... The use of the air ... that lies over the soil or land of Canada is a natural resource over which we have complete jurisdiction under the recent decision of the Privy Council ... I cannot think that any government would be warranted in leaving the air to private exploitation and not reserving it for development for the use of the people ...

Prime Minister R. B. Bennett
House of Commons, May 18, 1932
CANADIAN PUBLIC SERVICE BROADCASTING

IN THE INFORMATION AGE

by

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ABSTRACT

As governments have adopted an activist role to encourage the growth of the information society based on a technologically progressive agenda framed within a larger neoliberal political and economic discourse, the scope and influence of public service broadcasters like the Canadian Broadcasting Corporation (CBC) have diminished internationally and nationally. This research study uses the CBC as a single case study to identify, explain and critique changes to the intrinsic meaning of public service broadcasting in the Canadian information society, and whether or not those changes have benefited the public.

This research uses a critical neopluralist analysis to improve understanding of the processes and relationships that have an impact on the social, cultural, economic and political role of their public service broadcaster. It addresses a gap in the scholarship through the analysis of the form, function, processes and directions of influence in late capitalism (Macpherson, 1977) on the Canadian public service broadcasting ethos.

The concept of public service broadcasting in Canada has traditionally been simultaneously nationalistic and divisive, as a managerial approach by the federal government excluded provincial, regional and local influence over both the broadcasting system as a whole, and the CBC in particular. Original research provides evidence that over the last forty years, Canadian communications policy has increasingly favoured
economic objectives over social and cultural goals, and that the CBC has reinvented itself as a cross-platform ‘content company.’

The CBC, as a national institution in the hybrid Canadian public service broadcasting system, has faced numerous challenges in its attempts to be universal, independent, diverse and distinctive. Some long-standing issues are the challenges of covering a large land mass, reconciling conflicting expectations for local, regional and national levels of service, as well as serving the needs of a neopluralist population with diverse cultural and linguistic requirements. The political climate and societal changes associated with the expansion of the information society have both exacerbated old challenges and presented new ones. The process has undermined not only the ethos of public service in media, but also the credibility and the integrity of the CBC. However, these changes have also presented opportunities to re-think technologically-constrained expectations of the media, and to reconfigure the traditionally limited perception of the very “public” that the CBC is mandated to serve.
DEDICATION

To CalTed, with love and gratitude.
ACKNOWLEDGEMENTS

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### List of Symbols, Nomenclature or Abbreviations

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<th>Description</th>
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<tbody>
<tr>
<td>ACTRA</td>
<td>Alliance of Canadian Cinema, Television and Radio Artists</td>
</tr>
<tr>
<td>ABC</td>
<td>Australian Broadcasting Corporation</td>
</tr>
<tr>
<td>BBC</td>
<td>British Broadcasting Corporation</td>
</tr>
<tr>
<td>B.N.A.</td>
<td><em>British North America Act</em></td>
</tr>
<tr>
<td>CBC</td>
<td>Canadian Broadcasting Corporation/Radio-Canada</td>
</tr>
<tr>
<td>CRTC</td>
<td>Canadian Radio-television and Telecommunications Commission</td>
</tr>
<tr>
<td>CRTC #####-##</td>
<td>This abbreviation is used in the in-text references to indicate orders, decisions and notices issued by the Canadian Radio-television and Telecommunications Commission. The first number indicates the year, for which Broadcasting uses four digits and Telecommunications uses two. The second number is related to the specific decision, order or notice.</td>
</tr>
<tr>
<td>Friends</td>
<td>The Friends of Canadian Broadcasting</td>
</tr>
<tr>
<td>IS</td>
<td>Information Society/Societies</td>
</tr>
<tr>
<td>NAFTA</td>
<td>North American Free Trade Agreement Implementation Act</td>
</tr>
<tr>
<td>RCI</td>
<td>Radio Canada International</td>
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Introduction

This research study fulfils the requirements of a Doctorate of Philosophy by making a novel contribution to the existing bodies of international research into the interactions between communications and social policy. The detailed single case study of the Canadian Broadcasting Corporation (CBC) has been designed to contribute a uniquely Canadian sociological perspective to the ongoing debate over the continued efficacy and value of public service broadcasting principles in a changing media environment. By extension, this work provides insight into the challenges that social, cultural and economic changes have posed for the ideals of public service in other, non-media sectors.

Communication is important for trade, as well as the social, cultural and educational potential of any nation. It is therefore important to pay attention when something changes in that sector. Information and communication technologies have changed the way people, businesses and governments act and interact. Economically, the advertising model has been undermined by changes in communication technologies and erratic economic cycles. Political priorities have changed. All of these changes have posed significant challenges to the regulatory environments, the institutional structures, practices and mandates of public service broadcasters world-wide.

Public service has been a defining feature of Canadian broadcasting since the earliest days of radio, when policy-makers recognized the valuable role media plays in the formation of public opinion. Public service is also a distinguishing feature of the Canadian social fabric. The idea of applying public service expectations to any sector,
be it broadcasting, health, education or culture, has both supporters and detractors. As a result, public service broadcasting in Canada has traditionally been faced with the complex task of reconciling conflicting agendas and goals, such as the simultaneous promotion of nationalism and diversity.

The debate continues. The continued efficacy of public service broadcasting in supplying social and cultural needs within pluralist democratic societies was affirmed during the course of this research, both in Europe by the governing body of the European Union (Bardoel and Lowe, 2007) and by the Standing Committee on Canadian Heritage (Canada, 2008). During its review of the broadcasting sector, the latter identified the CBC “… as an essential public institution” (p. 5), and recommended it expand its new media and internet services in order to reach more Canadians.

However, various policy and regulatory changes have undermined the historical role of the Canadian public service broadcaster on numerous fronts. For example, its capacity to counter the effects of monopolistic power of private broadcasters has been significantly undermined by changes to the regulatory environment to permit intense vertical, horizontal, and cross-platform media concentration (Winseck, 2011).

This research study is singular in Canadian scholarship because it is asking for answers to questions that are not being asked elsewhere about essential and contextual challenges to the ideals of public service. The study examines Canadian public service broadcasting in the contextual changes associated with the growth of the information society, which is characterized by neoliberal economic and political policies, the rapid spread and uptake of information and communication technologies, and globalization.
(Mackay, 2007). This research applies a neopluralist theoretical approach to the qualitative methodological analysis of a specific case study, the CBC, to understand the impact on the ideal, or "ethos" of public service broadcasting.

The first of seven chapters describes the theoretical framework of this critical research study. The framework is built on the political sociological theory of neopluralism, and particularly the work of C. B. Macpherson, but also uses other theoretical concepts from sociology, technology in society, and communications research to explain both public service broadcasting and the information society conceptually. The second chapter explains the strategy of using a qualitative research design for a case study of the CBC from 1993 to 2008. The qualitative methods include document analysis and interviews with professionals with relevant areas of expertise, and the epistemological soundness assured by a reliance on corroboration from multiple sources. The study analyses broadcast policy, legislation and regulations developed by federal government bodies, as well as how they have been interpreted by various stakeholders, implemented by the CBC, and enforced by the Canadian Radio-television and Telecommunications Commission (CRTC). Together, these two chapters explain why a neopluralist theoretical and qualitative methodological approach to a case study of the CBC is appropriate for answering the research questions.

The third chapter reviews national and international sociological and communications scholarship about public service broadcasting, the information society, and the CBC. The research both provides context, and explains how public service broadcasters have been affected both in theory and practice by the political, economic,
social and cultural shift toward an 'information society'. Chapters four, five and six present and analyze the research evidence about how public service broadcasting has fared in the Canadian information society over a fifteen-year period. In particular, the fourth chapter focuses on policy and regulation, the fifth examines interpretations of that policy and regulation by different stakeholders, and the sixth analyses how the CBC implemented its own interpretation of the public service broadcasting ethos. The concluding chapter draws together all that has gone before to explain how the concept of public service broadcasting has changed in Canada's information society, and addresses the critical mandate of this dissertation to explain how the ethos of public service broadcasting has been eroded in Canadian society.
Chapter 1 - The theoretical analysis of Canadian public service broadcasting

1.0 Introduction

The cultural, social, political and economic fabric of Canada depends heavily on communication conduits and technologies. The convergence of broadcast and telecommunications technologies and the re-convergence of the national policies governing them (Winseck, 1998), along with a series of mergers that enabled the growth of less than a dozen global multimedia companies, have all been part of “...the rise of a worldwide transnational economy” (Mosco, 2009, p. 107). Transnational companies have divisional headquarters and operations all around the world and no particular national identity. As they have grown, domestic media corporations have expanded to achieve the economies of scale they claim will enable them to stay competitive.

Both national and transnational media have been integral to the growth of the information society and its attendant social, political, and economic changes. Information societies are characterized by digital, multi-directional communication technologies, networked information distribution mechanisms and a competition-friendly policy environment. “Mass” audiences have been reconceived as aggregates of individuals with personalized media consumption patterns. Governments have adopted an activist role to encourage the growth of the information society based on a technologically progressive agenda framed within a larger neoliberal political and economic discourse. In the process, the scope and influence of public service broadcasters like the CBC have diminished internationally and nationally.
While researching my Master of Arts thesis (2002), I found that there were both internal and external influences from a variety of sources affecting the trajectory of the new media service development at the CBC. Public service broadcasters world-wide have undergone extensive technological, organizational and operational changes themselves to stay current, offer new services, increase their interaction with the public and change the ways they do business, which changes what public service broadcasting means. Because it serves so many roles and functions in society, the meaning of public service broadcasting is defined by more than just the policies issued by governments and the broadcasting regulator (CRTC), or the institutional organization and practices of the CBC. Public service broadcasting is a social process that is both subject to and the result of a range of forces and influences, some old and some new.

This research study uses the CBC as a single case study to identify, explain and critique changes to the intrinsic meaning of public service broadcasting in the Canadian information society, and whether or not those changes have benefited the public. The framework for this analysis is on the main research question of “How has the ethos of public service broadcasting changed in the Canadian information society?” and the following sub-questions:

1. What has the ethos of public service broadcasting traditionally meant in Canada?
   a. How has it appeared in policy?
   b. How has that policy been interpreted by different stakeholders?
   c. How has that policy been implemented?
   d. How has it been justified or rationalized?

2. What are the main challenges that public service broadcasting has faced and with what effects?
3. Where did the Canadian information society come from and how was it created?

4. How has public service broadcasting been affected by/ reacts to contextual change associated with the information society?

5. Is there a valid role for public service in the changing communications context? What purpose does it serve?

This chapter explains the approach of the research study, starting with the critical and neopluralist theoretical framework. The second section outlines the general types and reasons for communications policy, and then focuses on the Canadian context and relevant stakeholders. The third section provides an overview of the theoretical and conceptual analytic tools used to examine the Canadian information society. The fourth section explains the connections between the overall theoretical approach and the empirical research design, to provide context for the methodology and methods explained in Chapter Two. The chapter ends with a brief summary.

1.1 Theoretical framework

1.1.1 Critical study

The goal of critical research study is to improve understanding about underlying social and cultural structures, to diagnose problems, describe situations, offer solutions, and to identify opportunities for increasing equality, expand justice, and strengthen democracy (Deacon, Pickering, Golding and Murdock, 1999; Bryman and Teevan, 2005; Crotty, 1998). The CBC has been an important cultural force in this country and as a crown corporation it is primarily funded by public monies so it is the public’s right
to know how public service broadcasting has been affected by contextual changes, and who has benefited.

The goal of this critical research study is to assesses whether the changes affecting the ethos have been “adaptive” or “maladaptive” (Bowden, 2009). Change is identified as adaptive when it improves or expands service to the public, and maladaptive if it limits public benefit to further the agendas of other stakeholders. This research takes a holistic view of Canada’s political economy, borrowed from a well-established school of Marxist scholarship in Canadian sociology, political science and communications research (Clement, 2001; Mosco, 1996). In this view, the “political” as both governance and government, and the “economy” is made up of financial activities as well as “… the social, political and cultural constitution of markets, institutions and actors” (Clement, 2001, p. 406).

My decision to use the term “public service broadcasting” in this dissertation when referring to the CBC was in keeping with the critical agenda of this research study, although it was contrary to both trends in the literature and the observations of some interviewees. As those interviewees pointed out, the term has historic or geographic associations that are not Canadian:

… I would say that the phrase public service broadcasting as opposed to public broadcasting tends to be … the “S” in PSB tends to by a European phrase, rather than a North American phrase” (Interviewee-Friends of Canadian Broadcasting).

In my experience, public service broadcasting tends to get used in European literature (Interviewee-Canadian Heritage Official).
... public service broadcasting is a concept that, in that precise phrase, is not used, and has not been used at least in recent years in Canada as much as it has in other jurisdictions. It's a phrase that, at least I associate more often with the British broadcasting system (Interviewee-Broadcast policy advisor).

I have not found either “public service broadcasting” or “public broadcasting” indicate any particular organizational or institutional structure, funding mechanism, functionality, or specific regulatory or legal framework. The terms are often used interchangeably in the literature, so the choice of one over the other would help maintain consistency. However, I suggest that there are qualitative differences between the terms “public service broadcasting” and “public broadcasting” that made the former an obvious choice for this research study.

The normative basis for media policy ranges along a spectrum from the market-driven model most often associated with the United States, to the model that emphasizes collective social goals that is usually associated with the United Kingdom (McQuail, D., 2005). “Public broadcasting” is more common in literature about North America, South America, and the Asia-Pacific regions. In the United States, it is most often used when referring to television and radio stations that have an educational mandate, and in Australia, by educational and smaller enterprises wishing to distinguish themselves from the Australian Broadcasting Corporation when the latter were re-labelled ‘community broadcasters’ in 1992. The term “public service broadcasting” is attributed to the first Director General of the British Broadcasting Corporation, John Reith (1889-1971), and the Royal Commission on Radio Broadcasting (1929) recommended that Canada adopt
the "Reithian" model. As a result, the Canadian system and institution have more in common with their European than American counterparts (Young, 2003).

Including the word "service" has implications for a particular type of relationship between the broadcaster and its audience. Although that relationship has been neglected in recent years (Holland, 2003) the Canadian public system offers both formal and informal avenues for public input and engagement that should not be forgotten. Including the word "service" is a token activist effort on my part to emphasize the relevance and importance of that relationship.

Finally, the recurrence of the word "service" reinforces the legislative, structural and systemic attributes that make the Corporation distinctive from its commercial counterparts:

... (b) the Canadian broadcasting system, operating primarily in the English and French languages and comprising public, private and community elements, makes use of radio frequencies that are public property and provides, through its programming, a public service essential to the maintenance and enhancement of national identity and cultural sovereignty;" (Broadcasting Act, 1991, 3.(1)).

Including the term "service" acts as a reminder to readers and the writer that both public and private broadcasters have public service duties as members of the Canadian system, and to resist accepting the erosion of the public service broadcasting ethos is a foregone conclusion.

1.1.2 Neopluralism

Theories from political sociology explain various ways that a state or "specific regime" holds political power legally, with authority and support, and how it mediates
between rules, individuals and groups (Alford and Friedland, 1985). Whereas class and managerial state theories see the state as a tool of economic or elite interests respectively (Alford and Friedland, 1985), pluralism portrays government as a mechanism for communication and arbitration between groups to resolve conflicting interests. Pluralist, liberal democratic societies are defined by the values of private property, enterprise, economic wealth and corporate autonomy in a competitive economic system.

Democratic thought focuses on universal, non-economic rights and freedoms along with equality and expanded access to political participation (Alford and Friedland, 1985, p. 47). In traditional liberal philosophy, each individual, when freed from old systems of social constraint, is seen as equally free to develop to the fullest of his/her abilities, and to better him or herself. Individuals in pluralist society are portrayed as both creators and consumers, and betterment of mankind is measured in terms of moving "up" into the next class through the acquisition of skills as a "doer, creator", and through the acquisition of property and goods, as a consumer or the "enjoyer of attributes" (Macpherson, 1973, p. 5). When the full development of one individual or social group interferes with that of another, liberal philosophy argues that conflict will resolve to harmony when competition is allowed free reign, whether the context is trade or political debate, because the 'best' idea will win out (Schmitt, 1985, p. 35). The combination of liberal and democratic philosophical traditions supports the notion that all individuals are equally free to use and fully develop their human capacities in a democratic society. The assumptions are that collective public action is sufficiently informed and forceful to direct government policy to place its social, economic and
cultural interests ahead of the economic interests of capital and the state’s own political interests (Dahl, 1971).

C. B. Macpherson’s “new pluralism” (1987, p. 69) is a critique of pluralist theory and challenges some of its assumptions about politics and the relationships between different interested parties. Pluralist theory does not account for the uneven distribution of wealth and power between classes in a capitalist society, and the systemic nature of social inequality. The market economy is not held responsible for the social consequences of its activities, which makes it the job of governments to mitigate the worst effects of the market economy with the “occasional act of socialism” (Lindblom, 1977, p. 112).

Neopluralism does not assume that the state is either a monolith that consistently acts in a single-minded fashion, or that it is disinterested. The Canadian federal government was not a disinterested party when it actively engaged in furthering the agenda of the information society and it supported the growth of the communications sector both nationally and internationally using a policy approach that emphasized privatization, commercialization and re-regulation. Nor was it a disinterested party when it actively cultivated the consumer market for the private technology sector (Mosco and Rideout, 1998; Reddick, 2002, 2003; Thussu, 2006; Government of Canada, 2001).

Neopluralism is a normative and explanatory theory of pluralist society that takes a critical analytic approach to the efforts of government to maintain its legitimacy, and to identify the multiple locations of power in a society. Canada fits Dahl’s
description of a polyarchy, the systems in which governments use policy as a tool to 'redistribute' resources and resolve potential conflict (Dahl, 1971). It has a capitalist economy, a liberal democratic political system, diverse population, and history of governments using various tools to 'redistribute' resources in an effort to resolve potential conflict, to avoid changing or challenging the economic systems of property or ownership (Macpherson, 1977, p. 11).

Neoplural analysis reveals how societies are made and re-made by the existence, actions and interactions of different people, organizations and institutions in the public and private sectors, each with their own agendas and levels of power. It does not assume that the state is transparent about its relationship with capital, or that it only acts to arbitrate between different interested parties. To my knowledge, Reddick (2002) is the only scholar to have used neopluralism, in combination with Poulantzas’ structuralism and Gramsci’s neo-Marxism, in his examination of Canadian internet policy. Reddick explored the dual political and economic nature of the public interest in how communication networks are perceived and used in Canada, and how the neoliberal agenda driving the development of the Information Highway prioritized economic over democratic objectives (2003).

1.2 Stakeholders or “interested parties”

In this research study, there are five key stakeholders with an interest in and influence over the ethos of public service broadcasting. First is the federal government, an inclusive title that encompasses both political and bureaucratic bodies. It includes
Parliament, which votes on the appropriation that forms the bulk of the CBC’s funding, standing committees, the Office of the Auditor General and any specially convened commission that has conducted reviews that include the CBC. It also incorporates the Executive branch, composed of the Prime Minister’s Office and Cabinet, since that is where the Ministers all meet. The Department of Canadian Heritage falls under that title because the CBC is part of its portfolio.

The second stakeholder is the Canadian Radio-television and Telecommunications Commission (CRTC). The CRTC is an independent regulatory agency responsible for licencing, administering regulation and monitoring the broadcast and telecommunications sectors. It has a public service mandate, and while it operates independently from government the CRTC is accountable to Parliament and reports to the Minister of Canadian Heritage. The CRTC consults with industry directly as well as the public about broadcasting and telecommunications issues, and plays an international role when it meets with regulators in other countries to deal with new technologies and market changes (CRTC, 2012, September 6).

The third stakeholder is the collective of private broadcasting companies that operate for profit within the same public service broadcasting system. The commercial media landscape in Canada is dominated by a few highly concentrated companies, such as BCE, Corus, Quebecor, Rogers and Shaw, with subsidiary companies in the radio, television, pay, specialty, internet and distribution businesses (CRTC, 2013, May 9). For example, BCE Inc. is Canada’s largest communications company. Its subsidiary, Bell Media, is a multimedia company that owns CTV, Canada’s largest private
television company, as well as 28 other conventional stations, 29 specialty channels, 33 radio stations and multiple web sites (Bell Canada Enterprises, 2011). The Shaw family of companies provide direct-to-home satellite, broadcast, fibre-optic backbone, wireless and mobile services. Shaw Media, a subsidiary, owns various companies including Global Television (Shaw Companies, 2013).

The fourth stakeholder is the Canadian public, made up of people who are simultaneously citizens and consumers. Citizens can be political actors in the broadcasting policy formation process, and do contribute tax dollars that fund both the public service broadcaster and production funds that are accessed by private broadcasters. As consumers, the public’s attention is sold to advertisers that buy time between the programs for commercial promotion (Smythe, 1981). The public pays for the broadcasting system and all of the operators in it and therefore has the right to know about changes in the relationships between different stakeholders and the impact of change on the ethos of public service broadcasting. The final stakeholder in the list is the CBC itself.

The list of interested parties has been narrowed, but is not limited, to these five stakeholders. They are identified in the current research as having defined roles in the definition and delivery of public service broadcast, and they have all played a role in the creation and growth of the Canadian information society. There are other interested parties whose views are not represented here. For example, the independent production sector is an important part of the cultural sector and often works closely with the CBC. The resources of this research study were not sufficient to approach individual
companies, and the interview requests I submitted to the Canadian Film and Television Production Association did not yield a result, so that viewpoint is not included here.

Unlike pluralist theory, neopluralism does not diminish the degree or frequency of conflict as stakeholders pursue their own agendas. Nor does it dismiss the effects of class, social activism, culture, politics and business on the distribution of power in society, or how those affect degrees of agency and influence (Macpherson, 1987). Indications of the relative degrees of agency and influence held by various stakeholders have become even more visible in the context of the information society, as market-based economic objectives are given priority over social and cultural goals in policy and regulation.

1.3 Communication technologies and government policy

Various types of large technological systems play important roles in trade, social and cultural development, education, nationalism and the defence capabilities (Czitrom, 1982) of both developed and developing nations (Alvarez, 2006). Different levels of the state get involved at different points and for different purposes in the development and regulation of large scale technological systems and the companies that run them (Smith, A., 1987; Hughes, 1983). The state may intervene in cases where large-scale development needs additional funding, some centralized form of management, or in cases of market-failure to ensure the provision of important, but not necessarily profitable, pluralist, educational, informative, cultural, and artistic content (Garnham,
The degree and type of state involvement affects both its ability to react to the pace of technological change and to respond to pressure (Hughes, 1983).

When it comes to communication technologies, the state may intervene in various capacities for everything from spectrum management to addressing the socio-political and ideological impact and power of audio-visual media (Blumler and Nossiter, 1991). A strong motivation for Canadian transportation and communications policies has been the capacity of technology to overcome inequality and bind the nation together. Balancing the interests of urban and rural Canadians, as well as between regional and national interests, is part of the CBC’s mandate (*Broadcasting Act*, 1991, 3. (1)(ii)).

Canadian historian Harold Innis’ theory of technological realism provides valuable insights into the integral role of technology in Canadian development and identity, and the ongoing tensions between the needs of the centre and those of the periphery. A key thinker in Canadian communications theory (Kroker, 1984), Innis describes how Canadian communications technology patterns have developed as a result of interaction between the state, society, and commerce to balance the needs of people whose lives are based in central hubs with those who live outside those hubs, whether politically, geographically, economically or in terms of population distribution (Innis, 1999).

Science and technology are integral to both the economic structure and ideology of capitalism, which is based on the principle of supplying economically valued products and services to satisfy real and perceived needs. Information and the technologies that carry it are central to the capitalist economic structure because they
expand and reinforce the consumer culture and feed the “progressive” cycle of continuous economic growth. A perpetual process of technical development is a major part of commercial production practices. The cycle of constant innovation drives the economy by feeding the consumer mentality with the “need” for new, repackaged, or ‘enhanced’ products (Habermas, 1972).

1.3.1 Policy tools and types

Public policy is influenced by a number of different situational, systemic and structural forces as it moves through the form, function, processes and institutions of government (Macpherson, 1987). Legitimate state action is not limited to democratic mechanisms like elections. There are a variety of tools, forms and functions governments can use, such as policies and legal systems that uphold the laws for managing competition (Macpherson, 1977). For example, federally elected politicians are appointed Ministers of the federal departments, like Canadian Heritage and Industry, which have mandates to accomplish normative goals that reflect and reinforce social values. Special programs, like the Community Access Program, set up free computer labs in schools and libraries to encourage members of the public to use the internet.

Another form of state action can be to establish organizations with a specific purpose, such as the CRTC, which is an arms-length agency that monitors, regulates, and issues licences for the broadcast and telecommunications sectors. There are also codes and standards, like the MAPL system designates music Canadian, based on whether the Music, Artist, Performance, and Lyrics were executed by citizens and how
much of it radio stations are required to play (CRTC Public Notice 2006-158). Finally there is legislation, like the \textit{Broadcasting Act}, which designates:

\ldots the Canadian broadcasting system, operating primarily in the English and French languages and comprising public, private and community elements, makes use of radio frequencies that are public property and provides, through its programming, a public service essential to the maintenance and enhancement of national identity and cultural sovereignty;” (1991, Part 1, 3.(1)(b)).

Each of these tools has its strengths and weaknesses, and different stakeholders may have different degrees of influence over how and when they are used. For example, one shortcoming of any political appointment is that the position is only as effective as the individual in it and the political capital that (s)he has. Government-funded initiatives are often curtailed or have intrinsic limitations, for example, the Community Access Program, which had limited time and funding. When it ended, many Canadians who could not afford their own computers or who lived in remote and rural locations lost their online access (Rideout, 2002, 2003a). Finally, legislation is a blunt instrument at best (Raboy, 1994). It takes a long time to develop and the process is complex, all of which can make it unresponsive, as well as difficult to change.

\subsection*{1.3.2 Public services}

While they are not capable of redressing the intrinsic social, economic or cultural imbalances in liberal democratic societies with market economies, public services are another tool that governments can use to mitigate those imbalances. The term “public service” is an ill-defined concept (Barnett and Docherty, 1991) because it reflects the national characteristic of its origins, but they do have some distinctive characteristics.
These include non-exclusivity, meaning that multiple people can consume or use them simultaneously, and non-excludability in that they are funded by citizens, whether or not all citizens use them (Marshall, 1998). Public services are:

... goods which cannot be appropriated privately. If such a good is supplied, no member of the collectivity can be excluded from its consumption. Therefore, public goods must be produced by institutions other than a market economy and distributed by a mechanism different from markets (Berger, 1990, p. 128, p. 18 in Raboy, 1995b, p. 33).

Another feature of public services is that they are non-rival, so the cost of provision is the same whether one or one hundred people consume the service. These goods or services are provided in the public interest, which is the indivisible group right of a community or society. The goal of the public service itself and the act of providing it is to benefit the collective (Marshall, 1998).

In a capitalist economy, public services are generally delivered, either wholly or with private partners, by public institutions and organizations. Implicitly, these institutions and practices are to operate with a mandate to perform a service that is beneficial and does not cause harm. They also should not interfere in the market economy, but instead, must fill the gaps that the market can or does not provide to supply basic resources for individual development and participation in society. Services come in different formats and fulfill different needs, from long-term stability to episodic interventions.

Universality is a key feature of public services in general, and traditional broadcast technology lends itself to the public service model because it is:
... the sending of messages via the media of TV or radio with no technical control over who receives them. Anyone who has the appropriate receiver and is within the range of the transmitter can receive them ... By extension it means sending messages via the airwaves to a mass audience, and thus involves the use of broadcast codes and conventions designed to appeal to that mass audience (O'Sullivan, Hartley, Saunders and Fiske, 1987 in Hujanen and Lowe, 2003, p. 12).

Mosco's (1998) definition of universality uncouples questions of access to communication resources from social and economic inequalities. He emphasizes the importance of quality when it comes to mediated communication, and the ability of people to participate in the processes that shape new and old means of communications. As the evidence in later chapters shows, this level of universality is rarely achieved in a neoplural state. Typically, in order for government to maintain its legitimacy to both capital and the electorate, the closeness of the relationship between the state and capital, as well as the mechanisms, channels and processes by which it is maintained, are not as inclusive or transparent as they could be (Macpherson, 1987).

1.4 Public service broadcasting

Various definitions of public service broadcasting list similar characteristics, but in a different order, which suggests different priorities. For example, the United Nations Educational, Scientific and Cultural Organization definition is:

... broadcasting made, financed and controlled by the public, for the public. It is neither commercial nor state-owned, free from political interference and pressure from commercial forces. Through PSB (public service broadcasting), citizens are informed, educated and also entertained. When guaranteed with pluralism, programming diversity, editorial independence, appropriate funding, accountability and transparency, public service broadcasting can serve as a cornerstone of democracy (UNESCO, 1995-2012).
The Museum of Broadcast Communications based in the United States, has similar criteria in a different order for its definition of public service broadcasting:

...based on the principles of universality of service, diversity of programming, provision for minority audiences including the disadvantaged, sustaining an informed electorate, and cultural and educational enrichment (Avery, 2006).

Public service broadcasting can also be described by what it is not: it is not state-run or funded like a department, neither is it commercial; nor is it a niche or minority service carrying only alternative content (International Telecommunications Union, 1999).

Different interpretations held by different interested parties or stakeholders leads to multiple and often conflicting views about the role, function, and value of public service broadcasting. This lack of clarity makes it difficult to assess what the goals are for broadcasting institutions and systems, and whether or how effectively they are fulfilling their public service obligations. The danger of this variability is that it can create confusion and sometimes deliberate misinterpretation during political debates over efficacy (International Telecommunications Union, 1999).

However, when public service broadcasting systems operating in Western nations are compared to each other, some similarities emerge. One common characteristic is that many of these systems operate according to principles that are entrenched in legislative and regulatory frameworks. These define the terms of ownership and financing for both private and public broadcasters and emphasize the public service values that the system is to embody and maintain. For public service broadcasters, it “... is axiomatic that to maintain the public-service ethos in the public
sector requires public money" (Barnett and Docherty, 1991 p. 36). Public service broadcasting is to be made for, financed and controlled by a public (International Telecommunications Union, 1999), which is usually defined by regional or geographic parameters. Interestingly, the International Telecommunications Union is suspicious of public funding from sources other than licence fees, and suggests that in cases where funding comes from an annual allocation, "...a closer look will reveal that more often than not the broadcaster is in reality a state broadcaster, rather than a truly independent public service broadcaster" (p. 4).

In broadcasting law, public, or public service broadcasters are non-exclusive through their "...general geographic availability" (Barendt, 1995, p. 52). This source goes on to say they are also non-exclusive, acting in the public interest and for the public good through their "...concern for national identity and culture...", "...impartiality of programming..." and in the provision of a "...range and variety of programmes." According to Barendt, they are non-rival as long as they receive "...substantial financing by a general charge on users...," which is usually administered by the state. They avoid becoming either 'state' or private broadcasters as long as they can maintain their "...independence from both the state and commercial interests..." (p. 52). Public service broadcasting systems in Western liberal democracies are generally defined by a national legal framework that outlines specific responsibilities, commitments and funding models for both public and private providers (Barnett and Docherty, 1991).
The Broadcasting Research Unit produced a list of eight core principles for public service broadcasting from a comparative analysis of contemporary mandates it conducted during a study of the British Broadcasting Corporation:

1. Universality: geographic – broadcast programmes should be available to the whole population

2. Universality of appeal – broadcast programmes should cater to all interests and tastes;

3. Minorities, especially disadvantaged minorities, should receive particular provision;
4. Broadcasters should recognize their special relationship to the sense of national identity and community;

5. Broadcasting should be distanced from all vested interests, and in particular from those of the government of the day;

6. Universality of payment – one main instrument of broadcasting should be directly funded by the corpus of users;

7. Broadcasting should be structured so as to encourage competition in good programming rather than competition for numbers

8. The public guidelines for broadcasting should be designed to liberate rather than restrict the programme makers (British Broadcasting Unit in McDonnell, 1991).

