that there are two
Two main topics that were discussed both by Canadians through their submissions and by the CRTC in its renewal report, were the Americanization and the commercialization of Canadian broadcasting, both of which were said to have a negative effect on programming. Neither of these topics were entirely new causes of concern in the Canadian broadcasting landscape at this point and both would continue to be causes of concern into the new millennium.

The threat of broadcasting originating in the United States meant that the recommendations the CRTC made in terms of increasing the quality of programming and improving the transmission facilities needed to be implemented quickly, particularly with regards to television as “the television part of the Canadian broadcasting system is being overtaken by United States television stations. This creates a threat in terms of production” (CRTC, 1974, p. 72).

In the decision document the CRTC published (CRTC, 1974), the Commission stated: “The most powerful influence on the CBC results from the fact that marketing and commercial practices have been more deeply involved in the historical development of broadcasting in North America than elsewhere” (CRTC, 1974, p. 10). The CBC’s English-language television network in particular “has been drawn by the constraints of the marketing environment into a mode of operation increasingly based on mass appeal” (CRTC, 1974, p. 10).

At the time of this renewal process 20 per cent of the CBC was funded by commercial activities (CRTC, 1974, p. 36). The Canadians who commented on the commercial nature of the CBC believed, with near consensus, “that the CBC’s commercial posture was not in keeping with its mandate to provide a national broadcasting service primarily supported with public funds” (CRTC, 1974, p. 36). They found advertising activities on a public broadcaster to be "inimical to the "public service" aspects of the national broadcast service" (CRTC, 1974, p. 36).

The Canadian public was particularly concerned with the impact of commercials on programming. Two major concerns expressed by interveners during the 1974
renewals were: “public annoyance at the frequency and inappropriate nature of commercial interruptions in programming, and the influence of commercial considerations in the selection and scheduling of programs for purposes of maximizing audiences” (CRTC, 1974, p. 36). One commenter from Edmonton suggested that the CBC be sold to Canadian business because the intervener could not “imagine the quality of programs would be much worse” (CRTC, 1974, p. 53).

One of the final recommendations the Commission made was for the CBC to reconsider its commercial policy (CRTC, 1974, p. 39). Should this reconsideration indicate that the CBC should move away from advertising completely, the CRTC wanted that move to be planned for right away (CRTC, 1974, p. 39). Even if a complete removal of advertising wasn’t called for, the CRTC stated in their renewal decision: “during the next five years, every effort should be made by the CBC to eliminate as many as possible of the excesses and undesirable effects of commercials on its television service” (CRTC, 1974, p. 44).

By the next licence renewal there was a growing disconnect between what was being recommended in terms of strengthening the CBC and the actions made by the government to implement these recommendations. While commercials needed to be reduced, government funding was also being reduced, causing a strain on the CBC’s finances.

The CBC’s financial situation was a key topic of discussion in the following two major licence renewals for the CBC that fell in between its 1974 licence renewal and the establishment of another updated broadcasting act. The first, in 1979, dealt with all of the CBC’s English and French-language licences while the second, in 1987, dealt specifically with the CBC’s television networks.

The 1979 licence renewal contained a continuation of the debate on advertisements being shown on the CBC. There had been concern with the CBC’s commercial activities for a long time, and there had been much debate around whether or not the CBC “should be engaged in commercial activities at all and, if so, to what extent” (CRTC 1980 p. 70). The Corporation made it clear that they followed industry standards for advertising and that not all of their programming was aired with
commercials (CRTC, 1980, p. 71). The CRTC believed, however, that the CBC needed to re-evaluate its system for selling advertising, particularly in terms of local advertising (CRTC, 1980, p. 72-73). The CRTC noted that the removal of local advertising from CBC stations would benefit and not hinder the corporation’s ability to achieve its mandate and that its elimination “would conform with the CBC’s present sales policy which, in the interests of journalistic independence, precludes advertising in network news and current affairs programs” (CRTC, 1980, p. 72).

The CRTC explained that they have “no objection to the Corporation continuing its network commercial activities in an increasing number of Canadian programs. The Corporation does have a mandate to provide a national service and advertising can be considered as a function of that service” (CRTC, 1980, p. 72).

While approving of advertising on the CBC in general, the CRTC recommended that the Corporation “review its rate and discount structures” (CRTC, 1980, p. 72). This was because “The CBC has fewer commercial minutes available in its schedule than private broadcasters and thereby has established a higher quality advertising environment” (CRTC, 1980, p. 72).

The Commission noted that while there were those who disagreed with the CRTC and did not find the Corporation’s commercial activity to be appropriate at all, others expressed a belief that the CBC should be pursuing advertising, and that it should be doing so more aggressively (CRTC, 1980, p. 70-71). At this point, the objection made by Canadians was not with regards to the number of commercials themselves, in fact, “When all submissions are considered, the underlying and common theme seems to be a concern that the CBC puts too much emphasis on U.S. rather than on Canadian programming to derive commercial revenue, not that there are too many commercials” (CRTC, 1980, p. 71).

The concern was specifically with regards to the implications of having American programming appear in Canada in large quantities. Programming coming from the U.S. continued to dominate the Canadian broadcasting environment and became increasingly available. As the CRTC pointed out: “A larger proportion of Canadians now have a wider choice of programming from U.S. than from Canadian stations” (CRTC, 1980, p. 36).
English-speaking Canadians in particular, were consuming more American television programming than Canadian, as they were spending “about 75% of their television time viewing foreign, essentially U.S., programs” (CRTC, 1980, p. 37). This meant the exposure of Canadians to American values, which the Commission was concerned about. The CRTC believed “that the overwhelming exposure of U.S. programming in Canada influences and conditions Canadians to American social and cultural values and that this is a matter of fundamental importance” (CRTC, 1980, p. 37). The Commission noted that it was not in favour of the Canadian broadcasting system becoming a part of the American system because it would forfeit to U.S. programming the ability to shape the culture and values of society (CRTC, 1980, p. 38). This was seen as being unnecessary because of the excellence of Canadian programming in “reflecting the true and distinctive images and sounds of Canadian creativity” (CRTC, 1980, p. 38).

The problem of airing too much programming from the U.S. arose partly as the result of television being expensive to produce. The Commission stated: “Network budgets are said to be barely sufficient to undertake the 5,200 hours required annually. But the CBC must also find dollars to do some 19,500 hours of local programs” (CRTC, 1980, p. 69).

In 1977-78, 14.2 per cent of the CBC’s new operating expenditures came from commercial revenues, which the CBC indicated they could not operate without, despite the fact that it also acknowledged that “commercial considerations did impose constraints on its programming and that U.S. programs often received preferential treatment in scheduling” (CRTC, 1980, p. 71). One of the reasons why the CBC kept airing programming from the U.S. was because of its relationship with privately owned affiliates. Simply put, the affiliates needed the income generated by American programming (CRTC, 1980, p. 71).

The CRTC was not the only one who saw a problem with the Americanization of the CBC - the Corporation itself acknowledged that they were carrying too much American programming and that it was influencing content. During the renewal, the president of the CBC admitted to the Corporation making choices based on sales rather than on Canadian programming (CRTC, 1980, p. 40). The fact that the CBC was airing commercially appealing American programs and that it had to make choices based on
competitive considerations meant that “it has not been possible to develop a distinctively Canadian CBC prime time television schedule” (CRTC, 1980, p. 40). The CRTC characterized the CBC’s television dilemma as being the product of its unwillingness to move away from saturating its prime time schedule with American commercial programming (CRTC, 1980, p. 39).

Moving away from American programming proved to be difficult though, given the instability of the Corporation’s government funding and the trend it was seeing in decreased funding. The CRTC document discussing the decision for the 1979 licence renewal in particular, was critical of the trend in reduced government funding for public broadcasting as the amount of money the CBC received from the government was unstable and had been declining. “The parliamentary appropriation for the 1979-80 fiscal year was projected to be $593.3 million. However, the Government announced in August 1978 that the CBC appropriation would be cut by $71 million” (CRTC, 1980, p. 74).

The CRTC mentioned the importance of the CBC’s ability to project its capital funds so that it can plan ahead as it attempts to withdraw from its reliance on advertising and extend its services, among other initiatives (CRTC, 1980, p. 74). The Commission also noted that while the Government had previously agreed to a plan that would have seen the CBC’s budget increase each year for six-years, it was unable to maintain the promised funding levels (CRTC, 1980, p. 74).

Because of this, the CRTC argued in its 1979 decision that “Parliament should either supply the capital funds necessary to meet these fundamental priorities and offset any loss of local commercial revenues, or reduce its expectations of the level and quality of services that the Corporation will otherwise be constrained to deliver” (CRTC, 1980, p. 74-75). The Commission also suggested, however, that there was the possibility for the CBC to perform better in terms of programming “with the same budget or less” (CRTC, 1980, p. 75).

Despite recommendations made, when the CBC’s television network licences went though their next renewal in 1986, the Corporation’s funding situation had not improved. This next renewal process, the decision for which was published in 1987 and focused on CBC television, consisted of eight days of public hearings from October 15-
24, 1986, during which over 50 oral submissions were heard from the public (CRTC, 1987). Additionally, there were 320 interventions submitted by the public - “250 from the general public, 47 from industry organizations and associations representing various interests, 11 from government departments or elected representatives at the federal, provincial, territorial or municipal level, and 11 from operators of broadcasting undertakings” (CRTC, 1987). Of those interventions submitted, the CRTC classified 200 of them as being fully supportive of the renewal of the application, 115 as being favourable but suggesting improvements and five as not supporting the renewal of the CBC’s television licences (CRTC, 1987). By the time this process happened it had been eight years and two postponements since the last renewal for these licences.

