

**THE SENATE OF
CANADA**

**LE SÉNAT DU
CANADA**

**INTERIM REPORT ON
THE CANADIAN NEWS MEDIA**

Standing Senate Committee
on
Transport and Communications

Chair
The Honourable Joan Fraser

Deputy Chair
The Honourable Leonard Gustafson

April 2004

Ce rapport est disponible en français.

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ORDER OF REFERENCE

Extract from the *Journals of the Senate* of Friday, 13 February 2004:

Resuming debate on the motion of the Honourable Senator Fraser, seconded by the Honourable Senator Joyal, P.C.:

That the Standing Senate Committee on Transport and Communications be authorized to examine and report on the current state of Canadian media industries; emerging trends and developments in these industries; the media's role, rights, and responsibilities in Canadian society; and current and appropriate future policies relating thereto;

That the Committee submit its final report to the Senate no later than Thursday, March 31, 2005; and

That the papers and evidence received and taken on the subject and the work accomplished during the Second Session of the Thirty-Seventh Parliament be referred to the Committee.

After debate,

The question being put on the motion, it was adopted.

Paul C. Bélisle

Clerk of the Senate

NOTE: Except for the final paragraph, this Order of Reference is identical to the Committee's Order of Reference for this study during the Second Session of the Thirty-Seventh Parliament, adopted by the Senate on 19 March 2003.

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PART I: INTRODUCTION

All Men pretend the Licentiousness of the Press to be a public Grievance, but it is much easier to say it is so, than to prove it, or prescribe a proper Remedy; nor is it the easiest Grievance to Cure.

-Daniel Defoe, An Essay on the Regulation of the Press, 1704

News matters. Journalism matters. No real democracy can function without healthy, diverse and independent news media to inform people about the way their society works, what is going well and, perhaps most important, what is not going well or needs to be improved. The news of the day is always a rough and ready thing, produced in a rush to deadline and inevitably based on imperfect understanding of complex realities, but it is the first guide citizens have to understanding their own community, and often the only such guide that can plausibly claim not to be self-interested.

It follows that in a democracy, it is vital that government policy be established in such a way as to foster healthy and independent news media. The paradox and the danger lie in the fact that to do their job properly, the news media must be independent from government influence over the news they carry. It may be worth recalling in this context that the news media are perhaps the only industry to receive explicit protection in Canada's constitution: Section 2 of the Canadian Charter of Rights and Freedoms guarantees not only freedom of expression but also freedom of the press and other media of communication. There are – there will always be – passionate arguments about the precise meaning of freedom of the press, but there is no argument about its fundamental importance.

So it is with considerable caution that the Senate Standing Committee on Transport and Communications has undertaken this study of Canada's news media, and of the appropriate stance of public policy at the start of the 21st century. The members of the committee are aware that in comparison to most of the world, Canadians have been and are well served by their news media, not only in the provision of factual news but also in the amount and quality of investigative journalism, analysis and commentary. It is no part of our mandate to imperil that good fortune. Yet it remains true that a substantial part of public policy does have an impact on the news media. Some of the impact is of a relatively general nature: elements of public policy

such as general taxation systems, securities regulation, labour legislation, consumer protection rules or environmental controls are not devised specifically to target the news media, although they will have a great impact there as elsewhere. Other elements of public policy are more directly, though perhaps not exclusively, aimed at the news media: examples range from libel laws to federal regulation of the broadcasting industry, through the *Broadcasting Act* and the Canadian Radio-Television and Telecommunications Commission.

The question then is not whether public policy should concern itself at all with the news media, it is whether the policies that we now have are the most appropriate ones for the foreseeable future.

It is 34 years since the Senate examined the state of Canada's news media, in the landmark report by a committee headed by Senator Keith Davey,¹ and 23 years since the report of the Royal Commission on Newspapers headed by Tom Kent.² Other inquiries have examined the broadcasting system, but have not focused specifically on the news media.³ In the intervening years, the world has changed in ways that almost no one could predict in 1970 or even 1981, and few elements of western society have been more profoundly affected by change than the news business.

To begin with, journalism itself has changed. In 1970, journalists could still refer to themselves only half-mockingly as “ink-stained wretches,” with a certain emphasis on “wretches.” Comparatively few of them had degrees in journalism; indeed it was still true that many had no university degree at all, a fact which was often reflected in miserable pay scales and working conditions. Today's journalists are better educated and far better paid. In many ways standards of journalism and journalistic ethics have improved correspondingly, and there has

¹ Canada. Parliament. Senate. Special Committee on Mass Media. *Report of the Special Senate Committee on Mass Media*, 3 v., Ottawa: Queen's Printer, 1970. (Known as the Davey Report.)

² Canada. Royal Commission on Newspapers. *Royal Commission on Newspapers*. [Ottawa]: The Commission, c1981. (Known as the Kent Commission Report.)

³ Canada. Task Force on Broadcasting Policy. *Report of the Task Force on Broadcasting Policy*. Ottawa: Supply and Services Canada, c1986. (Known as the Report of the Caplan-Sauvageau Task Force.) Also refer to Canada. Parliament. House of Commons. Standing Committee on Canadian Heritage. *Our Cultural Sovereignty: The Second Century of Canadian Broadcasting* [Ottawa]: House of Commons of Canada, 2003.

been an increase in self-imposed accountability to institutions such as provincial press councils. In other ways journalism has been increasingly affected by the frantic rush to attract or at least retain audiences, often at the price of “dumbing down” the news. The arrival of all-news television and radio has also changed the practice of journalism, putting increased pressure on journalists in all media to get the news out ever more quickly and often reducing the time available for research or background checking.

Technological change has transformed both the nature of news-gathering and the ways in which citizens obtain and use the news. Audiences have fragmented; today no single news source, be it print or electronic, can have the mass impact that the news giants had thirty years ago. In 1970, cable TV in this country was widely perceived as a way to improve signal reception and import U.S. programming. Today it is the vehicle to provide hundreds of channels, including Canadian all-news channels in both official languages, even as satellites also beam Canadian and foreign programming directly into homes.

The proliferation of electronic news sources has contributed to a demographic shift: younger people are substantially less likely to read newspapers than their elders are. The new media landscape has also changed the role of Canada’s public broadcaster, the Canadian Broadcasting Corporation; for example, the CBC and Radio-Canada are no longer the only broadcasters serving remote areas of the country, and in the more populous regions they now face competition from more private networks.

In 1970, the Internet as we know it did not exist; today it brings news from around the world into individual Canadians’ homes at comparatively low cost. Technological advances have enabled the creation of national newspapers. Computers also enable Canadian news organizations to communicate with each other, and to share their work with each other, in ways that would make Gutenberg’s head spin; these changes, often referred to under the general label of “convergence,” continue even if the word itself is no longer as fashionable as it was in the 1990s.

Meanwhile, the great drive for corporate growth and consolidation has affected the news business at least as much as other industries, and changes in media ownership continue apace. These have led to some serious concerns, particularly among journalists, about the impact of corporate changes on the quality of news and information that Canadians receive. The effects of globalization also continue to grow, raising questions about how Canadians can continue to have a shared understanding of their communities and their country. In the words of Mr. Justice Charles D. Gonthier,

The responsibility of the media is ever more challenging in fostering the broad public understanding which is essential to enable us as a society to decide upon our objectives and priorities and plan for the future rather than be adrift on a sea of happenings.⁴

It is no wonder, in the light of all these developments, that many Canadians should feel some concern about the future of their news media.

Unhappiness about one or another aspect of the news media is, of course, not new, as the 300-year-old quotation at the beginning of this introduction reminds us. Criticism of the news media is as natural a part of democracy as divisions of political opinion, and it is not a Senate committee's role to investigate individual complaints about news judgments or management. It is our role to try to assess the broader landscape, in all its dizzying complexity. To do so, we have striven to avoid reaching hasty judgments. We have had only a few initial convictions: that Canadians deserve high-quality news media; that it is important for the citizens of this country to be able to learn about Canadian and world news from a Canadian perspective; and that a diversity of voices is a fundamental part of a healthy democracy.

We have heard from many knowledgeable witnesses and participants in the news media, but many more remain to be heard, as does the general public. Given the vagaries of parliamentary timetables, our work has had to be interrupted more than once and we have had to postpone our planned travel to hear Canadians in their own communities. Still, a year after our first hearings, we thought it important to report to Canadians, including our colleagues in the

⁴ Gonthier, Charles D.: Address to the Canadian Institute for the Administration of Justice, October 2002.

Senate, on the general themes and questions that have emerged so far, and on the work that we know remains to be done.

Because our work is still incomplete, this can only be an interim report. As such, it will draw no conclusions and make no recommendations. Our hope, however, is that it will help to inform Canadians about what we have discovered through research and heard in testimony.

PART II: THE STATE OF THE CANADIAN NEWS MEDIA

This section provides a statistical snapshot (using the most recent available data) of what the Committee has learned about the state of the Canadian news media (newspapers, radio, television, the Internet, media ownership and journalists) since it launched its study in April 2003. It must be stressed that the Committee is well aware that there are many weaknesses with the available data as well as many gaps. Part IV of this report will make note of areas where further data and analysis are required.

A. The Print Media

1. Daily Newspapers

Canadian newspapers have a long and storied history dating back to the mid-18th century. The first known Canadian newspaper was the *Halifax Gazette*, issued on 23 March 1752. As settlers arrived from Great Britain, France and the United States, the press quickly spread across Canada's early eastern provinces and, upon the discovery of gold in the 1850s, across its western and northern territories. By the beginning of the 20th century, there were 112 dailies, with a total circulation of about 650,000. By 1913, the number of general interest daily newspapers reached its peak at 138. By 1953, there were just 89 daily newspapers in Canada; however, by the mid-1980s the number of dailies was back up to 110. Since then, the number of Canadian dailies has fluctuated between 100 and 110, with about five million Canadians receiving a newspaper each day.

Canada's Oldest Newspapers

Canada lays claim to having the oldest surviving newspaper in North America. The *Quebec Gazette* was established in Quebec City on June 21, 1764. The *Quebec Gazette* survives today as the roots of the weekly *Quebec Chronicle-Telegraph*.

Montreal's *The Gazette* is Canada's oldest continuously published newspaper. It was launched by Fleury Mesplet on 3 June 1778.

The first daily in British North America was the *Daily Advertiser* in Montreal (1833).

Source: www.cna-acj.ca.

a) *Ownership and Circulation*

Table 1 shows the control of Canadian daily newspaper circulation by ownership group for selected years between 1994 and 2003.

Table 1	Canadian Newspaper Ownership as a Percentage of Total Circulation Selected Years, 1994-2003				
Company	1994	1996	1999	2000	2003
Southam	27.0	31.5			
Hollinger/Southam			42.0		
Hollinger	3.8	9.0			1.0
Hollinger/HCI				5.6	
CanWest/Southam				28.2	
CanWest					28.5
CanWest/Hollinger (National Post)				5.2	
Quebecor	8.8	9.3	21.3	21.3	21.0
Toronto Sun	11.0	11.3			
Thomson	20.6	12.3	10.5	3.2	
BellGlobemedia				6.0	6.4
Torstar			13.7	14.0	13.8
Gesca	6.0	5.8	5.7	8.9	9.2
Osprey Media					6.3
FP (Canadian Newspapers)					3.1
GTC Transcontinental					3.1
Halifax Herald			2.3	2.2	2.2
Irving	2.3	2.3			
Brunswick			2.0	2.0	2.0
Horizon			0.5	2.0	1.9
Annex			0.3	0.3	0.3
Black Press			0.4	0.3	0.3
Nfld. Cap.		1.0			
Armada	2.3				
Burgoyne	0.8				
Independents ¹	17.4	17.4	1.2	0.9	0.9
Totals					
Top three ownership groups	58.6%	55.1%	77%	63.6%	63.3%
Top five ownership groups	73.4%	73.4%	93.2%	78.0%	78.9%
Source: Canadian Newspaper Association, Presentation before the Senate Standing Committee on Transport and Communication, 10 June 2003.					
¹ This category includes Torstar for the years 1994 and 1996.					

This table demonstrates the extent to which ongoing changes in ownership have triggered changes in the overall control of Canadian newspaper circulation. In 1999, for example, Hollinger/Southam controlled 42% of the Canadian daily newspaper market. Following the sale of its major titles, however, Hollinger was down to a one percent market share in 2003. By contrast, CanWest, which did not own a single newspaper prior to 2000, was Canada's largest owner of newspapers (in terms of circulation) with a 28.5% market share in 2003. Quebecor,

meanwhile, more than doubled its presence in the Canadian market between 1996 and 2003, rising from a 9.3% market share to a 21% share during this period.

b) Ownership and Titles

Another way to understand the potential influence of newspaper ownership is by comparing weekly circulation with the number of titles held by an ownership group. Table 2 shows available data for 2002. In that year the Osprey Media group, despite ranking sixth in terms of overall circulation, had the most titles with 22. CanWest and Quebecor, when combined, owned 28 newspapers and had a circulation in excess of 16 million each week.

Canada's Largest Newspaper

There are 102 general interest daily newspapers in Canada. The largest is *The Toronto Star* with a circulation of about 450,000 copies each weekday, about 660,000 on Saturdays and about 430,000 on Sundays.

Source: www.cna-acj.ca

Table 2 Canadian Newspaper Ownership by Number of Titles and Circulation, 2002		
Owner	No. of newspapers	Weekly Circulation
CanWest Publications Inc.	13	9,293,037
Quebecor/Sun Media	15	6,855,134
Torstar	5	4,486,042
Power Corp. of Canada	7	3,012,795
Bell/Globemedia	1	2,085,115
Osprey Media	22	2,047,999
Transcontinental	10	1,007,970
FP Canadian Newspapers Limited Partnership	2	999,937
Halifax Herald Limited	2	711,968
Brunswick News Inc.	3	650,569
Horizon	5	625,179
Hollinger Cdn. N.L.P.	10	327,220
Independents	5	313,580
Black Press	1	113,507
Annex Publ. & Printing	2	93,165

Source: Based on ABC Fas-Fax ended 31 March 2002 or other Publishers' Statements collected by the CAN [information sent to Committee after the CAN appearance].

c) Readership

Newspaper readership has always been a useful way to gauge the state of the Canadian daily newspaper industry. Table 3 shows daily newspaper readership for Canada’s top 17 and top 10 dailies, and in selected major markets. In 1998, for example, about 11.2 million people were reading newspapers each week in Canada’s top 17 markets. By 2002, this figure was up to 11.6 million readers.

Canadian Reading Habits	
49% of all Canadians (15+) read a newspaper every day.	
55% of all Canadians (15+) read a magazine at least once a month	
Source: Statistics Canada, General Social Survey, 1998	

Table 3	Daily Newspaper Readership in Markets Across Canada, 1998 – 2002				
Markets	1998	1999	2000	2001	2002
Top 17	11,252,900	11,291,900	11,340,500	11,759,900	11,610,400
Top 10	9,802,900	9,865,400	9,906,700	10,284,300	10,158,100
Selected*	7,580,400	7,645 300	7,666,900	7,979,700	7,924,900
Source: www.cna-acj.ca ; *Toronto, Montreal, Ottawa/Hull, Calgary & Vancouver					

The next table shows daily newspaper readership by age category for the year 2002. Overall, 81% of all Canadians reported reading a newspaper in the past week, a readership percentage that did not vary considerably among age ranges. By contrast, when respondents were asked if they had read a newspaper “yesterday,” 62% of those aged 50 or older reported having done so versus 45% of those between the ages of 18 and 24 and 47% of those in the 25 to 34 age category.

Table 4	2002 Canadian Newspaper Readership by Age (% of population)	
Age	Read yesterday	Last 6/7 days
18-24	45	82
25-34	47	77
35-49	54	80
50-64	62	84
65+	62	80
Average 18+	54	81
Source: www.nadbank.com/english/study/pdfs/Age.pdf		

2. Weekly Newspapers

Another important source of news and information is the weekly newspaper. In 2001, it was estimated that there were about 1,061 community newspapers in Canada. A complete set of data for 2004 for all Canadian community newspapers is not available to the Committee at this time. There are, however, some useful data that are collected by the Canadian Community Newspaper Association (CCNA) and its Quebec equivalent, Les Hebdos du Québec.

Table 5 provides a provincial breakdown by ownership group for the 701 (mostly English-language) community newspapers that held a membership with the Canadian Community Newspaper Association (CCNA) as of February 2004. The CCNA identifies a “Major Corporate Owner” as a company owning ten or more community newspapers. This table shows the eight ownership groups that meet this definition. As can be seen, these eight groups own 276 community newspapers, that is, 39.4% of all CCNA member papers. This table also shows that 236 CCNA member community newspapers (i.e., 33.7%) are independently owned.

Table 5 Canadian Community Newspaper Association (CCNA) Membership by Ownership and Province, February 2004														
Major Corporate Owners (10+ papers)	BC	AB	SK	MB	ON	QC²	NS	NB	NL	PE	YT	NT	NU	Totals
Black Press	60	4	-	-	-	-	-	-	-	-	-	-	-	64
Bowes Publishers Limited	-	31	2	10	24	-	-	-	-	-	-	-	-	67
CanWest	16	-	-	-	-	-	-	-	-	-	-	-	-	16
G.T.C. Transcontinental	-	-	-	5	2	4	-	1	-	-	-	-	-	12
Great West Newspaper	-	10	-	-	-	-	-	-	-	-	-	-	-	10
Metroland Prtg., Pblg. and Dist.	-	-	-	-	53	-	-	-	-	-	-	-	-	53
Optipress Inc.	-	-	-	-	-	-	9	-	16	-	-	-	-	25
Osprey Media Group	-	-	-	-	29	-	-	-	-	-	-	-	-	29
Independent Group (2-9 papers)	12	19	28	4	76	5	9	10	-	2	-	3	2	170
Independent Single (1 paper)	13	40	54	26	77	12	6	4	-	-	1	2	1	236
Unknowns / No Information	-	2	1	-	15	-	-	1	-	-	-	-	-	19
Totals¹	101	106	85	45	276	21	24	16	16	2	1	5	3	701

Source: Canadian Community Newspaper Association (www.ccna.ca/ownership)

¹ This table does not include non-CCNA members. Non-CCNA data are not presently available.

² Data for Quebec do not include French-language community newspapers (Source: www.hebdos.com).

Because most CCNA members are from English-language communities, Table 5 significantly underrepresents the total number of community newspapers in Quebec. According

to Les Hebdomas du Québec, there were 177 French-language community newspapers in Quebec in February 2004, most of which were owned by Quebecor or Transcontinental. Given the small number of independently-owned CCNA members in Quebec (12) these data therefore suggest that the corporate concentration of community newspapers in Quebec may be higher, per capita, than in any other Canadian province or region. Further research, however, is required to confirm this possibility.

3. Magazines and Periodicals

Since its earliest days, the Canadian magazine and periodical industry has had to contend with Canada’s geographic proximity to the United States, the vast size of our nation and the relatively small size of our population, which, taken together, make the distribution of print publications both costly and difficult. It is estimated that just one third of all magazines sold in Canada are produced in Canada. Furthermore, *Time*, *Reader’s Digest* and *TV Guide*, all of which rely heavily on American editorial material, typically account for nearly half the circulation of Canadian-produced consumer magazines.⁵

a) Type of Publication

Table 6 shows the most recent Statistics Canada data on Canadian magazines by format. In 1998-99 there were 2,027 titles of which 631, or about one-third, were “special interest consumer” titles, while 525 (26%) were business or trade publications.

Table 6		Canadian Magazines by Type November 2003	
Category		Number	
General Consumer		229	
Special Interest Consumer		631	
Business or Trade		525	
Farm		79	
Religious		196	
Scholarly		367	
Total		2,027	
Source: Statistics Canada, Periodical Publishing Survey 1998/99, Catalogue Number 87F0005XIE.			

⁵ Source: www.thecanadianencyclopedia.com/index.cfm?PgNm=TCE&Params=A1ARTA0005028.

b) Ownership

According to Canadian Advertising Rates & Data there were 190 publishers of two or more periodicals in 2003. The next table shows those eleven companies that held ten or more titles as of December 2003. The largest of these was Rogers Media Publishing with 66 titles, followed by Business Information Group with 38 and Transcontinental Media with 34.

Table 7	Canadian Publishers of Two or More Periodicals December 2003	
Publisher	Number of Periodicals	
Rogers Media Publishing	66	
Business Information Group	38	
Transcontinental Media	34	
Craig Kelman & Associates Ltd.	20	
CLB Media Inc.	20	
Annex Publishing and Printing Inc.	19	
Bowes Publishers Ltd.	18	
TVA Publications	18	
St. Joseph Media	16	
Metroland Printing, Publishing & Distributing Ltd.	14	
NRC Research Press	12	

Source: Canadian Advertising Rates & Data.

B. The Broadcast Media

1. Radio

The introduction of radio to Canadians during the early years of the 20th century broke the monopoly previously enjoyed by the print media over the dissemination of news and information. The first Canadian radio licence was issued in 1919 to XWA, an experimental station in Montreal operated by Canadian Marconi Co. By 1928, there were at least 60 private radio stations in operation in Canada. In 1932, in response to a 1929 Royal Commission report on radio broadcasting, a national public radio network operated by the Canadian Radio Broadcasting Commission was created. Four years later the CRBC was reorganized and renamed the Canadian Broadcasting Corporation (CBC).

Because the creation of the CRBC and the CBC coincided with the economic depression of the 1930s, the federal government lacked the means to fully fund its network. It therefore established five stations of its own and used private broadcasters to rebroadcast its network programming to other cities and regions. This had the effect of entrenching a public-private system, a mix that characterizes the Canadian broadcasting system to this day.

a) Private Radio Ownership

According to CRTC data, there were 525 private commercial radio stations in Canada in 2002. The next table shows the extent to which Canadian radio has become concentrated among the top ten ownership groups. In 2000, ten radio operators owned just over 50% of all commercial radio stations in Canada; by 2002, this was figure was up to 63%. During this same period, however, the difference in the number of stations owned by each of the top five groups levelled off thanks to Télémedia's sale of its 81 stations in 2001.