Subsequent efforts to define public service broadcasting also used the technique of identifying recurring themes in the mandates of different entities. Some additions to the above list include nurturing diversity, democratic accountability and a non-profit orientation (Collins 1998; Tracey, 1998 in Hujanen and Lowe, 2003, pp. 20-21; Bardeol and Lowe, 2007). Others are independence, objectivity and a lack of bias, and the production of high quality content that shows respect for pluralism, helping to cultivate
culture and democratic process (Kleist and Scheuer, 2006 in Bardeol and Lowe, 2007, p. 11).

Public service broadcasting has also been expected to perform the function of a "public sphere" by providing a forum for exchange and engagement in pluralist discourse (Garnham, 2000; Habermas 1989). Open communication is essential for the public good in pluralist societies; democratic freedom relies on discourse, which acts both as a service and utility to ensure social and cultural development as well as participation by individuals and the population at large for democratic and economic benefit (Reddick, 2002). A basic level of transparency is necessary for the public to engage in democratic practices – hence the necessity of a free press – and it is the duty of government institutions and procedures to support and defend the right of every citizen to access what (s)he needs to maximize his or her capacities and forward real human progress (Reddick, 2002).

1.4.1 Structural differences

The different evolutionary patterns of public service broadcasting systems can explain the relative health of the public service mandate in its national context, as well as the health of the public broadcasting institution operating within that system (Barnett and Docherty, 1991). Even when different institutions are modeled on the same "Reithian" ideals, the systems and institutions reflect national influences, objectives and priorities. Raboy identified the two typical models of public service broadcasting as either institutional or systemic (1995b). One type of the "public service core system" is
built around a single government-owned monopoly broadcaster, for example the British Broadcasting Corporation (BBC).

The BBC was established by Royal Charter in 1926 on the recommendation of the Crawford Committee (1925) that a public corporation act as a trustee for the national interest in broadcasting. John Reith was Managing Director from 1923-1927 and Director General from 1927-1938 and is generally credited with developing the quintessential ("Reithian") values that characterize public service broadcasting. British broadcasting was a state-regulated monopoly mandated to provide "...a national service in the public interest" (Scannell, 1995, p. 25) until the first commercial television and radio stations were licensed in 1954 and 1973 respectively.

The BBC’s charter is reviewed regularly and the organization is guaranteed funding and exclusive right to License Revenue paid by all television owners under the age of 75. It is prohibited from generating sponsorship or advertising revenue domestically, but it raises revenue with its international services. BBC Worldwide operates various commercial ventures outside the United Kingdom, like BBC America, BBC Prime, BBC World News and a YouTube channel. The BBC World Service, which broadcasts news and information in 32 languages on radio, television and online, is funded by the United Kingdom Foreign and Commonwealth Office.

The BBC is likely the best known national public broadcaster world-wide because it has been around for so long and has been quite successful. It is generally accepted as the definitive model of what a public service broadcaster should look like, but the model is neither flawless nor has it transferred well (Raboy, 1995b). Despite the
high esteem it maintains internationally and its relative security, the BBC is not immune to challenge, or scandal. Since the 1980's, the BBC has undergone substantial managerial, administrative and accounting restructuring to adjust to regulatory and social change, new technologies, increased competition and political hostility (McNair, 2005). In the last decade, its reputation has also suffered as a series of scandals and cover-ups have been exposed.

The Canadian system is another type of “public service core system” in which the public service broadcaster is dominant in a dual or mixed system. Other examples include the Netherlands, France, Sweden and Australia (Avery, 2006; Raboy, 1995b). Raboy described it as a hybrid system (Raboy, 1995a; 2003) because it includes public, private and community broadcasters. Both Canada and Australia established a “Reithian” institution in the early 1930s within a dual system. When it was introduced in 1932 the Australian Broadcasting Corporation (ABC) was funded by radio licence fees, and it was not until 1948 that it began to receive the bulk of its budget in a parliamentary appropriation.

One key difference is that the Australian broadcasting system is not a ‘public service’, and the only restrictions on commercial broadcasters are codes of practice enforced by the Australian Communications and Media Authority. Even so, unlike its sister organization in Canada, the Australian broadcaster is forbidden from carrying advertising. It is, however, permitted to generate revenue through a range of media and digital businesses, network services, books, magazines, audio and video recordings, licensing, concerts and over forty retail shops.
Occasionally there have been other sources of government funding. For example, the National Interest Initiative allowed the ABC to extend its services to rural and regional Australia in the 1990s (Inglis, 2002). A smaller, partly commercial, "alternative" public broadcaster called the Special Broadcasting Service was established in 1975 with its own Act, budget and charter to provide content in over fifty languages for diverse ethnic audiences and to promote multicultural awareness.

Despite the scandals, the BBC continues on in a much stronger position than either of its offspring in the former colonies. Neither the Australian nor the Canadian broadcasters have ever had a monopoly, and neither has secure, long-term funding (Mendel, 2000; Inglis, 2002) which, along with the charter review process, enables long-term planning. Whereas the United Kingdom is a relatively small and densely populated market, the public service broadcasters in Australia and Canada have smaller budgets, and yet are still required to provide equivalent service in urban and rural areas, even when those are vast, difficult, and sparsely populated areas. The Canadian broadcaster is required to provide multilingual services through one institutional framework, while in Australia, the main service is unilingual. Finally, while American content is enjoyed the world over, neither British nor Australian audiences have been as acclimatized to it as Anglo-Canadians.

1.5 Canadian public service broadcasting

Communications technology has always played an important role in Canada's national, political and economic interests, both internally in its relationship with the
United States (Pendakur, 1984; Innis and Watson, 2007). But that does not mean that there has ever been an overall, long-term plan. In the lead-up to the creation of the current *Broadcasting Act* (1991), the Task Force on Broadcasting Policy noted that Canada’s somewhat peculiarly hybrid broadcasting system was the result of a pragmatic process of adding “… new layers of the public sector” (Task Force, 1986, p. 261) over the years. Even so, the system is based on a set of public service principles that has been understood, by most, since the CBC’s predecessor was created in 1936:

1. Canada’s airwaves are owned by the public, and should be administered by the national government in trust. Transmission frequencies, therefore, may not be owned, but users may be extended the privilege of using one in the public interest.

2. The broadcasting system should be Canadian in ownership.

3. Service should be extended to all Canadians.

4. Payment for the system should come from a blend of public and private sources.

5. Programs should be of high standard and primarily Canadian, but high standard programs should also be obtained from other sources (Task Force on Broadcasting Policy, 1986, pp. 8-9)

According to the Task Force, the growth of the system “….indicates the charming lack of ideological rigour with which the public sector in broadcasting has developed over the decades” (p. 261). It attempted to fill that gap with the following rationale for the system:

The concept of public broadcasting can be characterized in half a dozen principles. The first three all stem from one overriding idea – that public
broadcasting provides radio and television programs for everyone, regardless of social status, place of residence or aesthetic preference (p. 261).

Different services were developed in a practical way, based on the conviction that Canadians had specific and legitimate needs that the private sector could not meet. The CBC was established to fulfil its mandate to “...provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains” (Broadcasting Act, 1991, Part I, 3. (1)(l)). The generalist tradition of public service program scheduling assumes that carrying a broad range of programming will ensure that everyone can find something of interest.

Canadian public service broadcasting has long contained a nation-building component “…not by espousing any specific cause, such as national unity, but by providing shared experiences simultaneously to large numbers of people and by defining, exhibiting and explaining national events and trends, from sports finals to election coverage” (Task Force, 1986, pp. 262-63). Both the current Broadcasting Act (1991) and its predecessor declare that broadcasting airwaves are public property and that public and private broadcasters are both necessary parts of a single system. Both are based on the assumption that Canada’s cultural, economic, social and political identity, and its national sovereignty are dependent on Canada’s communication systems (Collins 1990, p. 67).

The geographic and cultural proximity of Canada and the United States, along with the shared technology standards, have helped American media dominate the Canadian market. Smythe (1981) explains that the decision by Canada to adopt the
same technology standard for television as the United States, rather than the European
format, was a key factor in why it has always been more profitable for the domestic
market to purchase American content than to produce Canadian programs, and led to
American media companies viewing Canada as part of their domestic market. Because
the majority of the English Canadian market is distributed along the border, and is
therefore covered by the footprint of broadcast and even narrow-cast types of
transmission, like satellite, Canadians have had access to American content since the
earliest days of radio. Canadians have come to expect equivalent production standards
for programming. Because the American market is so large, producers there can afford
to sell content, for pure profit, at a reduced rate to Canadian distributors and
broadcasters, making it less costly for Canadian media outlets to purchase American
television shows than it is to produce comparable quality programming. While many of
the traditional situational and structural issues remain, Canadian broadcasting has also
been faced with new challenges related to the growth of the information society.

1.6 The information society

Different fields of academic study characterize information societies (IS) as
having a dependence on information and communication technologies that is both broad
and deep (Hofkirchner et. al., 2007). The information society has been the subject for
different fields of inquiry and multiple research agendas, which often employ a narrow
focus on a particular aspect, a selective approach to empirical evidence, or a vague
definition of operational criteria (Webster, 1995; Rule and Besen, 2008; Martin, 2005).

Critical researchers to suggest that it is:

... an ill-defined term that refers to the emergence of a society (that is, the organization of relations) where information is the commodity and the product. ... As a policy object and discursive construction, the IS expresses the technocratic and market-focused visions of governments and businesses (Sarikakis 2004, p. 5).

Some definitions are technological, economic, occupational, spatial or cultural (Webster, 1999). Others focus on the form and meaning of information in society (Hesse, Müller, Ruß, 2008), or the role it plays in organizations, personal advancement and governance (Rule and Besen, 2008).

The monikers of “information” or “knowledge” society”, “information age”, “knowledge economy” appear frequently in the literature with no attribution because the terms have become so familiar to us. When we deconstruct their meaning, they refer to attaching a financial value to information and knowledge. This is neither post-modern nor new, and digitizing information is not what makes it a commodity. What makes information a commodity is who has control over setting the price for access, how it is made available and to whom it is made available. The value of information, especially in business, lies in the relative degree of access and the ability to use it to advantage afforded to members of a privileged group. As Babe points out, “… to “commoditize information and value it only in accordance with prices, is at best simplistic and partial” (1995, p. 18), and information valued in terms of market price is not limited by moral or ethical considerations. The resulting “…oligopoly of information markets…mimics and reflects the organization of power relations in society as a whole” (Lyotard, 1984, p. 32.)
which in a more market-driven policy environment, suggests trouble for public service broadcasters.

The trends in the literature are fragmented, unstable and still developing, and there is no consensus on basic terminology (Martin, 2005; Rule and Besen, 2008). Information society theories explain how societal changes are connected to the rising importance and expansion of digital technologies and networks into more areas of economic, political, social and cultural activity, the growth in value of information as a commodity in itself as well as how it is produced, packaged, accessed and exchanged. However, it may never be possible to settle on a universally accepted theory of the "information society" that applies in different contexts. Like public service broadcasting, its formation and continuation are the result of reciprocal and interdependent technological, political, economic and social forces (Martin, 2005).

The third research question in this study asks about the origins of the Canadian information society, and the theoretical literature shows that it came about as the result of multiple forces, interests and actions, and can be characterized by the rapid spread and uptake of, and growing dependence on, information and communication technologies. This study is rooted in the critical communications tradition of research that characterizes the information society as resulting from "societal change", rather than characterizing it as a new type of society. While the rise in importance of new communication technologies is closely linked to significant economic, social and cultural changes world-wide, the information society is neither entirely post-capitalist (Drucker, 1993), post-industrial (Bell, 1973), nor post-modern (Lyotard, 1984).
At its most basic level, the information society is an accelerated continuation of longstanding social, economic and political practices and relations, with more efficient tools (Webster, 2002). The ideal role of the state would be to protect the cultural, social and economic interests of the public, and thereby balance the social impact of hegemonic interests that are fighting for economic advantage and power (Mosco, 1996). Generally, however, the growth of the information society is closely linked to neoliberal (Friedman, 1962) economic and political policies and globalization (Mackay, 2007).

Milton Freidman, the economist credited with neoliberal theory (1962) also served as the economic advisor to President Ronald Reagan in the United States, and had significant influence in Canada and the United Kingdom. Neoliberalism emphasizes market freedom and discourages state intervention in the economy. This ideological approach in conjunction with changing business structures and practices encouraged the spread of “...instrumental rationality and competitive market strategies... guided by impersonality, efficiency and the individualistic pursuit of personal gain” (Hayes and Miller, 1994, p. 120). This “economical” mentality moved outside financial and economic realms, and into the political, cultural and social spheres (McQuail, 2000). As the economy shifted “....from entrepreneurial to corporate capitalism” (Hayes and Miller, 1994, p. 119), the neoliberal assumption was that market expansion, rationalization of business practices, and the expansion of information networks that characterized the information age would generate adequate revenue for the state and serve all of the interests of market economies (Mosco and Rideout, 1998).
Neoliberal ideology is rooted in a “re-invigorated” liberal vision of the individual as desiring freedom from any constraint or obligation beyond what is voluntary, and the state role as limited to supporting the free market provision of all goods and services. Unfettered trade is perceived as having the capacity for spreading world peace and democracy (Friedman, 1962). The neoliberal view values communications as private property in a commodity, valuable for their intrinsic profitability, as well as their role in the sale of other goods and services. The public good is served by expanding consumer choice, competition, efficiency and individualized service with the idea that as each individual is well served, so is the society. This dissertation uses Rideout’s (2003) definition that explains the ‘newness’ of this liberal ideology as the addition of:

... another policy layer, a continental layer – through bilateral and trilateral free-trade agreements – to the existing national and provincial ones. These continental agreements are significant because the policies they generate supersede any national, provincial or local policies, making these agreements very powerful (p. 165).

These policies, coupled with a technologically progressive ideology, have created the network society (Castells, 2000), global economic patterns and post-modern culture (McQuail, 2000).

Technology is a broad term (Webster, 1999), so for this dissertation, technologies are understood to be both the artefacts and the organizational structures that have resulted from the application of a certain type of knowledge to resolve a particular problem and attain specific results (Volti, 2006). Typically, technical change is designed in such a way that it does not challenge the social systems in which it
develops (de Bresson, 1987). The evolution, especially of large scale systems, is usually subject to multiple influences (Hughes, 1983).

A key technological feature of the information society is digitization, or the process of converting audio, visual and textual data into a common electronic format, which breaks down the barriers between mediums (Beniger, 1986). Digital technologies are attributed with "ending" spectrum scarcity, as well as convergence of previously distinct media formats of the internet, telecommunications and broadcasting (Siune, 1998). Significant technological development in networks, hardware and software, such as transmission modes and capacity, network integration, memory size and functionality (Mattelart, 2003) now allow more information to travel faster and at lower cost, from a wider array of sources to a wider variety of receiving devices. Castells (2000) explains how electronic networks, carrying digital information and communication have dramatically changed how people interact and how activities are accomplished through increasing levels of interactivity and accessibility, increased capacity for individual use and multi-individual exchange, which has lifted temporal and geographic constraints. The rate of change has also increased as systems and institutions move from the manual, industrial model to the electronic network-based, informational paradigm.

Technological convergence generates complex social, economic and political consequences for both the conjoined technologies and the institutions, systems and individuals that use them (Hujanen and Lowe, 2003). Barriers between telecommunications and broadcasting are diminishing in the network society, and new modes of communication enable many-to-many interaction. Political decisions about
different types of communications have resulted in the recombination of previously separate policy approaches to public service broadcasting and public interest telecommunications (Winseck, 1998). This convergence has revitalized the long-standing challenge for the public service broadcaster of how to reconcile the commercial goals, which have dominated telecommunications policy, with the cultural goals of broadcasting policy (Raboy, 1997b).

The growth of the technology-driven “information society” has been a messy and conflict-ridden process. The internet, which is a foundational component of the information society, has allowed bringing together the large and complex technological systems of broadcasting and telecommunications, as well as the policies that govern them (Winseck, 1998; Steemers, 1999). The policy implications of this convergence are particularly complex because the internet is not as a “single ‘thing’” (Collins, 2006 p. 353). Rather, it is a vertically integrated layered entity, with various types of governance controls in between the different layers. The internet has a dual nature as both a piece of infrastructure and a communication medium, so it does not fit under only one area of jurisdiction, and there are multiple stakeholders often with conflicting interests (Giacomello, 2005, pp. 3-4). As new technologies develop, traditional safeguards, controls, systems and institutions are challenged in multiple areas of society, which inevitably has consequences for what public service broadcasting means and for its practitioners.

As private media companies have become transnational and Canadian media companies have been consolidating to compete globally, the CBC has struggled with
internal financial and organizational challenges, as well as technological adaptation and labour conflicts (Mosco and McKercher, 2006). The CBC has traditionally played a leadership role in the expansion of broadcast transmission and relay infrastructure across the country, first for radio and then television, and also in technology development. However, as Chapter Six explains, the CBC has struggled to find ways to maintain and upgrade its transmission infrastructure in this intensely competitive environment.

Information and communication technologies have been central to global economic, political and power relations since the 1920’s and intrinsic to the process of globalizing markets, production, finance and communications since the 1970’s (Webster, 1995). Globalization, or the pursuit of global competition is “...the growing interdependence and interpenetration of human relations alongside the integration of the world’s socio-economic life” (Webster, 1995, p. 141). Its roots lie in significant changes to the strategy, structure, culture, management and technology in organizations that started in the 1970’s (Currie, 2000), followed by the application of the new technology and management tools to strip down and de-layer companies in the 1980s. Information and communication networks have made it possible for transnational companies to pursue global competition and international markets, as well as set up operational and production processes anywhere in the world that offered an advantage (Webster, 1995).

‘Technological progressivism’ (Kleinman, 2005, p. 4), or the tendency to focus on the capacity of new technologies to either create a new activity or ease an existing process is a recurring feature in the technological, economic, political and social spheres
of the information society. The deterministic trap of the progressive view tends to ignore that technology is produced as a result of multiple factors; it does not dictate its own development. Systems theory, from the field of science and technology studies, is particularly helpful for deflating technologically progressive rhetoric because it reveals how complex and conflicted the growth patterns of large technological systems can be. Hughes' research on large technology systems revealed the complexity of interaction between different interests like the culture, market, state, technology specialists and the public, and who influenced the final shape of a technological system. When Hughes analysed the process of designing, installing and implementing a large hydro-electric project, he found that it was very difficult to predict which levels of influence each of the interested would have, and therefore, how the final system would look and operate (Hughes, 1983).

While new technologies are certainly pervasive (Negroponte, 1995), and they do provide opportunities to increase the diversity of available culture and challenge established patterns of power, communication and control, it helps to remember the banal truth, which is that all technologies have limitations (Mosco, 2004; 2004a). They are equally efficient at carrying high quality, innovative, grassroots and exploratory content, as they are at carrying exploitive, formulaic content with little cultural value (McQuail, 2000; Mosco, 2004).

A 'progressive' approach theorizes that technology is the answer to current and future problems (Kleinman, 2005). Constant technological change is seen as integral to positive, progressive and self-perpetuating growth (Negroponte, 1995). There is the
suggestion of this viewpoint in the *Broadcasting Act* in the requirement that the broadcasting system be open to technological and scientific change (1991, 3.(1)(d)(iv)). The progressive viewpoint can conflate technological development, social improvement and the public good, creating a ‘myth of progress’ (Webster and Robins, 1986, p. 305) in which questioning the benefits of technology is tantamount to obstructing progress (Robins and Webster, 1999).

A critical awareness of technologically progressive information society theories helps to clarify whether or not information and communication technologies help redress power and resource imbalances, and empower those would not otherwise be empowered within a society. Critics identify how the technological progressive mentality can threaten different aspects of society, from its patterns of governance (Rosell, 1992), to human rights (Jørgensen, 2006), to culture (May, 2002). Neither information nor technology is socially neutral (Bardoel and Lowe, 2007; Robins and Webster, 1999) since information systems are usually deployed in ways that distribute power and resources to support particular social, economic and political interests (Barnes, 1985; de Bresson, 1987; Wajcman, 1991).

Mosco (2003) explains how a utopian vision of what information and communication technologies can do for a country, a people, and an economy feeds into a mythology that promotes the enthusiastic adoption of any technology in the hope that it will solve fundamental human problems. This myth has been a driving force behind neoliberal communications policies, and fed the idea of an information society in which the market and technology would be capable of reorganizing relationships between
citizens, the state and the information economy. Government regulation is then deemed unnecessary because the market provides the most efficient way to achieve instant universal access (2003). The banal truth of technology is that when entrenched powers maintain control, and dishonest business practices and inflationary economic cycles are the norm, existing power relations are going to stay the same and no real social transformation can occur (Mosco, 2004).

1.7 The public service broadcasting ethos

The CBC acts as a useful single case study because while some of the challenges it faces are unique, others are common to public service broadcasters around the world. Even as they undergo extensive technological, organizational and operational changes to survive in the information society, public service broadcasters like the CBC are mandated to serve the interest of democracy and contribute to the public good. In the midst of a policy environment that values technology as a commodity rather than a public good the CBC was not encouraged, either by the CRTC or with additional funding, to expand into new media. However, the CBC did develop new media services by drawing on core service budgets and increasing its dependence on commercial revenue.

There is a significant body of research into similar efforts by other, primarily European and Australasian public service broadcasters to stay relevant in the midst of a societal and policy changes covered in Chapter Three of this study. One theme within the research has focused on the potential of a transition from a public service broadcast
model to a public service media model (Jakubowicz, 2007; Bardeol and Lowe, 2007). In brief, research on challenges faced by public service broadcasting, primarily in other countries, concludes that the goals and social objectives traditionally associated with a European model of public service broadcasting are still valid and significant, but that the model needs to be updated. This can be accomplished by separating those goals and objectives from broadcast-specific technologies and reconceptualise them as an “ethos of public service broadcasting”, applicable to diverse types of communication models and technologies.

The process of identifying change in the public service broadcasting ethos as the result of contextual changes associated with the information society involves developing a set of empirical criteria. The document that founded public service broadcasting in Canada, the final report of the Royal Commission on Radio Broadcasting, otherwise known as the Aird Report (1929), specifies the functions, responsibilities and conduct of the Canadian Radio Broadcasting Corporation. Within that report, I identified six mechanisms or functions that distinguish the public service broadcaster from others; these are how the public service broadcasting ethos becomes real. The Aird Report provided the initial framework and the seventh mechanism was added in recognition the changing media context, which is dominated by large transnational media organizations that are not tied to particular national origins (Mosco, 2009).

These seven mechanisms are described in more detail in the next chapter in the section that explains the codes used in the data analysis. In brief, they are the CBC’s areas of responsibility and jurisdiction; its institutional structure and operations; its
relationship with technology; its reliance on public financing; the types of content it must produce and how it is governed. The last mechanism is the relationship of the CBC to its context and audiences at local, regional, national and international levels. Throughout the research study these mechanisms are presented in the same order to provide consistency.

Each of these can be found in studies and reports that have been published about different aspects of the broadcasting system as a whole and the CBC in particular. They are the specific ways that the CBC is distinguishable from private broadcasters and public service broadcasters in other countries. They define how the CBC is organized, how it interacts with various stakeholders and what it has to do to embody and deliver the public service ethos. Each is an aspect and a function that the CBC uses to fulfil its public service mandate.

When any of these seven mechanisms is affected by the changes associated with the information society, we can assess whether the change has had a positive or negative impact on the CBC’s ability to deliver public service. These mechanisms are dialectical because they are frequently sites of dispute, wherein the arguments, persuasion and shifting power relations between the different stakeholders can affect the outcome. Even when outcomes can be predicted, they are not necessarily guaranteed.

1.8 Chapter summary

According to the Broadcasting Act (1991), the entire broadcasting system is owned by the public, and the system is expected to operate in a way that serves the
public interest. The neoplural theoretical approach holds that the public can only fully engage with its democratic freedoms and responsibilities when it understands the true relationship between the state and capital (Macpherson, 1987). As the chapter demonstrates, a neoplural approach is useful to analyse the empirical data collected in support of a critical agenda to understand whether changes to the public service broadcasting ethos have been made to benefit the public or hegemonic political or economic interests (Crotty, 1998).

The core principles of public service broadcasting are universality, independence, diversity and distinctiveness (World Radio and Television Council, 2001) but how they become manifest, either systemically or institutionally, are subject to national context. It is therefore useful to conceptualize the ethos of public service broadcasting as an ideal that is also a social process (Mosco, 2009) because it is only made manifest through identifiable mechanisms. It is also constantly contested by different interested parties or stakeholders, and therefore under constant pressure to change. This research study has identified five main “parties” with key roles and a keen interest in both Canadian public service broadcasting and the information society. This empirical research study examines the Canadian ethos of public service broadcasting from 1993 to 2008 to ascertain whether it has evolved or devolved to benefit the public or other interests. It assesses change in the Canadian public service broadcasting ethos by examining both the action and lack of action taken toward the ideal as it appears in policy, as it undergoes a process of interpretation with every stakeholder and implementation by the CBC.
The next chapter describes the qualitative research design used to identify structural and systemic locations of power and points of contest between public service broadcasting policy, how it is interpreted by different stakeholders and the seven ways that it is “delivered” by the CBC. Even though this dissertation uses the CBC as a case study, it would not do to forget that the public service broadcasting ethos applies to the entire system. As a member of that broadcasting system, the CBC is subject to all of the conditions of the Broadcasting Act, in addition to its mandate and it is held to a higher standard of performance than its private counterparts. The next chapter explains how the qualitative research design, data collection and methodology help us understand the public service broadcasting ethos as a changing social process (Mosco, 2009).
Chapter 2 - Research methodology and methods: Qualitative case study

2.0 Introduction

This chapter explains how the qualitative design and methods of this research study, when combined with a neoplural theoretical framework, are appropriate for answering the research questions. The first two sections of the chapter explain the research design and the qualitative methodology of the case study. The third section outlines the process of data collection using the research methods of document analysis and interviews. The last section before the summary explains the process of data analysis. Potential weaknesses and efforts made to mitigate them are described throughout.

2.1 The research design

2.1.1 The CBC as a single, intrinsic case study of a bounded system

Initially, it seemed that answering the research questions would be best accomplished using a “multiple” or “collective” approach that compares different instances or entities to look for replication and test a theory deductively (Platt, 1992; Yin, 1989). There are too many differences between the CBC and either the American public service broadcaster or other Canadian broadcasters so then it became a question of which public service broadcaster(s) to use for comparison. As the literature in the next chapter suggests, there are similarities between Canada and Europe even when
there are differences in broadcast models, governance and funding structures (Young, 2003).

As the evidence in later chapters shows, the CBC is a public institution within a public service broadcasting system and has been faced with singular challenges and opportunities both with the rise of the Canadian information society. It fits the description of a “bounded system”, described as a functioning case that has a specific purpose and is made up of integrated, working parts that follow particular patterns of behaviour (Smith, 1978 in Stake, 1994, p. 236). The CBC occupies a unique position within the national media landscape, its purpose is defined by its mandate, and I have identified seven parts that work together in patterned ways to serve that purpose. The institutional structure is just one of those parts, which are described below as “mechanisms.”

The CBC was selected as the single “intrinsic” case because I wanted to understand the case of the only nation-wide publicly funded broadcasting institution in Canada (Stake, 1994, p. 237). It has a specific mandate, contained within the Broadcasting Act (1991), which outlines its responsibilities, structural and systemic parameters and powers. Other factors that make this Crown Corporation unique include its role within a highly concentrated, hybrid broadcasting system, its partly-commercial funding model, the multi-lingual requirement, as well as the geographic and cultural proximity to the United States.

Approaching a contemporary, large and dynamic institution as a single unit of analysis also helps to contain the multi-dimensional nature of this research study and
ensure project completion. This case study is referred to consistently as either the “Canadian Broadcasting Corporation” or the “CBC” because of its focus on the English-language services. The service is made up of corporate, radio, television and new media sub-units. The bilingual title is used (CBC/Radio-Canada) on occasions when that descriptor is used in the source, or because the issue under discussion affects the entire CBC. While in recent years there has been increased cooperation between English- and French-language services, the services are distinct and the markets face different challenges. Any research of change to Radio-Canada would be better served by another researcher with facility in the French language.

Historically, the case study is associated with the field of social work, but it has since proven adaptable for in-depth investigation of a wide range of subjects and contexts in different disciplines (Hepp, 2008). The approach gained acceptance in sociological research when it became identified with the “Chicago School” as the standard qualitative alternative to the quantitative “statistical method” (Platt 1992; Hamel, 1992). Although the overall popularity of the case study began to decline with the diversification of accepted qualitative methods, and the growth of quantitative research during the Second World War, it is still used in communications, media and technology in society research (Lee, 1999; Platt, 1992; Hepp, 2008). For example, qualitative communications case studies have been used to explore a range of issues such as technology in everyday life, specific social groups, and audience behaviours; as well as how people process different types of mediated information (Katz and Lazarsfeld, 1955; Katz 1996).
Case studies are also common in research about culture, such as the work of Frankfurt School members in the areas of music (Adorno 1988, 2006), literature (Löwenthal, 1961) and psychology (Fromm and MacCoby, 1996), and have helped to situate “…media research in the wider context of social and cultural science” (Hepp, 2008, p. 1). It has also been proven particularly useful in consultancy and policy work, and for issues that have national importance or are in the public interest (Yin, 1989).

While recognizing that it is never possible to tell the entire story (Stake 1994), the case study is useful, particularly for this study, due to its ability to provide the necessary depth and richness of empirical data to build a historically-grounded, holistic understanding (Orum, Feagin and Sjoberg, 1991). The case study approach is a useful one for this research study since it enables critical reflection on specific phenomena within its own context and network of connections (Hepp, 2008). A deep and rich single case study of the CBC, an organization that has been around since the early 1930’s, can help to extend theory (Platt, 1992; Yin, 1989, 2009) about the neoplural effects of social, cultural, political and economic change on democratic ideals. Using the English-services of the CBC as the main unit of analysis in this case study helps direct the focus of the research toward the contesting interpretations of the mandate.

2.1.2 The theoretical framework

The neopluralist theoretical framework in this study helps direct focus to the reciprocal relationship between social and political systems, the structures, institutions, actors and the environment in which they operate, and thereby identify salient issues and
the relevant areas for study (Creswell, 2003). Neopluralist theory does not assume that
polyarchies default to, or even work toward, a state of equilibrium. Polyarchies are
characterized by multiple competing stakeholders, each with their own agendas, areas of
influence and levels of power. The ideal state of equilibrium does not and likely never
will exist in reality, and social change is constant (Mosco, 2009).

In this case study, these stakeholders all have their interpretations of what the
public service broadcasting means, how it should be implemented, and whether or not
the CBC is successfully serving its mandate. Qualitative research methods are well
suited to allow for the analysis of different types of data, in various formats, from
multiple stakeholders and sources to understand both these diverse interpretations, and
the complex origins of the Canadian information society. To understand how contextual
changes have affected the ethos of public service broadcasting requires understanding
the ontology of the institutions, stakeholders and relationships within the sector, and the
interactions between the systemic and structural forces in Canadian broadcasting and
society. This research examines the patterns, trends and issues that have affected the
specific case of the CBC, to analyse real-life social phenomena in-situ against well-
formulated and established theories (Yin, 1989, p. 47) that come from the literature.

2.2 Qualitative methodology and methods

Meaning does not exist as an immutable and isolated object, but instead is
constructed through a process of negotiation and social interaction (Scholl, 2008) and
since all participants are observers and interpreters of the world around them, there can
be multiple, different, and equally valid accounts or interpretations of the same thing (Maxwell, 2002). Public service broadcasting also exists in many forms. It is a system, an institution, a highly interpretable socio-legal construct and a social process (Mosco, 2009).