In its renewal decision, the CRTC recognized the continued importance of the CBC in the Canadian broadcast landscape. In an environment of increased choices brought on by growth in Canada’s private broadcasting industry and the development of new distribution methods, the CRTC still viewed the CBC as being relevant. “The Commission in 1987 reiterated its view that the role of the CBC has become pivotal for the distinctiveness of the system, and even more essential than it was previously now that there is such an abundance of viewing choices” (CRTC, 1987). This support came despite the fact that the Broadcasting Act under which the CBC was then mandated was created at a time when the broadcasting landscape in Canada was very different - cable was still new and there was not satellite distribution yet (CRTC, 1987).

Even as technology changed over the course of the eight years in between licence renewals, and despite previous discussions on the impact of commercials on programming, the amount of money that the CBC’s budget generated by advertising revenue increased. In 1985/86 its gross commercial revenue raised to $218 million from $131 in 1981/82 (CRTC, 1987). In terms of percentages, the corporation experienced an increase in the proportion of operating revenue from 17 per cent to 21 per cent (CRTC, 1987).

Due to the CBC’s financial circumstances, the CRTC acknowledged the role that advertising played in the Corporation’s ability to fulfill its mandated role as Canada’s national public broadcaster (CRTC, 1987). The CRTC, as it had in previous licence renewals, mentioned the need for the CBC to have long-term funding in order to “be able
to assess further than one year in advance the capital funds that will be available for the
replacement of obsolete equipment, extension of service and any such projects as the
consolidation of its Toronto broadcast facilities” (CRTC, 1987). The Commission pointed
out that the CBC’s ability to fulfill its mandate is dependent on its finances (CRTC, 1987).
The fact that the Corporation was unable to make financial commitments beyond two
years hinders its ability to formulate long-term goals (CRTC, 1987).

On top of these considerations, the CBC also found itself having to deal with the
growth of the private sector of broadcasting within Canada. Significantly for public
broadcasting, the private industry was growing, resulting in more choices for Canadians
in terms of programs that are available for them to watch. According to the CRTC:

Private broadcasting has developed rapidly, particularly with the licensing
of several new independent television stations in addition to the
introduction of specialty and general interest discretionary services on
cable. Cable television service is now accessible to 80% of Canadian
homes and 42% of Canadian households have their own videocassette
recorders, permitting them to program their own television viewing
choices at times that best suit them. Most Canadians now have a vast
array of home entertainment options from which to choose.

(CRTC, 1987)

New satellite technologies enabled broadcasters, both public and private, to reach a
majority of Canadians, leading to a broadcasting environment where even those
Canadians living in remote areas could receive a wide variety of programming (CRTC,
1987).

The President of the CBC stated at the hearings for the 1987 renewal:
“Broadcasting is utterly dependent on two things – talent and financial resources. The
greatest galaxy of talent cannot produce first class programs without minimal budgets,
and all the money in the world cannot conjure up great programs if the talent is not
there” (CRTC, 1987). The CBC’s problem, it was stressed, was resources and not lack
of talent (CRTC, 1987). The CRTC expressed that it was not, “insensitive to the very real
challenges facing the Corporation as a result of recent budget reductions imposed by the
federal government” (CRTC, 1987).
The under-funding of the CBC was a common theme throughout the Corporation’s application to have its licences renewed and during the public hearings (CRTC, 1987). The CBC emphasized at the licence renewal hearing that it would be unable to meet its mandate without an increase in public funding (CRTC, 1987). “The CBC’s 1984/85 Annual Report stated that while the CBC accepts the current need for economy measures, it cannot maintain its services indefinitely in the face of reduced resources and rising costs” (CRTC, 1987). Since the last licence renewal, the CBC faced over $400 million in cuts to its budget (CRTC, 1987).

The CBC did not appear to be considering any other options though, and was “unwilling to state publicly any solutions to the funding situation in which the CBC finds itself or to identify priorities the CBC would respect in operating its English and French television networks, in the absence of legislated change in the Corporation’s mandate” (CRTC, 1987). The CBC acknowledged that the government was in a difficult position of needing to cut down expenses, but pointed out that it is Parliament and the government, not the CBC who is able to dictate which, if any, of the Corporation’s mandated services it can cease to provide due to lack of funding (CRTC, 1987).

The CRTC expected “That the CBC, in light of current financial constraints, maximize other means of increasing revenues, provided these means are clearly profitable” (CRTC, 1987). Due to the limitations that the CBC faced in terms of funding, the CRTC limited the conditions it put on the CBC’s licence with the goal of being realistic in mind, but also stated the expectation that the CBC would explore other means of generating revenue, including pursuing advertising aggressively (CRTC, 1987).

3.5. Television After the 1991 Broadcasting Act

In 1991 a new broadcasting act was put forward - the version that Canadian broadcasting still operates under over a decade into the 21st century. The act states what the role of Canada’s public broadcaster is in the country’s broadcasting landscape. Specifically, it states:
(l) The Canadian Broadcasting Corporation, as the national public broadcaster, should provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains;

(m) the programming provided by the corporation should,

(i) by predominantly and distinctively Canadian,

(ii) reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions,

(iii) actively contribute to the flow and exchange of cultural expression,

(iv) be in English and in French, reflecting the different needs and circumstances of each official language community, including the particular needs and circumstances of English and French linguistic minorities,

(v) strive to be of equivalent quality in English and in French,

(vi) contribute to shared national consciousness and identity,

(vii) be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose,

(viii) reflect the multicultural and multiracial nature of Canada; and

(n) where any conflict arises between the objectives of the Corporation set out in paragraphs (l) and (m) and the interest of any other broadcasting undertaking of the broadcasting system, it shall be resolved in the public interest, and where the public interest would be equally served by resolving the conflict in favour of either, it shall be resolved in favour of the objectives set out in paragraphs (l) and (m).

(Canadian Broadcasting Act, 1991, p. 5)

The first time the CBC’s television licences were renewed under the new act was in 1994.

The 1994 renewal looked at whether or not the CBC’s mandate was achievable given the circumstances under which the Corporation operates (CRTC, 1994). The CRTC noted that the broadcasting environment in Canada was changing and would continue to change due to new technology and increasing competition (CRTC, 1994).

This was partly due to the impact of foreign signals in Canada, which had become an issue. The CRTC suggested that because of the “impact that satellite-delivered foreign signals are expected to have in Canada, the need may be greater than ever for an outlet to express truly Canadian stories, ideas and values amid these foreign voices” (CRTC, 1994). The CBC is important in this context as it is expected to give
Canadians a means through which to communicate with each other and, as the CRTC suggested, the need Canadians have for this service “has perhaps never been greater” (CRTC, 1994, p. 5). Canadians agreed with this and, out of the almost 300 written interventions submitted during the renewal process, the vast majority were considered by the CRTC to be supportive of the CBC (CRTC, 1994).

Despite the acknowledged importance of the CBC, there was continuing concern about its financial situation, which had continued to worsen since the previous licence renewal. Advertising revenues for the CBC increased yet again, from 17 per cent in 83/84 to 22 per cent in 92/93 (CRTC, 1994). This was a one per cent increase from the last CBC licence renewal, and the corporation predicted a further increase to 25.2 per cent over five years (CRTC, 1994). During this licence renewal, the concern again was that the CBC did not have the financial means needed to fulfill the role that it was mandated to fulfill. According to the CRTC:

An overriding concern is the continuing need by the Corporation for sufficient funding to fulfill the mandate set out for it by Parliament. Reductions in Parliamentary appropriations, unless compensated by new revenues not dependant on the sale of airtime, may lead either to a reduction in the breadth, depth or quality of the programming or to an increasing reliance by the CBC on the types of programming designed to attract advertising, forcing it to pursue large audiences for revenue-generating purposes, at the expense of programming more suited to fulfilling its mandate. (CRTC, 1994)

The CRTC noted in its renewal decision that the CBC’s budget had been dropping for eight years and continued to fall, and would continue to strain it (CRTC, 1994). This was problematic because “How the CBC meets its responsibilities will depend largely on its financial resources” (CRTC, 1994).

Recognizing that it was unrealistic in the short term, the CRTC stated that its expectation that the CBC reduce its reliance on advertising in the long-term (CRTC, 1994). “The Commission continues to believe that a preoccupation with mass audience concepts stimulated by the contemporary North American marketing environment is inappropriate for a publicly-supported broadcasting service” (CRTC, 1994). The CRTC believed that an announced five-year funding commitment and the new ability to “borrow up to $25 million” may help the CBC deal with reductions to their budget (CRTC, 1994).
The CRTC wanted the CBC to re-evaluate its role in light of the fact that the Corporation had to operate with limited resources and because the environment in which it operates was changing (CRTC, 1994, p. 7). “Much is expected of the CBC, in the range of its programming content, its distinctiveness and its excellence. Understandably, the CBC falls victim to conflicting expectations” (CRTC, 1994). The CRTC believed that the CBC could start to lessen its reliance on advertising on television because of the longer-term funding that was approved (CRTC, 1994). The Commission continued to encourage the CBC to “maximize other means of increasing revenues” (CRTC, 1994).

Two years before this licence renewal, the CRTC renewed the CBC’s Newsworld licences for the first time since the network was established in 1987. During this process, the CBC requested an increase to its subscription fees. The CRTC did not approve rate increases based on inflation because the CBC could increase its revenues by increasing its advertising income (CRTC, 1992). The Commission did, however, increase the Corporation’s wholesale rates, which was to be a one-time increase to $.55 in Anglo-markets (CRTC, 1992). The rates were at $.32 in Anglo-markets (CRTC, 1992), and would remain there until the rate increase comes into effect on Jan 1, 1993 (CRTC, 1992). There were increases to Newsworld’s French counterpart, RDI, as well.