Table 8	Top Ten Commercial Radio Operators		
	No. of Radio Undertakings		
Corporation	2000	2001	2002
Corus Entertainment Inc.	43	49	52
Rogers Communications Inc.	29	29	49
Standard Broadcasting Corp.	12	12	50
Astral Radio Inc.	12	15	38
CHUM Limited	28	29	29
Newcap Broadcasting Inc.	20	24	42
Jim Pattison Industries	-	19	15
Maritime Broadcasting Ltd.	19	21	22
Elmer Hildebrand (Golden West)	-	19	21
Rawlco Enterprises Ltd.	8	-	12
Télémedia Inc.	76	81	-
Métromédia CMR Broadcasting	6	-	-
Totals: Top Ten	253 (51%)	298 (58%)	330 (63%)
Totals: Canada Commercial Radio	493	511	525

Source: CRTC Internal Report "Ownership August 2002," CRTC Financial Database
Notes: Radio undertakings include networks. Reflects ownership structure according to licensees' filing of annual returns at August 31 of each year. Corus acquired control of Métromédia CMR Broadcasting Inc. in 2001. Jim Pattison Industries acquired the radio stations of Monarch Broadcasting Ltd. in 2001. Rogers acquired 14 stations and one network from Standard in 2002. Standard acquired 4 stations from Craig and 64 stations plus 3 networks from Télémedia in 2002. Newcap acquired 15 stations from Standard in 2002. Astral acquired 19 stations and 6 networks from Télémedia in 2002. In August 2002 eight Astral stations were being held in trust pending their sale: CKRS, CJRC, CHLN, CHLT, CKTS, CKAC, CHRC and CFOM-FM. A dash (-) indicates that a company was not in the top 10 in a given year.

b) The National Public Broadcaster

As noted above, Canada’s national public broadcaster – the Canadian Broadcasting Corporation/Société Radio-Canada – was launched in 1936. According to the *Broadcasting Act* of 1991, the CBC’s mandate is to “provide radio ... services incorporating a wide range of programming that informs, enlightens and entertains.” The Corporation’s programming is expected to “reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions.” It is also expected to provide programming “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.”

The networks of CBC/Radio-Canada are available over-the-air on AM, FM, in digital audio (DAB) and via the Internet. These radio services provide local, regional, national and international news and information, cultural and music programming via four commercial-free radio networks, two in English and two in French. Most of the Corporation’s news and information programming is provided via Radio One and La première chaîne.

Table 9 provides detail on the size of the CBC/Radio-Canada’s radio distribution network in 2002-2003. This table shows that Radio One is a network of 36 owned and operated stations and that La première chaîne is comprised of 20 owned and operated stations and two privately affiliated stations. Several hundred rebroadcasters at locations across the country are also used to ensure that all Canadians have access to these two networks.

Table 9	The CBC / SRC Radio Network — 2002-2003				
	English		French		Total
	Radio One	Radio Two	Première chaîne	Chaîne culturelle	
CBC owned stations	36	14	20	11	81
CBC rebroadcasters	381	19	148	12	560
Private affiliated stations	0	0	2	0	2
Private affiliated rebroadcasters	0	0	1	0	1
Community owned stations	1	1	0	0	2
Community owned rebroadcasters	46	9	8	0	63
Total	464	43	179	23	709

Source: CBC Annual Report, 2002-2003.

c) Radio Listening Data

Measuring radio audiences is a complex undertaking. One challenge is the absence of consistent, agreed-upon categories to describe radio station formats. A second has to do with the fact that radio listening habits, unlike television viewing, cannot be disaggregated easily into discrete program blocks based on genre. A third challenge has to do with the way Canadian radio regulation has, until recently, precluded the possibility of any privately-operated national radio networks.

Canadian Radio Listening Habits	
The top five radio formats listened to by Canadians aged 12+ in fall 2001 were:	
Adult Contemporary	– 25.4%
Gold/Oldies/Rock	– 14.7%
CBC/Radio-Canada	– 11.9%
Talk	– 11.4%
Country	– 10.7%
Source: Statistics Canada, Catalogue no. 87F007XPE	

Under the circumstances, it is extremely difficult to talk about the scope of Canadian radio news and information and the extent to which such programming attracts an audience. That said, since CBC/Radio-Canada is unquestionably Canada’s leading producer of local, regional and national news and information programming for radio, it is useful to look at its recent audience shares, particularly Radio One and La première chaîne, both of which produce large amounts of news and information programming.

Table 10 shows CBC/Radio-Canada audience share data for 1999 through 2003. These data show that the CBC’s Radio One service has consistently enjoyed an average listening share of about 9% since fall 2000. As for La première chaîne, it has experienced strong audience growth in recent times, rising from an average share of 6.9% in fall 2000 to 11.5% in spring 2003.

Table 10	CBC/Radio-Canada Audience Shares, 1999-2003					
	English			French		
	Radio One	Radio Two	Total	Première Chaîne	Chaîne culturelle	Total
Fall 1999	7.4	3.4	10.8	7.9	1.9	9.8
Fall 2000	8.7	3.6	12.3	6.9	2.0	8.9
Fall 2001	9.2	3.5	12.7	8.6	2.5	11.1
Spring 2002	9.4	3.6	13.0	8.7	2.1	10.8
Spring 2003	9.2	3.5	12.8	11.5	2.2	13.7

Source: CBC Annual Reports, 2001-2002, 2002-2003

To put the above audience share data into perspective, it is useful to look at weekly listening shares. Table 11 presents the weekly reach for CBC/Radio-Canada for the period 1994 through 2003. This table shows that CBC's English-language network, Radio One, averaged about three million weekly listeners in fall 2002. This represents an increase of about 300,000 listeners from fall 1994. As for Radio-Canada's French-language network, La première chaîne, its average listening audience reached a ten year high at 810,000 in fall 2002; that is, about 150,000 more than the average listening audience that the network was attracting prior to 2001.

Table 11	CBC/Radio-Canada Audience Shares, fall 1994 - fall 2002 Canadians Aged 12+ (thousands)								
	1994	1995	1996	1997	1998	1999	2000	2001	2002
English Radio									
Radio One	2,687	2,805	2,636	2,592	2,865	2,762	2,863	3,167	3,046
Radio Two	1,255	1,308	1,224	1,149	1,286	1,202	1,221	1,212	1,263
French Radio									
Première chaîne	662	692	619	641	665	653	625	740	810
Chaîne culturelle	341	372	332	336	232	260	239	258	307
Source: CBC Annual Report, 2002-2003									

2. Television

Canadian television made its debut with the launch of CBC stations in Montreal and Toronto in 1952. At first, regulations limited each Canadian market to one station, public or private, which was expected to broadcast the national programming provided by the CBC. It soon became apparent, however, that Canadians wanted more choice in programming and channels. As a result, by 1961 there were 68 television stations in Canada, of which nine belonged to the CBC/Radio-Canada and 59 to private companies.

A second national television network, CTV (the Canadian Television Network), was launched in 1961. Today, Canadian private conventional television is organized into national and regional networks. As of March 2004, there were five national networks, three English-language (CBC, CTV and CanWest Global Communications) and two French-language

(Radio-Canada and TVA). There were also two English-language regional networks, operated by CHUM Limited and Craig broadcasting, one French-language network (TQS) operated by Cogeco and five provincial educational networks (Knowledge Network, Access, TVOntario, TFO, and Télé-Québec).

Apart from Canada’s conventional networks is a dizzying array of specialty television services. In the early 1980s Canada’s broadcasting regulator – the Canadian Radio-television and telecommunications Commission (CRTC) – started granting licences for subscription television services, pay per view programming and, most recently, for digital and high definition television. By December 2003 there were more than 625 licensed specialty services available to Canadians, with programming ranging from news, weather, music and sports to niche services such as home improvement, travel and human sexuality. As Table 15 shows, only 29 of these offer news or information programming.

a) Trends in Ownership

As with newspapers and radio, there has been considerable consolidation of television station ownership over time. Table 12 shows the extent to which there has been a consolidation of television station ownership since 1970. It reveals that the top five television ownership groups owned 68% of all private television stations in 2000, an increase of nearly 40% from 1970. It also shows that single-station ownership is a rarity today, with just six such enterprises in 2000.

Table 12	Consolidation of Conventional Television Station Ownership 1970-2000			
	1970	1980	1990	2000
Private TV Stations	63	88	100	100
Single-station owners	30	25	13	6
Total owners	41	43	31	20
% owned by top 5	28.6	30.7	48.0	68.0
% single-station owner	47.6	28.4	13.0	6.0
Source: Canadian Conference of the Arts				

b) Viewing Share by Ownership

In the early days of television Canada's conventional (i.e., over-the-air) television networks enjoyed impressive audience shares, ranging from 100% in the early years, to shares – depending upon the market in question – around 35% to 50%. Today, audience shares for Canada's conventional broadcasters are much smaller, thanks in large part to the proliferation of channel choice. In 1979-80, for example, CTV had an audience share of 30%; by 2002, it was down to 14.9%. Similarly, Radio-Canada enjoyed an audience share in Quebec of about 40% in 1969; in 2000, its share stood at 12%.

To combat audience fragmentation, the majority of Canada's conventional broadcasters have applied for (or acquired) specialty services in recent years. CTV's parent company BellGlobemedia, for example, now owns eight specialty services and several digital channels. CBC/Radio-Canada, meanwhile, operates two all-news channels and two digital services.

Table 13 breaks down Canadian television viewing by major ownership groups and audience share for the period 1997 through 2002. Overall, it can be seen that since 1999 nearly 50% of all television programming watched by Canadians in British Columbia, the Prairies, Ontario, the Atlantic Region and in the Territories has been delivered by a Canadian-owned broadcasting service. In 2002, the top ownership group by cumulative share was BellGlobemedia with 19.2%, CanWest Media was second at 14.7% and CHUM was third with a cumulative audience share of 7.6%.

In Quebec, several notable trends can also be observed. Overall, nearly 71% of all television viewed in Quebec in 2002 was supplied by Canadian-owned broadcasting services. The lead ownership group, in terms of cumulative share, was Quebecor at 30.7%, CBC/Radio-Canada was second at 15.2% and Cogeco was third with a cumulative audience share of 14.2%.

To sum up, the top three ownership groups in regions outside Quebec had a cumulative audience share of about 42% in 2002; in Quebec, however, this same measure of market share stood at just over 60%.

Table 13	% Viewing Share for Canada's Major Television Groups 1998-2002, Fall - All Persons 2+, 6 a.m. to 2 a.m.											
	BC, Prairies, Ontario, Atlantic Provinces and Territories						Province of Quebec ¹					
	97	98	99	00	01	02	97	98	99	00	01	02
Bell Globemedia Inc. (CTV)²												
CTV Conventional	15.9	14.3	15.0	14.2	14.2	14.9	0.7	0.6	1.0	0.9	3.6	3.5
Specialty and digital services	0.5	0.6	0.6	4.0	4.2	4.3	-	-	-	2.4	2.5	3.8
Total	16.4	14.9	15.6	18.2	18.4	19.2	0.7	0.6	1.0	3.3	6.1	7.3
CanWest Media												
Global conventional stations	9.1	8.1	7.4	13.5	13.2	13.3	1.7	1.8	1.5	1.6	1.8	1.9
Specialty and digital services	-	0.5	0.8	1.1	1.6	1.4	-	-	-	-	0.1	0.2
Total	9.2	8.6	8.2	14.6	14.8	14.7	1.7	1.8	1.5	1.6	1.9	2.1
CHUM												
CHUM Conventional stations	4.1	4.2	4.3	4.4	4.5	4.9	0.2	0.2	0.1	0.1	0.1	0.2
Specialty and digital services	1.6	1.8	1.7	2.3	2.5	2.7	0.6	0.7	0.7	0.9	0.7	0.9
Total	5.7	6.0	6.0	6.7	7.0	7.6	0.8	0.9	0.8	1.0	0.8	1.1
CBC / Radio-Canada												
Conventional English stations	8.4	7.2	6.0	6.1	5.7	5.8	1.9	1.6	1.2	1.3	1.1	1.1
English specialty /digital	0.9	0.9	0.7	1.0	1.0	0.9	0.2	0.1	0.1	0.1	0.2	0.2
Conventional French stations	0.6	0.6	0.6	0.5	0.5	0.4	14.6	15.7	15.2	13.6	14.3	12.0
French specialty service	0.1	-	0.1	0.1	0.1	0.1	1.1	1.5	1.2	1.2	2.7	1.9
Total	10.0	8.7	7.4	7.7	7.3	7.2	17.8	18.9	17.7	16.2	18.3	15.2
Craig Media³												
Craig conventional stations	1.0	1.3	1.5	1.4	1.1	1.0	-	-	-	-	-	-
Digital services					0.1	0.1						
Total					1.2	1.1	-	-	-	-	-	-
Vidéotron⁴												
TVA Conventional stations	0.1	0.1	0.1	0.1	-	-	33.7	32.5	31.2	30.4	29.0	
Specialty service	-	-	-	-	-	-	0.1	0.3	0.5	0.6	0.6	
Total	0.1	0.1	0.1	0.1	-	-	33.8	32.8	31.7	31.0	29.6	
Quebecor^{4,6}												
Conventional stations	-	-	-	0.1	0.1	-	7.0	6.6	8.1	9.5	9.3	29.8
Specialty service												0.9
Total	-	-	-	0.1	0.1	-	7.0	6.6	8.1	9.5	9.3	30.7
Cogeco^{5,6}												
Conventional stations	-	-	-	-	-	-	4.2	5.9	5.8	5.4	4.8	14.4
TOTAL VIEWING SHARES (for Canadian-owned broadcast services)												
Conventional stations	39.2	35.8	34.9	40.3	39.3	40.3	59.8	59.0	58.3	57.4	59.2	62.9
Specialty and digital services	3.2	3.8	3.9	8.5	9.5	9.5	2.0	2.6	2.5	5.2	6.8	7.9
All services	42.4	39.6	38.8	48.8	48.8	49.8	61.8	61.6	60.8	62.6	66.0	70.8

Source: CRTC, Broadcasting Policy Monitoring Report 2003

¹ Although viewed across Canada, the majority of viewers of Canada's French-language networks live in Quebec. To ensure a meaningful analysis of the data it is industry practice that audience share data for Quebec be presented under a separate heading.

² BCE Inc. holds a 68.5% voting interest in Bell Globemedia Inc; the 1997 viewing shares includes Baton stations and CTV Network (Baton acquired control of CTV Network in October 31, 1998)

³ Manalta Investments Company Ltd. (Craig Family) holds 87.71% of the Voting interest of Craig Media Inc.

⁴ Quebecor inc. directly and indirectly owns and control 54.72% of the voting interest of Quebecor Media Inc.

⁵ Cogeco inc. holds through subsidiaries 60% of the voting interest of TQS inc.

⁶ TVA conventional television stations & LCN were controlled by Vidéotron from 1997 to 2001. Quebecor acquired controlling interest of these services in 2002. TQS inc. conventional stations were controlled by Quebecor from 1997 to 2001. Cogeco acquired controlling interest in 2002. See Chart 3.27 in the CRTC's Broadcasting Policy Monitoring Report 2003 for more details.

c) Viewing Preferences

According to Statistics Canada news and public affairs programming accounts for about one quarter of all television viewed by Canadians. Table 14 shows Canadians' television viewing preferences in fall 2002. This table reveals that children and teens watched large amounts of drama and comedy, whereas adults (ages 18 and older) more evenly divided their viewing time between news and public affairs shows and drama. Overall, drama obtained the largest share of Canadians' (ages 2+) total viewing time at 27.1%, followed closely by news and public affairs at 25.2% and variety and games at 11.5%.

Table 14	Television Viewing Time by Program Type, Age and Gender (%) English and French Television, Fall 2002 (4 weeks in November)						
Program Type	Canadian programs All ages 2 +	Foreign programs All ages 2+	Selected Totals				
			All ages (2+)	Children 2-11	Teens 12-17	Men (18+)	Women (18+)
News and public affairs	18.9	6.3	25.2	6.0	9.9	27.1	28.6
Documentary	1.5	2.1	3.6	1.5	1.9	4.1	3.7
Drama	5.5	21.6	27.1	38.0	30.3	23.0	28.1
Comedy	1.5	9.9	11.4	15.8	23.5	10.4	10.1
Variety and games	3.5	8.1	11.5	7.2	11.3	11.3	12.5
Sports	5.5	2.8	8.2	3.7	7.6	14.0	4.6
VCR	0.0	4.5	4.5	11.2	6.9	3.9	3.7
Academic Instruction	1.6	1.9	3.6	2.4	2.6	2.5	4.7
Social and/or Recreational	0.4	0.8	1.2	10.1	0.5	0.3	0.5
Music and dance	0.7	0.3	1.0	0.8	2.8	0.9	0.9
Other programs	0.0	2.3	2.3	3.0	2.4	2.3	2.1
Religion	0.2	0.2	0.4	0.3	0.1	0.3	0.5
Overall	39.3	60.7	100.0	100.0	100.0	100.0	100.0

Source: Statistics Canada, CANSIM, table 502-0004, Catalogue no. 87F0006XIE

d) News and Information Programming

The fragmentation of audience share among broadcasters has had important implications for the availability of news and information to Canadians. While some specialty channels offer some news or information programming, most do not. This means that viewers now have many more viewing alternatives during traditional news hours than they once did.

Table 15 provides a summary of television services available to Canadians that offer at least some news and information programming. Seen in this light it is clear that Canadians have access to a relatively diverse range of news and information sources. There are, for example, four national all-news Canadian services (Newsworld, RDI, Newsnet and LCN), several American (e.g., CNN, CNBC, CNN Headline News) and a modest number of international news sources (e.g., TV5, BBC World, etc.). As for local news, there are about 130 local stations situated in cities and regions across Canada.

e) Viewing Data

It would be useful to talk about the total number of hours of local, regional and national news produced and broadcast by Canadian television services. It would be equally helpful to talk about the size of the audiences for such programming. Unfortunately, Canadian news and information programming is not systematically measured or reported at this level of detail. For the time being, it is worth making note of available summary data on local news audience shares in major markets across Canada collected by the Bureau of Broadcast Measurement.

Table 15		Television Services Available to Canadians with News and Information Programming Content			
Conventional (over-the-air) stations		English	French	Other	Totals
CBC (Owned and operated) (local)		15	8	-	23
CBC Private affiliates (local)		12	5	-	17
Private commercial (CTV, Global, etc) (local)		68	19	4	91
Educational (provincial)		4	3	-	7
Native (regional)		10	-	-	10
Subtotal		109	35	4	148
American stations (ABC, CBS, FOX, NBC, PBS)		39	-	-	39
Totals – All available conventional stations		148	35	4	187
Community cable channels		198	35	-	251
Canadian English-language specialty services		Type of service			
Newsworld		News and information			
NewsNet		News headlines			
CPAC		Public and parliamentary affairs			
Pulse24		News and information, Ontario			
ROBTV		News, business			
Country Canada ¹		Rural information, entertainment			
IChannel ¹		Public affairs			
MSNBC Canada ¹		US and Canadian news			
Weather Network		Information, weather			
Life Network		Documentary and information			
Total		9			
Canadian French-language specialty services		Type of service			
RDI (Reseau de l'information)		News and information			
LCN (Le Canal Nouvelles)		News and information			
TV5		Canadian/international news and information			
MétéoMédia		Information, weather			
Total		4			
Authorized foreign services¹		Type of service	English	French	Other
BBC World (UK)		News and information	*		
Cable News Network (US)		News and information	*		
Cable Satellite Public Affairs Network (US)		Public affairs, news	*		
Consumer News and Business Channel (US)		News, business	*		
CNN Headline News (US)		News headlines	*		
EuroNews (France) ¹		News and information	*	*	
Radio-France outre-mer (France) ¹		News and information		*	
Network Ten (Australia) ¹		News and information	*		
TV3 (Republic of Ireland) ¹		News and information	*		
TV3 (New Zealand) ¹		News and information	*		
Other foreign language services ¹		News and information			6
Totals			8	2	6
Source: CRTC, Broadcasting Policy Monitoring Report 2003					
¹ Indicates services that are authorized exclusively for digital distribution. All other services are eligible for analog or digital carriage					
² Foreign services receive authorization to be distributed in Canada from the CRTC. Since there exists no obligation to distribute any of these services several are not at present distributed by any of Canada's cable or satellite services providers.					

Table 16 shows the top supper hour news programs for the week of 12-18 January 2004 in Vancouver, Toronto, the province of Ontario, among French private television viewers in Quebec and among all English private television viewers in Canada. (Data are not available for CBC/Radio-Canada at this time.) This table shows that Global's local and national newscasts were the most watched news programs in the Vancouver market during this particular measurement period. By contrast, CTV's early evening newscast garnered the largest average audiences for local news in Ontario and TVA's local news programming was even more dominant among French television viewers in Quebec. Across Canada, CTV's supper hour news programs made it the most watched producer of local, English-language news.

Table 16		Top Supper Hour News Programs Watched in Selected Canadian Television Markets 12-18 January 2004					
Market	Rank¹	Program	Broadcaster	Days of week	Start	End	Audience²
Vancouver	3	Global News Hour	Global (CHAN)	MTWTFSS	18:00	19:00	276,000
	5	Global National News	Global (CHAN)	MTWTF	17:30	18:00	250,000
	9	Global Early News	Global (CHAN)	MTWTF	17:00	17:30	207,000
Toronto	19	CTV Evening News	CTV (CFTO)	MTWTF	18:00	19:00	301,000
Ontario	9	CTV Evening News	CTV Ontario	MTWTF	18:00	19:00	642,000
Quebec (French)	13	Le TVA 18 heures	TVA	MTWTF	18:00	18:30	848,000
Canada (English)	9	CTV Evening News	CTV	MTWTF	18:00	18:30	1,558,000

Source: www.bbm.ca
¹ The news programs listed in this table had average audiences that placed them (in the markets indicated) among the top 20 shows (news and non-news) broadcast between 12 and 18 January 2004. Data on programs that ranked lower are not available to the Committee at this time.
² Audience estimates represent the average audience each minute for viewers aged 2+ who tuned in during the time that the program aired.

The next table shows the audience shares for the five all-news specialty services that were most widely available to Canadians during the period 1998-2003. This table reveals that all-news channels are watched by a very small percentage of Canadians. In 2002-03, for example, the American service, CNN, had an average share of 2.7, Newsworld was at 1.1 and Newsnet was at 0.5. In the French-language market, RDI was at 1.9 in 2002 and LCN's market share was 0.9. Major world events, such as the terrorist attacks of 11 September 2001 and the Gulf War of 2003 are the probable reasons why CNN and RDI experienced notable spikes in viewing share during this period.