The neoplastic theoretical framework combined with the qualitative research methodology and methods can accommodate the shifting social reality of what public service broadcasting means to different people (Bryman and Teevan, 2005). The research design has employed a couple of qualitative research methods to collect empirical evidence of that “reality” for comparison to the ideal. Document analysis and interviews are inclusive techniques because they allow access to evidence from a variety of perspectives. This range of evidence has made it possible “... to address a broader range of historical, attitudinal, and observational issues” (Yin 1989, p. 97), to generate the rich and thick description (Scholl, 2008) that is characteristic of case studies, and corroborate the data from multiple sources.

2.2.1 Interviewees

Interviewees were selected for their professional expertise and experience and the ability to provide more recent information, expert knowledge and insights, because it was necessary to document the viewpoints of different stakeholders about public service broadcasting since the early 1990’s, the challenges it has faced and the effects of those challenges. These interviewees provide valuable insight into both the history and the
“current reality” of contextual change, and the impact on the CBC, its activities, the public service broadcasting ethos, and the media sector as a whole.

I conducted twenty-one interviews of twenty-two people. The twenty-third person I contacted at the Ministry of Canadian Heritage declined to go on record, but did offer some suggestions for resources and referred me to a two other individuals outside of the Ministry who did agree to be interviewed. The interviews were semi-structured, recorded and averaged one hour, except for one that was closer to two hours because the interviewee invited a colleague. They were collected in two time periods (September 25 to October 2008, January 9 to April 8 2009) due to issues of availability, and so I could follow up with five referrals from interviewees in the first session.

The group included two government bureaucrats, one politician, one private broadcast executive, and one representative of the Canadian Association of Broadcasters. There were also four past and current CBC executives including Ms. McQueen, two high-ranking CRTC officials, two new media specialists, and four independent consultants with expertise in media, telecommunications, government relations and strategic communications. The five scholars among the group were interviewed for their expertise and capacity as communications and media experts.

It was beyond the scope of this research to collect primary data about the public’s interpretation of the CBC’s mandate, so an organization called “The Friends of Public Broadcasting” (Friends) was selected to represent the public voice. Founded in 1985, The Friends of Canadian Broadcasting has minimal staff, over 100,000 subscribers and is not associated with any broadcasters or political parties. The
organization hosts an extensive web site, is frequently quoted in the press, appears at
hearings on broadcast-related issues and lobbies on specific issues affecting the CBC
because:

...There are two values that are important to the Friends. One is patriotism, and
by that I mean in the sense of a distinct identity of a northern half of the
continent, and a second is democracy. That is citizen participation in matters
affecting our lives. So we look at the audiovisual system as a very important
tool, which means a mechanism as opposed to an end to itself. ... Friends ... set
a mission, and this was sort of established 20 years ago, the mission is to defend
and enhance the quality and quantity of Canadian programming in the Canadian
audiovisual system. .... the keyword we would use is we're a watchdog, we
keep an eye on the whole thing (Interviewee-Friends of Canadian Broadcasting).

While Friends should not be considered representative of wider public opinion, it is one
of the only organizations in the country that regularly commissions research and collects
data from the public about issues related to the broadcasting system as a whole and the
CBC in particular.

Other sources considered and then dismissed were the volunteer-run Consumers'
Association of Canada, which had no point of contact, and Our Public Airwaves
(Canada), which had somewhat murky origins and was suspected of being a lobby
organization created by the Canadian Media Guild (Adams, 2003). The Public Interest
Advocacy Centre has a legal focus on telecommunications and declined the request for
an interview. Presentations by individuals at public hearings held by the CRTC and
Parliamentary subcommittees were not included for two reasons. The first is that they
tend to be limited to single, location-specific issues. Secondly, some of these
individuals seemed to be appearing on behalf of the Friends of Canadian Broadcasting
because their presentations spoke to the particular items of interest for that organization.
2.2.2 Interview process

The “focused” schedule (see Appendix I) was organized into three groups of questions about public service broadcasting policy, interpretations of that policy, and the CBC’s practices. Questions were worded to make the researcher appear naïve and encourage fresh commentary by the respondents (Yin, 1989). The design also ensured that the research process and my personal beliefs would have minimal impact on either the validity of the data collection methods or the freedom of the interviewees to express their own ideas (Locke, Spiriduso and Silverman, 2007).

Interviews were conducted in compliance with both the University of New Brunswick and the Canadian of Institute of Social Sciences and Humanities Research Tri-Council policy for research involving humans (REB File # 2008-116). Participants were informed at the beginning of the interview that their participation in this research was completely voluntary, that they could withdraw from the research, withdraw any data, or decline to answer specific questions at any time and signed consent forms to acknowledge that they understood and agreed to these terms. Personal and professional identity was offered and anonymity guaranteed by renaming all interviewees with vague professional monikers. The three data chapters contain a high level of detail, and appendices have been added out of my concern that the ethics requirements for protecting participant anonymity might interfere with a reader’s ability to assess the believability and accuracy of findings (Cresswell, 2003), as well as the validity of my findings.
Ms. Trina McQueen, a scholar and former Director on the CBC Board receives direct attribution because she was the only interviewee who categorically waived anonymity at the outset of the interview. Interviewees are identified throughout this dissertation by using a consistent format of “Interviewee-Moniker” or “Interviewee-Ms. McQueen.” Appendix II contains the list of monikers as well as the stakeholder interest they represent.

I transcribed all of the interviews to stay familiar with the content. Most interviewees offered to confirm or clarify data if necessary, but I did not need to follow up with anyone for member checking, communicative validity or validation, either because there was no difficulty with clarity, or because I was able to confirm what was said from another data source. I also wanted to do my own transcription so I could better organize and prepare the data for analysis (Cresswell, 2003).

2.2.3 Coding

The document and interview data was analyzed using fifteen codes, including the three phases of policy, interpretation and implementation, and the five stakeholders described in the previous chapter: the government, CRTC, CBC, private broadcasters and the public. The other seven codes are the mechanisms that distinguish the CBC as a public service broadcaster. These were mentioned in Chapter One, but are explained more fully here because it is by examining these mechanisms or characteristics of the CBC and its activities that we can assess evidence of difference between the ideal of the public service broadcasting ethos, and the reality of its delivery. When the contextual
changes of the information have an impact on the CBC, either directly or indirectly, it is at these seven functional and characteristics that we can find evidence of adaptive or maladaptive change for the public service broadcasting ethos. The first mechanism or code is described by the code “jurisdiction/responsibilities.” The mandate of the CBC lists specific priorities, expectations and requirements for international, national, regional and local English-language services. One of the issues this code highlights is the chronic challenge of balancing national and regional responsibilities.

The second mechanism is “institutional organization.” The code identifies the decisions and practices that transformed the institution over the course of the research period. The CBC dismantled its traditional corporate structure, which had been dominated by individual television, radio, and new media silos in both official languages, each with its own multiple levels of management, to become a cross-media and cross-language “content company” (Interviewee-CBC English Media executive).

The third “technical” code catches the changes that have occurred to the audio, visual and online platforms during the research period. It highlights CBC’s choices about technological adoption and challenges maintaining the national transmission infrastructure. It also addresses the role that the CBC has played in the research and development of new communication platforms.

The fourth code is “financing.” The primary source of revenue for the CBC is the annual parliamentary appropriation it receives and because government funding is a form of policy, fluctuations in the amount of funding indicate the level of political support for public service broadcasting. Other sources of public monies are either
direct, with funds awarded for special purposes or the result of lobbying efforts, or indirect, like the CBC’s partnerships with private entities that have access to public production funds. Commercial revenue sources include program, property and merchandise sales, advertising, and charging for professional services.

While acknowledging that “content” is the CBC’s core business and its reason for being, and is therefore often a flashpoint for discussion around what constitutes “public service”, I have not included any content or program scheduling analysis in the cultural studies tradition. Rather, the fifth “content” code applies to evidence of change in different aspects of the content production and distribution activities of the CBC, because they are decisions that provide clear indications of shifting priorities in terms of public service.

The sixth mechanism of “governance” includes multiple levels. Of particular interest are the regulatory, bureaucratic and parliamentary channels between the CBC and the CRTC, the Department of Canadian Heritage, and the Parliamentary Standing Committee on Canadian Heritage. The power relations and status of those relations during the research period are also of interest. There is some crossover coding with the “institution” code for the internal management structure and the Board of Directors with its Chair because those bodies can affect internal operations.

The seventh code or mechanism of “context” was added in recognition of the powerful impact of external, non-national influences affecting both the communications sector as a whole and public service broadcasting in particular. As a public broadcast entity that is completely reliant on communication technologies and mandated to act as
an information service, the CBC is vulnerable to the dramatic changes in communications and broadcasting that have been occurring at both national and global levels. The context code can be applied to factors that affect how the CBC operates both in Canada and internationally, whether they occur in the social, economic or political milieu, or as a result of changes in the broadcasting market or audience consumption patterns.

2.2.4 Document Analysis

To learn how public service broadcasting had been affected by and reacted to contextual change associated with the information society, I reviewed both physical and electronic documentation about the Canadian public service broadcaster and the broadcasting system from the various official sources. Official policy about public service broadcasting and the information age came from reports, white papers, speeches and legislation about broadcasting, telecommunications, new media or convergence-related subjects that were issued by different government sources. These sources include the Departments of Industry and Canadian Heritage, the Parliamentary Standing Committee on Canadian Heritage and the Senate’s Standing Committee on Transport and Communications. Other official documentation came in the form of regulations, reports, guidelines and decisions issued by the CRTC.

The viewpoint of private broadcasters is most commonly expressed in direct statements or in those issued by the organization that represents their interests, the Canadian Association of Broadcasters. These can be found in news stories, as well as
transcripts, or submissions to different meetings for studies or hearings about licencing, regulation or policy development hosted by government departments, parliamentary and senate committees and the CRTC. The CBC’s annual reports, historical materials, press releases, strategic planning documents, and speeches outlined not only the activities at the CBC, but also management’s position on the broadcaster’s roles and responsibilities in the Canadian information society.

To learn more about issues of concern to the public I analyzed transcripts and submissions to the CRTC at various hearings. Another source of public opinion about both the CBC and the broadcasting sector is the resources section of the Friends of Canadian Broadcasting website. For insight into the Canadian information society, I examined statistical reports about Internet, radio and television broadcasting, cable and satellite issued by Statistics Canada, CBC Audience Relations and commercial ratings companies. It was frequently the case that a newspaper or online news story, press releases or announcement brought my attention to a particular report or activity and prompted me to find primary documentation.

2.3 Data analysis

Advocates of quantitative and experimental research have frequently criticized qualitative research and the case study method as lacking rigor, being easily affected by biased views, relying on poor evidence or being less rigorous than other types of research. Yin dismisses these criticisms because the hierarchical ranking of research strategies is inherently misguided: every research strategy—not just case studies—is
vulnerable to these failings (1989). For this research, my concern was not about having too little data, but rather, being overwhelmed by the sheer volume of material I had collected for the document analysis phase. My other concern was that I might miss something important as a result. These concerns were mitigated with extensive note-taking, colour-coding and corroboration from the interviews.

To alleviate that concern, the research strategy of this study is ‘triangulated’ (Lee, 1999, p. 81) on more than one level, because it uses neopluralism and other theoretical concepts, along with two methods of data collection of policies and regulations, the views of stakeholders, and the activities of the CBC, as well as discrepant data (Creswell, 2003), to understand changes that happen over time. The results of the analysis conducted during this research study are not the result of inference. As the evidence in Chapter Five shows, the Canadian ethos of public service broadcasting, because it is a conceptual construct, is highly interpretable since each stakeholder has its own idea of what public service broadcasting should do, and how it should do it. At the end of Chapter Seven, I have compiled a version of the public service broadcasting ethos based on the findings of the research literature, and taking into consideration specifically “Canadian” requirements such as equivalent service in English and French. This version provides a benchmark for comparison to the reality to assess whether or not changes to public service broadcasting brought it closer to the ethos of public service, or moved it further away.

The embedded research strategy for this dissertation is designed to locate empirical evidence from document analysis and interviews to assess whether or not
public service was being strengthened or weakened in the period of 1993-2008, a time
period characterized by dramatic technological changes affecting the Canadian
communications sector and society as a whole. The restricted time period of fifteen
years is not intended to suggest that the information society was finite. However, 1993
was the first year that the CBC began online experimentation. In those fifteen years, the
CBC underwent significant institutional restructuring and change related to the growth
of new media and popular adoption of the Internet in society, and the time frame
allowed for the inclusion of the mandate review conducted by the Parliamentary
Standing Committee on Canadian Heritage released in 2008.

Once I had decided on a single case study, I decided to use an explanatory
analytic strategy for the empirical evidence (Yin in Platt, 1992), which also guided my
decisions about the research structure and how to identify the priorities for what to
analyze and why (Yin, 1989; 2009). The strategy helped with the design of research
tools as well, because I was looking beyond what had changed, to discover correlation
and cause behind the changes, and in the relationships between the stakeholders (Lee,
1999; Yin, 1989). For example, there is a correlation between the gradual expansion of
the CBC’s web site to include streaming audio and video, and the gradual market
penetration of broadband service, encouraged by competition-friendly regulatory
approach of the CRTC. However, there is a causal link between the decision by the
CBC to start up the web sites under the Radio 3 umbrella, targeting a younger
demographic than public service broadcasting has usually reached, and the CRTC to
reject the application for over-the-air radio stations.
I was transcribing and coding the interviews some months after collection concurrently with the document analysis. This allowed me to cross-reference and recombine the evidence collected from the documents and interviews, which facilitated data corroboration and a *time-series analysis* (Yin, 1989, p. 116) that showed the progression of change over time in multiple areas of society and in the CBC itself. I read the documents holistically, rather than using quantitative methods of document analysis, so I could pay attention to context and gain a better understanding of the intentions of different stakeholders at different times (Meyen, 2008). The analysis process involved sorting the sources into chronological order, reading each thoroughly, summarizing the main points and identifying potentially useful quotations in Word document tables that were ordered by date and coded. By conducting the document and interview analysis concurrently using the same code book, I believe I compensated for any loss of richness that would have otherwise been gained by conducting data analysis concurrently with or immediately after data collection (Creswell, 2003).

Once the transcription was complete and checked, I imported the transcripts into the qualitative coding software N-Vivo 8, and added the coding structure developed during preliminary research and the transcription process. The process of coding the interviews involved a close reading of each transcript at least twice to assign the codes and then review the assignation. I then generated final reports by code and saved the files as Word documents so they would be available for referral when the N-Vivo license expired. The results of the data collection and analysis are presented in three chapters of original research. Chapter Four explores the ethos of public service.
broadcasting in policy and regulation, Chapter Five presents interpretations of that ethos held by various stakeholders, and Chapter Six describes how the CBC implemented its interpretation of the public service broadcasting ethos during the research period.

While reviewing the coded interviews, I realized that some of the additional codes I had developed during the transcription process were too detailed, and that I was coding the text at too fine a level of detail. That interfered with the pattern-analysis and the qualitative data was becoming 'quantitative.' To illustrate, it was qualitatively significant that almost all of the interviewees referred to the 1991 Broadcasting Act as the key piece of legislation to look to for answers about the public service broadcasting mandate. However, the number of times the Act was mentioned in the course of our conversation had no significance. When I deleted the more precise codes and used only the three phases, five stakeholders, and seven mechanisms, the data was clear and the analysis process went much more smoothly.

To address a potential threat to the validity of this research project I disclose that I was employed by the CBC in administrative support positions for eight years in the 1990’s. It must also be acknowledged as part of the research process (Locke, Spirduso and Silverman, 2007) that I am also a consumer of the CBC’s radio, television and online content, and have been for many years. As both a scholar and citizen, I believe that freedom of communication is a basic and fundamental human right, and that non-commercial media has the potential to serve a useful role for citizens in a healthy democracy. I had no role in the production of the materials (Meyen, 2008) that I used in the document analysis stage of the research study. To mitigate researcher bias on the
data and assure internal validity (Cresswell, 2003; Locke, Spiriduso and Silverman, 2007), the three evidence chapters contain a fairly high level of detail.

It is not the goal of this research study to produce results for generalization to other institutions, social events or populations (Stake, 1994) in the positivist tradition. While there are some similar practices and challenges for public service broadcasting in other countries, as was pointed out in the last chapter there are certain unique characteristics like the geography, culture, linguistic and demographic composition of the public in Canada. To replicate this research study in a different country might not yield any result that would be useful for comparison.

Instead, the goal is to gain a clearer understanding of this single case, and produce results that can be generalized to a broader theory (Yin, 1989, p. 44). The external validity of this research project lies in its potential for a theoretical replication (Lee, 1999), in part because a case study also acts like unit of analysis in itself (Wolff, 2007; Hepp, 2008). By focusing on the condition of the ethos of public service in Canadian broadcasting, it is hoped that this research study will provide insight into the challenges faced both by public broadcasters in other countries, and by other public services in Canada.

2.4 Chapter summary

This case study reveals how the ethos of public service broadcasting has been affected by changes in the information society through a comparison of the ideal to how it is articulated in policy, interpreted by different stakeholders, and the activities of the
The research question “how has the ethos of public service broadcasting changed in Canada’s information society?” starts with the theoretical premise, supported by the literature, that the ethos has been endangered by changes associated with the Canadian information society and their impact on its chief mode of delivery, the CBC.

Neopluralist theory suggests that there are multiple forces and interests involved in any type of social change. There are social, economic and political decisions that have to be made to enable change, and to address issues that arise from technological development and implementation. There are also a variety of factors and stakeholders involved each with their own degrees of influence and points of contact (Macpherson, 1987). Locations and allocations of influence and power can be structural, systemic and situational, and contests between different stakeholders in public service broadcasting neither always nor automatically resolve to serve dominant interests. These various forces have as great, if not greater impact on public service broadcasting than any particular technology.

The ethos of public service broadcasting becomes manifest through the practices of broadcast entities like the CBC. This neoplural analysis of the CBC as an “embedded” — in regional, national and global broadcasting contexts — “single-case study” is designed to understand how and why public service broadcasting in Canada has changed, who has benefited, and where change has come from. The mechanisms that distinguish the CBC as a public service broadcaster are the sites where changes to its interpretation and implementation of the public service broadcasting ethos are revealed. Shifts in the interpretation of public service broadcasting held by other
stakeholders are revealed through analysis of documents that are relevant to their individual spheres of influence, and the testimony of the interviewees.

The methodology of this research strategy is designed to prevent this study from being simply a descriptive account only of what happened during the research period. Patterns in the data that match with the codes support a theoretical explanation of public service broadcasting in all of its complexity, the extent of its change, and the factors and actors interpreting and influencing its course over time (Lee, 1999; Wolff, 2007; Hepp 2008), to help explain why change happened and who benefited. The use of multiple research methods, triangulation and pattern matching ensures inclusion of a range of sources and perspectives, renders the data reliable, and ensures the internal and construct validity of this single case study. Techniques to ensure reliability in this case study include the thorough documentation of all procedures and sources (Yin, 1989), the use of multiple methods and multiple research instruments to triangulate results (Scholl, 2008), ensuring that transcripts were carefully checked and error-free, and using the same codes for all of the data from both the document analysis and the interviews.

Communication is an essential component of a nation’s cultural and democratic health, and public service has been a central feature of the Canadian democratic system of governance and social practice. This research has a critical mandate to improve Canadians’ understanding of the processes and relationships that have an impact on the social, cultural, economic and political role of their public service broadcaster. The next chapter reviews research literature from international and Canadian sources for insight
into the opportunities and challenges that public service broadcasting has faced due to the growth of the global information age.
Chapter 3 - Existing literature: Public service media in the information age

3.0 Introduction

This chapter reviews both Canadian and international research literature because of the global nature of communication industries (Abramson and Raboy, 1999) and because most of the recent research into the public service broadcasting ethos has focused on institutions and systems outside of Canada. A strong canon of research (Babe, 2000) provides invaluable historical analysis of Canada’s communications policy, systemic and institutional development (Eden and Molot, 1993; Peers, 1969, 1979, 1985, 1985a; Raboy, 1990; Vipond 1992; Spry and Potvin, 1992; Gasher, 1998; Regan Shade 2004; Skinner and Gasher, 2005), as well as the distinctive national (Innis and Watson, 2007) and global (Abramson and Raboy, 1999; Raboy 1998, 2002, 2003; Tinic, 2005; Taras, 2007) challenges it has, and continues to face. There is a range of research about the CBC, from how it works as a business case (Hoskins and McFadyen, 1992; Hoskins, Finn and McFadyen, 2000, 2001; Hoskins McFadyen and Finn, 2002), to how it conducts and uses audience research (Eaman, 1994) and how it has developed new media services (Patrick, Black, Whalen, 1996; O’Neill, 2006).

Several key publications used in this research study have been published by the Re-Visionary Interpretations of the Public Enterprise initiative (http://ripeat.org/). The initiative has been hosting biannual conferences since 2002 to encourage collaborative research by media professionals and academics toward a renewed vision of public service media in Europe and in countries where it has not existed before. Other
valuable research has been commissioned by the International Telecommunication Union and the United Nations Educational, Scientific and Cultural Organization.

The critical approach of this case study helps to fill a gap in the scholarship through the analysis of the form, function, processes and directions of influence in late capitalism (Macpherson, 1977) on the Canadian public service broadcasting ethos. It builds a wider understanding of the various pressures on and within Canadian public service broadcasting from the rise of the global economy, the neoliberal evaluation of culture by the Canadian state, changing media consumption patterns enabled by new, interactive communication technologies, and media concentration. The analysis allows for an inclusive explanation of a range of factors and actors involved in the social changes wrought by the information society, and the subsequent erosion of the public service broadcasting ethos.

The first section provides an overview of the research literature that pertains to the origins of Canadian public service broadcasting. The second section condenses the literature about the technological, economic and political origins of the global information society. The third section provides an overview of the old and new challenges that face public service broadcasters, and in particular the CBC. The fourth section presents a summary of the literature about extending the public service broadcasting ethos to non-broadcast media. The final summary links the research literature to the theoretical and empirical design of this research study.
3.1 Public service broadcasting in Canada

The Canadian federal government has a long tradition of activist communications policy primarily because of the physical proximity and cultural similarity of the United States. State institutions, policy, legislation, regulation and public funding have always been important tools for supporting the economic goals and growth of domestic cultural industries, addressing particular challenges, and encouraging the production and preservation of a distinctive Canadian culture (Dayton-Johnson, 2002; Siegel, 1996; Peers 1969, 1979; Raboy, 1990).

In the early 1920’s, the Canadian private radio market was small, and localized in urban centres along the American border (Vipond, 1992). The financial model and transmission signals were both weak, so the Canadian stations that could be heard between the stronger American and Mexican signals were usually carrying inexpensive American content. When a controversy arose in 1928 over the refusal by the Department of Marine and Fisheries to license a chain of religious stations, the federal government decided to develop a national strategy to correct what had been an “ad hoc” approach (Raboy, 1990). It appointed the Aird Commission(2) “... to examine into the broadcasting situation in the Dominion of Canada and to make recommendations to the Government as to the future administration, management, control and financing thereof” (Royal Commission, 1929, p. 5). The Commission was directed “…to suggest the means as to how broadcasting can be carried on in the interest of Canadian listeners and in the national interests of Canada” (p. 6).
While the final report of the Commission does not describe a “public service broadcasting ethos” per se, it does conclude that “... the interest of the listening public and of the nation .... Can be adequately serviced only (emphasis added) by some form of public ownership, operation and control behind which is the national power and prestige of the whole public of the Dominion of Canada” (1929, p. 6). The Commission recommended the creation of both a public broadcasting system and institution to prevent American cultural domination and to promote national unity and suggested how they should be organized, staffed, financed, governed, and the types of content they should offer (the full list of recommendations is available in Appendix III). The recommended system was a national chain of stations that would reach all Canadians where they lived. Funding would come from a combination of licence fees and Parliamentary appropriation and some program sponsorship, but no direct advertising. The Commission recommended that the Canadian Radio Broadcasting Company operate as a public utility under the authority of the federal government, but that the provinces be responsible for creating high quality and educational content for the network to carry.

Private broadcasters in Canada did not object too strenuously to the use of federal funds to develop a large portion of the technical infrastructure. However, neither they nor the American broadcasters that considered Canada to be a part of their domestic market (Spry and Potvin, 1992) had much love for the idea of a public system. The Canadian Association of Broadcasters was formed in 1926 to represent the interests of privately owned Canadian radio stations and some of the railways in Ottawa. It lobbied
against legislative and regulatory attempts to bind private stations into a national network, to licence the system, and to impose controls over content.

Countering that influence was the Canadian Radio League, a broad-based coalition founded by Graham Spry and Alan Plaunt. The League used nationalism to gain public support (Peers, 1969) and lobbied effectively to ensure the inclusion of public service objectives, like equal coverage across the country and broadcasting in the public interest (Raboy, 1990). The League was convinced of the educational capacity of radio and its power as an instrument for helping to formulate public opinions and tastes. The League also stressed the national importance of the medium for building connections between the provinces and across the country. Spry argued that a public, non-commercial radio system was essential to counter the American content that dominated the airwaves, and is famously quoted as saying “It is a choice between the State and the United States” (Spry and Potvin, 1992, p. 81).

3.1.1 The (com)promises of Canadian public service broadcasting

In an attempt to reconcile free-market economics with nationalist sentiment, most recommendations of the Aird Commission were rejected. Instead, Conservative Prime Minister R. B. Bennett’s government established the Canadian Radio Broadcasting Commission in 1932 as both a public broadcaster and the regulator of a “mixed system” composed of it and private broadcasters (Vipond, 1992). The hybrid system was meant to reconcile the interests of monopoly capitalism, the government itself, various social and church groups, trade unions, community groups, the education
sector and cultural experts (Smythe, 1981; Raboy 1995a). The public service system was required to simultaneously build nationalism and provide universal public access while creating an environment conducive to private development for economic growth and expansion (Raboy, 1990; Vipond, 1992).

Raboy argues that the resulting system and institution were “national” rather than “public” (1990). The design of the public service core, mixed system, was intended to serve the liberal democratic ideal of a free press, but it excluded the provinces and regions, and “....missed opportunities” for democratization of the system (1990, p. 356) by keeping control at the federal level. Even the design of the public service broadcasting institution reflected the federal government’s equation of public with national service (Raboy, 1990). The institutional and organizational structure of the CBC has been characterized by divisions between languages, services, and markets. Its hierarchical organizational structure, with most of the CBC’s upper management located in Ontario and Quebec, built in structural tension between ‘central’ and ‘regional’ interests.

3.2 The global information society

The global perspective of the information society is the vision of a new, borderless society enabled by changes in technology (Schiller, 1984). The discourse of the information society has been dominated by neoliberal themes, and as the internet and legacy media converge, attempts to regulate the internet or introduce public service requirements are seen as impediments to progress. The International Monetary Fund
and World Trade Organization are oriented toward global commerce and opposed to nation based policy unless it supports extending global commercial media to promote the international market economy (Herman and McChesney, 1999). Powerful media lobbies worked hard to convince national governments and international trade organizations that neoregulation and liberalization were essential to economic growth, and actively lobbied for changes to telecommunications regulation, as well as against public service broadcasting, particularly for television (Sussman, 2003).

The World Trade Organization pushed for changes to both the regulation of financial markets in 1984-85 that would facilitate the flow of capital internationally through global economic networks (Mattelart, 2003). The creation of an “…integrated global financial market…” (Webster 1995, p. 143) was made possible by a combination of factors, including sophisticated information technologies, the world-wide expansion of banking, finance, insurance and advertising services, deregulated stock markets, and the end of exchange controls.

In the process of building a global economy, nation states eased regulatory restrictions and liberalized markets to increase competition, foster innovation, and provide more services at lower prices (Mosco and Rideout, 1998). This process is frequently (and erroneously, as per Winseck, 1998) described as “deregulation.” The more accurate term is “neoregulation” (Mosco, 1996), and there are four basic patterns:

1. No regulation, where market regulation is decided by a competitive environment that has a number of telecommunications players. Oligopolies (three to six telecommunications players all offering similar products at similar prices) may not be regulated or may claim to be self-regulating.
2. Managed regulation, or light regulation of the established telecommunications providers, which is still carried out by the existing state regulators. It may also tend toward state management of competing telecommunications interests, where the state may prevent particular players from competing in particular service areas.

3. Re-regulation, where the state has to step in because market-regulation failure or abuse is so noticeable to the public that a portion of the non-regulated area needs regulation again.

4. Forbearance, as in the Canadian case, where the state chooses to not regulate what it considers competitive areas. The Canadian regulator, the CRTC, may, however step back in and re-regulate if market failure occurs (Rideout, 2003, p. 65).

As a result, legislation and institutions intended to protect indigenous cultural institutions have been weakened or eliminated (Kaitatzi-Whitlock, 1996), allowing more foreign ownership as well as horizontal and vertical integration, with direct consequences for public service broadcasters like the CBC.

The global media system has undergone a rapid transformation, fueled by neoliberal and technologically progressive discourse (Young, 2003), and based on a ‘new information order’ of market freedom (Herman and McChesney, 1999, p. 186). The United States has traditionally dominated film and television production (Herman and McChesney, 1999) and it is still the dominant player in the Anglo-Canadian market. A neoliberal approach to media policy in the 1980s, especially in the United States, Britain and Canada, encouraged commercialization, privatization and liberalization. It also allowed for the creation of international trade agreements that enabled the expansion of international communication networks and media conglomerates.

The media and entertainment industry was one of the fastest growing industries in the 1990s, and at the end of it, the media market was dominated by large transnational
media organizations that are not linked to particular national origins (Mosco, 2009). As the media industry has become more central to the world economy and helps to spread recognition of corporate symbols, logos and brands world-wide (Webster, 1995), it is an increasingly pervasive, powerful and influential economic force in the information society. Media issues that used to be considered national and cultural have become international and trade decisions, which has raised concern about national autonomy (Taras, 2007).

When market forces rather than cultural policy dictate regulation in broadcasting and telecommunications, the result is fewer, larger companies controlling more media sources through increased concentration of ownership and consolidation, both in Europe (Kaitatzi-Whitlock, 1996) and in Canada. Privately owned media organizations grew vertically and horizontally through acquisition and consolidation during the 1980s and 1990s, in pursuit of reduced costs, expanded markets and opportunities for cross selling and promotion, to the point where only a small number of large companies controlled the largest shares of all media markets. Media concentration and consolidation means that the information available on multiple platforms is coming from fewer companies, protected by a proliferation of global economic and trade agreements that view the globe, or at least a sizeable portion of it, as their market (Smith, 1999).
3.3 The challenges facing public service broadcasters

3.3.1 Universality

Mosco treats universality as a more profound issue than simply ensuring that everyone has access to the most recent technological tool (in Winseck, 1998). Mosco explains how issues of access need to be separated from social and economic inequalities that limit peoples’ ability to engage with, and shape, both old and new forms of communication. Dayton-Thomas points out that access alone is not sufficient to ensure that all members of society will partake equally in domestic cultural activities because there are intervening factors (2002). In both cases, universal access is a fundamental component of public policy to ensure that everyone has the opportunity -- whether or not they take advantage of it -- for access to both culture and the means by which it is communicated.

True universality means that a person’s ability to access communication resource is not based on their social and economic status, and that people have a valid role to play in the process of shaping systems of communication, both old and new. Universality in the context of public broadcasting has a dual meaning because the term implies both technical and societal coverage. Technically, the broadcaster’s signal is expected to reach, ideally, every household of the entire population of the region or country. In this way, broadcasting resembles other public services such as water, gas, electricity, telephony and public transport. For the second meaning, the public broadcaster must be able to provide relevant content for all groups and sections of society -- no matter what
their economic status, demographic characteristics or interests -- and at the same time reach society as a whole. This has been the rationalization for generalist programming because while it is impossible to please everybody all the time, at least the public broadcaster had a chance of appealing to specific groups within the range of popular interest in the general population, at different times in the broadcast schedule (Rumphorst, 1998). This mixture of programming content also supports the educational function of the mandate by potentially exposing the public to content that they might not otherwise seek out.