The Commission intended this to be a one-time wholesale rate increase that would “provide the licensee with sufficient cash flow to overcome both its short and long-term financial concerns” (CRTC, 1992).

3.6. Television at the Turn of the Century

Despite the fact that the increase to its subscription networks was supposed to be a one-time occurrence, the CBC requested to have them increased again during its next licence renewal, which considered all of their network licences in 1999-2000. The CRTC approved the request, which meant that Newsworld’s maximum fee per month was increased, effective September 1st, 2000, to $.63 (CRTC, 2000b)

The request was approved because the CRTC was “convinced that these rate increases are justified in light of the programming initiatives for each service that the CBC proposed to implement if the increases were granted” (CRTC, 2000b). Initiatives
that were to be helped by the increased subscription fee include expansion of live programming and “more joint projects with RDI” (CRTC, 2000b). The CRTC noted that the rate increase would have “the effect of expanding Newsworld and RDI’s abilities to cover events in the regions of Canada and of increasing the quantity and quality of documentary programs produced by the licensees both individually and as strategic partners” (CRTC, 2000b).

The financing of the CBC in general, not just for Newsworld, was a key topic of the 1999-2000 renewals because in the time that passed since the last licence renewals the CBC underwent, more major budget cuts occurred instead of the implementation of stable funding that had been promised.

While coping with a changing and increasingly fragmented broadcasting landscape, the CBC was also facing continued difficulties in terms of resources. “Fewer resources are allocated to national programs for original reporting, programs are repeated more often, and overseas bureaus have been closed” (CRTC, 2000a).

The budget cuts that the CBC faced between renewals caused changes to the Corporation’s operations that were noticed by the audience.

While the Corporation has made efforts to streamline its structures and minimize any impact on programming, it has become obvious that the service provided to the Canadian public has been affected. Many listeners and viewers have noticed that there are fewer new episodes on television and more repeat programming on both radio and television. Even news and public affairs have suffered a reduction in the quantity and quality of regional and international coverage. (CRTC, 2000c)

In light of this, the CRTC suggested that the CBC focus its resources on existing services (CRTC, 2000c). In the CRTC’s decision for CBC’s English-language networks it stated that as a public broadcaster, the CBC’s goals need to go beyond regaining audience numbers: “It must be seen as providing a service that is unique, distinct from the private sector and valued by Canadians for the quality of its content” (CRTC, 2000a).

Decades after the emergence of broadcasting in the country, the importance of the CBC was still not lost on the Canadian public, as was shown at the public hearings that happened in Hull, Quebec in May, 1999, and by the interventions submitted by
thousands of Canadians. In total, there were approximately 4,000 interventions submitted to the CRTC for the CBC’s licence renewal (CRTC, 2000c). These interventions talked about the CBC’s ability to link Canadians together, to develop Canadian talent, the desire of Canadians to see themselves reflected in CBC programming and the lack of adequate representation of all regions (CRTC, 2000c). The CRTC noted that the expectations of Canadians “at times high, and their criticisms, at times severe, are an indication of their sense of attachment to their public broadcaster” (CRTC, 2000c).

The CRTC also pointed out that CBC listeners and viewers in recent years witnessed increases in repeat programming and decreases in Canadian programming (CRTC, 2000c). This was in a large part due to an increasing reliance on advertising. The CRTC quoted an intervener from a public consultation held in Regina who pointed out that “The CBC has adopted a very traditional commercial model in attempting to compete with private networks for ratings with sports and blockbuster-type dramatic programming” (CRTC, 2000a).

A major concern that went along with having commercials on the CBC, as had been discussed in previous policy documents, was the influence that they have on programming. Canadians have expressed a desire for their national broadcaster to consider the public before advertisers when it comes to making decisions. Canadians have high expectations of the CBC because they fund it, and so they expect that decisions regarding the public broadcaster “to be dictated first and foremost by the public interest” (CRTC, 2000c).

Again, during this renewal process, there were Canadians who “argued that the CBC should reduce or eliminate its dependence on television advertising revenue. Some interveners pointed out that commercials affect content, while some interveners “also noted a growing similarity in programming between private and public broadcasters” (CRTC, 2000c). The CRTC quoted one particular intervener from a public consultation in Edmonton who said: “… at least part of its mandate is to function in creative ways which require that it not pay attention to the tyranny of numbers and to the tyranny of the lowest common denominator” (CRTC, 2000c). Sports programming, which was discussed in the renewal decision as it is a type of programming that is available through
private broadcasters, was suggested to be indicative of “the Corporation's dependence on commercial revenues” (CRTC, 2000a).

The CRTC was not unaware of the necessity of commercials on the CBC's television services as “There is no doubt that these revenues provide general support for the CBC’s programming endeavors” (CRTC, 2000c). The Corporation pointed out that some consider commercials to be beneficial as they serve the additional purpose of keeping “the Corporation more in tune with evolving audience trends and interests” (CRTC, 2000c). Despite this, the CRTC acknowledged the CBC's role as Canada’s public broadcaster as reaching beyond the pursuit of high audience numbers. The Commission stated:

At the same time, however, a public broadcaster is expected to take risks; to offer diversity, even controversy, and to venture into new innovative forms of programming. Responding to these objectives requires programming choices that are made with a clear understanding of the CBC’s role and the public interest. Such choices should not be unduly influenced by commercial considerations. (CRTC, 2000c)

While it acknowledged the financial constraints the CBC has to deal with, the CRTC again ultimately stated that it wanted the Corporation to reduce its reliance on advertising by exploring other sources of revenue (CRTC, 2000c).

3.7. Conclusion

Looking back through the history of broadcasting policy in Canada shows that funding PSB has always been difficult. Not only is it expensive due to geographic considerations and the fact that it needs to broadcast in both official languages, all while coping with unique technological concerns, PSB in Canada was developed in a competitive environment that it has never been able to escape from.

When television broadcasting first emerged in the country, commercialized American television programming was already available to Canadians. Because of this, Canadian broadcasting has always found itself competing with its southern neighbour. As the broadcasting environment in Canada developed and the private broadcasting
industry within the country grew, Canada’s public broadcaster found itself competing against private broadcasters from both at home and abroad.

Despite the challenges that PSB in Canada has faced and continues to face, historically, Canadians have been supportive of the CBC. Each licence renewal undertaken by the CRTC and each commission tasked with studying broadcasting in Canada has heard from Canadians expressing their support for the continued existence of public broadcasting, and the continued support for it by the government.

Analysis of key broadcasting documents suggests that Canadians have historically been aware of the unique role that PSB has the potential to play in the country. It also shows that the government’s actions when it comes to funding the CBC have not followed the recommendations made by the various commissions that have been appointed to study broadcasting in Canada and have not been in line with what Canadians have expressed they want.

This is something that has continued on into the 21st century at which point the CBC experienced more budget cuts.
Chapter 4.

Public Opinion of the CBC

4.1. Introduction

It wasn’t until over a decade into the new millennium that Canadians were given another chance to comment to the CRTC on the performance and direction of the CBC. In the time that passed between licence renewals, more changes came to the Canadian broadcasting environment, particularly in terms of technological developments, many of which were associated with digital technology. Given the new media environment and the advancements made in broadcast technology, the question of whether or not public service broadcasting is still relevant in the country is a complicated one to answer.

After the first licence renewal of the new millennium was finally announced, more than 8,000 comments were submitted to the CRTC by Canadians who took the opportunity to write in and express their thoughts. Many of these were Canadians indicating that they are supportive of the CBC, although there was some concern expressed about its direction and a few noted that they want to see the Corporation privatized.

Taking into consideration close to 6,000 of the interventions submitted to the CRTC, which were written in English and which spoke about the CBC’s English-language services, a large number of Canadians maintain that the CBC is still valuable to the country and have indicated that they would like to see it continue to be publicly funded. These Canadians see value in having a public service broadcaster that is there to entertain and inform them, whose role is distinct from private sector broadcasters and whose job it is to make sure that Canadian voices are being heard and that Canadian talent is being nurtured. They see the principles of universal access, cultural sovereignty and national identity as remaining to be an important part of the CBC’s unique role in the
country. Those who submitted negative comments expressed fear that the Corporation is being consumed by commercial concerns, and a few suggested that it is time to privatize it. Most interveners who took a negative view of the Corporation see it as being a waste of tax dollars. Despite any negativity expressed, overall, those Canadians who submitted comments for the CBC’s 2013 licence renewal indicated that they would like to see the government continue to invest in public broadcasting.

4.2. The Broadcasting Environment

Over a decade into the new millennium the CBC continues to operate under a broadcasting act that was last updated in 1991. Since 1991, there have been many new developments in the broadcasting environment in which the Corporation operates. Canada’s private broadcasting industry has continued to grow and there has been an ongoing deterioration of the financial situation at the CBC (CRTC, 2011). Technological changes in particular have affected the way the CBC operates and how its budget is being spent. As the CRTC noted in the public notice for this renewal process:

Much has changed in Canada and globally since the Broadcasting Act (the Act) was last substantially amended in 1991, adding complexity to traditional issues around public broadcasting. The pace of change has only accelerated since the last substantive renewal of the Corporation’s licences in 1999-2000. Digital technology, particularly the roll-out of broadband networks and the proliferation of multimedia devices, has enabled the development and growth of alternative means by which Canadians can access content, creating economic, social and cultural impacts that are not yet fully understood. (CRTC, 2011)

The government’s expectations of the CBC changed as well, as it has increasingly been seen to express “support for greater reliance on market forces, to create greater competition and choice for consumers” (CRTC, 2011). Its expectation of the country’s public broadcaster is for it to take on a leadership role with regards to digital content while staying away from engaging in any competition with the private sector (CRTC, 2011).
4.3. General Overview of the Interventions

The input of Canadians on the state of their public broadcaster is essential to the renewal process, especially given how much time elapsed between licence renewals, and given the fact that so much changed in that time in the country’s broadcasting environment. As such, public hearings were scheduled to take place in Gatineau, Quebec, beginning on Sept 12, 2011. These hearings ended up being postponed but eventually took place, beginning on Nov 19, 2012.