Table 17		Audience Shares for All-News Television Channels Available to Canadians, 1998-2003				
Year	English-language			French-language		
	Newsworld	Newsnet	CNN	Year	RDI	LCN
1998-99	1.0	0.4	1.7	1998	1.5	0.3
1999-00	1.0	0.5	0.8	1999	1.2	0.5
2000-01	1.1	0.5	0.8	2000	1.2	0.6
2001-02	1.1	0.6	2.3	2001	2.7	0.6
2002-03	1.1	0.5	2.7	2002	1.9	0.9

Source: CBC Research; CRTC Broadcasting Policy Monitoring Report, 2003
Note: English-language viewing data in this table reflect a 12-month measurement period (September to August), whereas the French-language data reflect four-week fall measurement period.

f) Expenditures on Canadian News and Information Programming

Another useful way to understand Canadian news production is by looking at how much is spent by Canadian broadcasters on news and information programming each year. The CRTC reports each year on expenditures by Canadian conventional broadcasters on Canadian television programming by genre. Table 18 shows conventional broadcaster expenditures for the period 1998 through 2002. These totals reveal that more than 50% of Canadian broadcasters' expenditures on Canadian television programming are typically spent on Canadian news and information. In 2002, for example, 54% (i.e., \$654 million) of all conventional expenditures on Canadian television programming were spent on Canadian news and information.

Table 18		Expenditures by Canadian Conventional Television Broadcasters on Canadian News and Information Programming, 1998-2002 (\$ thousands)				
	1998	1999	2000	2001	2002	
English-language television						
CBC Television	106,395	145,685	140,133	96,343	230,392	
Private Commercial	255,489	267,169	258,074	269,645	288,088	
French-language television						
SRC and Private	119,008	146,195	165,367	129,927	135,700	
Total Canadian programming expenditures						
Canadian News & information	480,892	559,049	563,574	495,915	654,180	
All Canadian programming	983,341	1,046,139	1,030,122	980,169	1,199,115	

Source: CRTC, Broadcasting Policy Monitoring Report 2003

C. Wire Services

The invention of the telegraph provided Canadian newspapers (and, later on, broadcasters) with a regular supply of news from outside their immediate geographical area. Almost from the inception of the telegraph in Canada, the major telegraph companies controlled newsgathering and were, as such, the principal collectors and distributors of Canadian news. As for foreign news, Canadian Pacific Telegraphs contracted in 1894 with Associated Press (the major American news agency) and started distributing selected AP news items for distribution to Canadian newspapers.

The Telegraph

The telegraph was conceived in 1837 (in North America by Samuel Morse, and in Europe by the English partnership of William Cooke and Charles Wheatstone) as a way to electrically transmit encoded messages.

In Canada, the first telegraph company was the Toronto, Hamilton and Niagara Electro-Magnetic Telegraph Co, formed in 1846. The largest company in Canada during these early years, however, was the Montreal Telegraph Co. (founded in 1847).

In 1907 Canadian Pacific Telegraphs attempted to quadruple prices charged for its news service to three Winnipeg newspapers (the *Manitoba Free Press*, the *Winnipeg Tribune* and the *Winnipeg Telegram*). In response, these three papers joined to form an independent news service, the Western Associated Press (WAP). Soon thereafter conflicts with newspapers in other Canadian regions over telegraph rates as well as the content of the news prompted Canadian Pacific to abandon the field of news gathering and selection altogether. This action established the principle of the common carrier; that is, accepting for transmission all messages without interference upon payment of a fair rate.

With the financial help of the Dominion government, Canada's press barons created The Canadian Press (CP) in 1917 as a means to receive news of Canada's troops in Europe, as well as to provide bulletins from Ottawa. It was soon recognized, however, that the CP was equally useful for the circulation of Canadian news stories among Canadian newspapers. Indeed, the challenges of covering a country the size of Canada, with six time zones and its small population, was well beyond what any single newspaper could then manage.

In 1923, The Canadian Press was reformed under an act of Parliament into the cooperative that it is today. At first, it served Canada's newspapers; later on, it started to provide news to Canada's radio and television broadcasters.

Today, CP, along with its Broadcast News (BN) division, reaches across Canada from the largest cities to the smallest towns providing Canadians with local, regional, national and international news stories. CP provides service to about 100 Canadian daily newspapers in both official languages. These same newspapers voluntarily contribute their own news and pictures to the service, making CP the only major news agency in the world to rely so heavily on such contributions. Broadcast News, meanwhile, provides service in English and, through Nouvelles Télé-Radio (NTR), in French to about 500 television and radio broadcasters.

In 1996, the future of The Canadian Press seemed at risk when the Southam newspaper group announced that it was pulling its 18 dailies out of the cooperative and that it intended to expand its own news distribution service, the Southam News Service. Fearing the collapse of CP, other members soon started to issue their own notices. The Southam group eventually backed down, however, after CP agreed to restructure membership fees and to reduce the size and costs of operating the cooperative.

In 2003, concerns over the future of CP resurfaced when CanWest established CanWest News Service and a national news centre in Winnipeg to provide national and international news to its 11 daily newspapers and its television operations in Canada. To date, CanWest has not withdrawn its newspapers from CP; however, the *National Post* (CanWest's largest newspaper) recently notified CP that it may leave the cooperative on 1 July 2004.⁶

⁶ Source: Testimony of Mr. Scott Edmonds, Vice-President, Canadian Press Branch, Canadian Media Guild [11 March 2004].

Today, about one-third to one-half of news and editorial content found in Canadian newspapers comes from news agencies, wire services or press associations.⁷ Apart from CP and the CanWest News Service, United Press International, a US-based private company, maintains a small subscriber list and staff in Canada. Also widely circulated are the services of large US newspapers such as the *New York Times*, *Washington Post* and *Los Angeles Times*. The Associated Press (US), Reuters (British) and Agence France-Presse connect with the CP through exchange agreements. In addition, Canadian media are served by some specialized services, such as the Bloomberg financial services.

D. The Internet

In the early 1990s a mere handful of Canadian students, academics and public and private sector researchers had Internet access. By 1994, awareness of the Internet and its potential to revolutionize mass communications had hit the mainstream. By 1998, about 13% of Canadian households had an Internet connection. Today, more than 62% of all Canadian households have at least one Internet user and 71% of those users spend at least 15 minutes online each day.

In 2002, Canadian Internet users with a high-speed connection exceeded cable modem users for the first time. High-speed access allows for faster download times when accessing audio, video and multimedia applications. It also allows users to browse more quickly among the many billions of websites that are now online worldwide.

A large and diverse range of news and information generated by both new media and traditional media sources can be found online. By the late 1990s most of the traditional print and broadcast media outlets were providing online news, information and entertainment services. While most of these services are being offered at no cost to the user, certain

Canada's First Online Newspaper

The *Halifax Daily News* in 1994 became the first Canadian daily to launch an online edition of its newspaper.

Source: www.cna-acj.ca.

⁷ Source: <http://www.thecanadianencyclopedia.com>.

newspapers (e.g., *The National Post*, *The Wall Street Journal*) charge a subscription fee for full access to the contents of their print editions.

a) Internet Usage Data

In recent years Statistics Canada has been reporting on Canadian Internet usage activities. Table 19 shows the frequency with which users in Canadian households with Internet access go online for specific forms of news and information. This table shows that Canadians are increasingly going online for a range of news and information services. In 2000, for example, 20.4% of Canadian households using the Internet from home reported using it to obtain news; by 2002, this figure was up to 27.2%.

The Estimated Internet Population

In 2002 there were 605.6 million Internet users worldwide, of which 16.8 million were in Canada.

Source: www.nua.com

Table 19	Purpose of Internet Use to Access Information in Canadian Households with Internet Access, 2000 to 2002 (%)		
	2000	2001	2002
View the news	21.9	26.2	27.2
Government Information	18.9	25.6	29.2
Medical / health information	22.9	30.1	32.8
Formal education / training	19.0	22.9	24.3
Listening to the radio	9.3	12.3	12.3
Sports information	17.3	22.1	23.8
Financial information	18.5	22.8	23.5
Travel information / arrangements	20.4	27.4	30.4

Source: Statistics Canada, CANSIM, table 358-0006 and Catalogue no. 56F004MIE.

The next table shows the ten most popular broadcaster websites among anglophone and francophone Canadians during the month of November 2002. This table reveals that five of the top ten sites visited by anglophones during the survey period were Canadian, including the CBC, which ranked second with 1.13 million visits. As for the most popular broadcaster websites visited by francophones, six of the top ten were Canadian, including Radio-Canada, which placed first with 1.1 million visits in November 2002.

Table 20		Most Popular Broadcaster Websites Among Canadians, November 2002	
Anglophones		Francophones	
Website	Number of times accessed	Website	Number of times accessed
msnbc.com	1,248,000	radio-canada.ca	1,097,000
cbc.ca	1,137,000	meteomedia.com	766,000
cnn.com	1,000,000	rds.ca	622,000
the weathernetwork.com	679,000	tva.ca	339,000
ytv.com	661,000	tqs.qc.ca	262,000
discovery.com	597,000	musiqueplus.com	252,000
muchmusic.com	560,000	cnn.com	188,000
bbc.co.uk	553,000	teletoon.com	177,000
tsn.ca	551,000	pbs.org	70,000
mtv.com	355,000	foxtv.com	10,000

Source: CBC Research, Media Metrix Canada

E. Ownership Structures

1. Laws and Limitations

The changing ownership structure of the Canadian media has been an issue of concern for some time. For example:

- In 1970, the Special Senate Committee on Mass Media expressed concern about increased cross-ownership among the Canadian media and of media ownership by non-media conglomerates.
- In 1981, the Royal Commission on Newspapers concluded that cross-ownership was a matter for concern in instances where cross-owned media were operating in the same market.
- In 1982, the federal government issued an Order in Council Direction, which stipulated that the CRTC could not issue or renew licences to applicants effectively controlled, directly or indirectly, by the owner of a daily newspaper whose newspaper circulation covered a major area served (or to be served) by the broadcaster. This Order was rescinded in 1985.

- In 1986, the Task Force on Broadcasting Policy noted with concern that Canada did not have a media concentration policy and called on the government to issue a clear statement.
- In June 2003, a House of Commons Heritage Committee study of the Canadian broadcasting system concluded that the potential problems with cross-media ownership make it essential “that the Government issue a clear and unequivocal policy concerning cross-media ownership.”

Similar media ownership concerns have also been voiced in other countries. Indeed, like Canada, many nations have had to address the implications of media mergers and the gradual concentration of media ownership. While almost all advanced democracies include a traditional or constitutionally guaranteed freedom of the press, it is not uncommon for restrictions to exist with respect to concentration, cross-media ownership and foreign ownership. These restrictions, however, vary considerably by type of media and from one country to the next. With this in mind, tables 21-23 provide summary information on media laws and limitations in Canada, France, the United Kingdom, the United States and Australia. The information in these tables was collected in November-December 2003 by the Committee’s research staff.

a) *Horizontal Concentration*

Horizontal concentration refers to the acquisition of similar businesses by a single firm. Table 21 shows horizontal concentration rules in Canada, France, the United Kingdom, Australia and the United States. As can be seen, all of these countries have at least some limits in place to prevent horizontal concentration among broadcasters within a single market. Only France, however, places limits on the total circulation of daily newspapers owned.

Table 21	Horizontal Concentration Rules in Selected Jurisdictions			
Canada	France	United Kingdom	United States	Australia
<p>Broadcasters, in general, on a case-by-case basis (the CRTC will approve mergers or issue licences with consideration of the financial viability of incumbents).</p> <p>Restrictions on multiple radio ownership within a single market (depending on the size of the market in terms of number of stations).</p>	<p>Holding and licence limits for over-the-air television, national and regional</p> <p>Licence limits for digital and cable television</p> <p>Holding limits for satellite television</p> <p>Limits on total reach of terrestrial radio networks owned</p> <p>Limits on total circulation of daily newspapers owned</p>	<p>Restrictions on radio multiplex licences</p> <p>Possible restrictions on local radio (conventional and digital) licences depending on factors including overlapping coverage areas, audience size, number of services provided in the area and, in the case of conventional radio only, ownership of newspapers or regional Channel-3 services covering the same area.</p>	<p>Top four national broadcasters may not merge.</p> <p>Limit on multiple television ownership in local markets (based on market size).</p> <p>Limit on radio ownership in local markets (based on market size).</p> <p>Limit on national television ownership (a company can own television stations reaching no more than x% of U.S. television households, where the June 2003 proposal was to increase x from 35% to 45% and Congress has set a compromise of 39%).</p>	<p>A person may not control broadcasting licences whose combined licence area includes more than 75% of the population of Australia.</p> <p>A person may not control more than one television licence within a licence area.</p> <p>A person may not control more than two radio licences within a licence area.</p>

b) Vertical Integration and Cross-Media Ownership

Vertical integration occurs when a firm in a given industry acquires firms in other stages of the same industry (e.g., when a broadcaster buys a production house). Cross-media ownership occurs when a firm in one industry acquires a firm from another (e.g., when a broadcaster buys a newspaper). Table 22 shows the extent to which limits are placed on vertical integration and cross-media ownership in Canada, France, the United Kingdom, Australia and the United States. This table reveals that Canadian media ownership limits are determined on a case-by-case basis by the CRTC and the Competition Bureau. By contrast, France, the UK, the US and Australia have imposed bans, conditions or prohibitions that to varying degrees predetermine whether certain media acquisitions can be made.

Table 22		Vertical and Cross-Media Ownership Rules in Selected Jurisdictions		
Canada	France	United Kingdom	United States	Australia
<p>Relatively unlimited (CRTC examines broadcasters on a case-by-case basis; conditions of licence may require separation of editorial operations of the broadcaster and newspaper).</p> <p><i>Competition Act</i> (The Competition Bureau examines acquisitions on a case-by-case basis).</p> <p>The federal government by Order in Council can impose limits on media ownership.</p>	<p>Allowed conditionally across two sectors out of four (television, radio, cable, daily newspapers) at the national and regional levels.</p> <p>Competition law</p>	<p>Ban on cross-ownership of newspapers (with more than 20% of total circulation) and Channel-3 services; restrictions on participation therein.</p> <p>May be prohibited between radio and newspapers or radio and TV at the discretion of the Sec. of State upon consideration of overlap of coverage areas, audience size, etc.</p> <p>Public-interest considerations allow the Secretary of State to intervene in media mergers and cross-media mergers posing a threat to plurality of ownership, diversity of content, freedom of expression.</p>	<p>Prohibited in small markets (1 to 3 television stations), although waivers are possible.</p> <p>Some allowed in medium markets (4 to 8 television stations).</p> <p>Allowed in large markets (9 or more television stations).</p> <p>Federal Trade Commission (examines possible anti-trust implications of media mergers).</p>	<p>A person must not control (have more than a 15% interest in) more than one of the three basic media (television, radio, newspaper) in the same licence area.</p> <p><i>Trade Practices Act</i></p>

c) Foreign Ownership

Foreign ownership of the Canadian media has always been a contentious matter. In broadcasting, the existing rules allow a non-Canadian to own up to 46.7% of a Canadian broadcaster; for the print media, this limit stands at 25%.

In recent years, certain groups have argued that existing foreign ownership restrictions imposed on Canadian media companies should be lifted or reduced in order to decrease the cost of capital for these firms. Others have countered, however, that such action would not only place editorial decisions in the hands of foreigners, but would eventually undermine the rules, regulations and support programs that ensure the production of distinctly Canadian television shows.

So great has been the divide between these two camps that in 2003 the House of Commons Industry Committee argued that the government should “entirely remove existing minimum Canadian ownership requirements” applicable to telecommunications carriers and to broadcast distribution undertakings whereas the House of Commons Heritage Committee recommended that “existing foreign ownership limits for broadcasting and telecommunications be maintained.” The government has not yet announced its position.

The next table shows how Canada’s foreign ownership rules compare with France, the United Kingdom, Australia and the United States. This table shows that foreign ownership rules vary considerably among these five countries, with stronger limits in some instances, and no restrictions whatsoever in other cases.

Table 23		Foreign Ownership Rules in Selected Jurisdictions		
Canada	France	United Kingdom	United States	Australia
Broadcasting Act limits non-Canadian ownership (20% directly, 33.3 % indirectly)	Non-Europeans limited to 20% in radio, TV and print, subject to reciprocity.	Non-EEA residents no longer disqualified from holding broadcasting licences.	Broadcasters (which in the U.S. means over-the-air radio and television broadcasters) have a 20% limit on foreign ownership.	All proposals for direct investment in media by foreigners are subject to review.
Newspapers (effectively limited to 25% foreign ownership by Income Tax Act)			Cable, DTH, specialty channels and newspapers do not have restrictions.	Limits exist on the proportion of a broadcaster owned by any individual broadcaster and by the total of foreigners with an interest in the broadcaster.
				Foreigners may not be in a position to control a broadcast licence.

2. Overall Trends in Canadian Ownership

a) Horizontal Concentration

The horizontal concentration of Canada's print and broadcast media was demonstrated earlier on in tables 1, 5, 7, 8 and 12. Some of these tables also highlighted the extent to which the owners of Canada's newspapers, radio stations and television outlets have consolidated their holdings over time. Overall, it was seen that CanWest dominates the daily newspaper market, Rogers Media Publishing is a leading magazine publisher, Corus leads radio, Bell Globemedia has the largest share of the English television market and Quebecor leads in the French television market.

b) Cross-Media Ownership

Another way to understand the concentration of Canadian media holdings is by looking at the types of media owned by the major ownership groups. Table 24 shows the extent of Canadian cross-media ownership in July 2003. As can be seen, Quebecor was the unparalleled leader with holdings in most of the media sectors listed. A close second was BCE, with major media holdings in most areas, apart from radio and cable. At the other end of the continuum were groups whose Canadian holdings were more focussed on a single medium, such as print in the case of Transcontinental and Power Corp and broadcasting in the case of Astral, CHUM, Corus and Craig. It is worth noting that several companies, including BCE, Cogeco, Corus, Craig, Quebecor, Rogers and Shaw also operate Internet service providers.

Table 24	Canadian Media Cross-Ownership, July 2003													
	Astral	BCE	Brunswick	CanWest	CHUM	Cogeco	Corus	Craig	Power Corp.	Quebecor	Rogers	Shaw	Torstar	Transcontinental
Print Media														
Dailies		✓	✓	✓					✓	✓			✓	✓
Weeklies			✓	✓						✓			✓	✓
Magazines		✓								✓	✓		✓	✓
Broadcast Media														
Television: Conventional		✓		✓	✓	✓	✓	✓		✓	✓	✓		
Television: Pay and Specialty	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	
Production ¹		✓		✓	✓	✓	✓			✓	✓		✓	
Radio	✓		✓	✓	✓	✓	✓	✓		✓	✓			
Distribution														
Cable						✓				✓	✓	✓		
Satellite		✓										✓		
Other ²		✓				✓	✓	✓		✓	✓	✓		
Other Media														
Internet ³	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Source: Information from corporations.														
¹ Production refers to facilities for making television programs														
² Includes Internet service														
³ Web portals and Web sites														

c) Market Share

The next table presents the market shares (by ownership group) for daily newspapers and supper hour newscasts in nine local Canadian markets in 2002. If one excludes anglophone Montreal, Regina and Saskatoon, which are markets with just one local daily, it can be seen that Vancouver, francophone Montreal and Quebec City were the markets where certain owners enjoyed the highest cross-media market share. CanWest's market share dominance in Vancouver reflects the fact that it owns the most viewed local broadcaster as well as the two local dailies. Quebecor's francophone Montreal and Quebec City dominance is because the company owns the most popular daily newspaper and the most viewed local television station in both cities.

Table 25		Market Share and Cross-Ownership in Nine Local Markets, 2002	
Market	Ownership Group	Market share (%)	
		Newscasts	Dailies
Quebec	Quebecor	47.1	56.2
Toronto	Bell Globemedia	43.8	18.3
Toronto	CanWest Global	33.0	11.5
Anglophone Montreal	CanWest Global	5.0	100.0
Francophone Montreal	Quebecor	37.1	60.4
Regina	CanWest Global	28.3	100.0
Saskatoon	CanWest Global	15.3	100.0
Calgary	CanWest Global	32.2	57.8
Edmonton	CanWest Global	39.7	60.0
Vancouver	CanWest Global	70.6	100.0

Source: Centre d'études sur les médias, "Media Ownership in Canada," Report prepared for the House of Commons Standing Committee on Canadian Heritage, 5 February 2003.

d) Closely Held Media Companies

An interesting element of Canadian media ownership is that the voting shares for most of the major companies are closely held, often by the founder of the firm or by members of the founding family.

Table 26 shows ownership data collected by the Committee's research staff in August and September 2003. Each of the firms listed verified the information for accuracy. The Committee recognizes that changes may have occurred since that time. This table reveals that of the twelve largest media companies in Canada, only the telecommunications giant BCE, which acquired media companies as part of its convergence strategy in 2000, has widely-held shares. The only other company that stands out is Torstar, which is run according to a trust arrangement.