Lorimer and Gasher (2001) identify the biggest communications policy shift in recent years as a change to the meaning of access. Since the mid-1930’s access has referred to signal coverage, and policy was used to ensure that the entire country was covered either by private or public radio and television. When universal coverage was almost achieved in the 1960’s, access began to mean the inclusion of Canadians in content through representation, as well as in creation and production. Universal access is not a guarantee that the public will take advantage of the public broadcasters’ services, but it does provide the opportunity for citizens to engage with and experience, critique, debate and create what it means to be Canadian.

Digital platforms and subscriber-based dissemination pose a direct threat to the principle of universality. A specialty channel devoted to one subject can offer greater coverage than a network that carries one program as part of a general schedule. It can increase its margins too, since advertisers are more attracted to the targeted audience fragment, and since many channels and websites do not pay production costs, but rather,
pay licence fees to carry content aggregated from multiple sources. The plethora of individualized media products makes the level of risk and competition for audiences that much more intense for public service broadcasters.

While the ubiquity and reach of over-the-air broadcast audio-visual signals makes it a universal cultural form (Collins, 1998), as subscription services replace over-the-air transmission, the public good is limited by the ability of the individual citizen to pay for access (Jakubowicz, 1999; Raboy, 1995b). The companies controlling the transmission networks extend service only to places where capital investment can be recovered and revenues are sufficiently high; this can leave the most vulnerable members of society and those who live in under-serviced areas either without access or with limited choice (Rideout, 2003a).

In Canada, the economic framework applied to telecommunications has taken precedence over the cultural and political objectives of broadcasting policy (Rideout, 2003). The idea of universality has transformed from all citizens having full access in every part of the country, to consumers with adequate means having equitable access to whatever services are being offered in their area by a limited number of private providers (Reddick, 2003). Benefit is assessed in economic rather than social terms so the “public interest” has become the right of citizens to choose between competitors (Reddick, 2003).

To be universal, and serve the public as it adopts and adapts to different communication tools, broadcasters like the CBC must be available via those new tools. Now that there are enough specialty networks, media channels and the internet to cater
to the interests of almost every individual, the latter function of the generalist program approach actually makes more sense -- rather than less -- than it did when there were only five or six stations available in the average radio or television market. As technologies converge, government and regulators should be expected to combine the different approaches to broadcasting and telecommunications universality in such a way that at least grandfathers in, if not improves the level of public access and service that over-the-air broadcasting has provided.

In so doing, one consideration has to be that the interactive nature of new technology has expanded the idea of universality, because it is not only the population’s access as consumers of content that is threatened, but also its access as producers of cultural content. As corporate interests acquire the resources and the support of government to control the exploitation of technological capacity, and content with copyright and intellectual property measures, the avenues for individual expression by private citizens have come under attack. Government legislation that, for example, supports technological controls like digital locks, extends protection periods for copyrighted material, diminishes internet neutrality, or expands modes of surveillance to protect corporate interests, has the additional effects of limiting the potential benefit of new communication technologies not only for members of the public, but for democracy as well (Mattelart, 2003).
3.3.2 Democracy

Universality is necessary for the health of a culture (Dayton-Johnson, 2002), and central to the public good for citizenship and democracy (Mosco, 1998). Dahlgren (1999) describes the catalytic function of public services to contribute to the good of society by enhancing the experience of citizenship. The general public is a political force in a democracy, and a basic principle of "mass media" has been inclusion for the general public in a common public life. Public service broadcasting was charged with connecting a diverse range of people in their various identities and experiences in a way that engenders a sense of belonging and participation, unlike commercial media, which has to serve the needs of shareholders and advertisers.

Broadcast media has traditionally disseminated general interest content widely and uniformly, providing reflections on past and current social realities, and offering projections for the future and thereby providing a service that is valuable both for self-knowledge and as motivation to address social problems (Raboy, 1990). That began to change in the 1980s, when the politics of culture shifted towards diversity and individuality, and inequalities between social groups and countries deepened. As the potential for communication technologies to contribute to democracy and equality diminished (MacBride, S. 1980), the cultural and educational mandates of public service broadcasters were also undermined (Boafo and Arnaldo, 1995).

John Keane (1991) explains how small-scale private ownership and a decentralized market helped to define the role of a free press as an opposing force to
government despotism. In neo-pluralist society, freedom of communication is essential to democracy to ensure that all viewpoints are represented and to encourage discourse:

The maximization of liberty in communication requires both an increase in the variety of means of communication by which different groups of citizens could communicate, if and when they wished, and the recognition that there are circumstances in which the freedom of expression of some citizens conflicts with the freedom of expression of other citizens (Keane, 1991, p. 43).

When media companies were relatively small, private ownership was necessary to ensure that the citizenry had access, at least ideally, to a diverse selection of information from a plurality of sources. However, the growth and consolidation of media companies has increased the prevalence of cross-platform, formulaic content designed to fulfill commercial objectives, rather than the diversity of viewpoints that would support democratic goals.

The CBC is, like other public service broadcasters, operating in an environment where transnational media organizations dominate the global market, and private media is highly concentrated (Skinner and Gasher, 2005). The growth of transnational media conglomerates has raised concerns that the freedom of democratic communication has been threatened, the right of citizens to access unbiased information has been undermined (Steemers, 1999) and the diversity of sources for content has been diminishing (Kaitatzi-Whitlock, 1996). Transnational companies have attained a level of power befitting a state while social inequality increases and the role of civil society declines. Competition is more intense and on more fronts as new modes of content delivery come on to the market vying for audience attention (Collins, Finn, McFadyen and Hoskins, 2001; UNESCO 1995).
The emphasis on corporate profit and lack of focus on traditional democratic values has placed limits on freedom of the press and curtailed universal access by citizens. There has been resistance, but the public has generally become increasingly accustomed to commoditized forms of information that are owned privately rather than shared publicly (Wasko, 1984). The accidental or activist document leak has become what passes for government transparency, and sharing music for personal use has become a prosecutable offence. The diversity of resources available on the internet can allay some of those concerns due to its potential for people to gain direct access to original and alternative sources of information, but individual access does not equate discourse. Democracy needs real communication, and not just a choice between predetermined, profit-driven options (Blumler and Gurevitch, 1995).

Public service broadcasting has traditionally been seen to have a role in maintaining a healthy democracy by providing representation and a forum for the airing of public issues, supporting pluralism and democratic processes (McChesney, 2003). Raboy argues that the traditional nationalist agenda has impeded the democratic function of public service broadcasting both within Canada and in the global media environment (Raboy, 1990; 1995; 1997b). The Canadian idea of a free press, at least how it is portrayed in policy, has a more supportive than activist role. The current Broadcasting Act, for example, directs public and private broadcasting services in Canada to provide exposure to a range of opinions (1991, Part I, 3.(1)(i)(iv)), rather than provide an actual forum for direct public debate. New platforms present the opportunity to reach new audiences in new ways, but also present a new set of global competitors
and commercial challenges to the legitimacy of national, public service broadcasting institutions (Hills and Michalis, 2000; Jakubowicz, 2004).

Keane (1991) argues that a new vision of the public service model should be adopted by communications media. This vision would promote freedom of the press for a plurality of citizens, and emphasize the need to develop their ability to communicate with each other ahead over the goals of either politicians or business interests. If new media technologies were developed within that type of public service model, citizens would have access to a plurality of media, and none of them would be controlled either by the state or by the market. These different media could be used to then facilitate horizontal communication for debate between multiple, diverse, and often conflicting, viewpoints. To truly serve democracy, the definition of public service broadcasting needs to be realigned to the current social reality that new technologies cater to the interests of individuals, rather than continue in pursuit of a mythical "mass" audience. It is also necessary that whatever the medium, public service providers are understood to have a valuable role to play as champions and producers of culture, and as gatherers and analysts of information that is important to the population.

3.3.3 Policy

The public service ideal is no longer valued in the political economy of the information society and the environment of neo-liberal policy and regulation (Hujanen and Lowe, 2003). International trade and political agreements have been negotiated by governments with business coalitions that are not democratically accountable, using
processes that are neither transparent or inclusive of the public, with the goal of furthering economic rather than social or cultural goals. Global institutional and regulatory mechanisms for communication systems have shifting power, political influence, and the ability to generate cohesion, as well as mobilize and persuade a population away from nation states (Raboy, 1995).

As nation states move toward policies that promote individualism and cost benefit over collective citizenship, the neoliberal agenda benefits from a depoliticized, disenfranchised and disengaged public, which is in direct contravention of one of the principle duties of public service broadcasting. The market-focus of the neoliberal agenda does not support public service models, and interferes with democratic aspects of policy development. Jakubowicz characterizes the pressure from “National and international policy, legal, institutional and financial frameworks … ” (2004 p. 20) on European public service broadcasters to maintain their 20th century style and format, and to redefine their remit in the narrowest terms possible as an attempt to marginalize them and as part of a larger assault on public services as a whole.

Neo-liberal policy in communications has eroded democratic rights and the most effective way to rebalance them is to construct dualities out of dichotomies; people are not only citizens or only consumers, they are both simultaneously (Reddick, 2002; Moll, Regan Shade and Canadian Centre for Policy Alternatives, 2004). People use the internet to shop and to grow, so rather than separate democratic and economic rights government needs to set up operating rules that accommodate public interests and needs; history has shown that market forces alone will not be enough to enable the expansion
of networks in a way that enables the public to develop its utilities and capacities to the fullest. This would involve normalizing the public service role of the information highway, which was done for the universal telephone service (Hadden and Lenert, 1995), through formal government intervention, policy, regulatory and program processes, limiting the rights of the market and fostering it through fiscal policy (Reddick, 2002). If the internet is one of the most effective and powerful forms of communication available today, by choosing to “leave” the development of the internet infrastructure, content and practices to market regulation, the government’s neoliberal approach has created an environment that places the interests of corporate citizens ahead of the public interest (Reddick, 2002).

Neoliberal policy claims that the internet is better left unregulated or is “impossible” to regulate, are misleading. The internet is neither completely new nor distinct from legacy media, and forbearing to regulate the internet is the result of political will, rather than inability, since regulation could take a number of forms. Regulator measures could be technology-based at the level of computer code, or more traditional, like price regulation, copyright exemptions, and requiring carriers pay fees or adhere to some level of public service requirement (Reddick, 2003).

More to the point, the internet is not free from regulation. Governments need and do exert some control over the internet infrastructure and communications because their authority and sovereignty depend on it; they also have to deal with issues of national security and risk, (Giacommello, 2005). For example, Canada, like South Korea, the Netherlands and Sweden has created a regulatory environment designed to
allow effective competition for telecommunications, broadcasting and internet services (Wu, 2004). Canada was also among the first countries to issue a policy statement about the conduct of e-commerce, national security, law enforcement and consumer protection online, and to include computer crime in its criminal code (Giacomello, 2005).

Regulatory structures and organizations have been created, like the “super-regulator” Office of Communication (OfCom) in 2002 (Alvarado, 2004). The CRTC has also undergone extensive organizational change (Doern, 1997) to address the converging technology environment. The challenge always remains whether the measures taken and reinterpretations of the mandate continue to put servicing the public at the fore (Barnett and Docherty, 1991; Leurdijk, 2007; Lowe and Bardoel, 2007). Bodnar (2004) charges that the Commission had stopped acting in the public interest when it began relying on market-based competition, in an otherwise federally regulated industry, to guide the development of new communications infrastructure in municipalities since the early 1990s.

3.3.4 The Public

In Canada there is an historical precedent of public input into policy and regulation for telecom and broadcasting because as these large systems become ubiquitous and are pervasive, there is bound to be an impact on Canadian citizens. The development and support of these industries and their infrastructure is largely funded with public money and communication technology has always been seen to need state regulation in this country to balance undemocratic market forces. Policy has generally
been designed to support healthy domestic industry and infrastructure for wider economy as well as protect and promote Canadian national culture and identity for both French and English. It has also been used to encourage technological innovation as an engine for economic growth, material prosperity and political independence.

The process of making broadcasting policy in Canada does provide opportunities for input from a range of stakeholders, including the public, as well as the industrial, cultural and institutional sectors. However, the dominant influences over broadcasting policy have been political and economic, rather than social or cultural (Raboy, 1995c, p. 430). The public lost even more of its influence when it was largely excluded from the process of policy development for the information society (Regan Shade, 2004; Barney, 2004). The Centre for Canadian Studies at Mount Allison University conducted an audit of public input on policy development for information communication technologies from 2001 to 2004 (Barney, 2004, 2005). The study was designed to assess the relative health of democratic character in Canadian political life and institutions. It examined levels of public participation, the inclusiveness of procedures, and responsiveness of institutions to public concerns and concluded that the growth of technology was politically motivated to serve economic rather than public service goals. The audit shows three significant departures from the historical record of public involvement in policy formation.

The first occurred in 1993 when Industry Canada took over development of digital communications infrastructure. The second was the creation of the Canadian Network for the Advancement of Research, Industry and Education (CANARIE), which
established Canada's internet infrastructure. The third was the nonpublic proceedings of the Information Highway Advisory Council and National Broadband Task Force. Not only was there minimal public input, but the majority of members on each of these boards were representatives of the private sector with direct interest in telecommunications.

The recommendations that emerged from their activities were that the private sector should play a leadership role in the development and operation of broadband networks and services. It was also a recommendation that the government should facilitate the deployment of these private networks, services and content with policies and regulation that favour competition and innovation, and fill in where these private corporations would not [meaning where it was not profitable]. The CRTC conducted its own hearings that did allow more public access, but was no more responsive to public concerns. These recommendations all reflect the pro-business agenda of Industry Canada for the Information Highway and enabled a process of consolidation that has led Canada to become one of the most concentrated communication markets in the world.

3.3.5 Technological change

The digital media environment of the information society has both exacerbated traditional areas of tension and posed new ideological, political and technological challenges for public service broadcasters (Atkinson and Raboy, 1997; Collins, Finn, McFadyen and Hoskins, 2001; Padovani and Tracey, 2003; Sussman 2003; Young, 2003; Schejter, 2003). The Canadian Broadcasting Act (1991) stipulates that the
broadcast system must readily adapt to scientific and technological change. Recent changes in the transmission and reception capabilities of media have significantly altered both how media is produced and consumed. They also offer an increased capacity for direct interaction and participation between public service broadcasters and their publics (Himmelstein and Aslama, 2003; Jackson and Vipond, 2003).

While new technologies offer the potential to serve the public in new ways (Aufderheide, 2000), technological change is expensive and risky so the heralded benefits of the digital age are balanced by the challenge of on-going, additional expense and the threat of more competition (Blumler and Nossiter, 1991; Dornfeld, 2003). As a user, rather than a creator of technology, the Canadian public broadcaster has no control over the pace of change. New technologies have to be resourced and integrated into existing operations; and whether the CBC is adding a new technology or cutting an old one, there are consequences for universality.

New technologies are rapidly affecting content production, dissemination and consumption, but the business models to pay for them have taken more time to develop. Private media conglomerates have increased in size and diversified, and their relative size, scope and breadth has dwarfed existing national public service broadcasters whose budgets either stayed the same or declined during the same period (Comrie and Foutaine, 2005; Smudits, 1997; Raboy, 1991; 1997c). The occasional government funding for the addition of new technologies or conversion are ad hoc and for a limited term, rather than an addition to the budget. Most new services are therefore funded commercially, which renews the long-standing challenge for public service broadcasters
to maintain both a non-commercial focus and their distinctiveness from private broadcasters.

3.3.6 Diversity and distinctiveness

Traditional national public service broadcasters have been responsible for featuring and promoting national culture at the same time as they provide representation for the nation’s pluralist populace, provide universal service, and play a role in democracy. Some researchers have argued that as the communications market becomes more individualized and diversified, the mission of public service broadcasting to provide a point of national reference and identification becomes more important (Rumphorst, 1998). However, public service broadcasters who continue in the nationalist tradition face various challenges. They must maintain a distinctive identity (Collins, Finn, McFadyen and Hoskins, 2001), while providing appropriately diverse content for multicultural audience, which is distinctive enough to legitimize its claim to public funding. That content must be such that an increasingly pluralistic, multicultural and fragmented audience will value it and find it appealing (Attallah, 2000; Scannell, 1995; McNair, 2005).

Public service broadcasting in television and radio benefits cultural diversity in ways that commercial markets never can (Juneau, 1997). It has the freedom to produce content that is valuable, but not necessarily economically profitable. In doing so, public service broadcasters are repositories for a large and rich body of culture and history because they are often among the oldest media content creators in a nation. How to
manage that archived content has posed additional challenges for public service
broadcasters as the equipment that handles older formats is replaced and old stock
decays. There are different approaches to managing archival material and numerous
issues that arise around funding not only for the physical preservation and transfer, but
also for clearances and rights.

Another role that has been a requirement of public service broadcasters has been
to act as a standard of quality in the industry; they can provide authoritative, exemplary
and pluralistic news and current affairs, as well as original cultural content of high
quality that sets the bar for other broadcasters (Jakubowicz, no date). In a comparison
between the digitization efforts of children’s television and funding of the ABC, BBC,
Corporation and Radiotelevisione Italiana, Padovani and Tracey (2003) confirm the
value of public service broadcasting not only for its audience members but because it
can raise the bar and make commercial broadcasters produce better quality content.

To do so, public service broadcasting needs to maintain a creative environment
that is untainted by commercial interests, keep its core services strong, and its remit at
the fore for every action it takes (Padovani and Tracey, 2003) whether it is using
traditional broadcast or new media platforms. Programming that relies on traditional
nationalist criteria in an attempt to build a “sense of belonging” is no longer viable in the
“...age of globalization” (Raboy, 1997b, p. 36). Public service broadcasters need to re-
conceive the audience as made up of whole human beings with multiple social roles and
needs, and provide a full range of content that will “… satisfy the democratic, social and
cultural needs of society, providing content audience members want and objectively need” (Jakubowicz, no date, p. 4).

3.3.7 Independence

Convergence between telecommunications and broadcasting technologies has been a useful ideological construct to justify a corporate-driven agenda within the neoliberal discourse of the information society. Because communication technologies are not restricted by national borders, governance structures that supersede national control are changing how nations, media and communication networks operate (Herman and McChesney, 1999), and affecting the cultural, civil and educational functions of public service broadcasters. Traditional nation-based pluralist policies and institutions set up to protect communications systems and social policies of the welfare state have been eroded by the neoliberal agenda (Calabrese and Burgelman, 1999).

The quantity and origins of funding are equally problematic for public service broadcasters. The level of funding that public service broadcasters receive defines not only what they do to fulfill their mandates, but also the quality of their work and the extent of their reach. The source of funding is an issue when commercialization of public service broadcasting erodes the legitimate claim to public funding (Herman and McChesney, 1999) and challenges the organization’s distinctiveness (Padovani and Tracey, 2003). Steemers (2001) builds on McQuail’s model (1986) of the degrees to which public service broadcasters become increasingly commercialized, and how those efforts not only bring them into conflict with commercial operators, but also make it
more difficult to define the public service remit in a converging media and communications environment, and orders their “degrees of commercialization” as:

1. A gradual popularization of content on public service broadcasting’s core channels in favour of mass audiences, and the removal of information and minority content to niche services or less mainstream outlets

2. Public service broadcasting becomes more cost-conscious and efficient in its activities and output.

3. Additional services are offered on a subscription basis according to economic criteria, breaching the principle of universal access.

4. Public service broadcasting becomes more dependent on commercial income – subscription, advertising, sponsorship, merchandising revenues.

5. Public service broadcasting’s area of activity is limited to specific tasks, and private communications media become dominant.

6. Distribution and telecommunications are privatized.

7. Part or the whole of public service broadcasting are sold off (Steemers, 2001, pp. 75-76).

Public broadcasters have survived previous political, technological, economic and social storms, through adaptation and institutional transformation (Steemers, 2003). Measures taken by these broadcasters include everything from altering and extending programming strategies, cooperating with third parties on co-productions, and finding supplementary sources of income through sponsorships, subscriptions, co-productions and licensing agreements, to organizational rationalization strategies and outsourcing (Alm and Lowe 2003).

As challenges increase and government funding decreases in an environment of increased competition and technological innovation, public service broadcasters are at
greater risk of political interference (Raboy and Taras, 2007). While it is reasonable to expect that the core proficiencies (Brown, 2001) of publicly funded institutions in a pluralist democratic society should be open to reasonable level of scrutiny and critique, the effect of multiple and frequent reviews can be disruptive and constitute political interference. When these multiple reviews by different bodies have different measures of success, it is even more difficult to assess the value and efficacy of public service broadcasting.

An on-going challenge has been the use of advertising measurements to assess the efficacy of public service broadcasting content. At a basic level, the goals of commercial broadcasting and what Peers describes as a "full broadcasting service" (1969, p. 450) are completely different, and therefore, so are their views of the audience. In the same passage, Peers goes on to explain how the commercial model is focused on attracting revenue, so content is secondary to advertising. Commercial programming is designed to fit "around" revenue sources, and is valued only in terms of how it appeals to consumers, so broadcasting “…operates as an auxiliary to advertising”. In contrast, “A full broadcasting service operates on quite another principle, appealing to man as an active and creative person, Aristotle’s “political being,” with potential for growth” (1969, p. 450).

When the CBC uses the number of viewers, listeners or online visitors within a specified time frame of a program as the measurement of the content’s popularity, it does not measure whether citizens found the content to be informative, educational or entertaining, whether it fulfilled the needs of a special interest group or minority, or if it
was representative: all of which are mandated requirements. It could measure those using alternative systems, such as audience reach, intensity or impact (Raboy, 1995; Costera Meijer, 2005). Whereas audience share measures the number of people engaged with a particular program at a specific time, reach measures the number of people over a span of time. Intensity or impact measures the person’s experience of the program.

### 3.4 Public service media

Public service media is an idea that has caught the attention of various international bodies including UNESCO and the Association for Progressive Communications. The Re-Visionary Interpretations of the Public Enterprise initiative has generated an extensive body of research on key issues and themes that characterize the transition from public service broadcasting to public service media, focused primarily on European and Australasian exemplars. The research is based on the conviction that the goals and social objectives traditionally associated with the European public service broadcasting model are still valid and significant (Bardoel and Lowe, 2007).

Practitioners, scholars and other experts agree that while the concept of public service broadcasting has become backward-looking, staid and ossified (Holland, 2003), it should not be rejected. Instead, it should be brought up to date with current realities (Jakubowicz, 1999). The concept of public service media extends the ‘ethos of public service broadcasting’ (Bardoel and Lowe, 2007) to new, interactive communication technologies associated with the information society.
By using the term ethos in this dissertation, rather than ‘theory’ or ‘concept’, I hope to ensure that the philosophical characteristics and normative intentions of a public service ethic in broadcasting and media are easily distinguishable from how they are interpreted or implemented, and are not confused with any of the theories or concepts that make up the analytic framework. I am only aware of one other research study that uses the concept of public service ethos in communications to examine the transition from analogue to digital television in Canada (Taylor, 2013).

The theoretical underpinnings of the public service broadcasting ethos are what the World Radio and Television Council (2001) identified as the four pillars of public service broadcasting: universality, independence, diversity and distinctiveness. That said, there is no single definition for the term “public service broadcasting” (Barnett and Docherty, 1991), and in fact, there are many (Jakubowicz, no date). This is not surprising, since any definition of public service broadcasting is going to reflect the distinctive values, priorities and principles of its national context (Hujanen and Lowe, 2003), as well as the perspective of whoever is trying to define it.

Collins (1990) explains how, despite the many differences between systems and institutions, there are basic ideals, or an ethic, that inform the policy and programming of public service broadcasting around the world. The public service broadcasting ethic (Collins, 1998 and Tracey, 1998 in Hujanen and Lowe, 2003, p. 20) elevates the provision of a public good over pursuing market based goals, and is based on the general ideals that:
• Broadcasting is for everyone

• Broadcasting has mandated responsibilities for serving cultural and social minorities, not only markets or majorities, thereby guaranteeing pluralism and diversity

• Broadcasting is one essential tool supporting contemporary democratic practice

• Equal opportunity to know more and understand better is a civic right and social necessity that broadcasting must help facilitate

• Broadcasting is owned by everyone who pays the same tax, the payment of which entitles one to receive the same benefit as any other taxpayer

• Broadcasting must nourish culture because it is a living record and active embodiment of human understanding

• Broadcasting is vital for broad content provision of information, entertainment and education

• Broadcasting is an essential platform for social sharing, nurturing identities and supporting the construction of communities (Hujanen and Low, 2003, p. 20).

The ethic emphasizes the need for public service broadcasters to serve the underserved, produce content that exploits the full range and capacity of the medium rather than resort to the cheapest programming types.

These points of commonality, the core principles of universality, independence, diversity and distinctiveness, and the ethic that broadcasting is in service of the public, provide a basic template to contextualize the realities of public service broadcasting and reflect the national, cultural, social and economic objectives and priorities that are specific to Canada. As Collins points out, one key consideration for this template is the challenge for Canadian public service broadcasting of reconciling its “...distinct public-service and nationalist vocations ...”; the former is intended to serve a range of different
groups within pluralist society, and the latter is directed at a single audience that shares "... tastes, interests and culture" (Collins 1990, p. 69). A useful first step in extending the ethos of public service broadcasting to non-broadcast media is to redefine the remit (Raboy, 1998, 1999; Hujanen and Lowe, 2003).

3.4.1 New remit

Holland (2003) argues for a public system, with regulations to control powerful commercial channels, support for diversity, assessment criteria based on the practices of programming rather than the styles of ownership, an evolving concept of how to use new channels and formats and delivery mechanisms to involve and engage citizens in a global consciousness. Bardoel and Lowe (2007) describe the key difference between the ethos of public service broadcasting and public service media as defined by the technological habits of their different generations of users. Younger people use more new information and communication technologies than older people.

Raboy (1997b) has identified the need for both a new conceptual and strategic approach to public service in broadcasting. To reposition public service broadcasting requires a redefined mandate, a realistic funding strategy, programming that reflects audience needs and desires more accurately, and a mechanism for public accountability across the broadcasting system. In Canada, the role of broadcasting would be to create and sustain a public space for Canadians in the era of globalization. Public service objectives can only be ensured by regulation; governments need to take an active role as architects and employ a democratic, sustainable, bottom up approach to re-defining
public service broadcasting, one that includes community level involvement (Garnham and Locksley, 1991; Raboy, 1998).

Expanding public service broadcasting to non-broadcast media requires identifying the core public service values to retain, accepting that they are still valid, and recasting them as an ethos that is not technology-specific. It then becomes possible to extend the social, cultural and economic objectives of public service policy beyond the unidirectional, one-point-to-many broadcasting model, and apply it whatever new technology comes along. As Steemers explains:

In the past, public service broadcasting was justified first on technical grounds (the lack of frequencies), and then on the basis of its underlying philosophy grounded on intangible values associated with Western-style democracy, such as diversity, pluralism, universal service, and the maintenance of cultural identity. In practice, public service broadcasting may not have always lived up to these normative expectations, and they have been weakened over time by market ideology, the increase in media outlets, and a more competitive market, but they nevertheless form the basis of arguments to extend public service broadcasting into the era of new technologies (Steemers, 2001, p. 73).

These core values can then be expanded and used as the building blocks of the ethos of public service media. The central mission of public service media is collaborating with the public to define what is socially imperative, and then serving those social, cultural and democratic needs. The three central obligations of public service media are to promote social cohesion, to serve the needs of cultural diversity and democracy, and “... to see to the needs of special groups and individual users of public media” (Bardoel and Lowe, 2007, p. 21).
3.4.2 Institutional model

Researchers suggest that if public service broadcasting were to focus on the needs of citizens, it would not be restricted to a particular institutional model, a single type of ownership or a style of funding like those described previously in Chapter One. By expanding the criteria considered in order to create a general description of the main distinguishing characteristics of public service broadcasting, its role in society, the challenges it faces, and its relative merits in the media market, could be better understood (Jakubowicz, no date). Provided the guidelines were clear for both producers and regulators, the remit could then be fulfilled by a range of broadcasters of different types, all following a clear public service brief and free to operate anywhere in a global market (Raboy, 1995; 1999).

3.4.3 Production model

Public service broadcasting needs to renew itself by building a closer relationship with the public it is supposed to serve, becoming more interactive, and breaking down the barriers between producers and consumers (Collins, Finn, McFadyen and Hoskins 2001). Public service media needs to reverse the philosophically, structurally and historically entrenched supply-oriented broadcast transmission model and use a demand-oriented approach to service and content provision. Simply put, it must make the generational shift from a ‘push’ model of public service broadcasting to a ‘pull’ model of public service media by creating a demand-driven rather than supply-driven model of operations when using newer technologies (Bardoel and Lowe, 2007).
The key ingredient is a public access infrastructure that would answer the mandates of "trickle-down", policy-driven public broadcasters like the CBC, and maximize the potential of the access capabilities of grass-roots, "bubble-up" internet technologies. The result would serve both individual and collective identity and promote active citizen involvement without institutional gate-keeping or intervention.

If the social, cultural and political role of public television can be re-validated by emphasizing how it might enable public participation, Himmelstein and Aslama (2003) suggest a broadcaster has the opportunity, through that engagement with citizens, to both counter neo-liberal consumerist forces and rejuvenate the creative aspects of its content. The public’s involvement in content creation has been limited to commenting on content, providing feedback on programs, or participating in content creation either as consultants or guests. Public service media offers new and extra services, features and information, and the audience has multiple avenues for both accessing and commenting on the media producer’s content. The real potential of public service media lies in its capacity for the public to become content producers.

3.4.4 Assessment models

In order to ensure editorial freedom, universality, accountability and distinctiveness, any new or “futuristic media policy” has to eliminate political ties, which would help public service media find a meaningful place in the current and future media markets (UNESCO, 2003). To ensure that the “arms-length” relationship maintains some distance, the transition to public service media needs the development
of new, or at least appropriate, assessment tools to allow a level of transparency within
the organization and in how it is governed. There are alternative types of measures
available to assess the effectiveness of public service broadcasting (Hastings, 2004).
The non-commercial structure of the network allows the BBC to measure the success of
its programming by measuring the audience reach, or “... the percentage of an audience
that watches or listens to a channel in the course of a week or month” (Scannell, 1995, p.
38) rather than in terms of audience share. Other ways to measure if public service
broadcasting is producing high quality programming and good information content and
is engaging the public in a democratic culture is to assess the ‘impact’ of programming
by taking the ‘enjoyer’ of public service content as seriously as the ‘citizen’ and
‘consumer’ (Costera Meijer, 2005).

Other assessment models can be adapted to balance economic goals with public
service performance and measure the effectiveness of public service delivery from
major types of economic performance measures as appropriate for assessing public
service broadcasters: market share measures, productivity measures and financial
measures (p. 34). When these measures are adapted, the resulting assessment of the
economic, financial and managerial performance of the organizations, and performance
issues or trends that need attention, can be used to help broadcasters improve how they
operate, and thereby improve their service delivery in a changing media environment
(Picard, 2003).
The transition of an ethos from public service broadcasting to public service media cannot be accomplished only by the broadcaster. It does not have either the power or authority to alter its mandate or change its remit. Since there has been no indication from either the Canadian federal government or the CRTC that this is going to happen, the efforts of the CBC to transform itself from a public service broadcaster to a “content company” warrants some scrutiny. Evidence in Chapter Six therefore examines changes at the CBC in its areas of responsibility and jurisdiction; its institutional structure and operations; how it uses technology, its financing, content and its governance.