Along with the public hearings, where Canadians had the opportunity to speak either in person or online by video chat, Canadians were able to voice their opinions on the CBC by writing to the CRTC. Many Canadians did so by taking the chance to express their thoughts through an online consultation set up by the CRTC, which asked participants to answer eight specific questions about the Corporation. These comments were left anonymously and sometimes resulted in conversations between participants as the format allowed for people to not only post their own comments but also respond to comments left by others.

The focus of this chapter is on 5,776 formal, English-language interventions submitted by Canadians to the CRTC regarding one or more of the CBC’s English-language networks. In these interventions, Canadians from all over submitted their thoughts on the CBC’s programming, financing, value, and direction. In total, there were approximately 8,033 interventions submitted by people from all over Canada. The majority (5,772) were submitted in English, while 1,933 were submitted in French and six were submitted in both official languages. An additional 322 interventions were submitted that were blank and therefore were not categorized. Of the total number of interventions, more than 3,000 were submitted as three separate packages of letters, collected by a couple of advocacy groups. A group called Reimagine CBC submitted

---

2 This includes a package of 320 interventions from the Reimagine campaign, which did not include the actual intervention as an attachment
approximately 2,160 interventions\(^3\) and Tous amis de Radio-Canada submitted 1,350 interventions.

### Table 4.1. Number of Interveners Broken-down by Province and Language

<table>
<thead>
<tr>
<th>Province</th>
<th>English</th>
<th>French</th>
<th>Eng/Fr</th>
<th>Neither</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>1105</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>1125</td>
</tr>
<tr>
<td>Alberta</td>
<td>353</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>359</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>120</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>127</td>
</tr>
<tr>
<td>Manitoba</td>
<td>229</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>235</td>
</tr>
<tr>
<td>Quebec</td>
<td>183</td>
<td>425</td>
<td>2</td>
<td>0</td>
<td>610</td>
</tr>
<tr>
<td>Ontario</td>
<td>1604</td>
<td>51</td>
<td>2</td>
<td>0</td>
<td>1657</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>156</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>158</td>
</tr>
<tr>
<td>Newfoundland</td>
<td>32</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>60</td>
<td>28</td>
<td>0</td>
<td>0</td>
<td>88</td>
</tr>
<tr>
<td>PEI</td>
<td>23</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>23</td>
</tr>
<tr>
<td>Yukon Territories</td>
<td>18</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Northwest Territories</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Outside Canada</td>
<td>15</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>16</td>
</tr>
<tr>
<td>Not Available</td>
<td>1867</td>
<td>1387</td>
<td>0</td>
<td>322</td>
<td>3576</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5772</td>
<td>1933</td>
<td>6</td>
<td>322</td>
<td>8033</td>
</tr>
</tbody>
</table>

All interventions considered, there were submissions received from every one of Canada’s provinces and two of the country’s territories. Table 4.1 shows how many Canadians from each province and territory submitted interventions in each language. While these numbers illustrate how many individual interventions were received by the CRTC, they are not indicative of how many Canadians actually participated in the renewal process as the fact that there were Canadians who submitted multiple

\(^3\) These letters showed up as two interventions- the first included an attachment of the English form letter and a cover letter in English and in French, the other only included the cover letter
interventions, each of which was counted as a separate intervention, or that there were also some interventions that were submitted on behalf of entire families was not taken into consideration. It is also relevant to note that 454 interventions were specified to have been submitted on behalf of various companies and organizations, including several that were submitted by Members of Parliament on behalf of their entire constituencies.

The focus of this chapter is on all interventions that were submitted that had an English-language version and that spoke about either the CBC generally, or about one of the CBC’s English-language networks specifically. A total of 5,776 submissions met this criteria. The interventions that had an English version but spoke only about one of the CBC’s French-language networks were not included in this analysis. The blank interventions were not included either.

Figure 4.1. Level of Support Expressed in Intervention for the CBC

The overall tone of these submissions was supportive of the CBC, as Figure 4.1 shows. There were 4,536 interventions out of 5,776 that took a mostly positive attitude towards the CBC, 763 that had a relatively even mix of both positive and negative

4 One intervener from North Vancouver, British Columbia sent in a total of eight interventions under the same name and address
comments and only 448 that were mostly negative. The remaining 29 interventions were either unclear or did not express a positive or negative attitude towards the CBC.

Many of the interventions were written by individuals themselves, for the CRTC, but there were also a variety of templates that were used by contributors. Beyond the form letter used by Reimagine CBC, which has been mentioned, Friends of Canadian Broadcasting had a list of questions that they suggested their supporters address when submitting their interventions, and there were general templates that were used and sometimes modified, including one that many of the members of Parliament who submitted comments on behalf of their constituencies used to express support for the CBC.\(^5\)

The vast majority of the interventions either talked about the CBC as a whole, or made mention of both the Corporation’s radio and television networks. Few interventions focused on either the television or radio side of the CBC’s operations. Of those that did, 602 focused on radio while only 44 focused specifically on CBC television. A possible explanation for this is that many Canadians who listen to CBC radio were compelled to write in to express opposition to the CBC’s request to be allowed advertisements on two of its radio stations.

While the CBC has developed its online presence since the last major renewal of its licences, the Corporation’s online services were not a common topic of discussion for interveners. There were only a couple of interventions that focused on the CBC’s online activities, and while there were other interventions that briefly mentioned podcasts or reading CBC news online, those comments were generally in passing and were supplemental to the main topic of discussion. While there were people who wrote to the CRTC questioning the relevance of the CBC in the 21\(^{st}\) century, suggesting that new technology has made the CBC irrelevant, there were many more who wrote in expressing support for the public broadcaster’s continued role in the country and defended its relevance in the new media environment.

\(^5\) It is interesting to note that while there were only a few MP’s who submitted comments on behalf of their constituencies, all were in favour of the corporation
Altogether, Canadians who intervened came out in support of keeping the CBC, or at the very least they expressed support for the idea of having a public service broadcaster in Canada. Of the interventions submitted only 65 expressed a desire to privatize the CBC or otherwise get rid of it completely.

4.4. The CBC’s Contributions to the Lives of Canadians

Those who submitted comments in favour of the CBC generally expressed support for Canadian content and a broadcaster that provides them with information that has not been influenced by market forces. Out of 5,776 interventions, 4,536 were mostly supportive of the CBC and 763 were supportive at least in part.

Despite the extent to which the broadcast environment has changed in Canada and around the world, Canadians still talk about the CBC in terms of the defining characteristics upon which the system was established - namely in terms of universal access, cultural sovereignty and national identity.

4.4.1. Universal Access

The CBC was created, in part, to ensure the universal access of broadcasting to Canadians. When broadcasting was first studied in Canada by the Aird Commission, it was found that locations outside of urban areas were being underserved (RCRB, 1929 p. 6). Even with the advancements made in technology, there are still many Canadians who are underserved by the current broadcast structure in Canada. The CBC plays an important role in the country by reaching Canadians who are not served or are underserved by the commercial broadcasting industry. This is a role that Canadians living in rural and Northern areas are acutely aware of. As one intervener pointed out:

The service the CBC broadcaster provides to rural Canadians cannot be overstated. Urban Canadians, including Canada’s politicians, have no realization that CBC is the ONLY radio station or television channel for millions of Canadians. In an age of internet, this may be hard to believe, but again, that is because urban Canadians, including Canada’s politicians, have no realization of the tremendously poor internet service (or cost-prohibitive service) available to rural Canadians. CBC is the only source of information and connection for many Canadians living in
regions too sparsely populated to interest a business or corporation (who must make decisions based on economies of scale, something rural Canada cannot provide). (MacDonald, 2012)

The CBC’s Northern broadcasts are essential to the communities they serve. Canadians who wrote in who currently live or have lived in a Northern community emphasized the Corporation’s role in their lives. One intervener suggested “The importance of the CBC Northern Service cannot or should not be measured in financial terms, but rather on its contribution to the peoples of the Arctic and all Canadians” (Simon, 2012).

Canadians from all over the country pointed out that the CBC plays an important role in tying the country together and otherwise bridging the gaps between the various Canadian communities including the French and English-language communities. It creates a sense of community for Canadians all across the country. This is something that, again, is especially important for those living in rural and Northern parts of the country, as they need and want to be connected with their fellow citizens, and the CBC is the only means by which they are.

Canadians who intervened in the CBC’s licence renewal also value the CBC for the educational role that it plays in the country, which aids in creating an informed citizenship. Education has always been a goal of public broadcasting, and continues to be something that Canadians expect from it. By educating and informing citizens through specifically Canadian programming, the CBC plays an important role in the country.

4.4.2. Cultural Sovereignty

Furthermore, Canadians who submitted comments for the CBC’s 2013 licence renewal also saw the CBC as playing an important role in Canada’s cultural sovereignty, which is no small task given the geographic proximity of the country to the United States. These Canadians see the Corporation as playing a large role in making sure that Canadian voices are being heard in a broadcasting environment that has traditionally been flooded with foreign content, particularly content originating in the U.S.
Throughout the history of Canadian broadcasting policy, Canadians have continually shown a desire for Canadian content - something they continue to want over a decade into the 21st century, as was expressed in the interventions.