Table 26	Controlling Owners (Based on Voting Shares) of Canadian Media Firms August – September 2003
Company	Ownership Shares
Astral Media Inc.	Total Greenberg family (57.43%) 654625 Ontario, Edward and Paul A. Bronfman (13.5%) Rogers Broadcasting Ltd. (7.2%) Corus Entertainment (7.41%) Public (other than Corus/Rogers) (12.38%)
BCE (Bell Globemedia)	Widely held <u>Bell Globemedia:</u> BCE (68.5%); The Woodbridge Company Limited and Affiliates (31.5%)
Brunswick News Inc.	Otter Brook Holdings Ltd. (100%) James K. Irving, Arthur L. Irving and John E. Irving have shares of 33.3% each.
CanWest Global Communications Inc.	Israel Asper and Asper family trusts exercise 89% control through ownership of 76,785,976 multiple voting shares. (10 votes per multiple share.) There are 98,293,091 subordinate voting shares and 1,989,660 non-voting shares. I.H. Asper and family owns approx 45% of the total number of shares outstanding
CHUM Ltd.	Allan Waters Ltd. (87.85%) Fred Sherratt Ltd. (6.38%) Public (5.77%)
Cogeco Inc.	Henri Audet (72.26%) via Gestion Audem inc. Rogers Communications Inc. (5.3%) Jarislowsky, Fraser Limited (3.63%) Public (18.83%)
Power Corporation of Canada	Paul Desmarais Sr. (65%)
Quebecor Inc.	Les Placements Péladeau inc. (63.78%) Péladeau family via holding companies (0.18%) Capital Communications CDPQ inc. (2.31%) Public (33.73%)
Rogers Communication Inc.	Edward Rogers 36% (91% voting) Public (9%)
Shaw Communications Inc. Corus Entertainment Inc.	<i>Shaw:</i> JR Shaw (76% voting) <i>Corus:</i> JR Shaw (80% voting)
Torstar Corp.	Joseph Atkinson Estate (31.3% voting) Ruth Hindmarsh Group (18.6% voting) Thall Investments Inc. (14.7% voting) Honderich Group (14.7% voting) Campbell Group (14.7% voting) Other (6%)
Transcontinental Inc.	Rémi Marcoux (61.1% of voting rights)
Source: Committee Research, August-September 2003. All figures vetted by companies listed.	

e) Profitability

The economic viability of Canadian media firms is obviously necessary for the continued provision of news, information and opinion. The usual, and often best, measure of economic viability is profitability. The level of profits, compared to some measure of the average market return on investments, is also useful as an indication of any monopoly power in a market.

The following table gives operating profit margins collected by the CRTC for components of the broadcasting sector in Canada.

Table 27	Operating Profit Margin, 1999-2003 (%)				
	1999	2000	2001	2002	2003
Radio	18.5	19.8	19.9	19.4	22.7
Television (Conventional)	18.6	17.5	16.4	13.6	18.3
Pay & Specialty	16.2	19.4	20.1	13.8	17.0
Cable	38.9	38.2	38.7	40.4	N/A
Satellite	-539.8	-1536.4	-245.0	-28.1	N/A

Source: CRTC, Statistical and Financial Summaries, 2003, 2004.
 Note: Operating Profit Margin = ((Total Revenue - Total Expenses)/Total Revenue)*100. Cable excludes the Class 3 companies, which generally have under 2,000 subscribers and/or are in areas with a limited number of off-air services. Satellite includes MDS (wireless) companies.

It should be pointed out that the broadcasting distributors, the cable and satellite companies, have large capital requirements and large debt payments associated with their capital assets. The operating profit margins are before depreciation and interest payments, so the profits of the cable companies are inflated compared to the profits of the less capital-intensive radio, television and pay and specialty components of broadcasting. Satellite distributors began operations in 1997 and are only now approaching profitability.

Although a comprehensive set of data is not available for the industry, several witnesses remarked on the robust profitability of the newspaper business. Jan Ravensbergen, President of

the Montreal Newspaper Guild, suggested that some CanWest papers had profits of 30 per cent on revenue and recalled an earlier situation in the industry.

I remember the complaint perhaps 15 years ago. The goal at that time at Southam was to get to 15 cents on the dollar. ... Now, the profit is double. There has been a lot of squeezing out. Our members have certainly been the object of a lot of those squeezes. [11 March 2004]

Two financial analysts who appeared before the Committee agreed that newspapers were profitable. Tim Casey, Managing Director of Media and Entertainment at BMO Nesbitt Burns, noted: “Those businesses are extremely profitable if run correctly” [12 June 2003]. Andrea Horan, Communications and Media Analyst at Westwind Partners, added as explanation of “extremely profitable” that: “A big city paper will have margins in excess of 20 per cent in a decent year” [12 June 2003]. Mr. Casey then noted that this was 20 per cent in an industry with relatively low capital requirements. Smaller local papers and community papers are even more profitable. Ms. Horan explained.

... As you spend less on content and get more from news feeds, your profit can go up and 30 per cent margins are reasonable for smaller local papers.

...
... Community newspapers — not all of them — can get margins in excess of 40 per cent. I find it hard to believe that someone would say that newspapers in general are not a profitable business. [12 June 2003]

The analysts noted that the fierce competition among newspapers in Toronto would keep profit margins down there, and Mr. Casey pointed out: “I am sure there are specific ones that are losing money, like in any sector, but the evidence is clear that this is a profitable business” [12 June 2003].

Clark Davey, a former newspaper publisher, repeated the 30 per cent figure for newspapers but considered broadcasting even more profitable.

... While the newspapers are very profitable — 30 per cent return on revenue for most of the big newspapers in their group — television is even more profitable; radio too, but television in particular. [19 June 2003]

Magazines, according to one witness, do not have the profit margins cited for newspapers. Brian Segal, former publisher of Maclean's magazine and now President of Rogers Publishing, noted that: "A weekly news magazine frequency will never give you the same margin as a monthly women's magazine, or as a trade magazine." When asked about "realistic margins" for the different categories of magazine, he replied:

The news magazine category should have margins in the 5 per cent or 6 per cent, and women's magazines might have margins of 10 per cent or 12 per cent return on revenue.

Depending on the sector, the trade magazines might have margins in the 13 per cent to 17 per cent range. The news magazine or bi-weekly public affairs magazines have a lower margin, and that is our expectation. [7 October 2003]

F. Journalists

An important element in any analysis of the news media is understanding where the journalists who actually produce the news are employed. It was seen earlier (see table 25) that CanWest in Vancouver and Quebecor in the province of Quebec enjoy strong market shares for both local television news and local daily newspaper circulation. The Committee commissioned the Centre d'études sur les médias (CEM) to look at daily newspapers, community newspapers, radio and television in the Vancouver and Montreal markets.⁸ Tables 28 through 30 show some of the CEM's findings.

Overall, the strongest television market in term of journalists employed was francophone Montreal with 150 journalists employed by three television stations, for an average of 50 journalists per station. The strongest daily newspaper market was also francophone Montreal with 351 journalists working for the three major dailies, for an average of 117 journalists per paper. The strongest radio market, by a slim margin, was anglophone Montreal with 62 journalists working for six radio stations, for an average of 10 journalists per station. As for the strongest community weekly market, Vancouver was far and away the leader with 113 journalists working for 25 community newspapers, for an average of five journalists per weekly.

⁸ Only media outlets that publish or broadcast local news in English in Vancouver or in English or French in Montreal were surveyed.

Table 28	Number of Journalists by Type of Media in the French-language Montreal Market, November 2003		
	Number of journalists	Number of newspapers or stations	Average number of journalists
Dailies			
<i>La Presse</i>	177		
<i>Le Journal de Montréal</i>	120		
<i>Le Devoir</i>	54		
Subtotal	351	3	117
Two free newspapers	15	2	8
Total	266	5	73
Community Newspapers			
<i>L'Écho du Nord</i>	5		
<i>Courrier Laval</i>	4,5		
<i>Le Reflet Régional</i>	4		
Others (46)	56.5		
Total	70	49	1.5
Television			
Radio-Canada ¹	71		
TVA	45		
TQS	34		
Total	150	3	50
Radio			
Radio-Canada	50		
CINF	16		
CKAC	12		
Others (6)	3		
Total	81	9	9

Source: CEM survey, November 2003.
¹The data for Radio-Canada and other broadcasters include only the number of journalists assigned to the preparation of newscasts. Journalists who prepare public affairs programs, which are very common on CBC / Radio-Canada (both radio and television) in Montreal, were not included.

Table 29	Number of Journalists by Type of Media in the English-language Montreal Market, November 2003		
	Number of journalists	Number of newspapers or stations	Average number of journalists
Dailies¹			
<i>The Gazette</i>	150		
Total	150	1	150
Community Newspapers			
<i>The Chronicle</i>	4		
Others (7)	12		
Total	16	8	2
Television			
CBC	15		
CTV	22		
Global	13		
Total	50	2	17
Radio			
CBC	21		
CJAD	18		
CINW	17		
Others (3)	6		
Total	62	6	10

Source: CEM survey, November 2003.
¹*The Globe and Mail* and the *National Post* employ four and three journalists respectively in Montreal.

Table 30 Number of Journalists by Type of Media in the Vancouver Market, November 2003			
	Number of journalists	Number of newspapers or stations	Average number of journalists
Dailies^{1,2}			
<i>Vancouver Sun</i>	96		
<i>The Province</i>	70		
Total	166	2	83
Community Newspapers			
<i>The Georgia Straight</i>	15		
<i>The North Shore News</i>	11		
<i>The North Delta Leader</i>	9		
Others (22)	78		
Total	113	25	5
Television			
CBC	25		
CTV	71		
CityTV	31		
Global	42		
Total	169	4	42
Radio			
CBC	15		
CKNW	13		
CKWX	19		
Other (12)	20		
Total	67	15	5
Source: CEM survey, November 2003.			
¹ <i>The Globe and Mail</i> and the <i>National Post</i> employ 10 and 1 journalists respectively in Vancouver.			
² To obtain the figures shown here, the CEM calculated the number of people identified as senior editors, section editors, reporters, editors and columnists on the two newspapers' sites. This method probably underestimates the number of journalists employed by the two dailies, since it does not take into account desk journalists. According to the journalists interviewed by the CEM, there are some 150 journalists at the <i>Vancouver Sun</i> and about 100 at <i>The Province</i> .			

To sum up, daily newspapers are the leaders in all three markets, with an average number of newsroom staff that greatly exceeds the average number of newsroom staff for television. This is only to be expected, since the volume of news and information in the average newspaper vastly exceeds the amount provided in news broadcasts. These tables also show that the average number of journalists working for the local television stations and local dailies in francophone and anglophone Montreal and in Vancouver is far greater than it is for community newspapers or radio stations.

G. Changes in Reporting

In 2003, the Committee commissioned a study from the Carleton University Survey Centre (CUSC), which provided a preliminary content analysis on the extent to which newspaper reporting (based on source, article type, article size, location and focus) at four Canadian dailies changed between 1993, 1998 and 2003. The Centre's initial findings suggest that additional

analyses are required before any firm conclusions can be made. Part IV of this report makes further comments on the next steps required in this regard.

PART III: WHAT THE COMMITTEE HAS HEARD TO DATE

The 20th century was dotted with royal commissions and other official inquiries in Britain, Australia, Canada and elsewhere into how well or badly the media discharged their civic duties and what might be done to redress supposed shortcomings and encourage greater responsibility.

Even in the United States, of all the western democracies the one least inclined to entertain public policy interventions that might influence the conduct of the media, yielded in the 1940s the Hutchins Commission, a searching and often tortured attempt to grapple with the tensions between, on the one hand, the civic obligations of the media to the democratic project and, on the other, the realities of a commercial media market. [Professor Christopher Dornan, 6 May 2003]

While many of the issues facing the Committee are not new, their relevance at this time has much to do with ongoing changes in the news media. This Senate Committee has already heard from a large number of distinguished witnesses on these points. Most witnesses, although with affiliations to universities or other organizations, appeared before the Committee as individuals. The Appendix lists the witnesses and indicates those who appeared as individuals. The tabling of an interim report, of course, recognizes that not all viewpoints on Canadian media were necessarily presented during the meetings to date. Future witnesses will undoubtedly add their views on freedom of the press to this study.

This section of the report briefly highlights what witnesses told the Committee and is arranged around the following topics: the Canadian Charter of Rights and Freedoms and media-related law; the “marketplace of ideas;” the practice of journalism; and relevant policy issues.

A. The Canadian Charter of Rights and Freedoms and Media-Related Law

A central point for any study of the media in Canada, especially a study examining the news, information and opinion in the media, is the treatment of the press in law.

1. The Charter and Freedom of the Press

Until 1982 there was no constitutional guarantee of freedom of the press in Canada, although there was certainly a long-standing expectation, based on English common law.⁹ The freedom became explicit with the Canadian Charter of Rights and Freedoms. Section 2 of the Charter lists four fundamental freedoms:

Everyone has the following fundamental freedoms: (a) freedom of conscience and religion; (b) freedom of thought, belief, opinion and expression including freedom of the press and other media of communication; (c) freedom of peaceful assembly; and (d) freedom of association.

Also of relevance is Section 26 of the Charter, which states: “The guarantee in this Charter of certain rights and freedoms shall not be construed as denying the existence of any other rights or freedoms that exist in Canada.” As several witnesses before the Committee pointed out, none of these freedoms is absolute. Section 1 of the Charter allows for limits: “The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.”

Note that the expression “freedom of the press” is often used by some as shorthand for the broader concept of “freedom of the press and other media of communication.”

2. The Basic Positions on Freedom of the Press

All the witnesses before the Committee were, of course, aware of the statutory guarantees of freedoms involving the press and other media. There were, however, considerable differences of opinion about what constituted freedom of the press, whose freedom it was and the role of government in guaranteeing the freedom.

The differences came out sharply in the meeting of 29 May 2003 when the Committee heard from two law professors: Professor Jamie Cameron of Osgoode Hall Law School, York

⁹ The Canadian Bill of Rights, assented to in August 1960, included freedom of the press.

University, and Professor Pierre Trudel of the Public Law Research Centre, University of Montreal. The record of the meeting can be studied with profit by anyone interested in the issue of freedom of the press in Canada.

It should be pointed out that Professors Cameron and Trudel appeared on the same day, but not at the same time, so there was not an issue-by-issue debate between them on the various aspects of the Charter and freedom of press in Canada. This section will emphasize the differences between them to highlight unsettled areas in the analysis of freedom of the press in Canada.

Each of the professors gave reasoned and sophisticated opening remarks, and answered questions from members frankly but subtly, so generalizations about their positions are not easy. According to Professor Trudel:

There are two schools of thought as far as freedom of the press is concerned. The classic conception of freedom of the press held that the freedom to express oneself was the freedom to use one's property rights to express one's views. But other, more modern, schools of thought have emerged since World War II, based on the key role freedom of the press plays in democracy. [29 May 2003]

The more recent concept of freedom of the press, the social responsibility one, is more inclined to accept government intervention in the media; this freedom is positive (with a positive role for government), as distinct from the classic conception in which the freedom was negative (traditionally, publishers were to be free from government interference). Professor Trudel points out that in a democracy one cannot impose a single and unique conception of freedom and notes:

In Canada, as in other democracies, these schools of thought coexist and have evolved in the cultural fabric of our country, and their views have shifted depending on what at any given time may have been deemed acceptable or not.

The Supreme Court of Canada has recognized the importance of freedom of the press. But in some passages, the Court recognized what some people refer to as "the positive aspect of freedom of the press," an aspect which gives government the right, in the name of democracy and diversity, to take measures in the interest of maintaining a certain degree of balance.

This principle underlies many provisions contained in basic Canadian media law. The Broadcasting Act, historically and in its modern conception, is based on the fact that throughout Canadian history, beginning with the start of the 20th century, it was

important for us to ensure that information flowed freely and reflected the diversity of Canadian points of view, as opposed to the classic approach, which gives media owners more freedom to express their views. [29 May 2003]

Although Professor Trudel seems to accept the case for government intervention, he does not see it as something easily or casually adopted.

... [A]ny action the government takes must be carefully calibrated and must avoid throwing out the baby with the bath water. When it comes to regulating a freedom as fragile and basic as freedom of the press, we must shy away from measures which see the world in black and white. Unfortunately — or should I say fortunately — it is not that simple.

We need to develop measures which strike a harmonious balance between self-regulation by industry players, and the strong involvement of civil society and of government organizations. We must be careful not to impose regulations which may work in areas other than the media. [29 May 2003]

Professor Jamie Cameron, on the other hand, recognizes that Section 1 of the Charter does allow limits to be placed on freedom of the press, but argues that limits, in the form of government regulation, weaken the role of the press in a democratic society. This follows from her emphasis on the “watchdog” function of the press.

By that, it is meant that the press watches government institutions of all kinds and at all levels; and it does so on our behalf. The press tells us — members of the Canadian public — what those institutions are doing. It is through the press that the public comes by information and knows what our government is doing and is able to adopt a position to debate and evaluate the actions of our representative institutions.

It is through the press as a conduit that the public is able to hold those who exercise power over us — those institutions — accountable for their actions. [29 May 2003]

She argues that the press can only fulfil its watchdog, or checking, function if it is free from government regulation and interference.

Professor Cameron noted that there were several possible problems with the media — undue commercialism, undue consumerism, undue sensationalism, inappropriate editorial policies, excessive media concentration — but argued against regulation as a quick solution to these problems. As she put it:

... freedom of the press is not contingent upon whether you or I or the government happens to approve of those practices or those characteristics. In truth, it is the freedom that is protected, not the way in which it is exercised. That is the only way it can work.

She sees regulation of the media as a choice with unwanted consequences.

We have a choice: Either the state can hold the press accountable to the government — which is what regulation attempts to do — or the press can hold the government accountable to the public by having the freedom to place public institutions under scrutiny. I do not think that it could be both ways. Once the press becomes accountable to the state by being placed under an umbrella of government regulation — which could be a big umbrella — it loses its independence. There is no avoiding that conclusion. When it loses that independence it loses its power to hold the government accountable and its ability to allow members of the public to hold the government accountable for the way in which it has been exercising its power.

In summary, Professor Cameron warns:

... we should not be regulating the press because there are certain things we do not like about it or because we think we can improve it, because, first and foremost, the press requires freedom and independence to function effectively. That is, to a large extent, why freedom of the press is a value and a right protected by the Charter. [29 May 2003]

Both Professor Cameron and Professor Trudel emphasized the search for balance. For Professor Cameron, the balance (or equilibrium) is “between the enjoyments of the rights on the one hand and the reasonable limits that represent democratic values on the other hand” [29 May 2003]. For Professor Trudel, “We need to develop measures which strike a harmonious balance between self-regulation by industry players, and the strong involvement of civil society and of government organizations” [29 May 2003].

The Committee heard from many others on this topic. The following list summarizes some of the views expressed by other witnesses before the Committee:

- Tom Kent, Fellow, School of Policy Studies, Queen’s University, and former Chair of the Royal Commission on Newspapers, *29 April 2003*

The Charter protects the rights and freedoms of individuals. The rights and freedoms of others are subsidiary to, and dependent on, the fulfilment of the rights of the individuals in our society.

Cross-ownership and convergence are now not just local trends but national ones, and they should be prohibited in the name of freedom and diversity of information.

- Mark Starowicz, Executive Producer, CBC CineNorth, *29 April 2003*

Freedom of choice is now defined as the freedom to pick from 200 like channels; it should encompass the freedom to produce programming that is not driven by advertising.
- Russell Mills, Neiman Fellow, Harvard University, and former Publisher of the *Ottawa Citizen*, *1 May 2003*

In Canada, freedom of expression ultimately belongs to the owners of the news media, not to the editors or journalists.
- Christopher Dornan, Director, School of Journalism and Communication, Carleton University, *1 May 2003*

Freedom of the press resides in the actions of everyone involved with the media, from interns to proprietors.
- Roger D. Landry, former Publisher of *La Presse*, *15 May 2003*

Freedom of the press resides in the professionalism of journalists, i.e. their willingness to act if they feel that freedom is at risk.
- Brian MacLeod Rogers, lawyer and Instructor, School of Journalism, Ryerson University, *3 June 2003*

Canadian libel laws affect what appears in the media.

Freedom of expression belongs as much to citizens as to journalists and proprietors: those freedoms are not mutually exclusive or hierarchical.
- Anne Kothawala, President and CEO, Canadian Newspaper Association, *17 June 2003*

The Charter protects the right of any owner or publisher to influence content.
- Armande Saint-Jean, Professor, Department of Literature and Communications, University of Sherbrooke, *21 October 2003*

The government must assert the public's right to information as the foundation of the entire information system and ensure its implementation. The Quebec Charter of Rights already recognizes this right.

3. Freedom of the Press in Other Countries

Professor Trudel told the Committee “that the idea of ‘freedom of the press’ means different things in different countries today” [29 May 2003]. The range of meanings of freedom of the press, in terms of having a role for government intervention, would probably have the United States at one end and European countries at the other. According to Professor Trudel, “American courts have a strong bias against the validity of any government measure which may infringe on freedom of the press, that is, the freedom to disseminate content” [29 May 2003].

Clifford Lincoln, who chaired the House of Commons Standing Committee on Canadian Heritage for its study of the Canadian broadcasting system, appeared before the Senate Committee and discussed issues of common interest to both Committees. On the issue of freedom of the press, he noted Article 10 of the European Convention on Human Rights, which links media diversity with human rights:

1. Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers. This article shall not prevent States from requiring the licensing of broadcasting, television or cinema enterprises.
2. The exercise of these freedoms, since it carries duties and responsibilities, may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and necessary in a democratic society, in the interests of national security, territorial integrity or public safety, for the prevention of disorder or crime, for the protection of health or morals, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary.

Numerous judgements of the European Court of Human Rights have extended freedom of expression to a very positive freedom of information. As Mr. Lincoln put it:

This approach is based on the assumption that freedom of broadcasting, like other media freedoms, is aimed at ensuring freedom of information and must, therefore, afford the public access to free and comprehensive information in the interest of democracy. Freedom of media accordingly implies that the public has access to a free media system that provides balanced, full and varied information. It follows that this concept of freedom of the media also guarantees media diversity. The state is, moreover, obliged to

take positive regulatory measures ensuring the widest possible range of balanced private media if for practical reasons such variety is not, in fact, achieved. [26 February 2004]

Pointing to the court cases backing up Article 10 of the European Convention on Human Rights, Mr. Lincoln states:

They stress the special democratic role of the press as the public watchdog and say that Article 10 of the Convention accordingly not only enshrines an individual right to media freedom, but it also entails a duty to guarantee pluralism of opinion and cultural diversity in the interests of a functioning democracy and a freedom of information for all. [26 February 2004]

It is somewhat ironic, of course, that this positive approach to freedom of the press would stress its “public watchdog” role. This was the role noted by Professor Cameron in arguing against government regulation of the press.

Canada’s approach to broadcasting lies somewhere between that of the U.S. and that of the member states of the Council of Europe. It is not so much the interpretation of freedom of the press in the U.S. that has influenced Canada, but the huge size, economic clout and potential dominance of U.S. media firms. As Professor Trudel remarked:

In most countries, particularly small countries, or countries such as Canada, which lies beside an elephant, people have found ways to ensure that their national and regional voices be heard by way of the media.