3.5 Chapter summary

The literature reviewed for this research study supports the broad, neoplural definition of “social” factors (Bardoel and Lowe, 2007, p.13) that can and do affect policy, governance and operations in liberal democratic societies, including social movements, culture, politics, business interests, technology and the economy (Macpherson, 1987). The ethos of public service broadcasting in Canada has traditionally been simultaneously nationalistic and divisive, as a managerial approach by the federal government excluded provincial, regional and local influence over both the broadcasting system as a whole, and the CBC in particular (Raboy, 1990). The research literature in this chapter provides the foundation for the empirical analysis in the next three chapters required to answer the five research questions.
For the first questions about what the concept of public service broadcasting has meant and how it appears in policy, historical research shows that the formation of broadcasting policy in Canada has been subject to influence from various sources with different levels of power—with economic interests holding the lion’s share (Raboy 1995c). The hybrid sector was created as a compromise to address the concerns of very powerful private interests, and to provide the infrastructure and support for the growth of the domestic industry, as the CBC was expected to meet multiple, conflicting goals. However, as the Radio League organized by Graham Spry and Alan Plaunt demonstrated, it is neither just the state nor is it only policy that can create a media environment that promotes the public good. There are other actors in civil society that are involved with how the public interest is defined and delivered and use various tactics to further their agendas. The degree of influence that these different parties have over the final policy is relative to their levels of access to the decision-making process (Raboy, 1995c).

The research literature indicates where to look for empirical evidence about the range of factors, actors and influences that have contributed to the onset of nation-based information societies, including the one in Canada, that are interconnected through globalization. Neopluralism is particularly useful in the analysis of the Canadian information society, because it did not spring fully-formed from nothing. Macpherson’s explanation that societies are made and re-made by the existence, actions and interactions of different people, organizations and institutions, each with its own degree of power and influence (1987), provides a useful approach for understanding the 105
growth of the Canadian information society. The empirical evidence in the next three chapters shows how different stakeholders wielded varying degrees of influence in the technological, political, economic and social changes that are associated with the rise of the Canadian information society, and how these affected the Canadian public service broadcasting ethos.

The literature also describes the profound implications and challenges for public service broadcasters of every type, size and institutional organization as a result of the contextual changes wrought by the neoliberal, technologically progressive agendas of globalization and the supra-national bodies that have encouraged it. As digital communication networks have expanded globally, nation-based regulatory controls have lost their potency. Neoliberalism and technological determinist ideologies place a higher value on economic growth than on either how citizens interact with technology on cultural, economic, political and social levels, or on how that interaction contributes to the nature and necessity of media (Sarikakis, 2004).

Public service broadcasting ethos has been threatened by the impact of multiple factors on the institutions charged with its delivery. Ideas of citizenship, the lasting influence of neoliberal evaluations of culture, social change connected to the heightened importance of the individual consumer over the collective population, and the subsequent erosion of collective, public service principles have profoundly affected the context of public service broadcasters and the work they do. But the pressure on public service broadcasters is not all external.
National public service broadcasters have faced many challenges from changes associated with the information society and globalization. There are limitations that are the direct result of dated agendas and perceptions of the public. As the public service media literature and Raboy's work on public service broadcasting in a global media environment suggest, there are steps involved in extending the principles of the public service broadcasting ethos to new types of media. These steps include detaching the ethos from any specific, nation-related agendas, as well as parochial visions of citizenship. Another step is eliminating the technical specifications of particular media formats, so the goal of serving the public good is not restricted by the limitations a particular platform might impose on interaction, exchange, creativity and engagement.

In answer to the final research question, the validity of the public service broadcasting ethos has been reaffirmed in much of the literature research. There is particular support for expanding the idea, not only beyond traditional broadcasting to other communication platforms, but also to a more diverse vision of the "public." Many researchers conclude that the core principles of the public service broadcasting ethos not only retain their value, but that they are more important and more relevant than ever before in neopluralist societies that are made up of individuals with a range of interests. The traditional approach to the public service broadcasting ethos has been to typify the public as a monolithic collective; public service media has the capacity to serve a public made up of individuals with multiple interests who are capable of supporting a 'common will' for the public good (Macpherson, 1987, p. 60).
The research literature covered describes how public policy and institutions are influenced by a number of different situational, systemic and structural forces. The empirical evidence in the next three chapters shows that the CBC has faced many of the same challenges as other public service broadcasters, and as well as some that are unique. The evidence in the next chapter reveals how the alignment of government policies, functions, processes and institutions (Macpherson, 1987) behind the information society agenda has affected public service broadcasting policy, how that policy is interpreted by different stakeholders, and how it has been implemented by the CBC.
Chapter 4 - Canadian public service broadcasting in policy

4.0 Introduction

Answering the main research question “How has the ethos of public service broadcasting changed in the Canadian information society?” requires understanding the levels of telecommunications and broadcasting policy, so those two Acts receive particular attention. The separation between telecommunications and broadcasting is not technology-based, permanent or complete; it is due to separate regulatory frameworks designed to achieve different goals (Winseck, 1998). The Broadcasting Act (1991) has not been changed much since it was approved by Parliament. However, to encourage the growth of the information society, associated regulations have been relaxed and the traditional regulatory approach replaced by one that is more efficiency-focused, flexible, minimalist and competition-friendly (Department of Industry Canada, 2006; 2006a).

This empirical analysis provides insight into how the neoliberal approach taken by the federal government and the CRTC has supported the private media sector and undermined both the democratic process of policy development and the ethos of public service broadcasting. The neoliberal discourse of competition is supported by a policy approach that applies market-based “solutions” to social problems, commercial standards to culture and international trade frameworks to communications. The public service broadcasting ethos has been eroded by a combination of factors dating from the mid-1980s (Interviewee-Senior Communications Policy scholar). These include
neoregulation and a policy focus on privatization and international trade, as well as the increased commercialization of the CBC as a result of reduced support and the transfer of public monies to private broadcasters through various production funds.

Keeping in mind critical communications research that has shown that changes to communication policy frameworks are not simply reactions to technological innovation but are based on political and ideological decisions (Abramson and Raboy, 1999), this chapter examines regulations and policies associated with the information society. There are two levels of policy, the legislation and “… the case law that is built up largely through the CRTC” (Interviewee-Communications and multimedia scholar).

The empirical evidence also refers to various reports because:

… if we look at policy as something being broader than law, you can see changes in the policy understanding of public broadcasting in various other documents that have come out over the years … various reports, which have tried to characterize public broadcasting, which do not have the same legal status as the Act, but certainly give indications of how policy makers think about public broadcasting … (Interviewee-Senior Communications policy scholar).

Interview segments provide corroboration or expansion.

The growth of the information society has been dependent upon the convergence of telecommunications and broadcasting at both the technical and policy levels. The format of this chapter mirrors that progression. After the first section, which introduces Canada’s long history of communications policy and regulation, the second section describes the different phases of Canadian telecommunications policy and provides an overview of the Telecommunications Act (1993). The third section does the same for the Broadcasting Act (1991) and the mandate of the CBC. The fourth section focuses on
the consequences for public service broadcasting of the competition-oriented policies
designed to support convergence and the growth of the information society and is
followed by a chapter summary. The neoplastic theoretical approach of this study is
supported by the constellation of interested parties, including the five stakeholders
identified in Chapter One, that have played role in broadcasting, telecommunications,
and convergent policy processes.

4.1 Communications policy tradition

The roots of a distinctively Canadian ethos of public service broadcasting can be
found in key pieces of legislation. The British North America Act (1867) was Canada’s
constitution until 1982. When it was approved by the British Parliament, Canada was
made up of the four provinces, Ontario, Quebec, Nova Scotia and New Brunswick. The
B.N.A. as it was called, allocated executive and provincial responsibilities. It assigned
legislative, senatorial, and judicial powers and declared that it was:

... lawful for the Queen, by and with the Advice and Consent of the Senate and
House of Commons, to make Laws for the Peace, Order, and Good Government
of Canada, in relation to all Matters not coming within the Classes of Subjects by
this Act assigned exclusively to the Legislatures of the Provinces” (Constitution
Acts, Consolidated, c. 3, VI., 91).

Oceans and shipping were a federal responsibility (1867, Part VI., 91. 10-13) and
because radio was initially used for maritime-related activities, broadcasting was under
federal jurisdiction.

The Canada Act, passed by the Canadian Parliament in 1982, includes the
Canadian Charter of Rights and Freedoms. The Charter identifies key aspects of
Canadian society that are to be protected including a free press and the fundamental freedoms of conscience, religion thought, opinion and expression, peaceful assembly and association (1982, Section two). All citizens have the right to vote or run for the position of Member of Parliament (Section three), and to travel, live and work anywhere in the country (Section six). The official languages of Canada are English and French, and they are to "... have equality of status and equal rights and privileges as to their use in all institutions of the Parliament and government of Canada" (Section sixteen, (1)). The rights "...to life, liberty and security of the person" (Section seven) can only be removed or restricted by legal action, but citizens are still entitled to civil rights within that justice system (Sections eight through fourteen).

The federal government of Canada is ultimately responsible for the legislation and regulations that form the basis of public policy. Even though the Canadian parliamentary electoral system does not reflect the popular vote, it is a democratic mechanism. Parliament makes the laws of the land and government ministries and departments are responsible for their administration. Legislation is designed to identify values and objectives that conform to societal norms, and define the expectations for programs and activities instituted by government to further those values. The role of the appointed Senate is to retain expertise and provide sober, second reflection to the elected members of the House. The civil service is employed rather than elected, and thus ideally should be judged by professional standards of performance. The legal and judicial systems are expected to be free from political bias.
The political existence of Canada is partly the result of a nation-building policy tradition (Raboy, 1990). Successive governments applied this policy approach to build east-west connections between distinctive regions, over vast distances and challenging geography, and to counter trade and culture patterns that are dominated by the United States. Communications policy has typically been intended to bring a small, scattered and demographically diverse population into a shared, national sensibility.

Eden and Molot (1993) describe different regulatory approaches, starting with ‘defensive expansionism’ (p. 235). From 1867 to 1940, the federal government introduced legislation and institutions, such as the public broadcasting system and broadcaster, as protection against American industrial expansion and to stimulate Canadian industrial growth. That approach began to shift as the Second World War affected national and international economic and political relations. The policy approach from 1941 to 1981 became ‘compensatory liberalism’ (1993, p. 237), and was characterized by macroeconomic management, the creation and maintenance of a welfare state, and eventually, participation in the growth of the international post-war economy.

The federal Minister and Department of Communications were responsible for both broadcasting and telecommunications from 1969 to 1996. When the department was dissolved, the Ministry of Canadian Heritage inherited broadcasting and the Ministry of Industry took over telecommunications. Licencing and regulation of broadcasting undertakings initially rested with the CBC, but in the late 1950s as television was being adopted by the Canadian public, that responsibility was passed to
the Board of Broadcast Governors by the Fowler Commission, (1955-1957) (Sidor, 2012). The duty was then taken over in 1968 by the Canadian Radio and Television Commission, which was designed to operate at arm's length from the government as an independent, national regulatory agency, and work “...to serve the needs and interests of citizens, industries, interest groups and the government” (CRTC, Para. 3, 2012 September 6). In 1976, the CRTC was renamed when it took responsibility for telecommunications as well.

The CRTC’s duties include administering licences, resolving conflicts, enforcing statutes and regulations, and working with industry stakeholders. It holds public hearings for broadcasting and telecommunications undertakings as part of its regulatory, research and licence-renewal procedures. It has the authority to set standards and measures for assessing whether the actions of telecommunications and broadcasting undertakings are serving the goals of the Broadcasting Act, Telecommunications and Bell Canada Acts. It reports to Parliament through the Minister of Canadian Heritage and has jurisdiction but no power over the CBC.

In the early 1980s, then Liberal Prime Minister Pierre Trudeau began to reassess foreign investment levels, and Canadian federal policy started to take on a ‘market liberalism’ approach (Eden and Molot, 1993). The federal government began to replace what had been a “permeable” Fordist regime of regulated monopoly, with a neoliberal, competitive, continental model (Rideout, 2003). This shift was characterized by the rise of market rule, commercialization, privatization, neoregulation, and policies that emphasized transnational over national priorities (Friedman, 1962; Rideout, 2003). At
the same time as the federal government was withdrawing in some areas, it began to take control over telecommunications regulation away from the provinces and territories.

As the neoliberal approach to policy solidified under the next Prime Minister, Brian Mulroney, his Progressive Conservative government (1984 to 1993) initiated an economic strategy that involved, among other things, a course of neoregulation of the trucking and airline industries, liberalization of banking regulations and the pursuit of free trade with the United States. The government embarked on privatization programs and redefined crown interests. The Senior Communications policy scholar suggested I return to this period in the mid-1980s “... to actually understand the origins of the shift in policy towards public broadcasting.” He explained that, at this time, the government still referred to the CBC as “…the cornerstone of the Canadian broadcasting system.” However, the government was also talking about “cultural industries”, and its policy approach involved developing series of production funds and organizations like Telefilm, which shifted public monies away from the CBC and toward the independent production sector and private broadcasters (Department of Communications and Fox, 1983).

4.2 Legislation

Both broadcasting and telecommunications technologies have been designated as essential for maintaining Canada’s identity and its political and economic sovereignty (Broadcasting Act, 1991, Part I, 3.(1)(b); Telecommunications Act, 1993, Part I, 7(a)).
As with broadcasting, telecommunications in Canada has been a mixed system made up of both publicly- and privately-owned companies. Unlike broadcasting, Canada had no national telecommunications policy until the 1993 Telecommunications Act, and the federal government had to overcome significant resistance from multiple sources to take national control (Rideout, 2003).

Technically, broadcasting is a type of telecommunications (Broadcasting Act, C. 11, Section 2, 2. (1)); both systems deliver information, either by broadcasting from one to many points or telecommunicating from one point to another (Winseck, 1998). Winseck argues that it was the government creating distinct regulatory frameworks from the 1940s to the 1990s, rather than any intrinsic technological differences, that led to the separate development of telecommunications, broadcast media, telephony, telegraphy, and publishing (1998). Broadcasting policies emphasize nationalist cultural and political objectives while telecommunications focus on continental economics (Rideout, 2003).

### 4.2.1 Telecommunications policy

The need for economies of scale and technological compatibility between systems led the Canadian government to treat telecommunications as a “natural monopoly” (Rideout, 2003, p. 26). The industry that developed was highly lucrative, profit-driven, one in which foreign ownership has always been tolerated (Rideout, 2003), and commercial companies have commonly used cross-subsidy between different services (Winseck, 1998). The first telecommunications regulation was put in place in
the 1800s to guard users from potentially exploitative practices. For many years, the sector was governed by ad hoc measures developed by federal, provincial and sometimes municipal governments to deal with specific issues like jurisdiction and international competition (Raboy, 1997a). As the social value of telecommunications and broadcasting became evident, there was increased interest in regulation that would ensure these technologies would be available and affordable for everyone, whether or not they lived in urban centers. Provincial governments got involved in the telephone business to compensate for market failure, especially in regions where populations were smaller and more rural.

Historically, the technical and legislative frameworks governing telephone and cable systems in Canada were incompatible. The legal framework changed in 1989 when Canada’s Supreme Court ruled that all major telephone and telecommunications companies fell under federal jurisdiction because their networks did not stop at provincial borders. The federal government began to develop policies and standards for interoperability and began reforming broadcast and telecommunications legislation to allow direct competition between the industries. Resistance from labour, consumer and public interest groups was strong but it did not outweigh the lobbying power of business groups and pro-competitive research institutes that had preferential access to the CRTC and policy-makers (Rideout, 2003).

Winseck (1998) identifies two periods of telecommunications regulatory reform that brought about the “Canadian information society.” The first phase from the 1970s to the 1990s focused on making changes within telecommunications companies in
response to pressure from large businesses that wanted more services at lower cost. The second period started in the mid-1990s. It was driven by the Canadian federal government, the computer industry and telecom providers focused on using media regulation, institutions and technologies to build “information highways” (Mosco, 1998, p. xiv).

These reforms were designed to encourage institutional renewal and attract investment, both foreign and domestic, for growth. In 1994, barriers to entry for competitors in the telecommunications market were reduced. In 1995 and 1996, policies were introduced that encouraged vertical connections between national, regional and global policy frameworks. In 1997, communications policy expanded ‘horizontally’ into other, new sectors (Abramson and Raboy, 1999). The motivation for these policy changes was not to expand either the social or cultural aspects of public service as much as it was to increase economic profitability for private industry.

The current *Telecommunications Act* differs significantly from earlier legislation for its emphasis on developing market forces (Department of Industry Canada, 2006). The Act provides the legal framework for governing telecommunications, which is described as “... the emission, transmission or reception of intelligence by any wire, cable, radio, optical or other electromagnetic system, or by any similar technical system” (1993, Part I, 2. (1)). The *Telecommunications Act* applies to providers of basic telegraphy, telephony and broadcast distribution services and their transmission apparatus (1993, Part I, 2. (1)) and also describes the powers, responsibilities and liabilities of carriers, the CRTC, the Governor in Council and the government Minister.

A Canadian telecommunications carrier is eligible to operate if it is a Canadian-owned and controlled corporation that owns or operates its transmission facility or facilities (1993, Part II, 16.(1)(a)(b)). The exception is the case of international submarine cables, satellites or their earth stations ((5)(a)(b)(c)); in those cases, ownership requirements need to fit with the policy objectives of the Act. Companies are either ‘common carriers’ that provide transmission services for any and all types of content at reasonable and equitable cost, or they are ‘contract carriers’ that provide tailored transmission services to specific companies and individuals.

4.2.2 Broadcasting Policy

Under the *Telecommunications Act* (1993) all content issues, no matter what the delivery mechanism (over-the-air, cable, or satellite) fall under the provisions of the *Broadcasting Act* (1991). All common carrier telecommunications providers, including Internet Service Providers, are prohibited from interfering with the content they transmit, and they are not responsible for it (*Telecommunications Act*, 1993, Part III, 36.). The *Telecommunications Act* does not apply to any aspect of broadcasting by a broadcasting undertaking (1993, Part I, 4.), except for the case of cable operators that provide both telephone and broadcast television services (Interviewee-Senior CRTC broadcast official).
When asked to define public service broadcasting most interviewees referred directly to the *Broadcasting Act* (1991) as the pivotal piece of legislation:

... the only real, I guess what you would call determination ... that's been made, is the *Broadcasting Act*, which of course gives the statutory permission to exist to the CBC, and in fact, defines a mandate for it ... I would put that at the head of what public broadcasting is supposed to be and do for the public; that's the legislation that's in power in Parliament and so I think it holds in any study of public broadcasting, the *Broadcasting Act* has to be considered (Interviewee-Ms. McQueen).

Other policies, such as the 1986 *Radio Regulations* and the *Radiocommunications Act* (1985), describe frequency types and specify technical requirements respectively. There are also laws about libel, freedom of information, rights and copyright that focus on specific legal or technical aspects of communications. The *Broadcasting Act* (1991) is the “bedrock” (Interviewee-Friends of Canadian Broadcasting) policy because it makes a general statement for Canada as a whole and the CBC in particular.

The *Broadcasting Act* (1991) recognizes that broadcasting is a type of telecommunications. However, it treats radio, television, cable television, pay television, and specialty television individually because unlike telecommunications common carriers, broadcasters are legally responsible for their content even if it is purchased from a third party. The *Act* has four sections that deal with different aspects of the system. Part I describes the expectations of the broadcasting system, and Part II covers the roles and responsibilities of the CRTC. Part III covers administrative and regulatory details of the CBC and Part IV contains amendments, repeals and transitions.

The *Act* stipulates that the entire broadcasting system is a public service that must be Canadian-owned, maintain and enhance Canadian identity and cultural
sovereignty, and make a positive contribution to Canada’s culture, economy, political
and social life (Part I, 3.(1) (a)(b)(d)(i)). The system must inform, enlighten and
entertain Canadians (3.(1)(i)(i)) with high quality, creative and intelligent programming
(3.(1)(d) (ii) (g)), use representative employment practices (3.(1)(d)(iii)) and “... be
readily adaptable to scientific and technological change” (3.(1)(d)(iv)).

Local and regional services are given some attention in the Act in Part I.
Programming carried by the system should “... be drawn from local, regional, national
and international sources” (3.(1)(l)(ii)) and the programming that alternative television
services provide should “... reflect Canada’s regions and multicultural nature”
(3.(1)(r)(iii)). The CRTC is required to govern in a way that is responsive to regional
needs and concerns (III, 2 (b)) and the CBC is both subject to the above content
requirements, and required to be available in the regions ((3.(1)(m)(ii)(vii)). However,
the CBC has no specific local mandate. Distribution undertakings should prioritize
carriage of local Canadian programming services (3.(1)(t)(i) (ii)) and the CRTC is
ordered to regulate and monitor the system in a flexible way that takes regional needs
and concerns into account (III, 2 (b)).

The content of the Act is backed by the authority of the state, and applies to any
and all types of broadcasting undertakings but not to any telecommunications common
carriers (Part I, 4.(4)). Conflict between participants within the system will be resolved
in favour of public service objectives that are contained within the mandate of the CBC
(3.(1)(n)). The Act requires that the aboriginal population be represented and that
persons with disabilities receive full service (3.(1)(o)(p)). Educational programming
and full service in both English and French must be available across the system
(3.(1)(j)(k)), which is made up of community, private and multiple public broadcasters:

... I think you could say that the Knowledge Network in British Columbia is a
public service broadcaster, TV Ontario is, Radio Quebec is ... there are smaller
and cable satellite-delivered services in other parts of Canada including New
Brunswick and Saskatchewan. So there are others ... (Interviewee-Friends of
Canadian Broadcasting).

Unlike these other public service broadcasters though, the Canadian Broadcasting CBC
is national, and it is the only public service broadcaster that has its mandate written into
the Broadcasting Act (1991, Part I, 3.(1)(l) and (m)).

4.2.3 The Canadian Broadcasting Corporation

The CBC’s mandate is not a separate part of the Act. It is intrinsic to the
mandate for the system as a whole, which indicates that the CBC is expected to operate
as one of many in a mixed system, and simultaneously fulfill its specific obligations.
Like the other broadcasters in the system, the CBC is equally subject to the terms
outlined in the entire Broadcasting Act, but because it is a Crown Corporation, it is
empowered to act as “... an agent of Her Majesty” (1991, Part III, Section 47. (1)).

Crown Corporations perform duties, provide goods and services, and conduct
commercial activities on behalf of government to achieve specific legislative objectives
(Tupper, 2012) and are (presumably) free from direct political interference or control.
They are independent private businesses that have the autonomy and authority to enter
into whatever agreements and business arrangements they need to fulfill their purposes.
In this case:
The Corporation is established for the purpose of providing the programming contemplated by paragraphs 3(1)(l) and (m), in accordance with the conditions of any licence or licences issued to it by the Commission and subject to any applicable regulations of the Commission (Part III, 46.(1)).

The crown corporation model offers a degree of independence, while the design and mandate of the CBC incorporate other requirements of distinctiveness, diversity and universality (World Radio and Television Council, 2001):

(l) the Canadian Broadcasting Corporation, as the national public broadcaster, should provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains;
(m) the programming provided by the Corporation should
(i) be predominantly and distinctively Canadian,
(ii) reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions,
(iii) actively contribute to the flow and exchange of cultural expression,
(iv) be in English and in French, reflecting the different needs and circumstances of each official language community, including the particular needs and circumstances of English and French linguistic minorities,
(v) strive to be of equivalent quality in English and in French,
(vi) contribute to shared national consciousness and identity,
(vii) be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose, and
(viii) reflect the multicultural and multiracial nature of Canada; (Part I, 3.1).

Part III of the Act outlines the financial, organizational, staffing and accountability requirements of the CBC. It also explains the roles of the President, Chair and Board of up to twelve Directors, who are appointed at the pleasure of the Federal Cabinet. Interestingly, there is no requirement for Directors on the Board to have any background in media. It also appears that the orientation process for Directors was a bit uneven. There was mention of holding special orientation sessions for new Directors over two years (CBC/Radio-Canada, 1999), but other Directors received none:

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... one thing that I find very interesting is I was appointed to the board of the CBC by phone call. There was no interview. I can't remember who the Minister was. I had never met the Minister. I was never given any kind of instruction or guidance or a brochure, or anything, indicating what was wanted. And my experience is, as far as I can tell from my fellow board members, typical (Interviewee-Ms. McQueen, CBC Director 2005-2010).

Neither the **Broadcasting Act** nor the regulations governing Crown corporations (Financial Administration Act, 1985) prescribe or prohibit a particular type of funding model. The only mention of the parliamentary appropriation in the **Broadcasting Act** is:

The Corporation shall, in its books of account, establish a Proprietor’s Equity Account and shall credit thereto the amount of all money paid to the Corporation for capital purposes out of parliamentary appropriations (1991, Part III, 57. (4)).

There is no mention of operational expenses but the Treasury Board has the power to approve long-term capital expenditures: "The Treasury Board may approve any item in a capital budget submitted pursuant to paragraph (3)(b) for any financial year or years following the financial year for which the budget is submitted" (1991, Part III, 54. (8)).

As a Crown corporation, the CBC is required to submit a Corporate plan every year that includes information for the year prior, the year in which the plan is submitted and four years into the future:

The Corporation shall submit to the Minister, in respect of each financial year, a summary of the corporate plan submitted pursuant to section 54 that summarizes the information referred to in subsection 54(3), modified so as to be based on the financial resources proposed to be allocated to the Corporation as set out in the Estimates for that financial year that have been tabled in the House of Commons (**Broadcasting Act**, 1991, Part III, 55, (1)).

The report gives Parliament an idea of what the CBC plans to do, so it can calculate how much funding the broadcaster needs for future budgets.
4.3 Take the Highway to the Information Society

To help answer the third research question about where the Canadian information society came from and how was it created, we have to consider policy changes that have allowed the wide adoption of technologies, as well as enabled the international exchange of information and the growth of transnational trade. Nations have traditionally separated broadcast and telecommunications in policy and restricted types of ownership, which has generated complex regulatory frameworks to govern each technology. From the neoliberal perspective, these regulations are generally seen as obstacles to growth.

The market-friendly approach of the federal government and the CRTC is credited with developing the information highway in Canada (Brassard, 1994; Ostry, 1993). Canada has one of the most liberal licencing environments and open telecommunications markets anywhere (Lie, 2003). There is a high level of cooperation between incumbent and new service providers. There are no entry procedures, registration or regulatory obligations for Internet Service Providers that do not own or operate transmission facilities. There are also relaxed standards for foreign ownership and board (International Telecommunication Union, 2003, p. 23).

In telecommunications, non-Canadians were restricted to contributions of 20 per cent for direct investment, and 33.3 per cent indirect, or in holding companies. The restrictions were introduced for telecommunications in 1987, but had been in place for broadcasting since the late 1960’s. In 1997, the levels for both broadcasting and telecommunications were harmonized to a maximum of 46.7 per cent ownership when
those direct and indirect investments were combined (Government of Canada, 1997; 
Transport Canada, 2003).

Removing or easing the restrictions up to 49 per cent particularly in 
telecommunications have been the subject of discussion for some time. In 2012, the 
*Telecommunications Act* (1993) was amended to remove foreign ownership levels on 
any investor that had control over less than ten per cent of the market. The goal was to 
encourage foreign investment in smaller carriers to increase competition (Elder, 2012).

During the research period, the limits for both telecommunications and 
broadcasting had been left intact but not as a result of consensus. In fact, there were two 
Parliamentary Committees who came to opposite conclusions about the levels of foreign 
ownership in broadcasting within the same year. The Standing Committee on Industry, 
Science and Technology recommended removing limits on foreign investment in both 
telecommunications (Canada, 2003, Recommendation 2) and broadcasting 
(Recommendation 3). The Standing Parliamentary Committee on Canadian Heritage 
disagreed, and argued for keeping both telecommunications and broadcasting levels at 
the current levels (2003a, Recommendation 11.5, p. 423).

Neoregulation has been underway at the CRTC since the 1980s to encourage 
convergence between broadcasting and telecommunications, beginning with issuing a 
new set of Cable Television Regulations designed to ease both the regulatory 
requirements and licencing process for cable companies (CRTC 1986-182). The 
existing rules about Canadian ownership and control over the broadcasting system, 
Canadian content, priority carriage, linkage, and access outlined in the *Broadcasting Act*
(1991) remained, but the emphasis in the new regulatory framework was on competition as the way to improve the efficiency of both the system and the CRTC itself. Subsequent adjustments were made to create a framework that could be adjusted to balance the needs of different types and sizes of broadcasting distribution undertakings. The lighter regulatory approach would allow more flexibility and growth for distributors, and be more easily adapted to ongoing technological change. This flexible framework relies on competition between services to keep costs reasonable, and cast the CRTC in a supervisory, rather than active, role in the marketplace.

By the mid-1990s, the information highway had become central to federal public policy (Department of Industry Canada, 2003). The government’s agenda was powered by both the threat that without the information highway Canada would be left behind the rest of the world economy (Brassard, 1994), and the promise of the many benefits a “knowledge economy” could bring. Industry Canada took over development of the digital communications infrastructure, and Canadian Advanced Research and Innovation Network (CANARIE), the Information Highway Advisory Council and the National Broadband Task Force were created (Barney, 2004). The Information Highway Advisory Council’s final report contained 300 recommendations, including the suggestions that the government should facilitate infrastructure development, encourage public adoption and reduce regulatory control (1995). The report concluded that:

... the necessary prerequisites to building a sound Information Highway in Canada are to update and reform the regulatory environment and move to sustainable competition and marketplace rules. As a consequence, the Highway will strengthen Canada’s information industries sector and others throughout the
economy and create a self-reinforcing cycle of innovation, growth and jobs, and provide for better government (1995, no page).

The economic focus of these various entities led to a high-level decision process that limited public input into how the information highway developed. The government formulated its Convergence Policy Statement (Government of Canada, 1996) based on the recommendations in the Council’s final report, a report from the CRTC called “Competition and Culture on Canada’s Information Highway; Managing the Realities of Transmission” (1995), and on the Department of Industry Canada’s report called “Building the Information Society: Moving Canada into the 21st Century” (1996).

The government permitted cooperation or the sharing of facilities between cable licencees and telecommunications carriers, and providers were instructed to lease, resell or share any excess capacity and facilities to third-party service providers and other carriers who would only pay for what they used. This policy was essential for establishing the conditions that allowed competition between the telephone and cable industries and enabled them to move into broadcasting (Department of Industry Canada, 2006).

In the Convergence Policy Statement, the government committed to work with stakeholders to define the legal, regulatory and legislative aspects of broadcasting and programs, and to explore the implications for content that could be delivered by future technologies, whenever, wherever and however individual consumers wanted to access it (Government of Canada, 1996). The government also agreed with the CRTC’s desire to unify its policies for all types of broadcasting distribution undertakings and
telecommunications providers, so they would have equal competitive advantage (CRTC 1996-69).

The 1997 federal Speech from the Throne promised that Canada would become the most connected country in the world, as well as a leader in information and communication technology development and use (Leblanc, 1997). In the 1998 Speech from the throne delivered by Governor General Adrienne Clarkson, it was clear that the government was committed to the information society as the way of the future:

... For Canada to generate jobs, growth and wealth, it must have a leading, knowledge-based economy that creates new ideas and puts them to work for Canadians. To do this, it is essential to connect Canadians to each other, to schools and libraries, to governments and to the marketplace – so they can build on each others’ ideas and share information (Clarkson, 1999).

The government did focus on developing flexible policy and regulatory frameworks to create a positive business environment role for the computer industry and telecommunications sector, encouraging uptake and skills development, using taxes and financing options to encourage research and attract venture capital, while promoting trade and developing markets (Lawes, 2005).