It is important then for Canada to have a broadcaster whose goal it is to promote Canadian content and culture that is distinct from that of the United States, whether or not that content is profitable, since making a profit is difficult in a country where the land is vast and the population is small. One intervener argued: “If commercially viable content was the only content disseminated to Canadians through television, then we would be stripping our rich culture from popular consciousness. As a public broadcaster, the CBC reflects the voices of many Canadian subcultures which may not easily find commercial sponsorship” (Reynolds, 2011). Canadians who mentioned the United States in their interventions were often quick to emphasize that Canadians are not Americans and that a distinct culture needs to be fostered by distinct programming.

Further to this, Canadians see the CBC as being important in the lives of Canadian artists, whether they be musicians, dancers, actors or writers. The CBC provides job opportunities and works to help promote the work of Canadian artists on its various platforms. It encourages Canadian artists who play an important role in forming, maintaining and promoting Canada’s unique identity. Canadians who wrote in to the CRTC expressed an appreciation for the fact that the CBC supports homegrown talent.

4.4.3. National Identity

Similar to Canadians’ desire to have a broadcaster to ensure their cultural sovereignty, Canadians see the CBC as being important to the country’s national identity. They see the CBC as playing an important role in creating, maintaining and broadcasting Canada’s unique identity. One intervener questioned how Canadians could be Canadian with a broadcasting environment that is dominated by foreign interests (Woodworth, 2012). This intervener argued: “All of the reasons for Canada choosing to have a Public Broadcasting system are as important today as when the CBC was first established” (Woodworth, 2012).
Canadians who have lived or are currently living abroad expressed gratitude to
the CBC for keeping them connected to their home country. The CBC helps the lives of
Canadians living abroad by keeping them connected and to new immigrants to Canada
who want to learn about their adopted country. Along the same vein, the CBC has been
important to interveners who learned an official language through the CBC, whether they
were new to the country and did not speak either language or they were Canadian-born
but only spoke one of the official languages.

There was a fear that was expressed that, without the CBC to protect and help
foster a distinct Canadian national identity, the country will become an appendage of the
U.S. As one intervener put it: “Canadians simply cannot afford to lose any part of their
identity, especially in the form of its national broadcasting station; otherwise we will
simply become swallowed up by our giant neighbour to the south” (Bird, 2011).

4.5. Concern for the Future of the CBC

The vast majority of interventions, as has been shown, were either fully
supportive of the CBC or supportive in part. Those who were supportive of the
Corporation in part, tended to also express concern for the CBC’s future and
disappointment in the direction that it is taking.

A major concern for Canadians in specific locations was that the CBC was
planning on shutting down some of its regional stations. The concern was that those
areas, including Saskatoon, Saskatchewan, would no longer be adequately served or
reflected by the CBC in the Corporation’s programming.

Beyond this, there was concern expressed both as a sentiment of fear and of
disapproval with regards to increased commercialization of public broadcasting in
Canada. The CBC is valued for being a source of unbiased news. Canadians who
submitted comments for the 2013 licence renewal pointed out that the CBC plays an
important role in keeping Canada’s democracy healthy by keeping citizens informed and
educated with nonbiased information. This sentiment can be summed up by one
intervener in particular, who stated: “I believe the CBC takes its role as the most neutral
of all news agencies in Canada. I do not like all the hosts, shows or content on the
CBC's many platforms, but I absolutely support the need in Canada for them to exist and deliver what they do" (Wirchenko, 2011).

There was also a disliking expressed in the interventions for content that is viewed as being aired because it generates advertising revenue and not because it benefits Canadians. This concern largely manifests itself in the comments Canadians made regarding having an excess amount of professional sports broadcasts and what was considered an inappropriate amount of programming from the U.S. There was an expressed fear that the CBC is becoming too similar to American broadcasters.

Generally speaking, the increased commercialization of the CBC brought on by funding cuts by the government was a major cause for concern among these interveners. As one Canadian put it:

Only CBC has the clear mandate to reflect and support Canadian culture and values, including our ethnic diversity and our values of peace and justice. When I watch [sic] other TV or hear other radio broadcasts, I am aware of the strong foreign and commercial [sic] influences which pervade them. Funding shortages have to some degree forced CBC toward US material and attitudes, which I deplore. I want my CBC to remain the intellectual and artistic support for what makes Canada different. (Daniel, 2011)

Some interveners expressed dismay at what they saw as the CBC losing its way, comparing its past performance to its performance over the last several years as budget cuts began to take their toll, causing consequences such as the cancellation of popular shows, an increase in rebroadcasts of programming and increases in commercials and reality programming.

While concluding that the CBC is irreplaceable, one intervener pointed out: “CBC TV has lost its direction. Funding broadcast of, hollywood [sic] "blockbusters", Jeopardy and Wheel of Fortune (all available on commercial channels) is ridiculous. I want to see the majority of funding going, every day, to Canadian produced programs” (Dyke, 2011).

Blame for the direction of the CBC was largely placed on the government by Canadians who are unhappy with the current funding situation. As one intervener stated:
“The current government’s continual quest to replace the CBC with a US Fox News type media could be considered ignorant and treasonous” (Klatzel, 2011). As such, the occasional threats of political repercussions were made. One Canadian in particular, while praising the good investment the CBC has been, shamed the government for cutting its budget, suggesting that it “drop one of the F-whatever fighter planes from the budget and give the money to the CBC” (Hayes, 2012).

The CRTC did not escape judgment or threats. There were a few interveners who were so passionate about the CBC that they threatened to do everything they could to bring down the Commission if licence renewals were not granted to the Corporation.

4.6. Getting Rid of the CBC

While the interventions turned out largely in support of the existence of the CBC, whether Canadians were wanting to keep it as it is or to keep it and fix it up a bit, there were still 65 submissions\(^6\) that the CRTC received that expressed a desire for the government to stop funding the CBC and either get rid of it altogether or privatize it and let it attempt to be self-sustaining. The argument for privatization was that if Canadians really wanted the CBC they would pay for it, the logic of this being that those Canadians who do not feel they benefit from the CBC’s existence would not have to spend money on it.

Reasons given for wanting funding for the CBC to stop included that the Corporation is biased, that it is no longer relevant in the increasingly global world it exists in and that if Canadians really want the CBC the market will support it, making public funding unnecessary. There were some interveners who called the CBC out on “dumbing down” content.

Another prominent argument for getting rid of the CBC was due to the perception that there is nothing to distinguish the CBC from the commercial broadcasters. Interveners who were against renewing the CBC’s licences took issue with the fact that

\(^6\) It should be noted that eight of these 65 were submitted by the same intervener from North Vancouver, British Columbia
the CBC provides content that commercial networks do or can provide. The logic of some interveners being that if the CBC is going to compete with private broadcasters for advertising dollars, causing them to become more like a private broadcaster than a public broadcaster, there is no reason for the public to put money into it. As one intervener stated: “We shouldn’t be using public money to unfairly compete with private media. Based on this criteria, I question why CBC television should exist” (Hannley, 2011). Professional hockey and American programming were particularly disapproved of, as both types of programming are seen to be types that private broadcasters would willingly air.

Ultimately, the argument from those interveners who wanted to strip the CBC of its funding came down to the belief that the CBC is a waste of taxpayer money. As one intervener put it:

Government should NEVER spend tax money to support anything that is mostly for entertainment purposes, especially if said purpose is not supported by a majority of taxpayers. If the entertainment is not what the public wants then let it die!!!! It must be run as an efficient and self supporting business and never expect Tax money to keep it alive. If the CBC was what people wanted they would have enough revenue from the support of the people they serve to survive without any gifts of money from Government. (Tessari, 2012)

Those who suggest that the CBC is no longer relevant argued that the broadcasting environment in Canada provides enough options to Canadians, making the CBC irrelevant. These interventions, of course, are at odds with the comments sent in by Canadians from Northern and rural communities who stressed the fact that the CBC is one of the only, if not the only, network that they have access to.

4.7. Financing the CBC

Much of the disapproval expressed by Canadians, as has been indicated, was directed at or due to cutbacks in funding that the CBC has continually faced. As such, the funding of the CBC in general was a significant topic of discussion throughout the licence renewal.
Of the 5,776 interventions submitted that were included in this analysis, 4,184 spoke about the CBC’s funding. This number is only inclusive of the interventions that were clearly talking about the CBC’s funding, either in terms of its overall budget or specific forms of revenue. There were further interventions that may have been discussing financing the CBC but were not included due to their vague wording. The interventions that counted needed to provide a clear indication that they were talking about financing the CBC, and as such, vague and general discussion about “resources” and “cuts” were not included.

Some of the main topics that interveners talked about in terms of financing the CBC include advertising, the Corporation’s parliamentary appropriation levels and alternative methods of funding.

4.7.1. Advertising

For the most part, Canadians who submitted comments for the CBC’s 2013 licence renewal seem to be aware that broadcasting is expensive and that the lack of money from public funds received by the CBC makes it necessary for the Corporation to air commercials. Still, whether or not the CBC should be allowed to have advertising on any of its networks was a major topic for discussion amongst Canadians during the licence renewal process. This topic was largely brought up by those Canadians who were concerned about or annoyed with the amount of advertising the CBC has been carrying, the amount of advertising the CBC would like to carry and also about the quality of the advertisements the CBC has been airing.

Program quality and advertising were the two main topics discussed when television was specifically mentioned. Some Canadians commented on the fact that they have seen an undesirable increase in advertisements appearing on the CBC’s English-language television networks.