This is why, in Canada, the positive conception of freedom of the press is given more weight. It is sometimes referred to as “the public’s right to know.” [29 May 2003]

4. Media-Related Law in Canada

Professor Cameron stressed that the “law itself is a check on the press” [29 May 2003]. She cited laws dealing with decency and defamation as examples. (She also mentioned other limits on press behaviour – the public could complain to press councils or other bodies, or the public could stop buying certain newspapers or watching certain channels.)

Other witnesses also mentioned libel laws, criminal law, competition law, telecommunications and broadcasting law.

Several witnesses before the Committee noted that a free press, in the sense of a press that was not regulated, was still answerable to the public. Freedom of the press and freedom of expression cannot be used, for example, to libel someone with impunity. As Professor Dornan explained:

We have laws of libel, for example. We do not have restraints on prior publication. If I were to say something libellous about you, ... and you know I am about to say it, you cannot prevent me from saying it in a free society. I am allowed to say whatever I want. However, if I say something that is libellous and injurious to your reputation, then you have recourse to the courts. You can sue me in court. [6 May 2003]

The Committee devoted a session to the issue of libel law in Canada with Brian MacLeod Rogers, a lawyer who specializes in the field and who lectures on it at the Ryerson School of Journalism. He pointed out that, “In this country, by far the greatest regulator of what can appear in our media on a day-to-day basis is the law of libel.” As he pointed out, libel law “forces the media to defend what they have published” [3 June 2003].

Although it was the intent of the law and the way it developed, the defence of what has been published – truth being an absolute defence – can be difficult. Defences can vary from country to country. Mr. Rogers noted that the Watergate material that was published in the United States could not have been published in Canada (nor in the United Kingdom). As he explained:

In the United States, you can write a story about a public figure as long as it is a matter relating somehow to the public aspect of that person. You can publish that as long as you have taken certain steps to verify it.

... In Canada, in the same situation, we would have to prove what we published was true, and we could not. We could not rely on confidential sources at trial because they would not be able to be witnesses if we were to protect their confidentiality. [3 June 2003]

The threat of a libel suit, moreover, can produce “libel chill” in newsrooms. This fear of a libel suit can deter journalists from pursuing some stories or affect how stories that are pursued are told.

Several witnesses also noted the possible conflict between the *Broadcasting Act* and the *Competition Act*, noting that the CRTC's mandate is primarily cultural, whereas the Competition Bureau is economic. Furthermore, neither agency has a mandate to consider the impact of their respective decisions on the print and news media. Further discussion on the roles of the CRTC and the Competition Bureau is presented later on in the section that deals with policy issues.

5. Provincial Dimensions to Freedom of the Press

Professor Trudel pointed out that:

The provinces have jurisdiction over the media's civil responsibilities, that is, the civil consequences due to [libel] or defamatory [libel]. The provinces also have jurisdiction over media-labour relations. Newsroom independence involves various aspects of labour relations. Often, it has to do with journalistic ethics. These issues are closely linked to civil responsibility and the ability to determine whether a reporter has erred. That falls under provincial jurisdiction [29 May 2003].

He also noted that "convergence has created an even tighter interrelationship between broadcasting and print media" which increases the importance of having the two levels of government working together [29 May 2003].

Another witness, Professor Armande Saint-Jean, Department of Literature and Communications, University of Sherbrooke, also brought out provincial dimensions of Canadian media. She was chair of the Advisory Committee on Information Quality and Diversity, which reported to the Quebec government in 2002. Her Committee "was created in response to concerns raised by a series of transactions in the Quebec media as well as in the media of Canada and the Western world in general. Those transactions raised concerns over the potential negative effects of increased concentration of media ownership" [21 October 2003].

As noted earlier, Professor Saint-Jean discussed the extent of media concentration in Quebec, and identified the "right to information" as a partial countermeasure to the concentration.

The Committee felt it was the government's responsibility to assert, solemnly and in concrete terms, the public's right to information as the foundation for the entire information system and to ensure its implementation. To date, the Government of

Quebec has recognized the public's right to information, including it in the Quebec Charter of Rights some 20 years ago. As to its implementation, the means for doing so are extremely limited [21 October 2003].

B. The “Marketplace of Ideas”

Closely linked to freedom of the press and freedom of expression is the notion of the marketplace of ideas. Everyone is in favour of all three, although, as seen in the section above, there can be disagreement about what the terms entail. Representative of the general agreement is the following from Professor Cameron:

... everyone in this room knows that the press is a valuable institution and, indeed an indispensable institution of democratic governance. We also know that freedom of expression is cherished, prized and idealized in our political and legal tradition for several reasons. For one, it is an essential part of the democratic process and of the principle that our representative institutions are an exercise in self-government and are therefore accountable to the public. We also know that freedom of expression allows a free flow and exchange of ideas at all levels and on all issues. We know from experience that a process of uninhibited exchange promotes growth, choice and change in our social, political and cultural values. [29 May 2003]

It is the marketplace of ideas that allows the “free flow and exchange of ideas at all levels and on all issues” [29 May 2003]. Different witnesses used the notion of the marketplace of ideas in different ways.

1. Different Notions of the Market

For some witnesses, the marketplace of ideas was simply a metaphor – just as there is a market for wheat or for automobiles, so there is a market for ideas (although most witnesses were quick to point out ideas are more important in a democracy than most products). A fundamental difference between two groups of witnesses – a difference that leads to problems with the metaphor of the marketplace of ideas – was over the nature of the market in Canadian society.

Anyone who reviews approximately 500 pages of testimony before the Committee will notice that many academics and observers of the media sector use “market” in a theoretical sense, usually as a substitute term for capitalism or profit-maximizing behaviour. Market forces,

in this view, lead to the treatment of viewers or readers as consumers rather than citizens. And what the market is believed to focus on is the audience's consumption of advertising, a profitable product, rather than the news. Some witnesses see danger in this trend.

Professor Vince Carlin of the Ryerson School of Journalism is representative of this group.

I am not going to argue against free markets. I am a strong believer in free markets.... Free markets are the most efficient way to distribute most goods and services. However, it is important to remember that markets are a mechanism, not an ideology, and unbridled markets are potentially disastrous, both economically and socially. [13 May 2003]

Financial analysts and executives from media firms who appeared before the Committee see matters from another perspective. To them, the "market" is practical, rather than theoretical – it is the geographical area where potential customers can be found (or the debt and equity markets where the firms go for finance).

The executives talked of "local television markets," "small non-urban radio markets," the Toronto market, the Vancouver market, the Canadian market and the foreign market. They see the market as a place of fierce competition and speak often of their "market share" or of being a "market leader." The following remarks from John P. Hayes, the President of Corus Radio, are indicative:

Our news talk stations in Vancouver, Edmonton, Winnipeg, Hamilton and Calgary are market leaders, ranking as either the number one station or within the top three stations. [4 November 2003]

For this group, the marketplace is more than a metaphor. They are producing products – newspapers, magazines, radio and television programs – that are bought and sold in very real marketplaces. In Canada, this marketplace involves billions of dollars in advertising and subscription revenue. In these markets, moreover, revenues must cover costs or firms can go out of business. One of the financial analysts who appeared before the Committee emphasized this "bottom line" constraint: "...individuals have put their own money into creating something and they want some money back as opposed to having it go down the drain" [Horan, 12 June 2003].

These views of the market – the theoretical and the practical – make generalizations, based on witness testimony difficult. We must stress here that it is wrong to generalize, assuming that all academics are on one side of the issue and all business executives on the other. An example illustrates some of the differences between the academic and business notions of the market.

Professor Marc-François Bernier from the Department of Communications at the University of Ottawa emphasized the homogeneity of information produced by the market.

A free market gives us poor quality and poor diversity of information, because they are all looking for the same market of people — the same niche, the same segment, those who have money to buy the goods that they are advertising. [8 May 2003]

On the other hand, André Préfontaine, the President of Transcontinental Media Inc., noted with pride:

We compete by focusing on the niches that we have identified in the market place. In so doing, however, we have not escaped the fact that there is competition. ...

Our publishing principles are simple and have accounted for our success to date. Canadians will always prefer magazines offering high quality Canadian content, written by Canadians, for Canadians. We are firmly convinced that our magazines help shape Canadian identity, share our experiences and values and unite Canadians around these values that reflect our identity. [30 October 2003]

It should be noted that many of the witnesses before the Committee did not talk specifically about the marketplace of ideas. They used instead phrases such as the “exchange of opinions,” the “exchange of ideas” or the word “diversity.”

As Riad Saloojee, Executive Director, from the Council on American-Islamic Relations Canada noted:

Policy opinions are, of course, diverse and hotly debated. One critical initiative, though, and one true to both a libertarian and responsible view of the media is to assure that aggrieved groups have adequate access to present their own counter narratives. Our marketplace of ideas would demand no less. [26 Feb 2004]

Diversity, however, can be as ambiguous a term as the others already encountered.

2. Diversity

Witnesses repeatedly told the Committee that an important issue is whether recent changes in the Canadian media sector – changes in concentration and the extent of cross-media ownership – have lessened the **diversity of viewpoints** available to Canadians.

There are numerous definitions of diversity. One witness, Professor Armande Saint-Jean, had experience grappling with different definitions when she was Chair of the Advisory Committee on Information Quality and Diversity in Quebec. As she explained:

The Committee that I chaired commissioned a piece of research from an academic researcher on the question of diversity, the theoretical definition of diversity and the various studies conducted to date on the links between the concept of diversity and other aspects of information. The conclusion that expert came to is that there is very little theoretical knowledge that provides us with a refined notion of what diversity is. [21 October 2003]

At one point in the 1970 Senate report on the media the suggestion is made that the ideal situation in terms of diversity in the media would be for every Canadian to have his (or her) own newspaper. Although obviously an exaggeration for effect, the notion has an uncomfortable element of truth. No matter how many views are expressed in the media, it is always possible for some group to argue that its distinct experience or perspective on an issue has not been presented.

Diversity of views could also be defined in terms of gender, generations, mother tongue, politics, religious belief, income or social class, culture, urban or rural habitat. The list is long. And this considers only one aspect of diversity, namely diversity of viewpoint.

There is also **diversity of ownership**. Many witnesses looked at the concentration of media ownership and the prevalence of cross-media ownership and concluded that the number of distinct owners in the media sector had fallen. Gaston Jorré, the acting Commissioner of the Competition Bureau, appeared before the Committee and noted that there could also be diversity in the form of ownership – for example, a non-profit university radio station versus a commercial radio station.

These types of ownership diversity could affect the diversity of viewpoints available, although there was not complete agreement before the Committee about this. Some assumed that where there is one owner there may be only one viewpoint, so a change in the number of owners would almost automatically change the diversity of viewpoints. Others expressed the view that “diversity of ownership does not guarantee diversity of opinion.” Professor Saint-Jean agreed, “Of course it does not.” She then added the caution, “Thus far, we are short of any sound academic evidence or research that would give us a nuanced or detailed portrait of the situation concerning diversity” [21 October 2003].

Recent data collected by the National Guild of Canadian Media, Manufacturing, Professional and Service Workers/Communications Workers of America (TNG Canada) highlight the need for further research. In a survey of 125 journalists conducted by the Guild (which represents workers at the CBC, the Canadian Press and newspapers from coast to coast), 44% of the respondents said that “a loss of local independence in editorial policy” was “a very serious problem” in newspaper owned by large chains, and 79.8% said they had noticed a change in the editorial content of their newspaper since it last changed ownership. Of those who noticed a change, 71.3% said the newspaper’s overall quality had declined. Respondents were also of the view that it was “somewhat” or “very likely” that increased media concentration would: place programming decisions in too few hands (89.6%); lead to “fewer points of view offered by the local media” (83.2%); reduce the quality of news coverage (82.4%); and decrease the number of local stories covered by newspapers (66.4%)

One of the media executives before the Committee, André Préfontaine, the President of Transcontinental Media Inc., suggested that consolidation was not yet over in the Canadian media sector and that his firm intended to pursue business growth. He pointed out that, “our size and resources will foster high-quality information and a diversity of voices” [30 October 2003]. In other words, increased concentration and cross-media ownership could lead to greater diversity of viewpoints.

Along these lines, John P. Hayes, the President of Corus Radio, noted that the 1998 revised radio broadcasting policy by the CRTC allowed increased multiple licence ownership. “It has improved the financial health of the country’s commercial radio stations by allowing multiple licence owners to realize operating efficiencies in the administrative end of their operations. It has improved the diversity of our stations” [4 November 2003]. Diversity here is in the format of the commercial radio stations; among these formats is the “all-news radio” one.

Another notion of diversity that emerged during witness testimony was that of **diversity of source**. For some, this has meant the availability of more media products, such as twenty-four hour cable news channels. This notion of diversity was especially important for those arguing that there has been increasing diversity of viewpoints in Canada over the last few decades.

Diversity of source can also mean diversity of those finding and selecting the information used in the media – that is, the diversity of journalists. The Committee heard testimony that the consolidation of media ownership has decreased the jobs available for journalists and had those journalists with jobs engage in multi-tasking. As James Travers, a columnist with the *Toronto Star* and former editor-in-chief of the *Ottawa Citizen*, explained to the Committee:

To people looking at media as a corporation in an abstract way, it made perfect sense that you would combine print and electronic sources of information. For those people who wanted to reduce costs, it made sense to them to have the same journalists function in multiple roles. [19 June 2003]

For Mr. Travers, press freedom works best not only when there are alternatives for readers but when there are alternative employment opportunities for journalists.

Several witnesses raised concerns that if journalists spent their time multi-tasking or chasing news for the demands of the new, twenty-four hour news channels, the quality of news would suffer. Journalism has always had a range in the quality of its product, from the sensationalism of gutter or yellow journalism to the intelligent and well-written analysis of current affairs in the more prestigious broadsheets. The lack of time for investigative research and the lack of expertise in technical fields, such as medicine, that are becoming more important have, according to some, led to a decrease in high-quality information.

Mr. Travers worried that the pressure of time and the electronic media's emphasis on the entertainment aspect of the news would lead to the deterioration in the quality of information. Neil Seeman, Director of the Canadian Statistical Assessment Service with the Fraser Institute, worried that lack of expertise in certain fields and a lack of care when reporting on technical matters were leading to problems with the quality of information.

Much of the time, there is insufficient nuance given to news stories, such that critical qualifications are not included when broadcasting the research. This is not always just a problem in instances of health reporting or science reporting. Economics reporting and commentary are especially rife with statistical errors. The portrayal of complex research often dwindles into a kind of public-policy entertainment, where extremists on both sides are given voice to spout an opinion. [27 May 2003]

Unlike Mr. Travers, Mr. Seeman did not feel that the recent surge of cross-media ownership had anything to do with the quality of news. Mr Seeman asked:

Does convergence or cross-ownership have any bearing on this? ... In canvassing much of the testimony before this Committee and reviewing opinion pieces in Canadian newspapers on this topic, I found no reference to empirical research to support the opinion that media convergence has any bearing whatsoever on the sorts of quality concerns such as the accurate representation of statistics and complex policy issues. [27 May 2003]

A final notion of diversity that was brought to the attention of the Committee was **diversity in the approaches to information**. Professor Saint-Jean noted:

... apart from profit-seeking, the other common denominator of all media companies is that they embrace the trends and fashions of the information world.... When we talk about diversity of opinion, we are talking not only about diversity of partisan editorial opinion, but also about different approaches to information. We are talking about concerns that reflect various sectors of society and various categories of the population, not only an opinion decided at the time of elections. [21 October 2003]

Others on this topic spoke of “pack journalism” in which a group of journalists follow the same story in much the same way. Professor Bernier, for example, was asked about the often-seen spectacle of a pack of journalists on Parliament Hill pursuing a minister for comments. He observed: “That is why the number of media on the Hill is not necessarily an indicator of the diversity of the media” [8 May 2003].

3. The Canadian Viewpoint

Numerous witnesses before the Committee noted the importance of maintaining a Canadian viewpoint. Professor Gaëtan Tremblay of UQAM argued that this is “critical for national sovereignty and democratic debate within Canada” and warned:

There must be safeguards in a society to ensure that we have access to diverse sources of information, not only foreign sources but also Canadian-produced sources.

Were we to disregard the market, in terms of international information, we would quickly find ourselves with little choice. [8 May 2003]

Others pointed out the need to protect a Canadian niche given the power and prevalence of U.S. media firms. Professor Logan, during a discussion about Canadian coverage of the war in Iraq, also raised the issue:

You have not asked me about foreign ownership, but I found myself wondering, as I observed the coverage of the war, what it might have been like had the papers and the television networks in Canada been American owned. [27 May 2003]

Many witnesses cited the treatment of the war in Iraq by Canadian broadcasters, especially the CBC and Radio-Canada, as an example of the need for having a distinctively Canadian viewpoint on important issues.

During the war the CBC/Radio-Canada had approximately 40 people in the area. The objective, as explained by Robert Rabinovitch, President and CEO of CBC/Radio-Canada, was:

...to give a distinctive Canadian interpretation to events as they unfolded. We could not and should not, as a country rely for our information on U.S. networks, or even the BBC. We were as a country active non-participants in this war. Canadians merited a distinctive interpretation of events. [23 October 2003]

One witness complained that the war coverage by the CBC (and the BBC) was biased, but as Gerald Caplan, former Co-Chair of the 1986 Task Force on Broadcasting, explained:

The issue is the quality of information, the balance of the information, and the provision of context. The issue is having sources that are sceptical in their reporting of all official sources. It is not that you take on the Americans; it is not that you are anti-American. It is just that you say that all governments and all interested parties have their spin. It is the

job of a serious journalist and of a serious journalistic enterprise to question all those sources and to give us not an anti-American view, but an un-American view and to put it the best way, a pro-Canadian view, a view that reflects the diversity of Canada. [1 May 2003]

The CBC/Radio-Canada was proud of its war coverage. Mr. Rabinovitch noted that the coverage was:

... seen and heard in every corner of this country — on radio and television, in French and English, as well as through cbc.ca. It was also distributed throughout the world to much acclaim. Via short-wave radio, it was heard in dozens of countries, in French, English and other languages, on Radio-Canada International. Télégjournal and other Radio-Canada television programs were seen throughout the French-speaking world on TV5 and all of the most important CBC Television programs and news specials — including The National — were seen every day and every evening on our international cable service, Newsworld International. [23 October 2003]

The distinct, Canadian viewpoint was appreciated throughout the world. The Canadian voice, essential to our existence as a nation, provides enviable diversity that may stand out most during times of conflict and crisis. As Professor Tremblay put it:

During the war in Iraq, we, in Canada, had access to highly diversified information compared to other countries in the world. We have access to Canadian media. We have reporters abroad, particularly those from the public network, who provided us with a different viewpoint from the American or Arab channels. This diversity is critical for national sovereignty and democratic debate within Canada. [8 May 2003]

That being said, not all witnesses shared this perspective. For example: Christopher Maule, Distinguished Research Professor, Department of Economics and Norman Paterson School of International Affairs, Carleton University, appearing as an individual said:

In Canada, recent reporting by the CBC of the Iraq war and Mideast politics was not, in my view, balanced, nor was it in the case of the BBC. I found informed and balanced reporting came from the PBS Lehrer News Hour, co-founded by a Canadian. Especially harmful to the CBC has been a public affairs program like *Counterspin* that was at one time moderated by a person who not only had a definite view on complex political and social issues, but also made a point of promoting that view in the discussion while acting as moderator. If this represents an attempt at agenda setting activity by the public broadcaster, it successfully sabotages this effort. [3 June 2003]

a) Empirical Evidence

Although there are several notions of diversity, it is probably the diversity of viewpoints that is at the centre of most of the other notions. Diversity of ownership, for example, seems important because of the assumed link between the number of owners and the number of viewpoints.

As noted earlier, TNG Canada surveyed journalists from some of the largest newspaper chains in Canada. Part of the survey, which in part dealt with the effects of recent ownership changes in the Canadian media, asked about possible problems. On “a loss of local independence in editorial policy,” 75.2% of respondents believed it was a “very serious” or a “somewhat serious” problem; 67.2% thought “a reduction in the diversity of opinion published” a similarly serious problem; and 68.2% thought a “decrease in the overall quality of journalism” a similarly serious problem.

With the exception of the study conducted by TNG Canada, however, there is a paucity of empirical studies on the Canadian situation. Such studies are needed to pin down the actual link between cross-media ownership and the diversity of information in various markets. To date, studies that have been conducted of U.S. markets have not found a precise link between cross-media ownership and the quality or diversity of available information. As Neil Seeman explained:

The few studies that do exist are all in the U.S. context. One such study is from the Project for Excellence in Journalism, a think-tank affiliated with the Columbia Graduate School of Journalism, to which Professor Logan alluded. Their study, entitled “Does Ownership Matter in Local Television News: A Five-Year Study of Ownership and Quality,” was updated in April of this year. After surveying and providing content analysis on 172 distinct news programs and 23,000 programs, the authors concluded:

Taken together, the findings suggest the question of media ownership is more complex than some advocates on both sides of the deregulatory debate imagined. Some of the arguments favouring large companies are unsupported by the data — even contradicted. On the other hand, some of the arguments for the merits of local control appear similarly difficult to prove.

It found, for instance, that stations with cross-ownership in which the parent company also owns a newspaper in the same market, tended to produce higher-quality newscasts. This may be counterintuitive to some. [27 May 2003]

When asked directly whether there was any evidence that cross-ownership had produced a “commonality of view that reduces the diversity of information generally available to the Canadian public,” Professor Carlin of the Ryerson School of Journalism replied: “To my knowledge, there is no academic study to prove this, although there is anecdotal evidence.” He was concerned with the flow of information in a subtle way, especially how a concentration of ownership inhibits journalists.

If they do not have the freedom to move from one place to another, this is a true inhibition. It is a chilling effect on any given location if there is a dominant employer in that location. [13 May 2003]

James Travers seemed to agree with this assessment and worried that a dominant owner could lead to self-censorship by journalists and a corresponding decrease in the diversity of viewpoints.

I will use an example to give you a sense of how bad that self-censorship can be. I wonder who would take the job as the Middle East correspondent for the Aspers having read their editorials. There is not room within that framework for honest, balanced reporting of a very difficult, inflammatory situation. That is chill that you could almost measure. [19 June 2003]

CanWest Global, which has yet to appear before the Committee, figured in much of the anecdotal evidence for diminished diversity. Several witnesses emphasized editorial policies in the CanWest Global newspapers, especially the attempt to have a national editorial policy, and the dominance of CanWest Global in the Vancouver market, where the company publishes the two daily newspapers and owns the most popular local television station.