A substantive shift in Canadian communications policy has been to move away from public service and toward serving up the public to corporate interests. To help build that marketplace, the government played a key role promoting the idea to Canadian consumers to build a mass consumer market for the private technology sector (Birdsall, 2000). Federal programs, for example the Community Learning Network, Community Access Program, SchoolNet, First Nation SchoolNet, Computers in Schools and VolNet, were set up to promote computer access and literacy, as well as provide
access for members of the public who were on the wrong side of the digital divide. The goal of these programs, which provided low-cost or free access and some support at the community level, was to encourage computer literacy and reach out to non-users, and thereby build interest in the information society (Reddick, Boucher, Groseilliers, Canada Human Resources Development Canada, and Public Interest Advocacy Centre, 2000). The programs had some success introducing Canadians to the internet, but their technical focus rarely addressed social and community needs, and they were implemented with limited funding and terms of operation that were unsustainable (Rideout, 2003a).

4.3.1 Broadband

As the World Wide Web continued to expand and Canadian usage with it, the federal Department of Industry Canada created the National Broadband Task Force in January 2001. The Task Force issued a series of recommendations about how to get broadband access for all Canadian businesses and individuals by 2004. One recommendation was that the government should focus on facilitating the rollout and adoption of broadband, especially in communities that were still underserved by private providers, to ensure affordable access and connect public institutions. Other recommendations were to set up a continuous review process for regulations about privacy, consumer protection, copyright and security, and to introduce measures that increased competition and innovation to ensure the sector would continue to adapt in a

The cost of a "no-frills’ network (Scoffield, 2001, June 15) was estimated at $4 billion of government money, depending on different variables (National Broadband Task Force, 2001). The government opted to leave provision to market forces. The CRTC also declined to impose requirements of universal broadband service or service improvement plans on licencees, assuming that they would impede the commercial expansion of broadband services (International Telecommunication Union, 2003).

4.3.2 New media exemption

The CRTC launched a strategic planning process in 1996 to deal with new media and keep track of changes in the telecom sector. If new media communication technologies were found to meet any of the criteria of either telecommunications or broadcasting, it was the job of the CRTC to enforce whatever regulations were necessary to ensure both the industry and online content met and fulfilled the ownership, production guidelines and Canadian content quotas of the respective Acts. The CRTC had a three-year action plan to examine the implications for the Telecommunications and Broadcasting Acts, and to assess whether the Acts themselves promoted or inhibited new media development. The goal of the process was to find some sort of balance between the different objectives of these Acts, with the former’s emphasis on delivery and the latter’s focus content.
The CRTC ran a nation-wide public consultation that collected about 100 hours of testimony, and roughly 1000 written submissions to answer four questions:

a) In what ways, and to what extent, do new media affect, or are they likely to affect the broadcasting and telecommunications undertakings now regulated by the Commission?

b) In what ways, and to what extent, are some or any of the new media either broadcasting or telecommunications services?

c) To the extent that any of the new media are broadcasting or telecommunications, to what extent should the Commission regulate and supervise them pursuant to the Broadcasting Act and the Telecommunications Act?

d) Do the new media raise any other broad policy issues of national interest? (Public Notice CRTC 1998-82, Telecom Public Notice CRTC 98-20, 1998, #4)

It is not surprising that the CBC supported the exemption of new media from regulation (Beatty, 1998b, Para. 1263), since by 1999, the CBC’s online presence was diverse and well-developed. As Guylaine Saucier, Chair of the CBC’s Board of Directors explained further, “…innovative technologies such as the Internet have opened a communications floodgate unimpeded by the regulations that govern radio and television”, and she warned that Canadian voices would be lost. She maintained that the ability for the CBC to “…offer Canadians a range of options was a compelling reason behind CBC’s decision in 1994 to stake out an early presence, in both French and English, on the Web” (1999, no page).

In its final report, the CRTC used technical arguments to distinguish new media from broadcasting undertakings, as well as online from broadcast content. These technological arguments formed the basis for issuing an exemption order. It justified the current and potential exemption from regulation by saying it would neither further the
goals of the *Broadcasting Act*, nor would it enhance the development of the new media industry. Concerns raised about issues of quality were dismissed, and the CRTC waived regulation of new media that did fulfill the criteria of a ‘program’ and ‘broadcasting’ as described in the *Broadcasting Act* (1991) on the assumption that “... market forces alone will continue to provide an adequate supply of Canadian content” (CRTC, 1999, p. 15).

The Report on New Media only contained one mention of the *Telecommunications Act* (1993), when the CRTC promised to explain its regulatory approach to competitive high speed rates and terms of service between providers (CRTC, 1999, p. 3). Most of the analysis in the report dealt with the *Broadcasting Act* because it imposed legal responsibility for content, which was the biggest concern for the industry. Despite the similar audio-visual characteristics and capability for carrying “program-related” content, the CRTC took the neo-regulatory approach of forbearance (Mosco, 1996; Rideout, 2003).

The CRTC declined to regulate new media services, even though some of them were very much like “broadcasting” (CRTC 1999-84; 99-14) because it viewed competition and innovation as more effective than regulation as the means to encourage compliance with the policy objectives of the *Broadcasting Act* (1991, Part I, 3.(1)). The concern about regulation was that it might interfere with the growth of the market, because business models for new media were still evolving at the time and because the national parameters of the policy tradition might interfere with the flexibility and experimentation that the sector needed to compete on a global level. With the
widespread adoption of high-speed Internet, the supposition was that the time spent by
Canadians accessing this type of content over the Internet and mobile devices presented
opportunity, rather than a threat, to the broadcast sector (CRTC 1999-197).

The official exemption order described *new media broadcasting undertakings* as
providers of broadcasting services delivered and accessed over the internet (CRTC
1999-197, Para. 8). Despite the rapid pace of technological change in the new media
sector, the CRTC declined to shorten its review period to less than five years, (CRTC
1999-197, Para. 7). The CRTC thereby assured the new media industry that it would
remain separate and exempt from public service objectives, no matter how closely its
content or delivery might come to resemble those of the traditional media governed by

**4.4 Exemption renewals and new media research**

The CRTC was clearly in a ‘wait and see’ mode when it left the exemption
decision open to review “...within a shorter period of time” (CRTC 1999-197, Para. 4).
Over the next ten years, the exemption was reviewed, renewed and extended to other
services. While the government organizations that were influencing the direction of the
information highway limited or excluded public input (Barney, 2004), these decisions
offered at least some opportunity for public participation.

In 2003 the CRTC issued an exemption order for retransmission of specialty
services, internet-based program undertakings and broadcasting content (CRTC 2003-2).
Due to recent changes to the *Copyright Act*, retransmitters would negotiate consent with
over-the-air broadcasters on a case-by-case basis for content until the industry
developed a workable business model. In the exemption order, “new media” described
not only the content, but also the method by which services were delivered and received,
whether over the internet or using point-to-point technology with mobile devices (CRTC

The CRTC concluded that at the time of the ruling, bandwidth penetration was
insufficient to enable video transmission and reception, and would not likely improve as
Internet Service Providers began using bandwidth caps to control their expenses (CRTC
2003-2, Para. 19). The CRTC did not believe that retransmission would have any kind
of material impact on regular broadcasting until it could perform the same function
either at a lower cost and more convenience, or when retransmission services were able
to offer a wider choice, with more quality or types of content than regular broadcasters.
The CRTC concluded that for the foreseeable future, “…Internet retransmission is likely
to remain a complementary service” (CRTC 2003-2, Para. 26) because over-the-air
television was free and ubiquitous, television-quality signals were still not widely
available online, and consumer behaviour would have to change. The CRTC declined to
require licencing of internet retransmitters, and promised to review exemption orders
approximately every five years (CRTC 2003-2, Para. 79, 80). Three years later, the
CRTC extended the exemption to mobile television broadcasting services on cellular

When it was time to review the exemption order again, the CRTC held public
hearings in October of 2008 (CRTC 2008-11). The objectives of the review were
framed in commercial terms about whether or not the exemption was helping to
capitalize the platform and helping to define an appropriate business model. The
following June, after receiving over 150 comments, seventy final submissions and input
from over fifty presenters at hearings (CRTC 2008-11; 2008-11-1), the CRTC released
its findings (CRTC 2009-329) in the key areas of:

• maintaining new media broadcasting undertakings' exempt status;
• amending the definition of new media broadcasting undertakings to include
  point-to-point mobile broadcasting undertakings;
• introducing reporting requirements and undue preference provisions for new
  media broadcasting undertakings; and
• fully endorsing the development of a national digital strategy (2009-329, n. p.).

The CRTC referred the legal issue of whether the Broadcasting Act applied to
Internet Service Providers to the Federal Court of Appeal because, while cultural
stakeholders were pushing for a production fund to enhance Canadian new media
broadcasting content, internet and wireless service providers “... argued that they are
not subject to the Act and that the CRTC lacked the jurisdiction to impose a levy on
their revenues for broadcasting-related purposes” (CRTC 2009-329, Para. 38).

Jurisdictional issues aside, the CRTC concluded that the creation of the Canadian Media
Fund, along with other, existing funding programs, was adequate for fostering the
growth and development of new media.

When the National Film Board presented, it had likened the political, social,
economic and cultural impact of digital communication technologies to the changes
brought about by the industrial revolution of the late 18th and early 19th centuries, and
recommended for the creation of a national digital strategy. That recommendation received support from various other government and private sector stakeholders and the CRTC.(4) Such a strategy would provide support for Canadian companies that were competing globally and support the development of a leading knowledge-based economy.

Because mobile television broadcasting undertakings were also exempt (CRTC 2007-13), the CRTC had the option to either add online audio undertakings to the exemption order or dismiss the distinction between audio and video content and thereby extend the exemption to any and all forms of online media in one fell swoop. It opted for the latter approach, and expanded the description of the content from ‘new media’ to ‘new media broadcasting’ “… to encompass all undertakings that provide broadcasting services either delivered and accessed over the Internet or delivered using point-to-point technology and received by way of mobile devices” (CRTC 2009-329, Para. 33).

The 2009 decision (CRTC 2009-329) extended the 1999 exemption for five reasons. The first was because new media still complemented, rather than replaced, traditional broadcasting and it was feared that regulation might stifle innovation. Secondly, the CRTC was still not convinced that intervention was needed to stimulate the creation or presentation of Canadian new media broadcasting content. Third, the CRTC moved up the next review to five years and implemented a reporting process for new media broadcasting services to keep up with the accelerated rate of development. Fourth, the CRTC was uncertain about its legal jurisdiction and turned to the Federal Court system to interpret the Broadcasting Act (1991) to clarify whether or not the Act
applied to Internet Service Providers when they provided broadcasting content. Finally, the CRTC explained that its mandate contained in the Broadcasting Act curtailed its ability to conduct a more full examination of the new media phenomenon.

After more hearings, the CRTC subsequently updated the definition of a “new media broadcasting undertaking” to mean:

The undertaking provides broadcasting services, in accordance with the interpretation of "broadcasting" set out in New Media, Broadcasting Public Notice CRTC 1999-84/Telecom Public Notice CRTC 99-14, 17 May 1999, that are:
1. delivered and accessed over the Internet; or
2. delivered using point-to-point technology and received by way of mobile devices (CRTC 2009-660, Para. 5).

The redefinition made the Mobile Television Exemption Order (CRTC 2007-13) superfluous, consequently it was revoked.

4.5 Policy challenges for public service broadcasting

This section concentrates on answering the second research question, “What are the main challenges that public service broadcasting has faced and with what effects?” by examining changes to policy and regulation associated with the information society and how they affected the CBC. While the analysis in this chapter has focused on neoliberal policy changes, it is important to remember that ideological approach was not a whim of the government, but that the business sector had considerable influence and the public had very little throughout the process.
4.5.1 An absence in/of policy

On the international level, the federal government simultaneously employed neoliberal economic policies domestically and pursued multilateral trade arrangements, such as the *North American Free Trade Agreement Implementation Act* (NAFTA) with the United States and Mexico (1994), in an effort to improve Canada’s economic competitiveness, by increasing trade and lowering tariffs. In the late 1990s, the CBC repeatedly asked the government and Parliament for indications of support for its role as a tool of democracy. The CBC President argued that changes to the international communications sector justified a strong public service broadcaster. The broadcaster would act as an important cultural policy tool for government because it was sustainable under international trade law:

> Because the new technologies ignore political and geographic boundaries, the interplay between Canada's domestic and international policy instruments is vital. Domestic policies that overlook international conditions can leave Canada vulnerable to politically and economically motivated trade actions by our trading partners (Beatty, 1998a, no page).

Different federal governments have mentioned the importance of the CBC in the cultural sector, but successive budget cuts, greater emphasis on competition, and the absence of a role for the CBC from the information society suggests that those mentions were more lip-service than meaningful.

Domestically, the emphasis on economic over cultural objectives is evident in the absence of any role for the CBC in the government’s information society agenda, as well as the lack of encouragement in the form of policy or funding. Canada’s strongest economic links are with the United States, so regional divisions have been deepening as
the government withdraws domestic policy measures that were put in place to balance out national inequalities on the east-west axis (Eden and Molot, 1993). This process may well have been exacerbated by the actions of the CBC. What it has done “... since the mid-1990s is reduce regional services in favour of national programming as a strategy for maintaining their place in the national broadcasting environment ... that’s had a devastating impact on the part of their mandate that requires them to provide regional services and to reflect and promote the regions” (Interviewee-Senior Communications Policy scholar).

There are other examples of how an increased neoliberal emphasis on competition has undermined the ethos of public service broadcasting. An example is when the CRTC embarked on a review of the Commercial Radio Policy with the stated intention of ensuring an economically stable industry, increased exposure for Canadian artists, and support for French-language content (CRTC 1998-41). What that review said—as well as what it left unsaid—about the CBC’s non-commercial radio services indicates a devaluation of the public service broadcasting ethos.

While “payola” scandals are rare, regulatory agencies are generally on the alert for them, rather than proponents of them. This illegal practice is traditionally associated with the music industry, and occurs when recording companies provide inducement to either radio stations or individual disc jockeys to increase the exposure of a particular song or artist. It was therefore somewhat surprising that the CRTC recommended increased cooperation between the radio and music industries. This ‘spirit of cooperation’ presumably would extend to include the CBC, and the CRTC also
encouraged “… the CBC to continue to explore appropriate and effective ways of cooperating with private broadcasters in matters related to Canadian talent development” (CRTC 1998-41, Para. 211). However, the review suggested there would be additional means to develop any new activities and made no mention of the role the CBC already had with the CBC Records label. Nor was there any mention of the CBC’s seventy-year history of maintaining a radio orchestra.\(^5\)

### 4.5.2 Regulatory convergence

In 2007, the CRTC ordered an independent review by the communications lawyers Laurence Dunbar and Christian Leblanc of broadcasting regulations to assess whether they needed to be altered, streamlined or eliminated to achieve the goals of the Broadcasting Act in a changing technological environment, with a mindset of keeping regulation “light” (Dunbar and Leblanc, 2007). Dunbar and Leblanc found that even though the internet and communications environment had changed dramatically since the exemption for new media, the exemption was still appropriate for the goals of the Broadcasting Act (2007, Recommendation #9-3, p. 78). They identified a need for national policy to deal with copyright issues in digital media through cooperation between the CRTC and other agencies and departments.

The Dunbar-Leblanc report concluded that ultimately, there was nothing that regulation could do to stop online Canadian culture from being overwhelmed. Instead, Canadian online culture would have to survive by creating innovative new media, interactive experiences, communities of interest and taking better control over
advertising. There were no direct references in the report to the CBC, but some of the recommendations would have had an impact on the crown corporation, such as the emphasis on how the broadcasting system needed to respond to new online trends and adapt, rather than rely on any regulatory help, to maintain its relevance (2007, Recommendation #9-4, p. 78).

The review left little doubt that both technological and policy convergence between broadcasting and telecommunications was inevitable. The main challenge was how to protect the public service objectives of the Broadcasting Act when they met with the more market-driven approach of the Telecommunications Act. The public interest requirements of telecommunications according to the Act (1993, Part I, 7.) are limited to the provision of reliable, high-quality transmission for any and all types of content at reasonable and equitable cost to urban and rural Canadians (1993, Part I, 7. (b)).

4.5.3 Universality and digital divides

Universality may be recognized internationally as one of the four distinguishing characteristics or “pillars” of a public broadcaster (World Radio and Television Council, 2001). In Canada, it has been encouraged rather than required. The CBC’s mandate stipulates that “… the programming provided by the Corporation should be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose” (Broadcasting Act, 1991, Part I, 3.(1)(m)(vii)).
Universality is challenged by the communication technologies associated with the information society, because they rely on telecommunication (single point-to-single point) rather than broadcast (one point-to-many) transmission. The Broadcasting Act (1991) requires that that the public broadcasting system and institution be available to as many Canadians as possible. However, access to the system and the CBC has been limited on more than one occasion and in more than one way.

When cable was introduced in 1952, it initially carried primarily American content (Raboy, 1990). It was not until 1976, when the CRTC issued the first set of Cable Television Regulations that the CBC was designated an essential part of the basic service package for cable. The CRTC reaffirmed the requirement when it developed regulations for specialty services, satellite, home recording equipment and the availability of non-programming services (CRTC, 1986-182). Eventually, the CRTC developed a common regulatory framework for all subscription services, such as cable, multipoint and direct-to-home satellite distribution (CRTC 1997-25).

The CRTC required that basic services offer both the English and French network signals of the CBC, a signal for the CTV network, and then encouraged the licencees to carry educational channels as well as CPAC or provincial legislatures. Licencees were also required to practice program substitution and deletion to protect Canadian rights and advertising revenue, and to contribute five percent of their gross annual revenues to the production of Canadian content. The CRTC has proactively required incumbents to continue offering the CBC’s signals as part of their basic
packages during the transition to digital and high-definition television services, after the analogue cut-off date of August 31, 2011 (CRTC 2008-100, Para. 43 and 34).

While analogue broadcasting “over-the-air” was not perfect, and there were always areas of the country that did not receive the signal, the onus was on the broadcaster, as part of a public service system, to improve its service delivery. The public needed a working receiving device, whether for radio or television, and sometimes an antenna to improve the reception. There has been a paradigm shift with the information age because the onus is now on the citizen.

That makes an additional barrier to access, because it is dependent on the ability of Canadian citizens to pay for subscription services, which are by definition, exclusive rather than universal. As over-the-air transmission is replaced by subscription-based services, public access to proprietary distribution mechanisms is predicated on the ability of members of the public to desire and afford a regular access fee. ‘Over-the-air’ broadcasting only required the single purchase of appropriate reception equipment. With the end of “over-the-air” and analogue broadcasting, and the frequent introduction of new technology formats (for example, high definition television), some members of the public have no access to their public service broadcasting system or broadcaster because they do not subscribe to the distribution systems, or their reception equipment is not adequate.

The standing definition of universal telecommunications service has been the provision of basic telephone service and the ability to access the internet at local rates. For either a Class One or a Class Two licence, the licencsee is only required to provide...
services to households that are connected to municipal sewer or water service. Service provision to unconnected households has been at the discretion of private providers based on when it becomes “financially feasible” (CRTC 1996-69, p. 46), and new entrants are under no obligation to extend their reach until their basic service is available to ten per cent or more of the households in that market (p. 48). The result is that many Canadians in rural locations, or small population centres, live beyond “the last mile” of service, and therefore have not had internet access.

Cable licences are limited either to one cable provider in each market, or they are attached to specified and exclusive territories when there are multiple providers in a single market (CRTC 1996-69, p. 48). To encourage competition, the CRTC ruled that incumbent cable carriers that also provided telecommunications services should by the end of 1999, make higher speed retail services available for resale by independent internet service providers (CRTC Telecom Decision 99-11). While the CRTC retained the power to provide safeguards against carriers using discrimination or undue preference, it has continued to forbear from regulating the rates of retail internet services (CRTC Telecom Decision 98-9; 99-11; 99-592; 2006-15) even though that falls under its purview (Telecommunications Act, 1993, 24).

The CRTC has avoided influencing rates between incumbents and resellers, except on a case-by-case basis when it has ordered lower rates for high speed (Order CRTC 2000-788) or defined what service packages should contain (Telecom Decision CRTC 2004-28). However, since independent providers lease from incumbents, and
licencing is limited, the regulatory emphasis is on protecting providers, which does not necessarily translate into improved or extended services at lower cost for consumers.

It was suggested in the early days of the internet that existing public services could be used to ensure universal online access:

...the term "public lane" to capture this concept, and there were different ideas of what it should include. Parties project that public access on the information highway will range from that provided by public broadcasting and the cable community channel, to dial-up government and health care information, educational services, community networks, e-mail facilities, libraries and information banks, and services designed for use by aboriginal peoples (CRTC, 1995, no page).

However, the CRTC rejected the term “public lane” because it had multiple meanings and maintained that universal service would only be possible through a combination of means “...including market forces, subsidies and cooperation” (CRTC, 1995). The CRTC suggested that federal government should consider funding for the information highway infrastructure in high-cost areas, and agreed to deal with the issue of universality on a case-by-case basis for telephone companies that served in areas where cable was not available, but the public service aspect was lost.

The absence of guaranteed internet access and a regulatory environment that emphasizes controlled competition has clearly been designed to favour the economic objectives of the industry. Without a national broadband strategy, other attempts to extend services have typically been short-lived or unsustainable (Reid, 2004). For example, the “Connect Ontario: Broadband Regional Access Program” (COBRA), was one of two programs started in 2000 with a $55 million dollar budget and a five-year mandate to extend high-speed internet in rural and northern communities not covered by
private internet service providers. When the funding for it and the other program was cancelled in 2004, they had spent a total of $13.2 million on fourteen community programs between them (Kapica, 2004). Whatever the barrier, the outcome is the same: the public service broadcaster’s online and new media services are not universal.

4.6 Funding

As the Senior Communications policy scholar I spoke to explained, “If you decide to reduce the level of funding to a public institution, well that’s a policy decision.” The decline of the CBC as a policy tool has been in progress for a long time, under both Conservative and Liberal federal governments. The Task Force on Broadcast Policy (1986) reported that it “… saw serious decline that had taken place in terms of the level of government financial support for the CBC. And so it’s kind of continued downhill, the slope has continued from there” (Interviewee-Senior Communications policy scholar).

Under Liberal Prime Minister Jean Chretien and Finance Minister Paul Martin, the push to reduce the federal deficit resulted in a 1995 federal budget that would significantly reduce funding to the Department of Canadian Heritage by almost 24 per cent by 1998. The organization Friends of Broadcasting condemned the Liberal government for both breaking its 1993 election promise of long-term, stable financing, and for not restoring funds cut from the CBC’s budget in 2000 (Friends, 2000) even though there were budget surpluses. The funding cuts had resulted in staff layoffs, more program repeats, reduced quality, fewer productions and restricted regional and local
services. The Friends of Canadian Broadcasting accused the Liberals of abandoning Canadian cultural protection and criticized the CBC’s president, Robert Rabinovitch, for choosing to “... work with the existing budget of the CBC” rather than fight for more funding (2000).

The parliamentary appropriations awarded to the CBC from 1993-2008 are indicative of a shift in the government’s approach to public service broadcasting. A steep decline in appropriations, which began in the 1993-1994 ($1,090 million) fiscal year, hit its lowest point in 1998-1999. There is a discrepancy in the evidence over whether the CBC received an appropriation of $754 million or $745 million, which is explained more fully below. The appropriation gradually increased up to $1,146 million in 2008-2009, but in that fifteen-year span, it did not return to the 1992-1993 level of $2,177 million.

In a neopluralist polyarchy, political influence can also be more direct, particularly when funding decisions rest with people who have extensive political power. Taras describes how Prime Ministers Diefenbaker, Trudeau and Chretien have each taken exception to the broadcaster’s political reporting, often over the issue of national unity (2003). The latter believed that the CBC represented the cause of the Quebec sovereignty movement favourably, and it was during his tenure that the CBC underwent dramatic budget cuts, at the same time as commercial revenue was declining. The Chretian Liberals reduced the appropriation between 1994 and 1998 by $379 million. At the same time, the government entered into public-private partnerships,
liberalized regulation and actively encouraged commercialization signals a significant withdrawal of support from the public service broadcasting ethos.

The lack of transparency in the funding process challenges the democratic accountability of both the government and the CBC. One of the challenges in this research study was to ascertain the amounts of the annual parliamentary appropriation awarded by Parliament to the CBC. It does not appear in the federal budgets that could be located for the period, and locating the empirical evidence by reviewing Parliamentary Hansards for the period was beyond the scope of this research study. Therefore, the amounts used for this research study have come from the annual reports of the CBC itself (see Appendix IV), and confirmed when other empirical sources could be located.

The budget amounts in this research study were calculated and are therefore approximate because the financial reports change formats frequently, there are omissions and even discrepancies. An example of the latter is how the calculated appropriation is $754 million ($750 million operating plus four million working capital), but according to the Honourable Donald H. Oliver, Conservative Senator, the CBC’s appropriation for that year was $745 million (Oliver, 2009).

The Communications Consultant I interviewed for this research explained that inconsistencies were unavoidable because the CBC masks its own financial reporting. He described the CBC as “…the least transparent of all bodies. They totally obfuscate their actual results, and very often, to put it as tactfully as possible, they lie outright ….” He explained that in his years of research, it was a challenge to calculate actual costs
because the annual reports will exclude particular costs. These exclusions skewed the results, and his analogy was “Well I’ve got news for you—if Eaton’s could have excluded overheads they’d still be in business. Excluding overheads! And then they show excluding transmission” (Interviewee—Communications Consultant).

4.6.1 Production funds

During the same period when the parliamentary appropriation for the CBC was in decline, public monies were being channeled to the private sector through production funds. For television, in 1983 the Department of Communications identified key broadcast programming areas that were under-represented and a Broadcast Program Development Fund, administered by Telefilm Canada was established the following year to help. The CRTC created the Cable Production Fund in 1994 to collect funds from the cable industry to help support both English and French programming in those same, under-represented categories, and after a couple of years the Ministry of Heritage took on the role of overseer (CRTC 1996-159).

The merged funds became the Canadian Television and Cable Production Fund, a private-sector organization that with federal funds, operated on a $200 million dollar budget. The fund was renamed the Canadian Television Fund and the cable companies were given permission to split their contribution between it and independent production funds at the ratio of eighty and twenty per cent respectively, with the option of investing two to five per cent of the contribution in community channels (CRTC 1997-98).
The Canadian Television Fund ceased operations 31 March 2010, and was “replaced” by the Canada Media Fund, described as “… the outcome of a number of funding model evolutions since the Cable Production Fund was first established by the CRTC in 1995” (Canadian Media Fund, 2012). The Canadian Media Fund is a not-for-profit corporation that offers two streams of funding for television and digital media content and software applications. Its $371 million dollar budget comes from federal funds with contributions from cable and satellite distribution companies.

The Department of Heritage restructured the Canadian Television Fund and Telefilm in 2005 to streamline administration, and a year later, the structure of the fund changed to the Broadcaster Performance Envelope model. Under this model, applicants were funded on the basis of their record of successful, previously funded programming. Thirty-seven per cent of the fund was set aside as an envelope earmarked for the CBC’s exclusive use, which has caused considerable conflict. In 2007, both Shaw and Vidéotron cable companies withheld their contributions as a form of protest that “their” funds being made available to the CBC. After committee hearings and a CRTC Task Force, both were ordered to resume payment (CRTC, 2007).

As the Canadian Television Fund controversy indicates, public funding for Canadian media is a contentious issue, and there is no model that is not vulnerable (ACTRA, 2008). Private broadcasters have always resented being part of a public service system, even though mature mixed systems allow cross-subsidy, so that public and commercial broadcasting entities have access to both advertising and public monies. According to Barnett and Docherty (1991) the Canadian system became more of a de
facto public-service system when private broadcasters began to produce more content in order to distinguish themselves from American networks, because they had access to public monies through the Telefilm Canada production fund.

However, the allocation of public monies to private corporations at the same time as the CBC’s access to public funds was in decline means more than just a loss of spending money or the devaluation of the CBC as a tool of public policy as mentioned above. It is indicative of the devaluation of the essential qualities of universality, independence, diversity and distinctiveness, as well as basic characteristics of public services, such as non-exclusivity, universal funding and public provision. The emphasis on competition in the neoliberal discourse pushes the public service broadcaster to adopt the same practices as private broadcasters, while competing with them directly.

As the policy environment changes to increase competition in the broadcasting market, the CBC has adopted an increasingly competitive agenda, even though that is not part of its public service mandate. It is difficult to reconcile the economic imperatives of the competitive neoliberal discourse with the requirement that all participants are identified as necessary parts of “... a public service essential to the maintenance and enhancement of national identity and cultural sovereignty” in the Broadcasting Act (1991, Part I, 3.(1)(b)) and that any conflict between other participants and the CBC “... shall be resolved in the public interest” (Part I, 3.(1)(n)). Its distinctiveness and independence continue to be compromised as it pursues more avenues of commercial funding in order to “compete” with private companies that have
expanded and consolidated their services, have access to public monies, and are competing both nationally and globally.

4.6.2 Regulatory independence

The CRTC reorganized itself in late 2006 to align broadcasting and telecommunications regulation to support competition, market solutions and the commercial benefits of convergence, implementing a cross-sector approach for dealing with the changing communications industry and convergence issues. Resources from the Broadcasting and Telecommunications groups were integrated into Industry Analysis, Economics and Technology sections, each applying market- rather than public service-based regulatory frameworks to digital and the remaining analogue services (CRTC, 2006-23). Despite the repeated assurances that the CRTC was pursuing public service objectives during every review of regulatory frameworks in both telecommunications and broadcasting, the independence of the “arms-length” federal regulator within the broadcasting system is questionable, because it has been directed by the federal government to pursue commercial objectives in its regulatory approach and functions.

The government asked the CRTC to provide advice on how Canada could be a leader in communication technology, to assess current and future trends in technological development and predict not only the economic impact on Broadcasting Distribution Undertakings, but also changes in content production and consumption patterns. The CRTC issued its “Report on the Future Environment Facing the Canadian Broadcasting
System” (December 2006), describing development, stakeholder and consumer trends, to help the government formulate future broadcast-related policy.

The government also gave the Policy Development and Research Sector of CRTC the job of creating and managing the New Media Project Initiative, to lay the groundwork for policy development in the new environment (Governor in Council, 2006). The New Media Project Initiative operated from 2007 to 2008, and was designed to collect and compile research about technological, economic and cultural issues associated with broadcasting in new media. The CRTC’s final report called “Perspectives on Canadian Broadcasting in New Media” (2008) is not a legal statute or policy, but it highlights some of the key issues faced by the industry at that time. The first issue (2008, Para. 32) was to find a definition of new media broadcasting wide enough to cover the full range of activities and mechanisms of delivery and access, but not so wide that it would include activities that fell outside the Broadcasting Act.

To briefly summarize the findings of the “Perspectives” report, over five years, broadband had become available to 93 per cent of Canadian households. There was an international conversation about network infrastructure capacity and revenue sources for upgrading with the expectation that online video and network traffic would continue growing. The fact that Internet Service Providers were already managing traffic by offering tiered services was seen to demonstrate that high speed service provision was “migrating towards a usage-pay model.” The CRTC recognized that it had recourse under subsection 27 (2) of the Telecommunications Act (1993) to deal with the throttling practices of Internet Service Providers to ensure that they did not degrade international
traffic, but did not say it would employ the option. There were also questions about access to mobile platforms because some providers were gate-keeping.

Some cultural groups, such as writers, actors and the unions associated with cultural workers were concerned that the exemption order and limited funding were inhibiting the growth of a strong Canadian presence in new media, and producers faced various problems with managing and controlling digital rights. The argument for intervention was that the CRTC had a role to play in ensuring access to wireless platforms so content providers could get their work out to the public. The CRTC noted the dramatic change in the ten years since the first exemption order and acknowledged that viewpoints of stakeholders were polarized (CRTC, 2008, Para. 215-234).

The CRTC also reported that Canadians still consumed most of the programming via conventional, regulated Canadian broadcasting undertakings, so the negative impact of new technologies to that point in time had been limited. However, rates of use among younger Canadians of conventional media were declining; they accessed programming via unregulated platforms such as the internet and mobile networks, and it was just a matter of time until these broadcasting undertakings would begin to feel the effects (CRTC, 2008). The CRTC committed to an on-going assessment of the situation, and began with a review of its regulatory frameworks for radio, television and broadcasting distribution from 2006 to 2008 (CRTC, 2006-23).
4.6.3 Whither the public?