CBC TV is in a difficult position when it comes to public support, largely because it airs so much advertising. Of the interventions submitted only 44 focused on CBC TV, while hundreds focused specifically on CBC radio. Of those, there were Canadians who wrote in who passionately support CBC radio, but there were few who expressed equal
passion for CBC TV. There were a few Canadians who even went so far as to suggest that CBC TV should be privatized and the funding that it received be transferred over to the CBC’s radio services.

A large reason why many of the interveners who spoke about CBC radio directly love it is because there are no commercials aired. CBC TV on the other hand, is expensive to maintain and as such, needs to generate advertising revenue. This puts it in a tough spot in terms of gaining public support, as it cannot use a non-commercial nature to justify its existence when positioning itself against the private sector. As one intervention noted:

"We deplore the excessive interference of Commercial Advertising on CBC TV. Commercials interrupt and distract from the continuity of any programming, but in particular of serious discussion, documentaries and dramas. We appreciate the financial constraints that prompt commercials, and hence strongly urge the CRTC to advocate for larger and more sustained funding from the federal government so that excessive commercials will not be required" (Hall & Hall, 2011).

Among the comments submitted that spoke about advertising, there were interveners who mentioned that they stopped watching television altogether because there are too many advertisements on it, while others mentioned that they dislike having advertisements on CBC TV but that they still watch and simply mute out the ads. Few Canadians indicated that they do not mind the current state of commercials on CBC TV.

Generally speaking, the Canadians who commented on the CBC’s 2013 licence renewals have a negative view of advertising. There were a few who pointed out that the frequencies of commercials on the CBC’s television networks had increased, with one Canadian having claimed to have tracked the amount of time in a given hour that was dedicated to advertisements compared to programming. Those who were opposed to the further inclusion of advertisements on the CBC tended to be concerned about the effect they have on content.

There were some Canadians who, while preferring that there not be advertisements on the CBC, are willing to put up with them if it means that the CBC can continue to operate. As one intervener put it: “As for advertising, I guess that is better than just rolling over and dying away” (Stoll, 2012). Another intervention gave support to
the advertisements on the CBC, stating that a commercial-free PSB is not something the country can afford (Kovacs, 2012).

Some Canadians support conditional advertising on the CBC. One intervener suggested that short advertisements would be okay as “money is limited and I would rather put up some commercials if it meant that the general quality I have come to expect would remain” (Aish, 2012).

A desire by Canadians for non-commercial content was demonstrated by their reaction to the CBC’s proposal to include advertising on two of its radio stations. A major topic for discussion amongst interveners for this licence renewal was the CBC’s request to be allowed to include advertising on CBC Radio Two and Espace Musique. Canadians were quick to point out that allowing advertisements on the CBC would affect content and would diminish the listening experience.

Many Canadians passionately opposed the implementation of advertisements on CBC radio, with interveners pointing out that allowing commercials of any sort in any amount on CBC Radio 2 leads to a slippery slope that may see advertisements on CBC Radio 1, and that the only reason why they listen to CBC radio is because they cannot stand the constant advertisements on commercial broadcasters.

This request for advertising inspired passion in a lot of Canadians who listen to the CBC specifically because it is non-commercial, and in those Canadians who were already upset with the Corporation because it had changed the format of Radio 2, significantly reducing the amount of classical music aired.

This request regarding advertising by the CBC was likened by some Canadians to putting advertisements on national monuments. As one intervener in particular put it:

Commercializing Radio 2 and my beloved Espace-Musique sounds so much like that other brilliant brave wave: corporate sponsorship for federal government buildings. You know …the Pepsi Peace Tower, the Starbucks Supreme Court building and the Enbridge National Archives. (Morey, 2012)
4.7.2. Public Funding

When it comes to the CBC’s parliamentary appropriation, Canadians expressed a number of different opinions. Most Canadians were supportive of the Corporation’s annual government grant, but there were a few who were strongly against it. One intervener in particular was so upset by the fact the public money was being used to subsidize the CBC that he wrote the CRTC eight interventions in strong opposition to the existence of the CBC. In one intervention he stated: “No further purpose is served in allowing taxpayer money to subsidize the CBC to the amount of $1 billion per year. Allow the CBC to exist on public donations from those few who remain interested” (Ramsbottom, 2011).

The debate on the CBC in terms of its government funding largely comes down to a question of relevance. Those who see the CBC as playing an important role in Canadian society are okay with public money being spent on it whereas those who see the CBC as being irrelevant whether because of the new media environment or because of the CBC’s performance, tend to be against using public funds to support it. Canadians who want to see the CBC privatized argue that if the CBC is a worthwhile organization the market will support it. As one intervener in support of privatizing the CBC put it: “If the CBC has talent that is marketable, then the market will support it” (Schitka, 2011).

Canadians who support the Corporation, on the other hand, support its role providing the country with content that private broadcasters will not and catering to those sections of the population who are not being served by private broadcasters. As such, one intervener commented that it wasn’t appropriate for the CBC to be further commercialized and still receive public funding.

If the CBC starts to run other kinds of commercials, say for car dealerships or restaurants, then the government should remove all forms of subsidies the CBC receives now from Taxpayers. They will have to fend for themselves out in the cold million channel universe that the private broadcasters live in. I think this will lead to the end of the CBC we know and love. (Roberts, 2012)
Figure 4.2 shows the tone of the discussion regarding the CBC’s government funding in the interventions submitted. While not many Canadians commented specifically on the amount of funding the CBC receives from the government, the majority of Canadians who did are in support of the Corporation continuing to receive subsidies from the government. The category labeled as “N/A” is representative of the number of interventions included in this analysis that did not speak directly about the CBC’s funding circumstances.

Those who did discuss the levels of funding the CBC receives were generally in favour of either increasing the Corporation’s parliamentary appropriation, providing them with stable funding or at least providing it with “adequate” funding. There were 441 such interventions submitted. An additional 12 interventions indicated that the commenter would like to see the CBC’s budget maintained, while 46 submissions indicated that the intervener wanted to see the CBC’s government grant either decreased or taken away entirely. There were another 1,591 interventions which, while mentioning public funding for the CBC did not clearly specify their thoughts on the level of public funding the Corporation receives. The remaining 3,686 of the interventions considered did not clearly specify any thoughts regarding public funding for broadcasting.
Amongst those interventions that mentioned funding levels, there was a general desire expressed to see the CBC funded in a manner that would allow the Corporation to fulfill its mandate. Tax payer money, it was suggested several times by interveners, would be better spent on the CBC than on national defense.

Few interveners suggested that the money spent on the CBC is already too much and that there are better uses for it, although one Canadian submitted a comment stating that: “This waste of money would be better spent feeding our home less children” (Freeman, 2012).

4.7.3. Alternative Funding Models

A few Canadians suggested that the current model of funding the CBC is either not working or is not sufficient, and so suggested possible alternatives. Among the alternatives suggested included that the CBC be privatized, that a licence fee be implemented, that it should operate as a non-profit or NGO and receive donations to support it and that advertising should be increased to support it.

The last suggestion in particular, is unlikely to gain public support. Canadians have, in general, expressed a disliking for commercials on the public broadcaster, although some say they don’t mind advertising on television as much as they would mind it on radio. There is an overall opposition, however, to increased advertisements on the CBC’s television networks.

4.8. Conclusion

Over 8,000 Canadians from all across the country wrote in to the CRTC to express their thoughts on the performance and relevance of the CBC in the 21st century. The vast majority of those who participated, 4,536, spoke positively about the CBC, in comparison to 448, which took a negative tone.

Those Canadians who see the CBC as still playing a relevant role in the country, see it as being important in terms of providing the country with universal access to broadcasting, creating a sense of cultural sovereignty and support for Canadian artists
and helping to define the Canadian identity. Some interveners also expressed support for the CBC on the basis of its role in providing the country with broadcast content that is distinct from that aired by commercial broadcasters.

One of the major challenges the CBC faces, which was acknowledged by interveners, is its funding. Hundreds of Canadians noted that they would like to see the CBC’s public funding increased, or at least become stable. Significantly fewer expressed a desire to see funding decreased or stopped altogether. Those who indicated they do want the CBC’s funding to decrease or stop, mostly did so by way of arguing that the CBC is no longer relevant in today’s broadcast environment. Broadcasting, to them, is not an industry that warrants public funds.

The information gathered from the English-language interventions submitted to the CRTC indicates that Canadians see the CBC as having a continued place in the country. Changes in the broadcast environment have neither rendered the public broadcaster’s role obsolete, nor negated the justification of PSB in the country explained by market failure.
Chapter 5.

The Future of Public Television in Canada

5.1. Introduction

Over the course of television broadcast history in Canada two things have been clear: first, that Canadians have had a strong tradition of being supportive of and receptive to having a public broadcaster that operates with the best interests of the country’s citizens in mind, and second, that the resources provided to operationalize the CBC’s public service mandate have generally been inadequate.

Canadian public television has never been easy to finance and has faced a number of obstacles since its inception. Many of these concerns have existed since the medium first arrived in the country and remain, in one capacity or another, over a decade into the 21st century. Specifically, Canadian public television has been expensive to implement and maintain due to the country’s vast size and because of other geographic and demographic concerns such as large mountains, programming has had to be created in both official languages and it has had to compete with commercial broadcasters, both from within the country and outside of it.

New technology, changed and developed over the course of several decades, has played a role in fueling competition within the broadcasting landscape of the country. It has led to more choices for citizens, which has called into question the role of PSB as spectrum scarcity and monopoly positioning played a large role in justifying the establishment of PSBs.