Other anecdotal, or incomplete empirical evidence, argued that there was now greater diversity of information in Canada. Anecdotes here focused on Toronto rather than Vancouver. As journalist Kirk LaPointe (speaking as an individual) argued:

I work in the Toronto market, and it is unique in the Canadian model. ... You have five daily newspapers, two substantial alternative weekly papers, second language papers galore, three all-news television outlets, three or four all-news or information radio outlets, and a pile of Internet sites. If you cannot find what you want, then you are just not looking. They are all over the political spectrum, and I think that is one the glories of it — that it is diverse and there is no cookie-cutter approach. [10 June 2003]

For Francophone Canadians, Montreal also exhibits similar media diversity, with four dailies, several weeklies and many other French, English and third language media sources. It is also the headquarters for several large media firms.

Anne Kothawala, President of the Canadian Newspaper Association, presented data to the Committee that, to her:

... clearly demonstrate that the newspaper industry in Canada is more diverse and less concentrated than it was 10 years ago. In 1994, there were 10 major owners. In 2003, there are 15 major owners. In any event, concentration of ownership issues with respect to the written press do not represent a true concern in a market where consumers now have access to multiple and varied sources of information. [10 June 2003]

Professor Christopher Maule pointed out:

Another indicator of diversity would be the number and circulation of community and ethnic newspapers. Volume 1 of the previous Senate report had a chapter on this subject. My casual research found over 130 ethnic newspapers in about 35 languages received by the National Library in 2003. [3 June 2003]

Charles Dalfen, Chair of the CRTC, appeared before the Committee and referred to research on several media markets from the CRTC's Broadcasting Policy Monitoring Report:

... we did research on a 10-year period, 1991 to 2001, in terms of media concentration in the four major markets of Canada. In every case, in practically every medium, you will find that there are a larger number of owners and a larger number of broadcasting and newspaper outlets over that 10-year period. Even though it may sound counterintuitive, that, in fact, is the case when you focus them in. [25 September 2003]

Several witnesses echoed the sentiment behind these words. Representative testimony is that of Phillip B. Lind, Vice-Chairman of Rogers Communications Inc.:

The concerns regarding cross-media ownership rest on the premise that cross-media ownership prevents Canadians from having access to a diverse source of news and information services. We strongly disagree with this premise.

There has never been a greater source of news and information for Canadians. People in Toronto can read *The Toronto Star*, *The Globe and Mail* and the *National Post*, in addition to viewing hundreds of television stations, hundreds of magazines, countless numbers of community newspapers and an almost limitless number of Web sites.

While Toronto has more newspapers than other Canadian cities, the amount of news and information available to Canadians from different sources has never been greater. With satellite television, even Canadians in the most remote parts of the country can receive hundreds of different channels from Canada and abroad.

Internet access is available almost everywhere. Rogers provides high speed Internet access across all its licensed areas and the federal government is now seeking to roll out this high speed Internet to rural and remote areas. [7 October 2003]

4. Indirect Measures to Promote a Diversity of Viewpoints

As noted above, several witnesses drew a distinction between citizens and consumers. Those advancing this distinction were generally critical of private sector media firms. As long as these firms focused on the pursuit of profits and treated their customers primarily as consumers of advertising, information would be less diverse and of lower quality than citizens in a democracy needed. Responsibility for the information shortcomings seemed to fall on the private sector firms.

Professor Armande Saint-Jean also used the citizen-consumer distinction, but instead of blaming firms and suggesting intervention in the sector, she recommended the use of media education.

The idea is to restore to the public their status as citizens, to equip them to take a critical view of the information provided to them, even to go so far as to raise their awareness so that they can demand the information deemed essential to a democratic life worthy of that name. [21 October 2003]

By implication, media education increases the demand for more diverse and higher quality information. Faced with greater demand for better information, private-sector firms have an incentive to provide it.

Professor Logan, Director of the School of Journalism at the University of British Columbia, also argued against heavy-handed solutions to perceived problems within the media sector but did not rule out all policy initiatives:

... the most useful role the Senate Committee can play is to attempt to make recommendations that would create a framework in which a free and independent media offers a diversity of views to all Canadians. Rather than specific regulations about

ownership or content, you should explore new ways of giving voice to groups that feel disenfranchised by the existing mainstream media. There are many ways to do that. [27 May 2003]

It is difficult to make any definitive statements about how the structure of the Canadian media sector shapes the marketplace of ideas and the diversity of viewpoints. As the testimony before the Committee demonstrates, different witnesses had different perspectives on what the central terms, especially diversity, mean. With respect to diversity, several witnesses pointed out that anecdotal evidence suggests that diversity has decreased in recent years. Much was made of CanWest Global's national editorial policy, its coverage of the CBC and the Middle East, and its ownership of both daily newspapers and the popular local television station in Vancouver. Other witnesses, however, claimed that technological advances, including the Internet, satellite television and expanded cable services, have greatly increased the diversity of ideas enjoyed by Canadians.

5. The Impact of the Internet

Several witnesses noted the emerging importance of the Internet. Some thought it was an obvious counter to claims that the media were becoming more concentrated, with a few owners lessening the diversity of viewpoints. Others thought the impact of the Internet would be felt in the future and that it did not directly address current problems. Others questioned the ability of the Internet to substitute for traditional sources of news. As Tom Kent put it: "Surfing the Internet is very useful, but it is no substitute for informed reporting of our public business — local, provincial and national — from Canadian sources" [29 April 2003].

In contrast to this, Professor Logan told the Committee:

The other development to be taken into consideration in assessing the present – and especially in determining future needs - is the emergence of the Internet as a media player. [27 May 2003]

Witnesses had different views about the likely importance or impact of the Internet. Professor Logan thought it had an important impact on the news habits of people in their early 20s and cited work done by graduate students in journalism that showed, "They read newspapers, watch television and even listen to radio on the Net" [27 May 2003].

Other witnesses mentioned the importance of the Internet for the work of the Committee but were not as certain that the Internet would have an important long-term impact on journalism. For example, Professor Dornan pointed out that:

... it may be that Internet is not particularly well suited as a vehicle for the delivery of journalism, or at least journalism as we know it. That is, the Internet is really good at marshalling interactivity. ... Journalism, by contrast, is not about interactivity. [6 May 2003]

Other witnesses were of the view that to understand the future the Committee needed to understand the impact the Internet will have on the traditional media. Mark Starowicz told the Committee:

...People ask how the Internet will affect television. Honourable Senators, television will become the Internet. What we are seeing here is an efficient, multi-point delivery system that, the moment the bandwidth becomes acceptable, everything goes to the Internet. That is where your new channels will come from. [29 April 2003]

C. Journalism and the Possible Effects of Concentration and Convergence

Just as there was disagreement about the likely impact of the Internet there was also disagreement about the positive or negative impacts of convergence and cross-media ownership on journalism. Most witnesses noted a marked increase in convergence and cross-media ownership. A number of reasons were offered in explanation. The most common one and perhaps the most widely accepted one has to do with the fragmentation of audiences (readers and viewers), which has resulted from changes in technology and the increase in the number of sources of information.

Some witnesses felt that cross-media ownership reduced the number of journalists working in the field (through efforts at efficiency) while others argued that efficiency gains were necessary to deal with the economic impacts of fragmentation. As Professor Maule told the Committee:

Media concentration can be examined in both economic and non-economic terms. In economic terms, the issue is the impact of concentration on prices, profitability and market share. In non-economic terms it concerns media diversity. The first is measured and evaluated using financial and sales data. For the second, there are less precise indicators, and judgment plays a larger role.

... To me, the evidence suggests increased media diversity from traditional and new sources and a willingness of individuals to search out this information, thereby providing competition to traditional news sources. [3 June 2003]

Neil Seeman in his testimony described some of the problems with trying to determine if cross-media ownership causes problems with the practice of journalism.

... [T]he scholarship concerning the impact of media convergence and cross-ownership on the quality of news has been sketchy, contradictory and mostly superficial.

... I say all this to underscore the idea that the presupposition that media concentration begets bad news - quite apart from a red herring – is often founded on a thin tissue of research. If there is an empirical foundation to the opinion, it often stems from survey data, suggesting that a certain number of Canadians are supposedly concerned about the erosion of quality through convergence. However, there is little analysis as to why.

... I would submit that the greatest challenge in terms of news quality is not media concentration or cross-ownership. It is more fundamental: how to transmit complex public policy in an accurate and coherent manner? [27 May 2003]

Witnesses made a number of comments about the practice of journalism and suggested it is important to distinguish between structural issues within the media business (e.g., ownership and concentration) and the journalism itself (e.g., standards of journalism). This distinction was the main focus of the comments of Florian Sauvageau and underlined comments made by Mr. Mills and Mr. Kent. For example, Professor Sauvageau asked, “Why are all daily newspapers similar? Because in the schools of journalism, students are being taught the same journalistic techniques.” He then suggested that “The fact of the matter is that all media are seeking to retain as many readers as possible, and that brings about a certain level of homogenization in journalistic practices” [1 May 2003].

There was agreement among witnesses that journalists should present the facts in an impartial manner and be shielded from influences that might hinder this attempt to be as impartial as possible. Mr. Mills explained: “It is important that owners are independent of

government and that is why print media owners should not be tied to government through licences” [1 May 2003].

Although there was agreement about the importance of fairness and impartiality there was considerable disagreement about the mechanisms that could or should be put in place to reduce pressures on fairness and impartiality. Mr. Landry in his testimony before the Committee said, “A statement of our philosophy had been in place since 1976 ... It clearly states the *La Presse* is there to inform people and that reporters have total freedom, but that it will always be Canadian.” Earlier in his testimony he had stated that the proprietor “had no intention of interfering” and that during his twenty years as publisher of *La Presse* “I enjoyed that freedom.” Mr. Landry was of the view that “In my twenty years of working in the industry, I never saw cases where this kind of significant influence was evident, to the point where reporters no longer wrote what they wanted to write and radio commentators were not saying what they wanted to say, because only one pattern of thinking was allowed” [15 May 2003].

Lise Lareau, President of the Canadian Media Guild, noted:

... many of our people are being asked to serve many media and file the same story in radio, TV, print or whatever. You have heard that. It is a concern from workload and stress view, and we are dealing with that in a traditional union way. However, there is no question that those are developments that also lead to fewer points of view out there and fewer eyeballs on a story. This is what happens in the markets that you are referring to with the cross-ownership issue. [9 March 2004]

Representatives of the Periodical Writers Association of Canada (PWAC) argued that concentration and cross-media ownership had led to distortions in the market for their work. Michael O'Reilly, President of PWAC, argued:

... media concentration is having a direct and measurable impact on Canada's independent writers. We are being strangled out of the business. Some would say this is simple market economics at work – let the market decide. That assumes that we are dealing with a freely operating market. That is not the case. With each merger, each buy-out and with each step along the path, these massive broadcasters are able to distort the market more and more to their own benefit. From where I sit, this is a monopoly. [9 March 2004]

He explained the squeeze felt by his members:

... The simple reality is that those who own our newspapers, our magazines and our airwaves are demanding more and more from us, the writers, and they are paying less and less. Large publishers such as CanWest, Transcontinental, Quebecor/Sun Media, Rogers and Thomson are demanding more work, more content and more rights; and they are paying less for it. [9 March 2004]

Representatives of TNG Canada noted several problems with the recent changes in the newspaper industry, especially the centralization occurring at CanWest Global. Lois Kirkup, President of the Ottawa Newspaper Guild, noted:

The centralization of jobs has not stopped with our back-shop departments. In fact, it has moved rapidly into our newsroom. ...

This translates into a dramatic increase in workload for those left behind. At times, we have been left with a severe shortage of reporters to cover important local news events. Some editors are now responsible for more than one section, while our copy editors have been left severely stretched. Morale is low, and stress levels are high. [11 March 2003]

Jan Ravensbergen, President of the Montreal Newspaper Guild, added:

Balance in reporting is indirectly affected by staffing levels. Ms. Kirkup made that clear and we see that every day. There are stories that do not get covered. Smaller stuff is knocked off the table sometimes because there are no bodies. There are some news events that clearly bomb because there are not the bodies out there. However, there are other stories that may require a little more investigative reporting. There is not much of that left certainly in the CanWest chain. [11 March 2003]

Mr. Landry said in response to a question about “the president of the Asper firm” that, “I do not think we should be establishing a general rule just for one exception” [15 May 2003]. Mr. Mills in his testimony agreed with this last point.

... [C]oncentration is primarily a local problem affecting communities rather than a national one. You should be looking at concentration of all media in cities such as Vancouver, Calgary and Edmonton and provinces such as British Columbia, Alberta, Saskatchewan and New Brunswick, rather than relying on national statistics. [1 May 2003]

While some witnesses suggested that problems were specific to particular markets, other witnesses proposed specific mechanisms to deal with what they perceive to be general problems

in the industry as a whole. For example, Mr. Kent in his testimony proposed the creation of an ombudsman and the implementation of a “trust” where an owner owns more than two newspapers. Others, such as Mr. Mills, felt that any government interference in the operations of a newspaper would be to implement a cure “worse than the disease” [1 May 2003]. Thus Mr. Mills favoured a solution that would require owners of newspapers to not be involved in broadcasting and broadcasters to remain out of the newspaper business.

Professor Sauvageau and Mr. Caplan in their presentation agreed that concentration was an important issue and that it had implications for the profession of journalism. As Professor Sauvageau pointed out “I believe we must find modulated solutions, according to the various markets.” He also added the important point “we should not view the media as independent silos, we should consider the whole range of media in a given market” [1 May 2003].

Discussions of these points go to the heart of the challenge facing the Senate Committee. There is widespread disagreement about what level of concentration represents a problem. As Professor Sauvageau pointed out:

I do not believe we should simply prohibit everything. We must establish thresholds beyond which concentration becomes dangerous. These thresholds can be established at the national level, but also at the local level.

The question is at what point it becomes too much. Mr. Kent once said that for the written press, a level of 10 per cent of the daily press circulation is the threshold. Mr. Claude Ryan talks about 30, 40 or 50 per cent. In France, it is around 30 per cent of the national circulation. What is the threshold that must not be exceeded? [1 May 2003]

D. Policy Issues

It would be sound public policy to create a framework for varied content and opinion to flourish. The object should be for the public to set public policy goals and then maximize the ability of owners to make reasonable profits. We should strive to find a mechanism for access to capital from international sources without surrendering Canadian control. [Professor Vince Carlin, 13 May 2003]

Although many witnesses were worried that recent structural changes in the Canadian media could potentially limit expressions and representations of diversity, few suggested that the government should interfere with freedom of the press or media content. Many witnesses did

however identify areas where either government policy or the private sector could potentially (or already do) play an important role. These areas are discussed below.

1. Role of Government

Section 3 of the *Broadcasting Act* sets out a detailed list of the goals of the Canadian broadcasting system. Several subsections are especially relevant for the study that focuses on news, information and opinion in the media.

3. (1) It is hereby declared as the broadcasting policy for Canada that
- (a) the Canadian broadcasting system shall be effectively owned and controlled by Canadians;
 - ...
 - (i) the programming provided by the Canadian broadcasting system should
 - (ii) be varied and comprehensive, providing a balance of information, enlightenment and entertainment for men, women and children of all ages, interests and tastes,
 - ...
 - (iv) provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern

Section 3 also spells out the mandate for the national public broadcaster, the Canadian Broadcasting Corporation.

a) The National Public Broadcaster

A number of witnesses commented on the importance of a public broadcaster in the changing media environment that confronts Canadians. Professor Dornan made the following points about the importance of a public broadcaster:

If the worry about the private sector media is that they are too driven by market considerations and too susceptible to manipulation by proprietors, then the public sector media were supposed to offer a counter weight and an alternative that would be insulated by commercialism and immune to political pressures. As long as one has a robust and relevant public sector in the media – as long as the public sector are prominent, truly autonomous from political control and genuinely independent of commercial motives – then it hardly matters what the private sector media get up to. ...However, just as it is essential to have an untrammelled private sector media, it is equally essential to have a well-resourced, professional public sector. ...

A key element in the Canadian media creation is the place and vitality of the public sector. I daresay that, at present, because of a series of deep and repeated budget cuts, the public sector media have been allowed to languish. ... It is obviously not as simple as merely giving the CBC more money. If the CBC were to use additional resources simply to outbid the private sector for rights to professional sporting events, for example,

nothing would be gained. In many respects, the dilemma the CBC finds itself in currently is a consequence of successes of the private sector media. ...

All this complicates matters for an institution such as the CBC. However, it makes the public sector all the more relevant, not less so. Certainly, the public sector is faced with the challenge of finding its way in a multi-medium spectrum in which many of its traditional functions have been taken over by the private sector. Even as the private sector expands, the need is all the more pronounced for a robust source of media content that is not the product of commercial motives.

How the CBC goes about establishing its place and asserting its relevance in the new media environment is a topic for another day. [6 May 2003]

Mr. Caplan in his testimony made some of the same points.

Strangely enough convergence was an early problem for the CBC, but convergence meant two things: it meant less money ... and more competition and more difficulty understanding exactly what niche and role in the larger broadcasting system the CBC would play. [1 May 2003]

Others argued that a public broadcaster did more than merely provide one additional viewpoint among broadcasters. Arthur Lewis, Executive Director of Our Public Airwaves, cited a study done for the BBC by McKinsey & Company, the international consulting firm, that examined the role of public broadcasters in a world with numerous private broadcasters.

A strong public service broadcaster like the BBC, which produces a distinctive programming schedule, sets off what McKinsey calls a virtuous circle with its commercial competitors; because the BBC produces better programs, private broadcasters are forced to do the same. [9 October 2003]

Mr. Lewis argued that the “virtuous circle” argument was appropriate in Canada.

If the public broadcaster is not doing a quality job, then there is less incentive for the private broadcaster to do the job. The CBC has an important influence on the marketplace and forces, I would suggest, CTV, Global and the others to do an adequate job. [9 October 2003]

Mr. Caplan echoed this view:

I believe absolutely that thanks to the standards and quality set by the CBC, Global and CTV are better than they would be otherwise. The tragedy for the United States is that they do not have a CBC. PBS is marginal as opposed to CBC’s mainstream function in our system. [1 May 2003]

Ms. Bombardier in her testimony before the Committee responding to a question about impact of concentration and cross-media ownership on the diversity of news and opinion, said:

This concentration is the reason the public service is so necessary right now. When we watch TVA, read the *Journal de Montréal*, listen to radio stations, and read all those magazines, of course we need the public service more than ever to give this diversity. [6 May 2003]

While many witnesses stressed the importance of a strong public broadcaster they also reminded the Committee that the public part of the broadcasting system is not as healthy as it might be. There were a number of reasons suggested for this situation. Part of the problem has to do with the small amount of “shelf space” the public sector has within the broadcasting system. Budget cuts, however, were considered to be the main problem. As Mr. Rabinovitch reminded the Committee:

In real terms, our budget decreased by \$319 million between 1990 and 2003. Because about 85 per cent of our costs are people, the consequence is we have had to constrain or limit our growth and our programming. It has been very, very painful. [23 October 2003]

The costs involved in improving the national public broadcaster were raised a number of times by questions from Senators and witnesses on their own. Mr. Rabinovitch suggested that the CBC could meet its mandate (except for regional and local expansion) for an additional \$100 million. Other witnesses suggested that the amount involved was much larger than this. For example, Mr. Starowicz (speaking as an individual) told the Committee:

The first element in creating a national strategy is therefore an urgent program to renew and expand the public sector in television as a driver for the industry. This also means trying to resuscitate the educational networks and reinvesting in the National Film Board. [29 April 2003]

In response to a question about what this might cost Mr. Starowicz said, “I would triple the size of the public sector and not necessarily the CBC’s budget” [29 April 2003].

b) A National Public Newspaper?

One possible solution to encourage a diversity of news and opinion discussed by witnesses was the idea of a newspaper supported by an initial endowment from the government. The Committee was told by Mr. Watson:

I also have to suggest that in the field of newspapers it is time to reconsider the idea of a public newspaper. I do not see any obstacle – except superstition – to having a publicly funded newspaper that is supported by an endowment rather than an annually renewable grant from Parliament. It would have financial independence and its board would be composed of journalists from across the country – a mandate that is clearly specified in an act of Parliament. It could function not only as a source of news about those aspects of our national life and our international relations that are not well covered in the popular press and popular media, but also serve as a watchdog on the existing press.”

Mr. Watson went on to suggest that:

Part of its mandate should be to look through the daily and weekly output of the national press and assess the quality of reporting. There is not enough of that. ... Perhaps the conventional press would object at first; yet by and by they would get to like it, and their journalists would be on the board and it would open the way, I believe, to higher standards and quality of journalist throughout the whole spectrum. [1 May 2003]

Few witnesses supported Mr. Watson’s proposal; in fact, several pointed out a number of problems. One problem was the amount of money that would be required. Mr. Landry when asked for a rough estimate responded, “I would say that it would cost at least 25 per cent of the cost of the CBC and Radio-Canada.” The Chair of the Committee suggested, “That would be about \$200 million” [1 May 2003].

Costs are in part related to how such a newspaper is created and delivered. Professor Dornan said:

I believe that Mr. Watson’s concept is fraught with all sorts of other difficulties – not least being the expense that would be entailed in mounting a nationally delivered newspaper under the aegis of a Crown corporation.

Delivering a paper and ink product is extremely capital intensive. ... That seems to me to be an insurmountable expense given the current media situation.

However, with comparatively few resources the CBC was very quick off the mark to move into, not broadcasting, but electronic publishing over the Internet. CBC.ca was up and running and much more advanced than the Web presences of the *Globe and Mail* or the *National Post*. [6 May 2003]

In discussing the idea Professor Bernier said:

A public newspaper would have to be published in both official languages. Furthermore, distribution costs would be astronomical unless it were only published on the Internet.

I think that it would be a better idea to give Radio-Canada/CBC more resources and take away some of the commercial pressure that underlies news bulletins. Getting rid of this pressure would be a much better investment than spending public funds on a public newspaper.