Since the release of the ‘Perspectives” report, the internet has come to resemble a traditional media form, but has entirely escaped any expectation of the public service provisions that have always been a feature of broadcast media (Reddick, 2003). The challenge of equitable access has also arisen over the types of service available, as public adoption of the internet and content that requires high bandwidth have both grown. As Reddick (2003) points out, the internet has developed in a similar way as the telephone did in Canada. While commercial interests promoted the benefits of communications technology for business, it was actually the adoption of the medium by the public that made it so successful (Rideout 2003; Reddick, 2003). To achieve its ultimate creative and democratic potential as a multi-directional communication between media producers and their audiences, the “information superhighway” requires more than the appropriate software, hardware and consumers. It also needs “… information providers – local broadcasters, digital libraries, information services (where most of the new jobs are anticipated), and millions of individuals” (Brassard, 1994, no page) as creators of content.

Whatever the technological possibilities of the information age for transparency, open democracy, public interaction and universal service, they have been repeatedly negated in a regulatory and policy-making process that has been characterized by limited public access. However, the Information Highway Advisory Council, which was formed to provide advice to the federal government on a comprehensive policy strategy for a national digital communications infrastructure, often held its meetings
behind closed doors (Moll, Regan Shade, and Canadian Centre for Policy Alternatives, 2004). Council members came from the broadcasting, telecommunications, and information technology sectors, as well as some consumer, labour, artistic and educational representatives (see Appendix V). Not surprisingly, recommendations consistently supported the private sector leading the development and operation of networks and services in a competitive market, and the public had little access to the consultations dealing with the design, implementation and roll-out of the Canadian “Information Superhighway.”

One of the main strengths of the Canadian broadcasting system, the public hearing process the CRTC uses in the process of policy and regulation development (Raboy, 1994), was also eroded by the exclusion of the public from the internet policy process. The close relationship between the state and capital in the context of globalization, memberships in international political and trade agreements and the centralization of capital undermined the legitimacy of the state as a publicly oriented body. The role of the private sector in public policy at both national and international levels has been described by Sarikakis (2004) as “public-private partnership” when private corporations and government have worked together to build competition-friendly policy in a process that excludes citizens.

4.7 Chapter summary

This chapter has focused on public service broadcasting policy and regulations, primarily from print sources, with some corroboration or expansion from interviews. In
answer to the first research question, the ethos of public service broadcasting in policy has been limited to television and radio services, and was justified in the nationalistic policy tradition. The five main stakeholders have all been shown to have roles to play in policy development, but with very different levels of impact. The bulk of the chapter has focused on the actions of government and the CRTC to build a market-friendly policy environment to further the interests of private communications companies because that has been the dominant direction of policy and regulatory changes. The voice of the public has been frequently excluded, and the concept of public service largely ignored.

The relative influence of different political and regulatory measures in Canada’s neopluralist society cannot always be clearly separated. The neoliberal policy approach by the Canadian government, and by order, the CRTC, has mirrored global technological, economic and political changes, and elevated the importance of economic over the social and cultural priorities of public service. The general lack of respect for the ethos of public service broadcasting has hardened into outright antipathy toward the CBC over the years, particularly in the Prime Minister’s Office. The separation between broadcasting and telecommunications policy has narrowed, and the government has resolved tensions between the different interpretations about responsibility for content and what defines adequate access by prioritizing commercial objectives and market development. The market-driven tradition from telecommunications has eroded the central tenets of public service broadcasting in the converging media and policy environment, and limits the potential for the extension of universality, independence,
diversity and distinctiveness (World Radio and Television Council, 2001) to non-broadcast media platforms, particularly as they develop within a commercial model.

Universal service was a recurring issue for the CRTC in the 1990s, because it has different meanings in telecommunications and broadcasting. The independence of the federal regulator, since it has been ordered by government to foster a competitive, market-driven agenda in a converging policy environment, has also been endangered. The CRTC was designed to operate at arm's length from the political interests of federal government, but that distance has been reduced by the removal of regulatory measures designed to promote corporate interests over public service.

While the nationalist focus of communications policy has shifted to continental and international issues, the dynamics of the domestic market have changed fundamentally. The communications and media sector is undergoing rapid change, without a doubt and has demanded a flexible regulatory environment to have the agility it needs to respond to the rapidly changing technological environment, as well as different audience behaviours and a highly competitive, global media market. Revenue sources have been shrinking and the advertising model has weakened. Broadcasters have been following the populace as their media consumption patterns have changed and new media has become an essential part of the service envelope.

Members of the public, and therefore the audiences for media content, may have gained some freedom through technological changes over how, when and where those who can afford it and have access, consume media content. The ‘increases’ in some of the power of consumers has been matched by decreases in their powers as citizens, as
public policy excludes public input and service ideals to focus on market-based goals. The freedom of choice is also overstated, as the consumer choice is between a limited number of large telecommunications providers, so it does not extend to Canadians of limited means or those in remote and rural locations may only have the choice of the one service provider that can make a profit in that market (Rideout, 2003, p. 166).

The market-based approach to policy and regulation created obstacles for Canadians in both their roles of consumer and citizens, reduced diversity within the broadcasting sector and ignored the role of the CBC as a social and cultural policy tool. The empirical evidence in this chapter reveals that many of the policies supporting the creation of the Canadian information society have not even considered a role for the public service broadcaster. When public service broadcasting was not being ignored or undermined, the expectation seemed to be that it should become more commercial. The CBC has been expected to behave ‘competitively’ within a market characterized by increased media concentration. Some of the measures that have been suggested for how the public service broadcaster would compete against horizontally and vertically integrated companies in a converging media market have been weak, which indicates a general lack of interest in the CBC and its purpose. This shift in focus has left the CBC as the only national service that is being held accountable for reflecting the diversity of Canadian culture across the country and around the world. The CBC supported the exemption of new media from public service requirements so it could generate revenue.

When Guylaine Saucier explained to various audiences that the CBC had “… joined our competitors and colleagues in the opinion that the emerging new media must
not be shackled by legislation or regulations...” (Saucier, 1999), her use of such a
dramatic phrase could be dismissed as being the right politic in a bid for survival.
However, the empirical evidence in Chapter six indicates that the internalization of the
neoliberal language, at least by its upper level management, is symbolic of a deeper
change in the perception of the public service broadcasting ethos within the CBC itself.
The next chapter explores the different interpretations of the ethos of public service
broadcasting held by stakeholders, using both print and interview evidence.
Chapter 5 - Canadian public service broadcasting interpreted

5.0 Introduction

As neopluralist theory suggests, it is the interplay between different stakeholders, each with their own interests, agendas, levels of power and influence, which creates and recreates the Canadian public service broadcasting ethos. This chapter provides an overview of the different interpretations of Canadian public service broadcasting held by four of the main stakeholders and the origins of that diversity. Because the CBC’s interpretation of its mandate provides the basis for its actions, it is covered in Chapter six.

The first section of this chapter explores the origins and complexity of a distinctively Canadian public service broadcasting ethos. Subsequent sections examine the interpretation held by each stakeholder, starting with the political and bureaucratic arms of the federal government, followed by the CRTC and private broadcasters. The public interpretation described in the fifth section is represented by academic researchers and the Friends of Canadian Broadcasting. The last section before the final summary describes the tension between these contesting interpretations that permeates any assessment of the CBC’s performance.

5.1 Public service broadcasting and Canadian identity

Canada fits the description of a neoplural society because it is a sometimes fractious federation of distinct regions with specific characteristics with a diverse
population. Despite their differences, Canadians have shown they are capable of aligning behind a ‘common will’ for the public good (Macpherson, 1987, p. 60) with public services, such as health care. However, the experiences of Canadians are varied, so “the” definitive Canadian identity has always been a contested and complex concept (Blattberg, 2013). For example, membership in a dominant or non-dominant cultural, linguistic, ethnic or religious group affects the experience of being a Canadian, as do patterns of settlement and immigration. Canada has significant regional distinctions, a colonial history in which religion and language have played powerful roles, and has not avoided the pitfalls of systemic prejudice, suppression, exploitation or oppression.

To the Task Force on Canadian Broadcasting, Canadian identity is relative:

This Task Force has had fun with the problems of being Canadian. How Canadian do we wish our broadcasting (sic) system to be? As Canadian as possible – under the circumstances. How public must our broadcasting system be to be as Canadian as possible? As public as possible – under the circumstances.” The circumstances include an acceptance of the role of the public sector that is far more pragmatic than philosophical; an understanding that the cost of public broadcasting, one way or another, falls to the public; and a reluctance by politicians to be especially supportive of a public broadcasters whose various media often exercise their absolute right to expose the limitations of politicians (Task Force, 1986, p. 265).

In neoplural Canadian society, identity can then be seen as a composite of liberal and communitarian values. From the liberal tradition, Canadian citizens have personal autonomy and are guaranteed equal freedom to pursue cultural, symbolic and economic activities (Isin and Wood, 1999), and government has no place in personal decisions. From the communitarian tradition, civil, political and social rights carry responsibilities,
such as paying taxes to support programs and services, abiding by the law and exercising the democratic franchise, for the overall benefit of society.

5.2 Interpreting the language of public service broadcasting policy

The language of regulation tends toward the concrete and specific because it deals with the tangible realities of an industry or practice, whereas the language of legislation like the Broadcasting Act (1991) is less specific because it deals in ideas. As Ms. McQueen explained “… because the Broadcasting Act is so vaguely worded, I think every Canadian has his or her own version of the Canadian Broadcasting Corporation. And that version can be supported by the Broadcasting Act.” She goes on to say that:

… a lot of people have ideas about what public broadcasting should be, could be, isn’t, but I don’t see where there is anything where the people of Canada have decided what public broadcasting should be, except … through their regulator and through Parliament (Interviewee-Ms. McQueen).

While I agree with Ms. McQueen that there is no “publicly-approved” statement of what public service broadcasting means, I suggest that the public does have other opportunities than the CRTC and Parliament to provide input. The most direct channel is the CBC itself, either to the audience relations department or by consumption patterns. In addition, some members of the public have registered an opinion through official channels in hearings, consultations and public meetings held either as part of the forty-seven inquiries that were conducted between 1936 and 2003(7), or since. While these hearings offer the opportunity for a public record, they also have their limitations. Gasher (1998) points out that public opinion can be skewed by political will. In his
analysis, the public hearings conducted in the late 1920's were construed to legitimize
the pre-existing determination of the Aird Commission to form a public system.

Because policies deal with ideas, how they are interpreted depends on what the
interpreter thinks of the idea. After studying systems and organizations in other
countries and holding hearings in twenty-five Canadian cities, the Aird Commission
(1929) invoked Reithian principles of an “… educational, elitist, good works kind of
broadcasting …” (Interviewee-Communications consultant). The CRTC affirmed that
“As a fundamental principle, we believe that any broadcasting organization must be
operated on a basis of public service” (1929, p. 6) and recommended the design of a
public system and institution. Designating the system as public was based on the
principle that individual companies cannot control or “own” the airwaves; they belong
to the public, so they must be used to benefit the public (Mendel, 2000). The CRTC
also recommended creating a public service broadcaster to act as a “…bulwark against
American cultural dominance in Canada” (Tinic, 2005, p. 60).

Critics dismiss these roots as undemocratic and classist. Rather than carry
content that Canadians should want, the broadcaster should carry the content that the
greatest number of Canadians do want. This belief provides the foundation of “… long
involved arguments that professional hockey should be considered part of public service
broadcasting” (Interviewee-Communications consultant). These different views have
created what I call the “edify or unify debate” both within and outside the CBC:

… I think there have been two conflicting views of the CBC. Deeply, deeply
conflicting … One is … the view of Lord Reith … that the role of the public
broadcaster was to uplift the sort of pathetic huddled masses to a higher standard
of ... artistic ... and intellectual achievement ... by making a service that was kind of an elite service, so then the wretched average person could see what it meant to be a civilized human being. That’s one view.

And then there’s another view, which is that’s not right at all. That in fact, what it’s really there for is ... to represent popular Canadian culture that would never otherwise find a place, because American shows are too inexpensive and get dumped, essentially, in Canada (Interviewee-CBC English Services executive).

The “edify or unify” debate undermines the expectation that the CBC “... should deliver programming that is somehow more inspirational, more high quality, more artistic, of a higher standard than the programs delivered by the private broadcasters” (Interviewee-Ms. McQueen). The language of the Broadcasting Act does not indicate clear support for only one of these views because it requires programming to “... be varied and comprehensive, providing a balance of information, enlightenment and entertainment for men, women and children of all ages, interests and tastes” (1991, Part I, 3.(1)(i)(i)).

The “edify or unify” debate was explained by a Broadcast policy advisor interviewed for this research from a slightly different perspective, when he explained how the relative composition of the system, which is made up of private, public and community broadcasters, had changed. It can no longer be described as a “single” (dominated by one broadcaster), “dual” (split between two strong competitors) or even “tri-part” system. The broadcasting system as a whole has become more diverse with the addition of specialty channels and the growth of the private sector, which has fundamentally affected the role of the CBC within the system and left it with the choice of two possible modes of operation. The first option is to continue to serve a literal
reading of the existing mandate by providing a generalist, “popular, well-rounded programming schedule.” The other is to:

… fill in the blanks that the private sector doesn’t do; that the market doesn’t demand the private sector perform. So that gives you the kind of CBC that’s often described as the “PBS North” where you do, sort of, costume drama, music programs, things that the private sector don’t do because, frankly, there isn’t a big enough audience for them to do it. They don’t make enough money. And the role of the CBC should be to provide minority programming for minority tastes, if you like (Interviewee-Broadcast policy advisor).

According to him, resolution requires compromise since “… like any two extremes, the actualities lie somewhere in between” (Interviewee-Broadcast policy advisor).

Another challenge of interpreting the language of policy is that it is simultaneously vague and specific. The language used in legislation is deliberate and chosen specifically through a very long, measured process precisely because it is a legal statute that could be challenged in the courts. Legislation like the *Broadcasting Act* may use broad terms to describe the goals of the system or for the national public broadcasting institution, but it is also very specific when it states that the CBC is to provide radio and television services (1991, Part I, 3.1.(l)). The comfort of vagueness in policy is that it ensures some degree of flexibility in how it is enforced, and that it is adaptable to changing circumstances. The discomfort, particularly for the CBC, is that achieving consensus the ethos public service broadcasting is unlikely:

… as you keep expanding the definition, almost anything can become public service broadcasting … I have watched this and studied it, and I have seen how it constantly gets redefined … I still don’t know the proper definition of public service broadcasting … it’s very difficult. It’s an amoeba; you grab it on one end and it squirts out the other end (Interviewee-Communications consultant).
5.3 Government of Canada interpretation

The British North America Act (1867) stated that the objectives of the parliamentary system were to ensure "Peace, order and good government (Constitution Act, 1867, VI, 91). The Canadian state is expected to maintain political, economic and social stability and security, sometimes by providing services that uphold the values of peacefulness, fairness, equality, community, mutual help, gentleness and civility (Dewar 1994, pp. 8-9). Public policy is designed to protect particular aspects of Canadian society and identity, and Canadian social and political history contains examples of taking a social democratic approach to domestic policy. Many public policies have been designed to promote equality, or to fulfill the needs of a diverse population. For example, there are publicly-funded systems to support public education, health-care and security in old age. Another approach is to apply tax revenues to the provision of services, whether they are in the forms of infrastructure, programs, or institutions such as Crown Corporations.

5.3.1 The Minister and Department of Canadian Heritage

The CBC is part of the culture portfolio managed by the federal-level Department of Canadian Heritage, headed by an elected Member of Parliament who is appointed to the post by the Prime Minister. The Minister of Canadian Heritage is the advocate for culture in Cabinet. (S)he juggles priorities, cabinet privilege and political capital when deciding what to fight for on behalf of the CBC. Because the CBC is a significant part of the portfolio, there is political pressure:
The Minister wants more money for the CBC too ... it's a bit of a measure of their power, their strength. (The Minister) ... goes to Cabinet to get things, she might come out with a ten per cent cut. And because she has to support that decision, or resign, so she has to be the one to say the ten per cent cut makes sense, even though, 10 minutes before she'd been threatening to commit suicide if she didn't get a twenty per cent increase (Interviewee-Former Liberal Cabinet Minister).

Members of Parliament have been known to lobby the Minister of Canadian Heritage directly for additional CBC funds (Interviewee-Former Liberal Cabinet Minister).

As a Crown Corporation, the CBC is set up to be autonomous and there are measures in place to prevent government interference in its operations. However, there are other points of direct contact between the CBC and the executive level of government. The CBC President and the Chair of the Board of Directors explained to the Senate Committee of Transport and Communications how those work:

Mr. Rabinovitch (President): It is the Minister of Heritage ... through which the CBC/Radio-Canada reports to Parliament. The minister inevitably has a very significant role to play ... In other words, the minister is our spokesperson in cabinet. At my level, I talk to the Deputy Minister of Finance, the Clerk of the Privy Council, and others who are involved in the budget-setting process. The chair will spend much more time lobbying ministers. It is a lobbying effort; it is an attempt to convince people of the importance of the public broadcaster and that programming cannot be done on the cheap.

Ms. Taylor (Chair): I am not sure how other chairs have done this, but I see government as a very important partner for CBC/Radio-Canada. However, it is difficult because we do have to have that journalistic separation. I have made a point of spending time with our direct minister, the Minister of Heritage. We also deal with the Minister of Foreign Affairs because we do quite a bit internationally. There is a direct interest from the Foreign Affairs Department in our international service. We also talk to the Minister of Finance — and it has been two different people — who is ultimately setting the budget (Canada, Senate, 2003, October 23).
The Canadian Heritage official interviewed for this research explained that the two main points of contact between Department of Canadian Heritage and the CBC are the policy division and the Portfolio Affairs Office. The latter handles operational issues for Crown Corporations. They also interact on occasions:

... When we get, and inevitably we will get, a government that thinks it's time to update broadcasting legislation, all of a sudden the spotlight swings back to this department ... our job is to advise the minister of Canadian Heritage as well as the government on what their options are for overall broadcasting policy. In the times when that's not happening ... our role becomes a lot more amorphous. It's harder to see what we do. But the CBC wouldn't be writing its own legislation, the CRTC doesn't write its own legislation; how those pieces come together and what the optimal way of structuring those relationships, that's up to us (Interviewee-Canadian Heritage official).

According to this official, as a feature of the Crown Corporation’s autonomy, contact between the Department and CBC is infrequent and only on an as-needs basis.

5.3.2 Parliamentary Standing Committee on Canadian Heritage

Government departments, such as Canadian Heritage, are linked to Parliament both by a Minister and by multi-party committees. Elected Members join committees based on their individual interests, and spend the bulk of their time on Parliament Hill in committee meetings. Committee membership reflects party ratios in the House of Commons so when the government changes, committee composition changes too.

Most of the time that Parliamentarians spend in committee is devoted to specific research studies that generate recommendations, which are then submitted to Parliament ostensibly to inform Members on particular issues. The Parliamentary Standing Committee on Canadian Heritage spends most of its working time on the CBC
(Interviewee-Former Liberal Cabinet Minister). The CBC is accountable to the Committee and they meet “... almost on an annual basis” whether to review appointments or because the Committee is conducting media or broadcast-related research (Interviewee-Canadian Heritage official). The Former Liberal Cabinet Minister interviewed for this research described the discussions with the CBC during his time on Committee in lively terms:

We’d bring them in. We’d basically fight with them. They’d push back and say basically “Well the fight’s not with us, it’s with – if it was a Liberal – the fight’s with your colleagues (Interviewee-Former Liberal Cabinet Minister).

Both the content of the reports issued by the Committee, and what has happened with the recommendations they contain, are revealing sources of empirical evidence.

According to the Former Liberal Cabinet Minister, the President of the CBC cannot do everything he wants to because he is limited by the amount of funding. The CRTC cannot act outside the legal framework. There are horizontal and vertical limitations on the Heritage Minister from the political reality of being a member of the Cabinet and because the department is part of a bigger organization. As he explained it, the committee has more freedom of expression than other stakeholders in that it “… is the only group that can basically say or do anything. So we keep writing reports that nobody does anything with” (Interviewee-Former Liberal Cabinet Minister).

5.3.2.1 Broadcasting sector review, 2003

One of those reports came from an eighteen-month study launched in September 2001 to answer thirty-three questions on issues facing the media sector, including the
role of the CBC (Scoffield, 2001, May 10). The goal of the study was to assess the efficacy of the 1991 Broadcasting Act in the context of globalization. The Committee examined the CBC’s mandate, its place and activities in the broadcasting system, and identified three key issues that needed research. The issues the report would address were to define what the best and most appropriate role was for the CBC in the Canadian media market, what kind of direction the mandate provided, and how issues around the amounts and stability of funding should be addressed (Canada, 2003a).

Various interviewees identified the final report, “Our Cultural Sovereignty: The Second Century of Canadian Broadcasting” – commonly known as “Lincoln Report” after the Chair of the Committee, Clifford Lincoln – as a useful resource for this research study. The report was long on generalizations but short on detail, and it identified the underlying issue facing the media sector as the security of the Canadian cultural identity. The report was also weighted towards television, like many government research studies that preceded it, presumably, because of the high levels of expenditure, profit and loss in television, and the chronic shortage of Canadian English-language drama.

The committee affirmed the continued efficacy of the Broadcasting Act as a visionary statement, but suggested that it needed clarification, as well as better measurement and reporting mechanisms, and that it should be accompanied by a streamlined and integrated framework of clear regulations. Among the ninety-seven recommendations in the report was the now familiar call for “... long-term funding for the major federal agencies involved in supporting television programs (i.e., the CBC,
CTF, Telefilm and the NFB)" (2003a, p. 611). The Committee found that the lack of stable, long-term funding was driving the CBC to emulate private broadcasters too closely and to rely too heavily on commercial revenue.

The Committee argued that the first job of the public service broadcaster was the "...distinct expression of particular national cultures and values" (Canada, 2003a, p. 182) and that the CBC should find a niche for itself within the highly competitive market instead of being just another provider of popular content. New media technologies fell outside the mandate of the Standing Committee’s 2003 study of the broadcasting system as a whole, but the Committee concluded that "... broadcasting by new media services is unquestionably within the purview of both the Broadcasting Act and the CRTC" (p. 481).

The prediction made by the Friends of Canadian Broadcasting (2003, 6 November) that the government’s response to the Lincoln report would be a non-event proved to be correct. The report was tabled in the House of Commons in the last week of the Chretien Liberal government, before Paul Martin was sworn in as Liberal Prime Minister (December 12, 2003). The federal government did not commit to any of the recommendations, but in its response to the report, it reaffirmed the CBC’s role in Canadian culture and acknowledged that it was “...a unique and essential instrument in the Canadian broadcasting and cultural landscape, and supports it emphasis on distinctive Canadian programming” (Department of Canadian Heritage, 2003, p. 5). The government also recognized the effectiveness of reaching younger audiences with new media and approved the CBC’s endeavours “...as a positive and legitimate means
of delivering its mandate” (p.5). It accepted the Lincoln Report’s conclusion that the Broadcasting Act (1991) was still effective, and acknowledged the essential role and unique mandate of the CBC as the national public broadcaster. The Department of Canadian Heritage was committed to play a role in clarifying mandates as well as aligning and integrating different agencies. The CBC was instructed to be more accountable and improve how it communicated its plans and objectives and to help reverse the decline of English-language drama. The issue of long-term, stable funding was conspicuously absent.

The CBC welcomed the Lincoln Report as a reaffirmation of the importance of public broadcasting, and concurred with the recommendations for increased, stable, multi-year funding and the expansion of the CBC to satellite television (CBC/Radio-Canada, 2003, June 11). There was time later to express disappointment at the government’s lack of commitment to any of the recommendations, most notably the one about increased, stable, multi-year funding (CBC/Radio-Canada, 2003, November 6). The lack of stable funding was not the only issue that was left unaddressed, since the Department of Canadian Heritage did not conduct its promised mandate review.

5.3.3 Senate Committee, 2003

The CBC also spoke to the twelve-member Standing Senate Committee on Transport and Communications (Shinhart, 2003), for a study that the Chair Senator Joan Fraser described as having been designed:

… to examine the appropriate role of public policy in helping to ensure that the Canadian news media remain healthy, independent and diverse, particularly
given the tremendous changes that have occurred in the field in recent years. There have been transformations such as globalization, technological changes, convergence and increased concentration of ownership (Canada, Senate, 2003, April 29).

The goal of the Committee was to ascertain whether the news media in Canada was producing sufficiently high quality and diverse content, whether the Canadian perspective was adequately represented, and if there were any public policy changes needed that would support the industry, but not interfere with the freedom of the press.

After three and a half years of study, the Senate Committee submitted its forty recommendations within a two-volume report called the “Final Report on the Canadian News Media” (Canada Senate, 2006, June). The Committee suggested that challenges facing the news media would be less worrisome if the national public broadcaster was stronger. The Committee concluded that the existing mandate could not be served by the current funding levels, and recommended a refined mandate, long-term planning, a ten-year licencing cycle, guaranteed funding and accountability measures to prevent government interference (Recommendations #12, 13, 14, no page). The Committee also recommended that the CBC focus on programming that complemented, rather than competed with private broadcasters (Recommendations #15, no page) and that it should become non-commercial and replace sports and Olympic coverage with content produced by other public broadcasters.

The similarities between these reports indicate a common set of non-commercial expectations of public service broadcasting. Both studies identified the conditions and shortage of funding as interfering with the delivery of that mandate, and government
interference is implied. The suggestion that the CBC should carry more content from other public service broadcasters instead of sports would certainly differentiate it within the broadcasting market, but would also shift the forum of competition and possibly, pit the general broadcaster up against various linguistic specialty channels and BBC Canada (available since 2001). In addition, both reports called for a regular agreement between the CBC and government, which did not happen.

5.3.4 Mandate review committees 1995, 2008

A special Review Committee was appointed (2 May 1995) to review the mandates of the CBC, the National Film Board, and Telefilm Canada, and make recommendations to support the government’s information highway agenda. The final report “Making Our Voices Heard: Canadian broadcasting and film for the 21st century” focused on each organization and identified areas where they could increase cooperation and efficiency (Mandate Review Committee, 1996).

The Mandate Review Committee concluded that the CBC should maintain existing services including its presence at regional and local levels, make organizational improvements to increase cooperation between radio and television news, and develop both public and private partnerships. Television should eliminate all American and imitative Canadian content, increase content from Europe and reduce the amount of sports coverage “dramatically” (1996, p. 100). The Committee supported the CBC taking a development role for new technologies such as digital radio and new media and recommended a multi-year funding model. The report warned that the Broadcasting Act
(1991) needed amendment to allow changes to the Board of Directors, and that the CBC should increase efficiency by two per cent per year.

When she was the Opposition critic for Heritage, Conservative member Bev Oda submitted a motion in the House of Commons, late in the fall of 2006, asking for an independent task force to review the mandate of the CBC before its licence renewals in 2007 (Oda, 2006, November 15). The motion passed, but in January 2006, when the Stephen Harper Conservatives won a minority victory over the Liberal government of Prime Minister Paul Martin, the new Prime Minister’s Office ordered Cabinet to terminate the mandate review (Canadian Press, 2006 July 6). The CRTC was then ordered to review the impact of new technologies on broadcasting by December 2006 as “the first step” of the CBC’s mandate review. However, when asked, Minister Oda’s office did not seem to know what the next step would be (de Souza, 2006, July 6).

When it became clear that the Conservatives were not going to conduct the promised mandate review, the Standing Committee on Canadian Heritage responded to two motions submitted in the House of Commons by the New Democratic Party Heritage critic, Charlie Angus, and launched its own review in November, 2006 (Canada Parliament, 2006). The study used a framework of programming, new media, finances, governance and accountability to assess the organization and make recommendations for its future.

When CBC President Robert Rabinovitch spoke at one of the forty-one meetings hosted by the Heritage Committee in 2006, he asked for a regular mandate review process (Rabinovitch, 2007, November 7). Those hearings and fifty written submissions
later, the Committee issued its final report, “CBC/Radio Canada: Defining Distinctiveness in the changing Media Landscape” (Canada Parliament, 2008). The report identified the CBC “…as an essential public institution that plays a crucial role in bringing Canadians closer together” (2008, p. 5), and recommended that it continue as “…an institution at the center of cultural, political, social, and economic life in Canada, and a key component of Canada’s broadcasting system” (Recommendation #1.1, p. 21). The study noted that the role and business model of broadcasters, as well as audience behaviours and expectations, were changing. It acknowledged that even with a national operation and the opportunities that new media offered to renew its relevance with the public, the CBC was not competitive in the heavily consolidated private media sector.

The Committee made over forty recommendations. The central one was that the CBC and government should sign memoranda-of-understanding on a seven-year funding cycle (Recommendation #1.13, p. 42). Recommendations included amending the Broadcasting Act to include a role for emerging digital technologies (#2.3 and 2.4, p. 63) and the government should help fund new media development (#2.6, p. 64). Other recommendations included more regional (#1.6, p. 26) arts and culturally diverse content (#1.7, p. 30), and better service to official-language minority communities (#1.8, p. 32).

The report recommended that the CBC continue to develop its new media presence (#2.2, p. 58) and provide space for public interaction online (#2.1, p. 48). The Committee emphasized “…how important it is for CBC/Radio-Canada to contribute to shared national consciousness and identity, as stipulated in subparagraph 3(1)(m)(vi) of
the Broadcasting Act (Recommendation #1.10, p. 34).” The Conservative members of the Committee, however, wrote a dissenting opinion arguing that the Committee had superseded its mandate, and the government did not endorse the report or its recommendation (Verner, 2008).

5.3.5 Office of the Auditor General

The Office of the Auditor General also reviews the CBC at least once every ten years to examine its structure and internal practices and look for ways to increase its efficiency. Its interpretation of public service broadcasting concentrates on the management structure, practices and information systems of the organization and emphasizes financial efficiency and functionality.

In 1995, at the same time as the CBC was restructuring as a result of a series of cutbacks, the Office of the Auditor General issued a special report that was quite critical. It contained a number of recommendations to improve resource management, strategic planning and internal accountability. The CBC needed to improve its internal mechanisms and resolve restrictive collective agreements that were inhibiting productivity. It lacked a process for formal performance appraisal, had expensive administration and excess production facilities. It also used human resources inefficiently and there was cost duplication between the radio and television news services and departments.

The next “Special Examination Report” (Office of the Auditor General, 2000) concluded that the CBC had improved, but there were recurring concerns about the
clarity of the CBC’s role and its organizational accountability. The report recommended that Corporate management needed to develop a “...balanced strategy ... based on notions of service to Canadians...” and how best to deliver the mandate (Recommendation #157, p. 34). This strategy would have to address a range of related issues, from property management and infrastructure to the regional news, network programming and in-house production in both central and regional facilities. The Auditor General noted that:

In the volatile environment that Canadian Broadcasting Corporation works in, it needs a process through which the Corporation and its key stakeholders can periodically discuss the role and funding of the public broadcaster and measure its success” (Recommendation # 38, p. 12).

The report also recommended that the CBC research how it could mimic the BBC and CNN by consolidating all of its newsgathering operations (Recommendation #130, p. 30). While there was still room to improve performance measures and external accountability, the report found that the CBC was serving its mandate better by having made significant progress towards greater efficiency. The next Special Report (2005) recommended additional, stable funding for the CBC to meet its long-term needs, and “...changes to the Broadcasting Act to recognize the value of new media services, the evaluation of the strategic plans noted above, and a detailed plan for the Canadian Broadcasting Corporation identifying its needs for the digital transition” (2005, Recommendation #34, p. 9).
5.3.6 Funding

There are measures in place that are designed to protect the independence of Crown Corporations, and prevent any direct attempts by political and departmental branches to exert control. However, as described in an earlier chapter funding is:

... effectively a policy. If you decide to reduce the level of funding to a public institution, well that’s a policy decision. And that, of course, coincides with what you’re characterizing as the rise of the neoliberal economic and political policies (Interviewee-Political economy and communications scholar).