This thesis has argued that despite major changes in broadcast technologies, and therefore broadcast capabilities, national public television in Canada still has a role distinct from commercial and community broadcasters to play, particularly in terms of
universal access, cultural sovereignty and the Canadian national identity. Even with an explosion in the number of channels available and programs to choose from, PSB remains relevant to Canadians.

Beyond demonstrating that there is a role for public television in Canada, this thesis has shown, through a content analysis of just under 6,000 English-language interventions submitted to the CRTC for the CBC’s 2013 licence renewal, that Canadians want a national public broadcaster. Public support for PSB is important since, as the CRTC has pointed out, Canadians are the owners of the airwaves, making the CBC responsible to them (CRTC, 1974).

From the responses submitted by the public that were received by the first commissions tasked to look into broadcasting in Canada, to those received during the CBC’s 2013 licence renewal, it is evident that Canadians have had a sustained appreciation for PSB. When Canadians have had an opportunity to speak on behalf of PSB generally and the CBC more specifically, those who have participated have consistently come out in support of it. Their support is largely based on the role that PSB plays as an alternative to private broadcasting, as a universally accessible broadcaster and as a broadcaster that supports the creation and distribution of Canadian content and Canadian culture. More generally speaking, the CBC is supported as a broadcaster that informs, educates and entertains Canadians all over the country. However, despite this expressed support, the CBC has never been provided adequate financial resources from the government to reach the goals set out for it.

Conducting a content analysis of the English-language interventions submitted to the CRTC for the CBC’s 2013 licence renewal allowed for a unique look into the thoughts of Canadians towards the CBC. It revealed that while Canadians, for the most part, are supportive of the CBC, they are not unaware of the obstacles the Corporation faces.

Keeping the results of the content analysis of interventions in mind, this chapter looks to the future of the CBC, addressing the role that it should play, according to what Canadians have indicated they want from it, the obstacles the Corporation faces as it
moves further into the 21st century, and possibilities for future funding models. Areas for further research are also suggested.

5.2. The Role for Canadian National Public Television
Moving Forward

Throughout the history of broadcasting in Canada, there have been several things that Canadians have come to expect from their public broadcaster. They expect PSB to be accessible by all Canadians, to help foster a Canadian culture and identity distinct from that of the United States and to play a role in the creation and maintenance of the country’s unique national identity.

The educational value of broadcasting is not lost on Canadians. The intent has always been for public broadcasting in Canada to be educational and for it to promote national unity – roles that Canadians still value it for. Perhaps one of the most important roles that it plays, however, is in informing all citizens of the country instead of just the ones who are profitable to reach. The continued importance of the CBC to Canadians living in rural and Northern areas in particular was evident in the interventions submitted to the CRTC for the Corporation’s 2013 licence renewal.

The CBC is also seen by Canadians as playing a significant role in terms of cultural sovereignty in the country. That programming from the U.S. has been making its way into the country since the beginnings of Canadian broadcasting history is not insignificant. When the first major study on television was conducted in Canada, the Massey Commission stated that American programming was not suited to the objectives of Canadian broadcasting (RCNDALS, 1951). These objectives were focused on the idea that broadcasting should play an important role in fostering national unity and understanding (RCNDALS, 1951, p. 46).

In 1987, the CRTC reaffirmed the role of the CBC despite the fact that there was an explosion in the amount of viewing options that Canadians had (CRTC, 1987). The CBC’s role was explained as being important due to the distinctiveness it brought to the broadcast environment (CRTC, 1987). Later, as foreign signals became more prevalent in Canada, the CRTC emphasized the importance of the CBC’s role in delivering
Canadian content and being an outlet for Canadian culture (CRTC, 1994). Decades later, cultural sovereignty is still a relevant pursuit for Canadian PSB. Canadians themselves, through comments submitted to the CRTC, have indicated that they want the CBC to continue to support distinctly Canadian artists and culture.

Along a similar line, the goal of creating and maintaining a national Canadian identity has been and continues to be seen as an important part of PSB in Canada. There was an emphasis made by several Canadians in their interventions into the CBC’s 2013 licence renewal that Canadians are not Americans. These submissions indicated that as such, Canadians deserve their own culture and their own national identity, and that public broadcasting plays an important role in ensuring that.

Additionally, public broadcasting’s role as an alternative to private broadcasters is appreciated by Canadians in so far as it means that the CBC is supposed to inform and entertain Canadians based on what is best for the public instead of based on the desires of advertisers. The article *Wellsprings of Knowledge: Beyond the CBC Policy Trap* by Catherine Murray (2001) argues that “a public broadcaster must act in the case of market failure to affirm the provision of choice” (p. 43). With this in mind, PSB should aim to offer an alternative choice to commercial media, a role that Canadians have continually expressed they value.

These are all roles that the CBC can and should play moving forward. There is also, however, the consideration of the global media environment as PSB in general has to exist in a global context. The role of the CBC needs to take into consideration that this environment does exist and influences PSB. Jakubowicz (2006) has argued that PSBs that are nationally oriented are at a disadvantage in the new, global media sphere (p. 107). While this may be the case, Canadian PSB is important largely because it serves national Canadian interests in terms of providing universal access to all Canadians, some of whom do not receive any other channels, and in terms of helping to create and maintain a Canadian identity that is distinct from that of the United States. This means that maintaining a presence on a very national level and scale should be a first priority.

What a global media environment then means for Canada, is that, while aiming to fulfill a national role within the country, it also needs to be cognizant of the fact that
Canadians are participating in a global society and need to be informed in such a way. New characteristics that PSBs should take on in the global media environment, according to Jakubowicz (2006), include promoting awareness of all levels of political citizenship, including international, providing citizens with international information and contributing to the role of watchdog for international organizations (p. 107). These are potential roles that the CBC in Canada can fulfill.

5.3. Obstacles Facing PSB in Canada in the 21st Century

The CBC is not without major obstacles to overcome to satisfy each goal of PSB in Canada. Public broadcasting has traditionally been difficult and expensive to implement in Canada because of the country’s size, population, bilingualism and geography. These are still important considerations. Canada is a country of unique circumstances not only because geographic considerations make broadcasting expensive, but also because the country borders a cultural giant. As such, the Americanization and commercialization of Canadian broadcasting in terms of programming, have been issues that have been continually brought up in broadcasting policy documents.

While there have been major changes to the broadcasting landscape since its inception, a lot of the issues that Canadian broadcasting has faced are ongoing. Indeed, some of the advancements in technology that have been made have only served to make these obstacles more pronounced. This is particularly the case when it comes to the influence of foreign programming in the country. The Massey Commission, which dealt with the emergence of television in Canada, discussed the issue of Canadians having access to commercial American programming before television really had the chance to get off the ground in Canada (RCNDALS, 1951). Additionally, Canadian broadcasters did not get off to a good start compared to their counterparts in the U.S. as when television first emerged there, broadcasters funded it through the revenue they made with radio - revenue that public broadcasting in Canada did not have (RCNDALS, 1951, p. 44). As new technologies emerged, creating a multi-channel broadcast environment, the competition that Canadian PSB faced only grew.
Another key issue surrounding PSB in Canada, in terms of television particularly, is that it is expensive and government contributions to the funding of PSB have generally been inadequate. This has made the creation and maintenance of a successful and sustainable PSB difficult.

The challenges that make broadcasting in Canada particularly expensive both in terms of the technology needed to broadcast and in terms of programming to broadcast, are part of what makes public funding for public broadcasting necessary. Private broadcasters do not fill the role that the CBC is mandated to as it is not profitable to do so, which makes it necessary for the government to step in and provide a broadcasting service that aims to inform, educate and entertain the Canadian public as Canadian citizens. However, the Corporation has not been given a budget to match the considerable task it has been handed by the 1991 Broadcasting Act.

The Fowler Commission, which looked at the CBC’s finances in detail, argued in favour of stable financial resources for the Corporation (RCB, 1957, p. 256). A similar argument would be made by other commissions throughout the history of Canadian broadcasting, but stable funding would never be implemented by the government. Instead, the CBC would undergo a series of budget cuts - a trend that does not appear to be ending any time soon.

These cuts have come despite the fact that Canadians have expressed a desire to have a functioning public service broadcaster to serve their needs as Canadian citizens instead of as consumers and despite the acknowledged importance of the broadcast medium.

Another common request made by the various commissions who have looked into the operations of the CBC has been for there to be a decreased reliance on advertising by the Corporation. From the beginnings of broadcasting history in Canada, Canadians have been aware of the implications of having commercials on broadcasters and government-appointed commissions have warned of its effects.
5.4. The Future of Funding PSB in Canada

The CBC continues to operate in an increasingly unstable financial situation, which has led them to increase their reliance on advertising instead of decreasing it. This is the case even though Canadians have never really accepted commercials as part of their PSB, rather they have seen advertisements as distracting from the public service mandate of the CBC.

Budget cuts and increases to commercial revenue impact how the broadcaster operates. A concern expressed during the process for the CBC’s 2013 licence renewal was that the Corporation is shutting down some of their local stations due to budget cuts. Universal coverage is important for PSB, and as the CBC’s budget gets cut it is increasingly unrealistic for it to serve all Canadians. A universal public broadcaster is important to Canada as it is intended to allow all communities to communicate and participate in public debates of national importance.

Given Canada’s long history of inadequate and unstable funding for PSB, despite repeated calls for an improved financial situation for the CBC by government-appointed committees, it is unlikely that the CBC can expect to see government funding that will match the responsibilities that the Corporation has been tasked to take on any time soon. The challenge then, is finding a funding model that will support public service initiatives, which by their very nature are unlikely to turn a profit.