Furthermore, the issue of the distance between the government and those responsible for the paper would cause me the same concerns that I have regarding the distance between the CBC/Radio-Canada and the government. In my opinion the fact that the Prime Minister appoints officials poses a significant problem and undermines the notion of an arm's length relationship. [8 May 2003]

Mr. Landry disagreed with the concept of a government-funded national newspaper. Commenting on Mr. Watson's idea he said, "We have had the opportunity to agree on many things, but I have to disagree on his recommendation on this point" [1 May 2003]. Responding to a question about the possibility of the government subsidizing a newspaper such as *L'Évangéline* Mr. Landry said:

I think that would be as bad as government interference of a different kind. I believe a newspaper has to be completely independent in terms of its thinking and its philosophy. The fact is, you start to have problems as soon as the population no longer has an interest in getting news from that source. Ms. Fraser and myself were around when the newspaper called *Le Jour* was launched. This was a newspaper where the full range of opinion was not expressed. It represented a political party. It did not survive. The fact is the public wants more and better information and the public is free. [15 May 2003]

c) *Direct and Indirect Government Support to the Print Media*

Russell Mills had this to say about the role of the federal government in the regulation and support of the print media:

I would be uncomfortable with a government or parliamentary body making recommendations about the editorial content of print media, which are, and should be, unregulated. ...

He added, however, that:

The print media are also affected by structural rules. Foreign ownership is effectively banned and parts of the industry benefit from postal subsidies. These rules, and how they affect information, are a legitimate subject for examination by a Committee of Parliament. The line between structure and content is obviously a fine one, but I am confident you will have the skill to differentiate them. [1 May 2003]

Government support for the Canadian print media is provided through two programs administered by the Department of Canadian Heritage: the Canadian Magazine Fund (CMF) and the Publications Assistance Program (PAP). The purpose of the PAP is to provide Canadian readers with affordable access to printed Canadian cultural products, namely periodicals, commercial newsletters and weekly newspapers; to ensure accessibility, within rural communities, to small community weekly newspapers; and to provide distribution support to minority official language and ethnic weekly newspapers. The purpose of the CMF is to foster the creation of Canadian editorial content in Canadian magazines; increase Canadians' access to Canadian magazines; enhance the quality and diversity of Canadian magazines; and strengthen the infrastructure of the Canadian magazine industry.

The PAP program, which grants postal subsidies to eligible Canadian publishers, has existed in one form or another since before Confederation. In 2003-2004, according to the Main Estimates for the Canadian Heritage Department, this program provided grants of \$46.4 million. Several witnesses mentioned the important cultural and economic contribution that the PAP makes to the overall health of the Canadian print media.

According to Brian Segal, President and Chief Executive Officer of Rogers Publishing, the PAP “represents one of the most efficient of our Canadian cultural policies.” In his view,

... Canadian consumer magazines would find it difficult to survive if they only could live on the newsstand. You need only go to a newsstand to understand the competitive environment of magazine sales. The subscriber base of Canadian magazines is critical to their survival. That subscriber base, the ability to charge a reasonable fee for delivering the magazine, is made possible by the postal assistance program. [7 October 2003]

Voicing much the same perspective André Préfontaine, President of Transcontinental Media Inc., told the Committee that the PAP has:

... helped to develop a very vibrant Canadian magazine sector. In fact if you look at magazines sold in Canada today, you have roughly 50 per cent Canadian, 50 per cent American. However, when you look at magazines sold by subscription, “subscription” meaning that the distribution of those subscriptions was supported by PAP, 80 per cent of Canadian magazines are sold through subscriptions.

Please try to visualize any newsstand you have visited recently, including perhaps the one at the airport here in Ottawa, and you will realize that you are bombarded with American titles. Ninety-five per cent of magazines sold in Canadian newsstands are American. The federal government has not given any support to wage battle against American publishers on the newsstand. [30 October 2003]

That being said, Mr. Préfontaine expressed grave concern over a recent change to the PAP subsidy that has increased magazine publishers’ postal rates by 12%. This increase, he explained, was imposed from outside the framework of a three-year agreement between the federal government and the Canadian Magazine Publishers Association. Since certain Canadian publishers are barely profitable without the postal subsidy, it was his fear, therefore, that smaller publishers would eventually lose their capacity to compete in the Canadian market. Under the circumstances, he recommended that the implications of changing the PAP program be re-examined and that the rules be made predictable and not be allowed to change without sufficient notice.

The same witnesses who commented on the PAP also raised points concerning cuts to the Canadian Magazine Fund. Background information on the CMF as well as the issues at stake is well captured in the testimony of Mr. Segal. The Canadian Magazine Fund, he explained:

... was established in response to the change in legislation that permitted U.S. magazines to come in and have split runs, that is, keep the U.S. editorial, take out the U.S. ads and put in Canadian ads. That fund, as you probably know, has been significantly reduced from \$50 million to \$16 million. The rationale for its reduction is that the threat of U.S. split runs has not materialized, and therefore, the same support is not required.

We agree that the threat had not materialized, but we are starting to see some evidence that it might be beginning. *Sports Illustrated* and *People* magazine are now selling advertising in Canada. The Print Measurement Bureau, PMB, measures both magazines. We are likely to see a growing movement of U.S. or foreign-based magazines in Canada.

The most important element of the Canadian Magazine Fund was its editorial support fund. That allowed Canadian publishers to increase their support for quality editorial and, as a result, increase their audiences and, as a further result, increase their competitiveness for advertising dollars. Rogers, as well as other publishers, both small

and large, have benefited from the editorial support fund to strengthen their editorial content. [7 October 2003]

Mr. Préfontaine had this to say about the CMF:

American publishers see Canada as another American State. They include Canada in North American promotions and programs to develop circulation. They see us as a cheap source of extra circulation, because they do not have to invest in editorial resources or operations in Canada.

Moreover, that is why the cutbacks announced this summer to the subsidies to the magazine industry by Heritage Canada are regrettable. For Transcontinental, they represent a loss of over \$6 million in 24 months.

There is no doubt in my mind that these cutbacks will lead to profound, long-term upheaval in the Canadian magazine industry, and that they constitute an unplanned change in the policy of the Canadian government. When I say policy, I want to clarify that I am referring to the Canadian government's cultural policy. In order to prosper in an environment of the type I described earlier, publishers of Canadian magazines need a structured approach that allows them to develop long-term business plans. When we take into account the costs involved in putting our material on the Internet — and we are talking about hundreds of thousands of dollars for each title — we have even more difficulty understanding the decision of the Department of Canadian Heritage to reduce its support to Canadian magazine publishers. [30 October 2003]

It is important to point out that Mr. Segal and Mr. Préfontaine were speaking on behalf of two of Canada's largest publishers of print material. The Committee is aware that a wider range of magazine industry representatives still needs to be heard.

2. Self Regulation

a) Role of Private Sector

A number of witnesses suggested or mentioned certain ways in which the news media themselves could develop mechanisms to improve the quality of the news. Five mechanisms discussed in some detail were press councils, an ombudsman, a professional association, an arm's length monitoring unit and a trust arrangement.

Witnesses pointed out that a number of press councils operate in Canada. Most were established in the 1970s and 1980s in response to issues raised by the Senate Committee (Davey). They deal with complaints from citizens about various aspects of the member

newspapers behaviour in a particular situation. The composition of the press councils varies among provinces.

While press councils have made a contribution to the quality of journalism they are provincially based, operate under different criteria and lack the instruments to have much impact on the profession of journalism. That said, as Mr. Mills noted:

While press councils are imperfect bodies, as someone who has both served on them and testified before them and been subject to many of their judgments, I believe they generally improve newspapers by making them more accountable and responsive to the public. The public airing of issues and debate about the news media that these inquiries engendered was also positive.

Your committee's work also has the potential to have a positive and even greater impact if you are careful to avoid trying to deal with editorial content directly. You should be careful not to reach too far. Some of the provisions in the proposed newspaper act in 1981 that flowed from the work of the Kent commission would have come close to bringing government into Canada's newsrooms. One measure would have made newspaper editors accountable to a community committee operating under the aegis of a minister of government. I fought this along with all other senior people in the newspaper industry. With the help of international press freedom organizations, that proposed act was eventually shelved. [1 May 2003]

Several witnesses mentioned the idea of an ombudsman that would be financed by the news media. Ms. Taylor in her testimony after pointing out that the CBC has two ombudsmen said:

Our system of ombudsman is set up so that if there is someone who speaks to you, who has a specific complaint, we encourage these people to get in touch with our Ombudsman. These individuals, one on the English side and one on the French side – have the responsibility of taking seriously every single complaint that comes in and making sure there is a response to it. [23 October 2003]

There was some discussion about the possibility of creating a professional designation similar to that of lawyers or doctors. Mr. Bernier suggested that, “In one scenario, it was proposed that those who wished to become a member of the profession would have to sit an exam” [8 May 2003]. There are, however, a number of potential problems with this arrangement since it may end by denying freedom of expression to some people.

Other witnesses suggested the creation of an arm's length monitoring unit that would review and comment on the practice of journalism. Such a unit might point out subjects that are newsworthy but not being covered, or underline problems in the presentation of complex policy matters to the general public. Speaking about the need for some form of such comment Mr. Luciani said, "Policy is not something that you can cover the same way you can cover sports. It takes a more active participation on the part of the readers. Often they are left with exactly the wrong impression from what the public policy study actually tries to convey" [27 May 2003].

For his part, Mr. Kent talked about a trust arrangement between the owner of a newspaper and the editor. He noted that:

The royal commission did suggest a measure of that kind, but we did not get all the detail right and journalistic opinion at the time was not ready for it. You might find opinion ready now for the kind of trust arrangement that has long been used by some of the world's great newspapers, whereby the editorial direction of a newspaper is controlled under a trust arrangement and is not dominated by proprietorship as such.

In Canada, that could apply to more than one paper per owner — not to a single paper, but to more than one. For example, the owner contracts with the editor to be responsible for the paper's content and the editor is supported by some kind of advisory board. A possible structure would be two members appointed by the owner and two elected by the journalistic staff. Those four would agree on the choice of three community representatives. If they could not agree, some judicially appointed referee could make the selection from their nominees. The independent members would choose the chair of the board. The editor would provide the board with an annual report on the paper's discharge of its public responsibility, its public trust, and the paper would publish that report and the board's response or responses. [29 April 2003]

One issue related to these potential mechanisms for self-regulation that was not discussed was the question of how they might be funded. A second issue not fully explored is the possibility of negative side effects (e.g., unnecessarily restricting those who might call themselves journalists or, more importantly, interfering with freedom of expression)

b) *Role of Government*

In his appearance before the Committee, Mr. Kent suggested the creation of an ombudsman responsible for the print media who would report to Parliament on a regular basis. With respect to the broadcast media, Mr. Lincoln proposed a broadcasting monitor, situated in the office of the auditor general. He explained that:

This officer would be responsible to Parliament, would monitor the objectives of the Broadcast Act and the media in general, and would report annually to Parliament. The monitor would issue reports in much the same way as the Auditor General or the Commissioner for the Environment and Sustainable Development or the Commissioner of Official Languages. [26 February 2004]

The subject of such governance mechanisms will be examined in more detail in the Committee's future work.

3. *Ownership*

a) *The Competition Bureau and the CRTC*

Media firms, like other commercial entities in Canada, are subject to the *Competition Act*, which is overseen by the Competition Bureau. Broadcasters are also subject to the *Broadcasting Act*, which is overseen by the CRTC. Newspapers are subject to the *Competition Act* and are indirectly affected by the *Broadcasting Act* when they are involved in cross-media transactions with broadcasters.

As noted earlier, media firms – broadcasters and print media firms – stand out among all other firms in Canada by being guaranteed “freedom of the press and other media of communication” under Section 2 of the Canadian Charter of Rights and Freedoms.

The Committee heard from Gaston Jorré, Acting Commissioner of Competition at the Competition Bureau and Charles Dalfen, Chairperson of the CRTC. Given the spate of large transactions in Canada involving cross-media ownership, the Committee was interested in how the diversity of voices was being protected in Canada. In other words, how did each body address the issue and how did they interact?

Mr. Jorré noted that diversity of voices was an important issue in democracy but that the *Competition Act* was not directly concerned with it. The Act deals with economic and commercial issues, although it could have an indirect effect on the diversity of voices. As he explained:

Sometimes, in seeking to either have a transaction modified to avoid competitive issues under our act or in seeking to stop it, we may, as a by-product, maintain a greater number of owners than might otherwise be in place. As a by-product, that may impact on diversity. [23 September 2003]

He suggested that the Competition Bureau should continue to focus on economic matters and that the CRTC should deal with cultural issues, including diversity of voices.

Mr. Dalfen began his presentation by pointing out the broad mandate of the *Broadcasting Act*, which declares that the broadcasting system should “provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern” [25 September 2003].

Mr. Jorré pointed out that both the *Competition Act* and the *Broadcasting Act* apply to radio and television industries, which has led to jurisdictional disputes and to an attempt in the late 1990s to smooth out relations between the Bureau and the CRTC.

In 1999, the bureau and the CRTC signed a memorandum of understanding, which describes the role of the CRTC under the *Broadcasting Act* and that of the bureau regarding telecommunications and broadcasting. The document deals with a range of competitive issues, including access merger review, competitive safeguards and various marketing practices. It only deals with matters related to competition. [23 September 2003]

The document, which is called the Interface, notes that there is “parallel jurisdiction” with respect to merger review.

Charles Dalfen, Chairperson of the CRTC, quoted from the Interface in an attempt to clarify the roles of the CRTC and the Competition Bureau with respect to broadcasters:

Under the *Broadcasting Act*, prior approval of the commission is required for changes of control or ownership of licensed undertakings. Whereas the Bureau’s examination of

mergers relates exclusively to competitive effects, the commission's consideration involves a broader set of objectives under the Act. This may encompass consideration of competition issues in order to further the objectives of the Act. The Bureau's concern in radio and television broadcast markets relates primarily to the impact on advertising markets and, with respect to broadcast distribution undertakings, to the choices and prices available to consumers. The commission's concerns include those of the Bureau, except that its consideration of advertising markets relates to the broadcaster's ability to fulfill the objectives of the Act. [25 September 2003]

The Interface did not prevent a conflict in recent years over the Astral-Télémedia transaction involving the transfer of ownership of radio stations. The Competition Bureau, according to Mr. Jorré, believes that "the market should decide which enterprise will survive and which enterprise or enterprises will not survive" [23 September 2003]. The CRTC, on the other hand, considers commercial viability in its deliberations. As Mr. Dalfen put it:

... it is inconceivable to me that we could ... award new licences ... without having the ability to assess the market's ability to absorb new stations and what the market actually is. ... [T]he threshold issue we look at in a new licensing application is not who should we pick but whether the market can absorb a new licensee or two or three. [25 September 2003]

When asked how other countries reconcile conflicts between competition policy and media policy, Mr. Jorré replied:

I can tell you that in the major countries, for competition authorities, the situation is the same as with us. For example, in the United States, the Federal Trade Commission and the Antitrust Division of the Department of Justice look at media mergers from the same perspective we do. As well, I believe it is the Federal Communications Commission that has some rules about limits of ownership of broadcast media and so on. []

There are some exceptions. In the United Kingdom, there are some special criteria that have been added into the legislation for reviewing newspaper transactions. There, it is somewhat different. [23 September 2003]

There was some concern that newspapers, in their fundamental role as contributors to the diversity of information, fell between the cracks with respect to any official oversight.

As noted, Mr. Jorré pointed out that the Competition Bureau focused on economic matters and that the *Competition Act* was of general application for all businesses. As Peter Sagar, Deputy Commissioner of Competition, explained:

The Competition Bureau focuses on competition specifically. We have the expertise, the act is clear and specific, and our experience applies to any industry, be it the media, telecommunications, broadcasting, or newspapers; we apply the same principles to all industries. We take into consideration all of the important matters for that industry.

We do not ignore the special elements of an industry. In the case of media, we do take into account the readers, the suppliers, the journalists, as well as the advertising market. It has happened that, most often, advertising is the biggest part of that equation, but we do not ignore the rest. [23 September 2003]

Mr. Dalfen conceded that newspapers were outside the mandate of the CRTC but noted that they were certainly not ignored when the CRTC examined a broadcaster having ownership links with newspapers.

...we do not focus on the welfare of a newspaper in that decision; we focus on the impact of the broadcasting system of that particular merger. However, in doing that, we do not confine ourselves only to the concentration on the broadcasting side of the shop. In other words, we blow it up to the full issue of diversity of voices in the community and we look at the diversity of voices, taking account of newspaper ownership in that community.

...

On neither of those levels do we confine our analysis to the broadcasters. We look at the entire marketplace in the case of mergers and diversity across the entire marketplace in the case of broadcasting newspaper ownership.

We would not say that we are approving this or turning it down because of the newspaper business, per se. That is not within our mandate. [25 September 2003]

From the comments by Mr. Jorre and Mr. Dalfen it is possible to see that neither the Competition Bureau nor the CRTC is directly concerned about issues of “the news” in newspapers. The Competition Bureau focuses on markets (in this case advertising). On the other hand, the CRTC’s mandate is the broadcasting system and thus it deals only indirectly with questions about newspapers when a merger or sale is occurring between broadcasters who also own newspapers.

b) Concentration

Past inquiries into the Canadian media have often been concerned that powerful interests could have an undue influence on the flow of information. The measure of potential power has generally been that of concentration, by a single firm or a small number of firms, in a particular

market, and the concentration has been measured most often by the market share in a single industry within the media sector – the proportion of titles or circulation in the daily newspaper market accounted for by the biggest owner or the proportion of television stations held by a single owner.

Recently, concerns about cross-media ownership have been added to traditional concerns of concentration in a single industry. For many, it seems more important now that a conglomerate owns newspapers and broadcasters serving the same market, whether it is the city of Vancouver, the province of New Brunswick or the province of Quebec. Cross-media ownership will be discussed below.

As noted earlier (see Part II), there was a three-year period during which Canada had a policy on cross media ownership when, in 1982, the federal government issued an Order in Council Direction, which stipulated that the CRTC could not issue or renew licences to applicants effectively controlled, directly or indirectly, by the owner of a daily newspaper whose newspaper circulation covered a major area served (or to be served) by the broadcaster. This Order, however, was rescinded in 1985.

TNG Canada appeared before the Committee and presented results from a poll of its members, many of whom are journalists at some of the largest newspaper chains in Canada. On the question of whether there should be limits to the degree of media concentration allowable in Canada, 77.6% of the members surveyed responded “yes.” Only 14.4% of the respondents indicated that the best way would be by restricting the number of newspapers that any one chain could own. This was about half the proportion (27.8%) that indicated the best way would be to ban cross-media ownership.

Many witnesses did make passing reference to concentration in the newspaper industry. Anne Kothawala, President of the Canadian Newspaper Association, said.

... the newspaper industry in Canada is more diverse and less concentrated than it was 10 years ago. In 1994, there were 10 major owners. In 2003, there are 15 major owners. In any event, concentration of ownership issues with respect to the written press do not

represent a true concern in a market where consumers now have access to multiple and varied sources of information. [17 June 2003]

Mr. Kent was concerned about corporate philosophy:

The defence of concentration that used to be made — the claim that kindly corporations did not interfere with journalism — had some basis in truth in the early days. However, that claim has been completely and clearly destroyed by the uninhibited brashness of the Black and Asper ownership. [29 April 2003]

This emphasis on corporate philosophy was echoed by Mr. Travers: “CanWest is a much different company and behaves in significantly different ways than the Southam Group or even Conrad Black’s Hollinger” [19 June 2003].

It was the centralization and consolidation of operations of multi-paper groups, with effects on employment and possibly content, that upset many witnesses.

Mr. Jorré noted that it is easier to contest mergers and acquisitions in the media sector today. He referred to a case from the 1970s to bring this out:

I will point out that the Irving case, which involved the ownership by the Irving family of every single English-language newspaper in the province of New Brunswick, was back when the act was entirely criminal. The case was taken by the Competition Bureau — or its predecessor, the Director of Investigation and Research — all the way to the Supreme Court of Canada, which held that a criminal monopolization case was not made out. [23 September 2003]

Today, the case would involve civil law, which has less exacting standards of evidence and proof than criminal law.

Analysing concentration in broadcasting is more complicated than in most other industries for several reasons. Broadcasters must be licensed and the CRTC, as noted above, may restrict entry to protect the economic viability of incumbents in a particular market. This can increase the concentration in a market above what it would be with competition and free entry. Foreign ownership restrictions may also lead to greater concentration. This issue will be discussed in more detail below. Another complicating factor in examining concentration in

broadcasting, especially in making comparisons over time, is the importance of technological change in the sector.

A change in CRTC radio policy in 1998 did allow greater concentration in markets, as restrictions on multiple licences in a market were relaxed, but few if any witnesses saw this as a problem. As John P. Hayes, President of Corus Radio, explained:

... This change was made in an effort to ensure a strong well-financed and well functioning radio industry for this country. ...

So far, this policy change has proven to be very successful. It has improved the financial health of the country's commercial radio stations by allowing multiple licence owners to realize operating efficiencies in the administrative end of their operations. It has improved the diversity of our stations, it has improved our workplaces and it has improved the skill levels of our employees. [4 November 2003]

Another development that witnesses also discussed is the proliferation of new channels available by cable or satellite, which has led to a phenomenon known as audience fragmentation. Professor Logan saw advantages and disadvantages to this fragmentation.

On the positive side of the ledger are the explosion of cable TV and the growth of the Internet. Both these developments go a long way toward addressing the concerns about diversity raised when one owner owns too many properties. The downside is that these developments have led to fragmentation of audiences, making it more difficult for the media to exercise its traditional role of consensus building in a democratic society. [27 May 2003]

The fragmentation of audiences is not only due to the increase in the number of television channels available. As Mr. Cassaday explained:

The media consolidation that we all saw in the last several years — and Corus has most certainly been a participant in that trend — has allowed for strong Canadian media companies with the resources to deliver outstanding programming that is about Canadians. This is essential in an ever-increasing competitive environment. The consolidation is the result of the increasing fragmentation of audiences due to the sheer abundance of choices available to consumers. Canadians have access to hundreds of television stations, both Canadian and foreign, as well as to numerous radio stations, newspapers, Internet sites and gaming platforms. The array of choices vying for the eyes and ears of Canadians is astounding. [4 November 2003]

c) Cross-Media Ownership

As one member of the Committee noted: “I do not think anything has consumed our time more in our discussions with our various witnesses than cross-ownership” [25 September 2003]. Certainly, for many of the witnesses, cross-media ownership was the central issue.

The media consolidation of recent years has been a worldwide phenomenon of massive proportion. Most notable was the transaction in the U.S. in 2000 involving AOL and Time-Warner, a transaction valued at billions of dollars and bringing together content, carriers and new media. The transaction became the symbol for convergence, and media firms around the world followed. In Canada, BCE, CanWest Global and Quebecor acquired other media companies – and considerable debt in the process – and became media giants with significant cross-media ownership.

The Canadian firms, like their counterparts elsewhere, talked of the benefits, the synergies, of convergence. One result was that large firms now control broadcasters and newspapers serving the same market. This raised concerns for numerous witnesses about a possible decrease in the diversity of voices, among other problems. One witness cited the front-page coverage of Star Académie by the *Journal de Montréal* as a possible problem of cross-promotion leading to a mixing of news and marketing.

Among other concerns brought about by the consolidation was that of the possible effect on the diversity of voices in the Canadian media.

Mr. Kent, quoted from the 1982 Order in Council to the CRTC, noting that its goal was the preservation of “independent, competitive and diverse sources of news and viewpoints” [29 April 2003]. As this Report has already pointed out, he noted that the Directive was aimed at the Irvings in New Brunswick and pointed out that the issue of cross-media ownership was then a local one. Today, he said cross-media ownership is a national issue.

After the 1982 Directive was revoked in 1985, the CRTC began examining transactions involving broadcasters and other media on a case-by-case basis. The Committee spent a considerable part of its meeting with Mr. Dalfen, the Chairperson of the CRTC, going over how cross-media transactions are handled.

To Mr. Dalfen the evaluation of cross-media transactions involves balancing advantages and disadvantages.

Our mandate is spelled out in the Broadcasting Act, which sets out the broadcasting policy for Canada. The act declares, among its other objectives, that the Canadian broadcasting system and its programming should serve to safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada; encourage the development of Canadian expression by providing a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity; and provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern.

In addressing applications before us that raise issues of cross-media ownership or media concentration, the commission seeks to give effect to these objectives while at the same time trying to balance them against the others set out in the act. Unless an applicant is ineligible to hold a broadcasting ... we must consider each application on its own merits. While cross-ownership and concentration issues are always of concern, in some cases these concerns may be counterbalanced by offsetting advantages. In other cases, such concerns are not outweighed and result in denials. [25 September 2003]

Several witnesses discussed the question of benefits that are often claimed to flow from convergence. A frequently cited example was Star Académie. Florian Sauvageau said,

The fundamental trend is that concentration is giving rise to cross-promotion, all the firms within a group obviously doing their best to achieve success of the group as a whole. In the case of Quebecor, it gave rise to news items about Star Académie that were almost more important than the war in Iraq or elections in Quebec. That was a rather extraordinary phenomenon. [1 May 2003]

While Professor Sauvageau was critical, other witnesses felt that Star Académie had been beneficial. Mr. Charles Dalfen said, "From our point of view [cross-promotion], on the whole, that has been a positive activity" [25 September 2003].

Not surprisingly, Mr. Lavoie of Quebecor was also positive.

Newsroom independence has nothing to do with advertising space in various media. ... With their huge capacity, our media promoted the event, and we are proud of their ability to do so. We are proud of the fact that our media promote artists who then go on to sell 565,000 CDs. [28 October 2003]

Even in cases where the advantages of a proposed transaction involving cross-media ownership outweighs the disadvantages, the CRTC tries to protect the diversity of news information sources available to the public. Mr. Dalfen listed safeguards that the CRTC had required with the renewals of licences for CTV Inc. and CanWest Global:

- maintaining separate and independent news management and presentation structures for TV stations separate and distinct from those of affiliated newspapers;
- requiring decisions on journalistic content and presentation for television to be made solely by television news management;
- prohibiting television news managers from sitting on editorial boards of any affiliated newspapers, and vice versa;
- establishing monitoring committees to deal with complaints from any source; and
- reporting to the commission on an annual basis on any complaints received.

It is worth noting that certain witnesses raised the point that the CRTC – notwithstanding its Interface agreement with the Competition Bureau – is not doing enough to ensure editorial independence or, by extension, a diversity viewpoints. When Charles Dalfen appeared before the Committee he noted that:

In cases where we deem cross-ownership issues to be offset by other advantage, we nevertheless establish safeguards to ensure that ownership concentration does not reduce the number of news and information sources available to the public. For instance, to protect the independence of the various news outlets and information sources that would be affected by the Quebecor transaction, the commission also accepted safeguards that were proposed by the applicant that included adherence to a code of professional conduct applicable to TVA, LCN and LCN Affaires, and the establishment of a monitoring committee to deal with possible complaints. [25 September 2003]

When a Committee member asked, however, for more detail on the monitoring committees, the independence of its membership and the apparent absence of reported complaints, Mr. Dalfen replied: “I will check here as to the appointment. These are certainly independent people who are on the committee.” Furthermore:

... the applicant is committed to spending \$1 million in publicizing [complaints], but my take away from this meeting is to actually check, first, on whether it has been spent; and, second, what techniques they are using to make people aware of it. The absence of complaints is either because things are fine or no one knows about it. We will take that away and if we have anything to add to what we said, we will add that to our homework.

Mr. Dalfen was also asked whether the CRTC would find it easier to operate if the government were to give it explicit directions with respect to cross-media ownership, as was the case between 1982 and 1985. Mr. Dalfen replied:

In favour of that is clarity. On the other side, we have found cases in which there are benefits on the whole by applications from the synergies. Provided there are safeguards, that may, on the whole, be a good thing, and we have so concluded in a number of cases.

Standing back and looking at broadcasting policy overall, I would not invite such a directive, but we could live with it if that were the government's will. [25 September 2003]

The Competition Bureau can also get involved in cross-media transactions. Gaston Jorré, the Acting Commissioner of Competition, explained that the Bureau focuses on economic issues, which for media transactions often reduces to examining impacts on advertising markets. For cross-media transactions, therefore, the Bureau is concerned, in general, only if the advertising markets for the relevant media overlap. Mr. Jorré noted:

Historically, we have found that certain kinds of media may be local or national in their geographic nature. Much of the time, newspapers are local in the advertising market, although we also have two major national newspapers with some national advertising. TV advertising at the network level tends to be national. We have also found, historically, that because of their different characteristics, newspapers, radio and television generally serve different advertising markets. I would emphasize that each transaction must be verified each time. One cannot simply assume that what was true in the past would be true today. [23 September 2003]

Those witnesses who argued that cross-media ownership decreased the diversity of voices, generally suggested returning to the spirit of the 1982 Directive and banning cross-media ownership in Canada. Some suggested a phase-in for the ban of up to five years or until a broadcast licence was up for renewal. A couple felt that it was too late to undo the media consolidation that has taken place in Canada.

Those witnesses who did not see a problem with cross-media ownership and marvelled at the vast array of information choices in Canada, argued that no ban was necessary. One of these was Anne Kothawala, the President of the Canadian Newspaper Association, who went on to warn that a ban on cross-media ownership could lead to greater concentration in the newspaper industry.

4. Foreign Ownership

Canadian media firms are currently protected from control by non-Canadians. Section 3 of the *Broadcasting Act* states that “the Canadian broadcasting system shall be effectively owned and controlled by Canadians.” A Direction to the CRTC (Ineligibility of Non-Canadians) required 80 per cent direct ownership for all broadcast licensees and 66.7 per cent for holding companies. Foreign ownership restrictions for newspapers are less direct. Section 19 of the Income Tax Act requires 75 per cent Canadian ownership if a newspaper is to be considered Canadian and thus eligible to offer tax deductions to Canadian advertisers.

Media firms have been protected from foreign control because of their importance to Canadian culture and to a Canadian viewpoint on all issues. Those witnesses who wanted the foreign ownership restrictions to remain in force, generally argued that these traditional rationales still hold. For these witnesses, the relaxing or removal of the foreign ownership restrictions would lead to a swamping of Canada by foreign, especially U.S., media, and to the elimination of a strong Canadian viewpoint.

Those witnesses opposed to the foreign ownership restrictions argued that relaxing or removing them would lower the cost of capital for Canadian media firms and would add much needed competition into the domestic media sector.

Mr. Jorré, the Acting Commissioner of Competition, noted:

We favour a liberalization of ownership in general in all the economy. There are some advantages, and one of the major ones, which you see in any industry in Canada with foreign ownership restrictions, is where you have ownership restrictions you often have a limited number of buyers. That is true, for example, here in airlines as well as in media. If someone is trying to sell, and you have a limited number of buyers, it increases the chance that you will have a transaction that will increase concentration within the

industry here because you do not have access to another pool of buyers outside. For us, in many situations, I think we would see it as a distinct advantage if you had a greater pool of potential buyers, because you might avoid some of the transactions that are further concentrating industries. [23 September 2003]

The Competition Bureau did not have an official position on foreign ownership in the media industry noting that, “There are overriding issues for Parliament and the government.” Mr. Jorré did, however, stress:

There is one thing that we have said very clearly that is very important. If changes are made, because there are rules both in the telecom sector and the broadcast sector, any change should be in parallel.

Currently, you have a number of companies that are in both sectors. If you change one and you do not change the other, then you would potentially cause a series of reactions as a result. For example, if telecom were opened up but not broadcasting, you would have to split the two parts of a company in order to take advantage of one but not the other. [23 September 2003]

The Chairperson of the CRTC, Mr. Dalfen, noted that it is up to the government to establish policy. He drew a comparison with the possibility of the government’s reintroducing an explicit ban on cross-media ownership.

I do not think that would be an issue for us if the government felt strongly about that. Foreign ownership is in play now, as you know. It would change our balancing act. We would no longer be able to balance that issue. [25 September 2003]

Earlier in his presentation he had noted that Canadians already “have numerous foreign sources of news and information available to them by cable and by satellite.”

In the survey commissioned by TNG Canada, 64.9% of the responding members opposed or strongly opposed changing Canadian laws to allow more foreign ownership of the newspaper industry.

Mr. Travers discussed foreign ownership regulation with respect to newspapers. Although in favour of their retention, he saw a possible trade-off that could benefit Canadians not well served in a country of concentrated media.

Protection of newspapers has long been an important cornerstone of Canadian sovereignty. That policy should be reconsidered as a last resort applied in the absence of competition... Rather than allow foreign companies to buy existing companies, Ottawa should explore the potential merits of permitting offshore firms to establish, with or without Canadian partners, new communications in communities poorly served by domestic media empires. [19 June 2003]

Mr. Travers would not allow the purchase of existing media assets, because he believes that “it would be fundamentally wrong to reward companies with a windfall” when it is these companies “that, with federal blessing, have created the current, unhealthy concentration and, in some cases, have been influenced more by shareholder interest than public interest” [19 June 2003].

There was the obvious, fundamental disagreement between those who wanted the foreign ownership restrictions kept and those who wanted them relaxed or eliminated. There was also discussion among those in the second camp about whether all media firms – carriers and content providers – should have the restrictions changed. Several witnesses, such as Rogers and Corus, argued that the restrictions should be changed for the carriers while retained for content providers.

The cost of capital figured in the arguments about whether foreign ownership restrictions should be changed and, if they were, what parts of the media sector should be affected. Several witnesses noted that the capital requirements of the carriers (the cable and satellite companies) were huge in comparison with the requirements of the content providers. The President of Corus Entertainment Inc., Mr. Cassaday, explained why he agreed with Rogers’ position that the restrictions should be lifted for the carriers and kept for the content providers:

You know, if we had access to another couple hundred million dollars in capital, we do not know what we would do with it. Our capital requirements are modest. A company as significant as we have become in the four years since our existence, our total capital requirements on an annual basis are in the \$20 million to \$25 million range.

In the case of major BDUs, where they have huge capital requirements, I understand their need for foreign capital. However, on our side of the business, it does not exist to the same degree. [4 November 2003]

Tim Casey, one of the two financial analysts to appear before the Committee, supported the view on relative capital need in his observations on the newspaper industry:

The other truism about the business is that it does not require a lot of capital. Unlike the cable business or the printing business, you do not have to replenish your plant and equipment. You may have to do that in the newspaper business every 30 years, but it is not an ongoing cost of doing business. The capital requirements would be under five per cent of revenues. [12 June 2003]

There was some disagreement, however, about whether lifting the restrictions would lead to a lower cost of capital, even for Canadian media companies with large capital needs. Andrea Horan, the other financial analyst to appear before the Committee, argued:

There is a perception that there is this wave of capital at the border, waiting to pour into Canada the minute that ownership rules are relaxed.

My own experience suggests that is not the case. When I look at media companies that are not subject to foreign ownership rules, such as printing and information publishing, it has been a challenge for those companies to attract foreign capital. [12 June 2003]

She argued that regulatory and tax regime differences between the U.S. and Canada would continue to impede a flow of capital into Canada even if the explicit restrictions were lifted. Philip B. Lind, Vice-Chairman of Rogers Communications Inc., agreed that there was a different regulatory environment in Canada, but argued: “People would have to wade in here cautiously, but I think they would and could” [7 October 2003].

Professor Tremblay, who focused on the foreign ownership issue in his presentation to the Committee, argued: “There should be no rushed decision because there is no urgency, there is no consensus, and there is no compelling data on the absence of negative impact on content” [8 May 2003].

PART IV: NEXT STEPS

This interim report has presented the results of our work to date. The Committee, as mentioned earlier, has heard from a large number of distinguished witnesses and has developed a comprehensive understanding of many of the issues facing Canada's news media. While we have heard from many knowledgeable people, there are many we have not heard from. These include:

- Aboriginal communities
- ethnic language press and broadcasting organizations;
- members of the various press councils that operate in Canada;
- magazine publishers;
- members of the general public;
- others interested in the issues that confront Canada's news media; and
- several of the large, converged media firms (such as Bell GlobeMedia and CanWest Global).

An additional area of work for the Committee is an examination of what existing research studies already show about the possible effects of convergence and cross-media ownership on the practice of journalism. We also are aware that we need more precise information about the different sources of news information that Canadians have access to and can use. One area of particular interest is how individuals use these different sources of information as citizens trying to understand the workings of the complex policy issues that confront a democratic society. Examples of questions we will be looking at include:

- Do concentration and cross-media ownership lead to a lack of diversity in news sources?
- Is the problem of diversity more prevalent at a local level (e.g., Montreal or Vancouver) than at the national level?
- Do Canadian citizens have appropriate amounts of information about international, national and local issues?
- Are there important demographic differences in the way different groups within society (e.g., those under 30 and those over 50) approach different sources of information (e.g., books, magazines, newspapers, the Internet)?
- Have public trading and financial pressures arising from frequent changes in newspaper ownership reduced newsroom budgets, staffing and news quality?
- What is the future for wire services in Canada?

- Are Canadians receiving enough international news from a Canadian perspective via Canadian journalists posted abroad?

Several witnesses suggested that the news media could be improved through the use of a number of mechanisms involving either education in media literacy or enhanced education for journalists, including professional development opportunities during their career. The Committee will be taking a more intense look at these suggestions and the possible arrangements that might be made to encourage such training and professional development.

While some research has been done on many of these issues, witnesses pointed out that there is only limited evidence about the situation in Canada. For this reason the Committee will examine the possibility of funding specific, targeted research projects to further its work. One such study might be on the way Canadians in specific markets use the various sources of information available to them. Another study could examine the degree to which Canadian trust their news media.

A related topic that the Committee will be examining is the reasons for the paucity of objective study about the situation in Canada. Is the problem related to the lack of an appropriate institution or organizations? Is it related to a lack of funding, a lack of interest, a lack of expertise or a lack of will?

The Committee heard testimony on a variety of topics, many of which have been discussed above. On some of the topics – such as, the impact of the Internet and changes to staffing and workloads of journalists at converged media firms – considerable further work is needed. In some cases, topics were raised for which further, more expert, analysis would be useful. In other cases, contrasting points of view remain to be heard (such as positions on staffing changes at consolidated firms).

Finally, the Committee wants to hear from the public across Canada. Public hearings are one way that the Committee will be doing this.

This is an interim report. While much has been accomplished, much remains to be done.

APPENDIX: WITNESSES

Second Session, Thirty-Seventh Parliament

Tuesday, 29 April 2003

As Individuals:

Tom Kent, Fellow, School of Policy Studies, Queen's University;
Mark Starowicz, Executive Producer, CBC CineNorth.

Thursday, 1 May 2003

As Individuals:

Patrick Watson, former Chair of the CBC;
Russell Mills, Neiman Fellow, Harvard University;
Gerald Caplan, former Co-Chair, Task Force on Broadcasting Policy;
Florian Sauvageau, Director, Centre for Media Studies, Laval University and former Co-Chair,
Task Force on Broadcasting Policy.

Tuesday, 6 May 2003

As Individuals:

Christopher Dornan, Director, School of Journalism and Communication, Carleton University;
Denise Bombardier, journalist and author.

Thursday, 8 May 2003

As Individuals:

Marc-François Bernier, Professor, Department of Communication, University of Ottawa;
Gaëtan Tremblay, Professor, Department of Communications, and Co-Director of the
Interdisciplinary Research Group on Communication, Information, and Society,
Université du Québec à Montréal.

Tuesday, 13 May 2003

As Individuals:

Vince Carlin, Chair and Associate Professor, School of Journalism, Ryerson University;
Carolyn Newman, Independent Producer;
Charly Smith, Independent Producer.

Thursday, 15 May 2003

As Individual:

Roger D. Landry, Former Publisher of La Presse.

Tuesday, 27 May 2003

As Individual:

Donna Logan, Director, School of Journalism, University of British Columbia.

From the Fraser Institute:

Neil Seeman, Senior Policy Analyst, Fraser Institute and Director, Canadian Statistical Assessment Service;

Patrick Luciani, Senior Fellow, Fraser Institute.

Thursday, 29 May 2003

As Individuals:

Jamie Cameron, Professor, Osgoode Hall Law School, York University;

Pierre Trudel, Professor, L.R. Wilson Chair in Information Technology and Electronic Commerce Law, Public Law Research Centre, University of Montreal.

Tuesday, 3 June 2003

As Individuals:

Brian MacLeod Rogers, Lawyer;

Christopher Maule, Distinguished Research Professor, Department of Economics and Norman Paterson School of International Affairs, Carleton University.

Tuesday, 10 June 2003

As an Individual:

Kirk LaPointe.

Thursday, 12 June 2003

As Individuals:

Tim Casey, Managing Director, Media and Entertainment, BMO Nesbitt Burns;
Andrea Horan, Communications and Media Analyst, Westwind Partners.

Tuesday, 17 June 2003

From the Canadian Newspaper Association:

Anne Kothawala, President and Chief Executive Officer.

As an Individual:

Peter Kohl.

Thursday, 19 June 2003

As Individuals:

Clark Davey, former newspaper publisher;
Hamilton Southam, former Director of Southam Inc.;
Wilson Southam, former Director of Southam Inc. and Southam Newspapers;
James Travers.

Tuesday, 23 September 2003

From Competition Bureau:

Gaston Jorré, Acting Commissioner of Competition;
Peter Sagar, Deputy Commissioner of Competition.

Thursday, 25 September 2003

From the Canadian Radio-Television and Telecommunications Commission:

Charles Dalfen, Chairperson;
Andrée P. Wylie, Vice-Chairperson, Broadcasting;
Marc O'Sullivan, Executive Director, Broadcasting Directorate.

Tuesday, 7 October 2003

From Rogers Communications Inc.:

Philip B. Lind, Vice-Chairman;
Ken Engelhart, Vice-President, Regulatory Law;
Alain Strati, Director, Regulatory Affairs.

From Rogers Media Inc.:
Anthony P. Viner, President.

From Rogers Publishing Limited:
Brian Segal, President and Chief Executive Officer.

Thursday, 9 October 2003

From Our Public Airwaves:
Arthur Lewis, Executive Director;
Sheila Petzold, Chair of the Coordinating Committee;
Doug Willard, Past President of the Canadian Teachers' Federation.

Tuesday, 21 October 2003

As Individuals:
Armande Saint-Jean, Professor, Department of Literature and Communications, University of Sherbrooke.

Thursday, 23 October 2003

From the Canadian Broadcasting Corporation:
Carole Taylor, Chair, Board of Directors;
Robert Rabinovitch, President and Chief Executive Officer;
Tony Burman, Editor in Chief, CBC News, Current Affairs and Newsworld, CBC Radio, TV and cbc.ca;
Claude Saint-Laurent, Special Advisor to the President and Chair, Journalistic Standards and Practices;
Alain Saulnier, General Director of Information, French Radio.

Tuesday, 28 October 2003

From Quebecor Inc.:
Luc Lavoie, Executive Vice-President, Corporate Affairs.

Thursday, 30 October 2003

From Transcontinental Media Inc.:
André Préfontaine, President.

Tuesday, 4 November 2003

From Corus Entertainment Inc.:

John M. Cassaday, President and Chief Executive Officer;
Paul Robertson, President, Corus Television and Nelvana;
John P. Hayes, President, Corus Radio;
Kathleen McNair, Vice President, Corporate and Regulatory Affairs, General Counsel.

Thursday, 6 November 2003

From CHUM Ltd.:

Jay Switzer, President and Chief Executive Officer;
Sarah Crawford, Vice-President, Public Affairs;
Peter Miller, Vice-President, Planning and Regulatory Affairs.

Third Session, Thirty-Seventh Parliament

Thursday, 26 February 2004

From the Council on American-Islamic Relations Canada:

Sheema Khan, Chair;
Riad Saloojee, executive Director.

As an individual:

Clifford Lincoln, M.P.

Tuesday, 9 March 2004

From the Canadian Media Guild:

Lise Lareau, President;
Scott Edmonds, Vice-President, Canadian Press Branch.

From the Periodical Writers Association of Canada:

Michael O'Reilly, President;
Doreen Pendgracs, Past Member, National Executive.

Thursday, 11 March 2004

From the National Guild of Canadian Media, Manufacturing, Professional and Service Workers/Communications Workers of America:

Arnold Amber, Director.

From the Montreal Newspaper Guild/Communications Workers of America:

Jan Ravensbergen, President.

From the Ottawa Newspaper Guild/Communications Workers of America:

Lois Kirkup, President.