A licence fee, while successful in Britain, has been implemented in Canada but repealed soon after television was established. It was repealed as it had become clear very quickly that the licence fee would not be able to support television broadcasting in Canada (Raboy, 1996b, p. 108).

Sponsorship, however, provides an interesting possibility for new funding. It is a method of funding used by public broadcasters in the United States to supplement the funds they receive from the government, as well as being used by some of Canada’s provincial public broadcasters including the Knowledge Network in British Columbia. For some of these broadcasters, a significant portion of their costs are covered by donations from the general public. Sponsorship, of course, like any other method of funding is not without its problems. Pledge drives, such as those used by public broadcasters in
America, are expensive in terms of labour and resources, and may only serve to alienate viewers (McCourt, 1999, p. 122). Another consideration is that this particular mode of fundraising can be seen to be similar to advertising in how it influences content (McCourt, 1999, p. 122-123).

Beyond these alternative models for funding, possibilities in cost-saving measures could be explored. This would require the reassessment of the CBC’s mandate to prioritize the goals that the broadcaster is expected to achieve. What is required of the CBC both in terms of programming and capital costs would need to be considered.

One potential means for easing the financial burden on the CBC would be adopting a hybrid model for some of the Corporation’s broadcast activities, which would involve partnerships with private organizations. The BBC’s global channel currently follows this model, which may become a trend in broadcasting (Seneviratne, 2006, p. 18). Collaborations with community broadcasters, provincial broadcasters and the National Film Board have the potential to prove effective in cutting costs as well as such partnerships would allow for shared resources and expenses.

Digital technologies, particularly Internet technologies, have the potential to provide means by which to cut costs as well. This could mean moving some of the CBC’s broadcast activities off from the traditional television format to an online platform. As it is, the CBC has been posting more and more of its content online on at http://www.cbc.ca, as well as airing it through more traditional broadcast means. In areas of the country where consumption of CBC programming through the Internet is high and where it is easily accessible, it may be feasible to lessen the amount of content broadcast traditionally thereby decreasing costs associated with airing programs on television.

5.5. Possibilities for Further Research

Further research is needed before a new funding model or cost cutting measures for the CBC are implemented. A pertinent subject of further research in terms of Canadian public broadcasting, particularly television broadcasting because of how
expensive it is, is then the feasibility of specific alternative funding methods. This thesis has discussed possible alternatives to Canada’s current approach to funding the CBC including licence fees and sponsorship, and has discussed suggestions made by scholars with regards to cutting costs to PSB. The latter option includes having the CBC reduce the time they spend on air in order to cut back on expenses (Hoskins & McFadyen, 1992).

While Hoskins and McFadyen (1992) discussed having the CBC cut back on their air time in 1992 due to the fact that air time is expensive, in the digital age it may be more feasible to do so without sacrificing the fulfillment of the CBC’s mandate. A study that addresses whether or not online technologies can be used to create cost-saving measures for the Corporation could provide an idea of how to reduce the cost of PSB in Canada. Such a study would address the appropriateness of moving some of the CBC’s programming and by extension, responsibility to Canadians, online. This study would have to take into consideration the availability of the technology needed to access content online across the country, as well as the socio-economic requirements for citizens to be able to access and benefit from this medium of delivery. Further to this, an evaluation of how PSBs are currently using Internet technologies to fulfill their mandates would be beneficial to determining the direction that they should take with their online activities. In this respect, a comparative analysis of the CBC’s performance online to that of other countries may provide useful information as well.

Another area for possible further research is into the implications of privatizing the CBC. What would a Canada without the CBC look like not just in the short term, but the long term as well? How would the privatization of the CBC affect Canadian cultural industries more generally? While this thesis discusses the value to individual Canadians in terms of what they have expressed it to be in their interventions, further research has the potential to provide insight into the value of the CBC to Canada as a country more generally. This would include a look at possible external benefits received by Canadians who may not necessarily consider themselves direct beneficiaries of the Corporation.
5.6. Conclusion

Canadians have been and still are supportive of keeping the CBC as a publicly funded broadcaster. National public television has not had an easy path in Canada as it has faced many challenges over the course of its history and development. Not insignificantly, it has had to compete with American television, and later the growth of the private sector within Canada. It has also faced expenses not taken on by the private sector.

The evolution of broadcasting technology has brought about many additional concerns for PSB, particularly in terms of increased competition and a global media environment. Rather than acting as proof that PSB is no longer relevant however, these concerns strengthen the argument for a strong PSB in Canada.

The methodology used for this thesis provides a unique look at the thoughts of Canadians regarding the CBC. Input from the public is of particular relevance as the CBC struggles to find its place in a global media environment characterized by an abundance of channel options. Analysis of policy documents has shown that there has been a continual disconnect between what the public has expressed they want from the CBC and the resources that the Corporation has been given to provide the service Canadians have come to expect it to. Furthermore, the interventions submitted to the CRTC for the CBC’s 2013 licence renewal show that, more than a decade into the 21st century, Canadians still want a public service broadcaster and they want it to be funded properly. These interventions also show that the increasingly commercial nature of CBC TV is affecting the broadcaster’s performance and is impacting how Canadians view it.

Moving forward, Canadian public television is an area full of opportunities for further research. Research pertaining to alternative funding models and cost cutting measures in particular, would be an interesting and beneficial contribution to the discussion of the CBC’s future.
References


Appendix.

Description of Data Gathered for Content Analysis

Qualitative and quantitative data was collected for the content analysis of the English-language interventions submitted to the CRTC for the CBC’s 2013 licence renewal. The following is a list and explanation of each category of information looked at for this thesis.

Quantitative Data

Mention of finance: Did the intervener mention the CBC’s financing? (Yes/No)

This category is somewhat vague to account for all discussions of the CBC’s financial situation and its budget generally, but each intervention needed to have a clear indication that the intervener was talking about the CBC’s finances.

As such, the submission had to include more than a mention of the CBC in contrast to commercial networks to qualify for having mentioned funding. Mention of ownership, while hinting at how the CBC is funded, was not counted as discussing the CBC’s finances either as it does not directly acknowledge how the CBC is being funded other than to say that it is owned by the public. Mention of the fact that the intervener is a tax payer did not provide sufficient information to categorize the intervention as having spoken about the CBC’s finances either, although mention of tax dollars going to the CBC and how that money was being spent was counted. The terms “cutback”, “invest” and “support” are vague and as such were not assumed to be referring specifically to the CBC’s financial situation.

Topics that were counted as a “yes” in this category included:

• Direct mention of the CBC’s budget/Parliamentary appropriation (whether it be that the intervener sees the CBC as receiving too much public funds, not enough public funds or an adequate amount of public funds)
• The impact of CBC’s budget on the CBC programming
• Discussion of advertising on the CBC
• Discussion of the commercial-free nature of the CBC

Funding levels: Whether the intervener called for increased/stable funding, decreased/no funding, maintained funding, adequate funding or an unspecified amount of funding for the CBC was recorded. The “increased/stable” category included those interventions that noted that the CBC is underfunded, that the intervener would be willing to pay more for it, or, more directly, that the intervener believed that funding for the Corporation should be increased.

Language: The language (English or French or both) that the intervention was written in.
Name of Intervener: The name of the intervener.

Company: Which company, if any, the intervener indicated that he/she is writing on behalf of.

Province of Intervener: Location of the intervener, when available.

City of Intervener: Location of the intervener, when available.

Word Count: Word count of the intervention, when available (the only interventions that did not have a word count recorded are the ones that were uploaded to the CRTC’s websites as PDFs of scanned submissions).

Date received: The date the CRTC received the intervention.

Medium: Which medium (television, radio, online, all) that the intervention focused on. Many of the interventions fall under the “All” category, which included interventions that did not directly specify which medium was being addressed.

Tone of intervention: What the general tone of the intervention was. Each intervention was categorized as being generally positive, generally negative, a fairly even mix of both or neither. The general tone of the intervention reflects the tone towards the CBC/public broadcasting in Canada and not the government or the CRTC, who some interveners were negative towards. “Positive” interventions include those that were mostly positive but offered a suggestion or a mild criticism, while “negative” interventions include those interventions that, while maybe not offering harsh criticisms, only offered suggestions for the CBC’s improvement.

Future of the CBC: This section indicates whether, moving forward, the intervener would like for the CBC to be kept, fixed or gotten rid of (abolished). Some interventions were unclear in this respect and were categorized as such.

Request to appear at public hearing?: Whether or not the intervener requested to also speak at the public hearings for the renewal.

Notes: Any extra general notes about the intervention.

Qualitative Data

Issues discussed: This section provided a broad overview of the topics discussed in the intervention, including advertising, financing, programming, purpose or future of the CBC.

Mention of finances: What, if anything, did the intervener say about financing the CBC? This included, but was not limited to any discussion regarding the CBC’s budget, how the budget is being spent and where the CBC’s funding comes from.

Mention of new technology: What, if anything, did the intervener say about new technology and its impact on the CBC and/or how the intervener consumes content
created by the CBC? This can include not just Internet technologies and the CBC’s general online presence, but any and all new digital technologies and their impacts.

**Mention of the public/the audience:** What, if anything, did the intervener mention about the public? This includes mention of things such as the importance or irrelevance of the CBC to Canadian democracy (in terms of keeping the public informed), the role of the CBC as an alternative to private broadcasters and the role of the CBC in terms of fostering Canada’s identity/culture.

**Other:** This section was mostly for any additional quotes from the interventions that had the potential for being useful that did not fit well into one of the other categories. Any discussion regarding Americanization or comments on American competition in broadcasting were recorded under this section if they did not fit under the topics of the public or funding.