When funding levels fluctuate, when they decline to the point of neglect or have conditions attached, the sources of those monies are exerting a form of "indirect" control that has very real consequences.

Where there is public money, there is politics, sometimes partisan. The Former Liberal Cabinet Minister described what happened during the final committee vote on the Lincoln Report, when “... Mr. Harper’s office sent staff into the Committee room, and they whispered in all the ears of the Conservative members and told them that they couldn’t support it.” He maintains that the Conservative members had fully supported the Committee’s work for the year prior (Interviewee-Former Liberal Cabinet Minister).

However, partisan politics is not so much in evidence when we look at funding patterns over the full research period. Even though the “...Conservatives are no friends of public broadcasting (laughs) ...” (Interviewee-Political economy and communications scholar) the neoliberal policy framework transcends party politics, since “... basically both parties in power since the early ‘80s have not been kind to the CBC” (Interviewee-Political economy and communications scholar). This scholar
described the paradox, that as much as the Conservatives are highly critical of the CBC, it was the Liberals that cut the budget most drastically; they "... seemed to feel that since they were historically more friendly to public broadcasting they could go further in harming it" (Interviewee-Political economy and communications scholar).

When one views funding as a policy decision, a glaring issue is how the oft-repeated calls for a long-term, stable funding mechanism in numerous reports and studies have never been enacted, even though there is nothing in the Broadcasting Act to prevent it. Many committees have made the recommendation for many years, and even the Office of the Auditor General has said stable funding would help the CBC become more efficient (2005). The promise was even made once, as part of another announcement. The Minister of Canadian Heritage, Sheila Copps, announced that the department would add $10 million to the CBC's 1997 budget specifically for English and French radio services, and promised stable funding for five years starting April 1, 1998 (Department of Canadian Heritage, 1997). Despite this precedent, there is no rule that guarantees funding, and no one seems to know why. One interviewee said "That's not the way the government works ... When they are in the opposition, they are all in favour. And when they come to power, (shrugs) ... Nobody really knows, it remains a total mystery" (Interviewee-Senior CRTC official).

In 2007, when the Conservatives announced they would pledge another $60 million over two years in supplementary funding, the Minister of the Department of Canadian Heritage, Bev Oda, told the Senate Transportation and Communications Committee that "Long-term, stable funding is something that has to be worked towards"
(Canada Press, 2007, April 19). However, the Conservatives attached content conditions to that promise, saying they would only commit to it after they were assured that the CBC was giving Canadians what they wanted such as content for young consumers, access through mobile technologies and entertainment to meet the growing demand.

In a letter to Mr. Gary Schellenberger when he was the Chair of Standing Committee on Canadian Heritage, her successor the Minister of Canadian Heritage and Status of Women Josée Verner said that negotiating a Memorandum of Understanding between the federal government and the CBC that outlined respective responsibilities and promised stable, multi-year funding was "...not adviseable under the current legislative framework" (Verner, 2008). She explained that the executive level of government could not hold Parliament — which is the body that issues appropriations — to any level or duration of funding. She did not, however, explain how the executive could cut that Parliamentary appropriation at will, as had been done many times.

Arguably, the biggest problem for the CBC is that these multiple points of contact with government increases the number of ways the CBC can be affected by the neoliberal devaluation of public service broadcasting as a policy tool. A Former CBC President suggested that the underlying problem for the broadcaster was that the federal government had lost sight of the CBC’s purpose, and did not understand "...why the CBC would be created if it didn’t exist already.” He suggested that ambivalence was dangerous for the broadcaster
“... because people develop their own views as to what the mandate should be: well it should be cello concerts, or it should be all radio and not TV, or it should be more sports or less sports, or it should be popular programming or it should be broadcaster of last resort, of programming that commercial networks won’t touch (Interviewee-Former CBC President).

Neoliberal economic policies of successive federal governments for the last thirty years have directed the CBC to perform whatever duties it is called on to do using as few resources as possible and without upsetting the broadcast market. Budgets have been cut, funding has carried programming conditions, and the CBC has been excluded from strategies and ignored. It is the neoliberal rather than partisan ideology then that has permeated the government’s interpretation of the CBC’s public service mandate, from the executive branch through to the Department of Canadian Heritage.

5.3.7 Accountability

The Canadian Heritage Official I interviewed observed that the CBC “... has too many bosses.” He explained that it gets its broadcasting licences and their renewals from the CRTC, and through that process, the latter can influence operational and programming plans. The CBC’s capital budget comes from the Department of Finance, it submits annual corporate plans covering five years to Treasury Board “... sort of routed through Heritage.” As previously mentioned, the CBC reports to the Standing Committee on Canadian Heritage, and participates in other committee research studies.

The Minister and the Department of Canadian Heritage are answerable for the CBC, but do not have much ability to “... influence the direction or the operations of the Corporation” (Interviewee-Canadian Heritage official). Even with so many bosses, the
Independent Media Consultant interviewed for this study indicated that the CBC had a well-established reputation for a lack of transparency in financial matters, and the Canadian Heritage official said that the CBC “…could be doing better in terms of explaining their own results.” The question then becomes, to whom should the CBC become more accountable?

5.4 The CRTC’s interpretation

The CRTC views itself, the CBC, the Department of Heritage and its various programs as tools used by the government to set cultural policy (Interviewee-CRTC official). Each institution has its own role to play and functions to perform, and all are equally accountable to existing legal statutes. Since 1992 the CRTC’s telecom decisions have been designed to support market-driven competition as the best way to increase consumer choice, reduce prices and encourage innovation and the development of new services (Colville, 1999). The impetus toward competition extended to broadcasting decisions when the CRTC was “… basically … mandated to introduce as much market regulation, market forces, regulation by market forces into its practice. So it’s actually deregulate as much as possible I guess you’d say, or to regulate by market forces as they say” (Interviewee-Political economy and communications scholar).

The CRTC’s exemption of new media is an example of that regulatory approach. In 1996 the CRTC began a three year action plan to examine the implications of new media for these Acts, to assess whether they promoted or inhibited new media development, and to find some sort of balance between the objectives of the Acts. The
Telecommunications Act requires that the CRTC ensure the availability of reliable and affordable telephone and communication services. The Broadcasting Act requires that it ensures delivery of a wide choice of high-quality Canadian content.

When the CRTC issued the exemption order for new media (CRTC 1999-197) it committed to the information highway agenda but did not see any role for the CBC. The CRTC’s subsequent exemption orders (CRTC 2003-2; CRTC 2009-660) indicated that the CRTC’s focus has been on the promotion of the economic, rather than the social or cultural, potential of the internet and new media. The CBC also supported the market-driven approach of the CRTC and the exemption because that would allow it to develop its new media properties as a commercial property.

In the last chapter, I discussed policies that appeared to endanger the independence of the CRTC, but the CRTC has also made decisions that appear to go against government wishes. The Senior Communications policy scholar described one situation where the CRTC received two applications in response to their call for a 24-hour news television service, one from a private broadcasters and one from the CBC. They awarded the licence to the CBC, despite a public statement by the Minister in support of the private broadcaster’s application. The private applicant appealed the decision to the Mulroney Cabinet, which upheld the CRTC decision “… and that’s why we have Newsworld today. So it’s really complex, there’s a complicated set of actors involved, and they’re all more or less present at any given time depending on what the actual issue is at the moment” (Interviewee-Senior Communications policy scholar).
As challenging as the relationship between the CBC and the government might be, it can be even more so with the CRTC. Ms. Trina McQueen, a former Director on the Board of the CBC assured me that “… the CBC has no special relationship with the CRTC.” The Crown Corporation designation affords the CBC some autonomy, so “Essentially, they determine their own mandate, and they determine what they want to do, what the programs are they want to show. They show us the hours etc.” (Interviewee-CRTC Executive official).

However, the CRTC and CBC do interact with each other during formal procedures for attaining, renewing and canceling broadcast licences every seven years. They also connect on an informal basis “… at the staff level and the board level and discuss issues or new ideas that they might have and have some informal discussions” (Interviewee-Broadcast policy advisor). At higher management levels:

…the relationship between, if you like, the Chair of the Commission and the President and Chair of the CBC … varies. Sometimes they are good buddies … have dinner and chit chat a lot. And other times they’re not very close … I think they always make an effort to stay in touch and at least once a year or so, have a meeting to find out what’s going on, but sometimes it’s a much closer relationship than others (Interviewee-Broadcast policy advisor).

All broadcasters resent the degree and amount of reporting they have to submit to the CRTC on their various activities during the licencing process, and sometimes, the relationship between the two institutions has become quite antagonistic (Interviewee-Digital media scholar). The CBC has even “… at times, asserted its right not to be regulated, or has challenged regulation …” (Interviewee-Ms. McQueen).
5.4.1 Licencing

The CRTC has had various ideas over the years about how the CBC should be doing its job. Those ideas and the CRTC’s assessment of how well the CBC is meeting its obligations under the *Broadcasting Act* are usually articulated as part of the licencing process. In the early to mid-1970s, the licencing process focused on whether or not the CBC should carry advertising. By 1978, the emphasis was on the shortage of Canadian-made television. During the research period, the CRTC saw the CBC’s main responsibility as providing Canadian programming, “... particularly in the areas where there is less available programming on one end, or ... where the viewer needs to be more exposed to Canadian content. Drama being one case, for instance” (Interviewee-CRTC official).

The CRTC is ordered in spite the *Broadcasting Act* to resolve disputes between the CBC and other broadcasters in whatever way best serves the public interest (1991, 3.(1) (n)). The Act does not offer any instructions for how to resolve the tension that arises from disagreement between the CBC and the CRTC over:

... to what extent, with the funding as supervised by government, can they fulfill their corporate objectives and their conditions of license and to what extent can we impose things on them that they cannot afford or do not want to do” (Interviewee-CRTC Executive official).

The CBC English Services Executive described the CRTC as having “been an enemy” to the CBC throughout the 1990s because it refused to grant specialty licences. The CBC wanted them so it could “…broaden the array of Canadian content that was available, and make sure that it could keep up to speed with the others in terms of the
economic and technological structure of the industry.” According to him, that refusal was “... the policy of the CRTC of the time, not to give the CBC any licenses. If you can imagine a stupider, more destructive approach to things” (Interviewee-CBC English Services Executive). Ironically, the CRTC might well be one of the primary reasons that the CBC developed its online presence so much more quickly and fully than private broadcasters. It was the CRTC’s denial of radio frequencies for the youth network in 1999 that galvanized the CBC’s radio service to build the next generation of listener online.

In the spring of 1999, the CBC applied to renew its television, radio and specialty licences and the CRTC used a new protocol so it could examine all of the licences held by a single broadcaster simultaneously, rather than individually. The CRTC used the opportunity to hold eleven public consultations across the country in March 1999 to collect the public opinion about the role of the CBC, its programming, and what directions it should take nationally, regionally and locally (Colville, 1999). The process involved 625 individual participants. The Commissioners heard eighty-seven oral presentations and received four thousand written accounts.

On May 25 1999, the CRTC announced that it had renewed all of the CBC’s licences until 31 August 2007 (CRTC 2000-1, 2000-2, 2000-3). In its decision, the CRTC emphasized a leadership role for the CBC to promote cultural diversity and regional representation. It directed the CBC, in light of budget cuts, to focus on strengthening and preserving conventional television and radio broadcasting as well as regional programming, including weekend newscasts. Specific conditions of licence
included minimum amounts of regional English TV, increasing music, dance, variety, performing arts and children’s programs on French TV.

The most contentious condition was prohibiting English and French TV from airing popular, non-Canadian films in a peak viewing time within ten years of their theatrical release and banning foreign programming during prime time television for full term of the seven year licence. The CRTC also denied the CBC’s proposal to produce sponsored programming on radio and insisted that the CBC locate other sources of revenue. There was no mention anywhere of new media or the internet, but the emphasis on strengthening radio and television services was repeated frequently, as well as the need to maintain a generalist programming schedule.

The CBC challenged the conditions of licence in 2000 and accused the regulator of attempting “... to turn the CBC into PBS North - an elitist programmer” (CBC/Radio-Canada, 2000). In that news release, the recently-appointed CBC President Robert Rabinovitch rejected the conditions and appealed to the Minister. He argued that the damage caused by the conditions would “...cost hundreds of millions of dollars to implement and ... limit my ability to undertake the reengineering, move towards decommercialization and a basic review of our operations." He also rejected the conditions on the grounds that the CBC, its management and Board were responsible for content, not the regulator (CBC/Radio-Canada, 2000). Ms. McQueen suggested that since then, “...the CRTC has been a little bit, in spite of what I said, it’s no special relationship, they’ve been a little bit more … respectful in their licensing of the CBC to management’s plans and proposals than they would be otherwise.”
The CRTC’s approval of the CBC’s applications for specialty channels and digital radio licences when the technology was still experimental could be construed as consistent with requirements in the *Broadcasting Act* (1991). After all, the Act requires that the CBC provide radio and television services, and that the system be open to technological change. However, both are subscription-based services and are therefore not universal, so the approval is hardly consistent with the ethos of public service broadcasting.

While it did not impose any type of prohibition or condition of licence that might have limited the CBC’s online development, the CRTC started the research period by repeatedly telling the broadcaster to focus on its television and radio broadcasting and discouraged new media activities. Even though the mandate has not changed, the CRTC has since reinterpreted it to recognize the internet and new media as necessary components of the CBC’s service package. The Executive CRTC official interviewed for this research said that the CBC’s use of new media was a “… very responsible response …” to the changes in public behaviour “…and how the paradigm has been changing and how new media is really becoming part of the whole entertainment world, certainly of the education world, and useful.” He was not prepared to evaluate their success: “How well they’re doing it is a different question, but they’ve realized that if you want to inform Canadians and keep them educated or entertained or whatever, you can’t do that just by traditional means. You also have to use new mediums” (Interviewee-CRTC Executive official).
The CRTC’s interpretation of the CBC’s mandate has been a bit unpredictable and changeable over the years. Perhaps it is inevitable that a broadcaster and its regulator come into conflict over specific items. However, the more significant issue is that there is ongoing tension between these two tools of government policy due to the differences between their interpretations of the public service broadcasting ethos.

5.5 Private broadcaster’s interpretation

According to the Canadian Association of Broadcasters, its membership has no quarrel with the principles of public service broadcasting, just with the broadcaster:

... I think that our members generally recognize that the CBC at least, in an ideal state, where it had the funding it needed to perform a true public broadcasting or public service mandate, actually provides a unique, distinct, essential service in Canada. So we wouldn’t question, what the intent of creating a CBC or what ideally it should be doing (Interviewee-Canadian Association of Broadcasters).

Private media companies hold negative opinions about the CBC that range, from overt resentment to dismissal, either because it is too competitive or it is irrelevant. Private broadcasters argue that the CBC’s place in the system, guaranteed by the Act, and the annual appropriation gives the CBC a level of security they do not have. They complain about the CBC’s radio services occasionally, but the main bone of contention is commercial television.

5.5.1 Competition

The telecommunications trade association consultant interviewed for this research explained that the CBC’s public funding gives it an unfair advantage over private broadcasters when it came to advertising and purchasing content. The business
model of private broadcasting requires that they make a profit because they owe a return on the investments made by their shareholders. The CBC does not need to make a profit because it does not have to pay out any of the monies it receives to shareholders expecting growth. The Parliamentary appropriation that the CBC receives is not calculated on its commercial viability, so it can have smaller margins of return. This interviewee explained that the funding model allowed the CBC to outbid other broadcasters for high-profile content and undercut them by charging lower than average rates on prime time spots (Interviewee-Telecommunications trade association consultant).

However, there does not even have to be revenue involved for private broadcasters feel they are at a competitive disadvantage. Leonard Asper, the CEO of CanWest Global Communications Corporation claimed that CanWest Global’s revenue stream suffered when it had to compete against a network that was not profit-driven (Edmonds, 2002). Asper demanded changes to the Broadcasting Act and also:

...repeated a call for the federal government to remove the CBC from areas of broadcasting that could be accomplished by private enterprise, citing sports and local news as two examples. He said the CBC should be restricted to arts programming, high-quality Canadian dramas and perhaps a national newscast. "I don't want to design the exact program schedule for CBC. Generally a BBC model is a more appropriate use of Canadian taxpayers' money. Private broadcasters always fill the gap," he said (Perreaux, 2002).

More recently, privately-owned radio stations have complained about the non-profit status of the CBC’s online streaming services, which recently expanded. The claim was that these forty channels put them at a competitive disadvantage precisely because these online services do not carry commercials or charge a subscription fee (Ladurantay, 2012).
According to private broadcasters, the public service broadcaster would best serve its mandate if it only carried content that would not be profitable for them or [presumably] any of the specialty channels they own (Interviewee-Canadian Association of Broadcasters). This interpretation neatly conflates the desire of these broadcasters for the CBC to drop out of advertising, with the requirement that it only carry content that would appeal to small audiences. It seems that private broadcasters actually have a problem with both public service broadcasting and the broadcaster itself, since that model is inconsistent with the core principle of the public service broadcasting mandate to serve all Canadians, and would negate the CBC’s claim to universal public funding.

Another interesting perspective on the place of the CBC in the competitive media market was offered by the private broadcasting executive interviewed for this research study. He swept aside the suggestion of competitiveness and dismissed the CBC’s television service as “…largely a non-event now in broadcasting.” He explained that the CBC used to be a leader in news and sports, but that private networks and specialty channels have replaced it. The CBC also lost its hold at the local level when it centralized production and operations in the 1990s. According to this executive, “It’s really hard to find anything in the CBC that they are leaders in anymore. It’s quite painful to watch its devolution.”

He went on to explain that private broadcasters used to look at the CBC “…as friendly-spirited competition, but it’s irrelevant now. We’re not competing with the CBC. We’re competing with specialty channels, we’re competing with broadband services, we’re competing with all kinds of other content providers” (Interviewee-
Private broadcasting executive). According to him, the CBC’s content is no longer competitive because the CBC has misinterpreted its mandate.

According to this executive, the CBC fails its mandate to inform, educate and entertain all Canadians by all means possible when it produces content or adds services that require income beyond what it receives in the parliamentary appropriation. The fundamental problem as he sees it is that “… the CBC believes that they don’t have enough money to be a pure public broadcaster, and so they muddy their mandate by being commercial.” He believes that the CBC has no other reason to exist “… than to do things that are important for the country, and yet not financeable by the private sector.”

He went on to explain that the problem was within the organization “… because despite having ten times the money that TVO has for two networks, they don’t feel they can operate a service without commercials.” Instead, the CBC budgets for more than the public monies it receives and makes up the difference through commercial endeavours, “… and it’s the tail wagging the dog.” He is convinced that the CBC could be commercial free if it changed its service with the public monies it receives, but that it is not willing to do that (Interviewee-Private broadcasting executive).

Instead, he says, the CBC has accepted a commercial model for its television service. This leads to airing more commercial programming (his examples were *Wheel of Fortune* and *Jeopardy*) to raise funds. These programs not only take airtme from more public service-oriented content, but the commercial mentality has pervaded the organization and changed how it evaluates priorities. According to this executive, “… when you make the choice that you want to be quasi-commercial and be in the sports
business and be in a whole bunch of businesses that you may or may not make money, you’re taking it down a road where all of a sudden you need commercials.” He describes the core problem as “… the bifurcated nature of their mandate” and how the commercial imperative drives the CBC to prioritize revenue above public service (Interviewee-Private broadcasting executive).

He does raise some interesting points, but if the CBC did adopt the approach he suggested and defined its mandate and services by the amount of public funding it receives, certain issues would have to be addressed first. The CBC cannot rely on cross-subsidy from multiple services like private broadcasters, so the parliamentary appropriation would have to be secure for an extended period because developing a television program can take years. If the parliamentary appropriation is cut one year and the CBC has no other sources of income, it would have to drop whatever it could not pay for. Program and contract cancellations would be a disservice to the independent production sector and would cost the CBC its credibility and legal fees. Programming substitutions in the schedule would be a disservice to the public.

Interestingly, the same private broadcasting executive who recommended that the CBC define its activities by the amount of public money it receives seemed to contradict himself in the course of the interview when he said “… but you know, I think that if you decide you’re a public broadcaster, you’re not a commercial broadcaster, your mandate and how you execute that mandate is going to change with the times ….” We cannot say with all certainty that the Parliamentary appropriation reflects the demands of the public, because as the neoliberal policy approach and general
unwillingness to act on successive recommendations from entities that have solicited public opinion shows, the government has its own agenda. Prescribing the mandate by the value of the Parliamentary appropriation would also mean the CBC was not defining its services by the needs of the public.

One interviewee challenged the legitimacy of the CBC as a public service broadcaster because of its commercialization, and because it has never been the subject of a democratic vote. He explained that “… we don’t have a public television broadcaster in Canada. We have a publicly owned commercial broadcaster. Those are very different things” (Interviewee-Telecommunications trade association consultant). He then provided examples of what he saw as five different types of public television broadcasters in Canada. The television service of the CBC he described as publicly-owned and partially commercially-operated. The CBC specialty channels Newsworld and RDI are publicly owned and 100 per cent commercially operated. Another type is TV5, a private francophone broadcaster, partly funded by both Canadian and French taxpayers, but owned by the French government.

In the opinion of this interviewee, there are only a few true public broadcasters in Canada, and the CBC is not one of them. The first is the Canadian Public Affairs Channel, “…Canada’s only privately-owned, commercial free, not for profit, bilingual licenced television service” (Cable Public Affairs Channel, 2013) funded by a consortium of cable companies. The others are the publicly-owned, publicly-operated stations that operate in Ontario (Television Ontario or TVOntario) and Quebec (Télévision en français or TFO). According to him, these three stations are the only:
true public broadcasters in Canada ... people who actually do fulfill what I consider an honest public broadcasting mandate, much more along the lines of PBS in the U.S., except they’re funded by the provinces, not by the federal government, not directly by viewers (Interviewee-Telecommunications trade association consultant).

When the CBC began to remake itself as a ‘content company’ (Interviewees-CBC English Services executive; CBC New Media executive), it justified the decision by saying that the Broadcasting Act was technologically neutral but the private sector did not agree. The Canadian Association of Broadcasters called for a thorough examination of the CBC mandate to assess how the CBC could retain relevance and provide “...a distinctive service that is complementary to that being offered by the private broadcasting sector” (Canadian Association of Broadcasters, 2007). In the Association’s written submission to the Standing Committee on Canadian Heritage listed the following concerns and recommendations:

- The government should give further consideration to the reliance of CBC/Radio-Canada’s conventional television services on advertising revenues. In particular, the government should assess the impact of CBC/Radio-Canada’s commercial activity on its ability to properly fulfill its public service mandate.

- The CAB submits that the ultimate goal should be to find ways to reduce the reliance of CBC/Radio-Canada on advertising revenues in the future.

- Programming of purely local interest, namely local news and information, should be left to the private television broadcasters operating in local markets. This would allow CBC/Radio-Canada to focus on its role as a national broadcaster, including strong regional input that reflects all parts of Canada. This should also be accompanied by a withdrawal from the sale of local advertising by CBC/Radio-Canada on its owned and operated stations.

- In moving into new digital platforms such as the internet, CBC/Radio-Canada must ensure that its focus and resources remain on its core broadcasting services as the primary vehicles for the achievement of its mandate.
According to the Canadian Association of Broadcasters, the CBC’s conventional services should complement what is offered by the private sector (Canadian Association of Broadcasters, 2007, page 9). The Association cautioned that “…Given the reality of limited government resources, CBC/Radio-Canada must ensure that its presence on these platforms does not come at the expense of its core broadcasting services, which are the primary vehicles for the achievement of its mandate” (p. 7). The concern that the CBC would undercut its core services to develop its new media presence is obviously secondary to the continued resistance to competition for revenue.

Private broadcasters have claimed that the CBC should have no need for this additional revenue, since its roughly one billion dollar budget should be sufficient to fund all-Canadian, commercial free radio and television networks. The broadcasting executive interviewee described the insidious nature of a commercial mindset that had led the CBC to choose a commercial imperative. He is not mistaken, as the next chapter shows: the CBC has become more commercially-focused. What neither he nor the other private broadcasters and their association acknowledge is that this process has happened, partly, under orders from government.

The Broadcasting association representative I interviewed explained that the CBC does not even disclose as much information about its commercial revenues as private broadcasters are required to by law. According to him, that is an unfair advantage because “…we have to put our cards on the table and the CBC can read them and digest them and craft a strategy around them. We can’t do the same, with regard to the CBC.” His solution was to either increase the expectations for transparency and
accountability to the same levels for both the CBC and private broadcasters, or to limit the CBC to only public funding, meaning: stop competing for advertising.

These interviews and documents indicate that private broadcasting corporations have a very narrow view of what constitutes a public service mandate, and an even narrower understanding of what the CBC would have to do to keep within the terms they prescribe. They also do not appear to see a public service role for themselves. Whether private broadcasters are accusing the CBC of having an unfair advantage, being overly competitive or irrelevant, what stays consistent is the resistance private broadcasters have to the public service broadcaster gaining any kind of public (read: audience) attention.

5.7 Public interpretation

It was beyond the scope of this research study to collect Canadian citizens’ interpretations of the Canadian public service broadcasting mandate. There has never been a direct vote on the subject, and while we can consult historical records and documentation from bodies like the Aird Commission or the Radio League, they only provide insight into what the public service broadcasting mandate was supposed to do for the public, rather than what the public wanted it to be and do, at the time of writing.

The Friends of Canadian Broadcasting organization represents the interests of its paid membership, conducts research and lobbies government and the federal regulator on particular issues. Various polls commissioned by Friends of Canadian Broadcasting to assess the attitudes of Canadians about the CBC have found that eighty-two per cent
of a the 1,004 Canadians polled in 1999 (COMPAS, 1999) and eighty per cent of 1,100 Canadians polled in 2004 (Ipsos Reid, 2004), thought the CBC was doing a good or excellent job meeting its mandate. Another poll released four years later reported that sixty-three per cent of Canadian voters “...think the government’s investment in CBC is a good use of taxpayer’s dollars” (Nanos, 2008).

The stated mission of the organization “… is to defend and enhance the quality and quantity of Canadian programming in the Canadian audio-visual system” (Friends Canadian Broadcasting, 2013). It has a record of supporting specific aspects of the broadcasting system such as maintaining Canadian ownership and content requirements, and limiting media concentration. Friends’ agenda for the CBC has focused on increasing its public funding so it will be less reliant on commercial revenues and to de-politicize the appointment process of the Board and President. In the interests of universality as a core feature of public service broadcasting, Friends has lobbied to extend analogue over-the-air transmission because “... almost one-third of CBC’s television audience relies on off-air signals … (and) that low-income and elderly Canadians are concentrated within this group” (Friends of Canadian Broadcasting 2003a).

Friends also speaks in support of local and regional service levels, partly because those services were the ones that have been so often and so directly affected by the CBC’s funding woes, and because of the emphasis on regional representation in the mandate. The organization links its local and regional arguments to a nationalist agenda, saying that “… strengthening CBC’s local and regional capacity is the single
most important broadcasting investment the federal government can make” (Friends of Canadian Broadcasting, 2004). The logic is that increasing connections between people at the local level strengthens their sense of Canadian identity.

5.8 Contesting interpretations

A neopluralist analysis of the interplay between the CBC and other media stakeholders reveals that each has its own interpretation of the Canadian public service broadcasting ethos that, not surprisingly, tends to reflect its own interests. Sometimes the interests of different stakeholders align, but usually these contesting interpretations create tension between stakeholders. This interpretability leaves the CBC with the challenge of balancing the needs and desires of every stakeholder with its requirements of licence, funding and resources. The diversity of interpretations of public service broadcasting makes it particularly difficult to assess the effectiveness of the CBC in its service of the mandate. What the institution does and how it does it are open to constant critique, so it has to defend and redefine itself constantly.

The CBC’s non-commercial radio service is generally perceived to be more in line with the public service mandate than television. The Senior Communications policy scholar I spoke to described the effect of commercialization as dividing CBC staff “...between those who want to emphasize the public service mandate and those who want to compete for audiences and ...raise audience figures and commercial revenue.” He said the saddest part was the “....exodus of very talented and dedicated people from the CBC who no longer feel that they can do the kind of programming that
they believe in as well at the CBC.” He described a paradox that, because there are so many specialty and niche channels, it may now be more possible to do public service types of programming in the private sector than at the CBC.

The former Liberal Cabinet Minister praised the service, saying “Radio has exceeded its obligations, its mandate, in my view. It’s a remarkable product.” The broadcasting association representative praised the CBC’s ability to operate multiple networks that carry “… distinctive and different programming that certainly informs, enlightens, entertains, challenges, reflects Canadians … to present diverse points of view from … even the smallest cultural, ethnic community group to larger ones … the experimental jazz aficionados have a place that they can go … that’s an area where the CBC can excel (Interviewee-Broadcasting association representative).

The Senior CRTC official talked about how “Radio One” and “la premiere chaine” are role models in the industry, and how that makes the problems of the CBC’s television services all the more obvious. Television’s dependence on commercial income and the competitive nature of the network were identified as the biggest challenges preventing television from meeting the terms of the mandate. The Digital media scholar I interviewed agreed with the private broadcasting executive’s points about how the commercially competitive mindset is insidious, and how it has permeated the television division to the point where it has subverted the public service mandate. The need for revenue drives the CBC to buy, rather than produce its own programs, which means that Canadian stories are not being told.
There was support from a few of the interviewees who have a special interest in new media as well as others for the CBC’s self-proclaimed leadership role in online development. The Digital Media scholar praised the CBC’s online services over both radio and television. Both she and the New Media funding expert interviewed for this research described the CBC as a leader in the field, that it was “...actually going way beyond other broadcasters and others in providing, especially information services to the public” (Interviewee-Digital Media scholar) and commended the variety of material that was available. The Senior CRTC official described the CBC’s web site as “... one of the most attractive Canadian internet services”, and noted that it consistently polls high on various surveys for Canadian services.

The Broadcasting association representative I interviewed said that television is most successful when it makes significant investments in non-commercial, independent productions “.... that private broadcasters would have difficulty licensing and generating revenues from.” According to him, the mandate is best served when the CBC produces “... big budget television programming that reflects stories that no one else could tell as well about Canada.” His examples included the dramatic series “The Border”, which ran from 2008-2010 as well as documentaries about Canadian history like “Canada: A People’s History/Le Canada: Une histoire populair”, which aired from 2000 to 2001 (Interviewee-Broadcasting association representative).

Another instance where the “edify or unify” argument comes into play is over content, and particularly, the ratio of identifiably “Canadian” programming in the schedule whether it is produced by the CBC itself or by another Canadian company.
The ratio of this content is consistently much higher in radio and online than in television programming. However, the counter-argument is that if the CBC were to carry only Canadian content, and either little or none of what the market has proven is popular (read: American content), it would not be serving its public mandate because no one would watch it.

For the CBC English Services executive I spoke to, the declining audience figures were proof that the CBC was failing its mandate. In his view “… its public service mandate is that it should be producing shows, you know, Canadian shows that Canadians want to watch. And they haven’t been doing that.” He explained that the CBC’s audience share had dropped to its lowest level of six per cent during the 2004 and 2005 fiscal year, and it had taken two years to recover two and half percent. That was still not sufficiently high and this executive argued:

It’s not a good enough performance until everybody is going “I’ve gotta’ go home and watch that show on the CBC.” Till you get there, you’re not there. You know, the only way you can say it’s actually performing is when everybody knows if they don’t watch the CBC news, they will be ill-informed. When everybody knows that if they don’t catch the shows, they will miss the water-cooler talk the next day. That’s when it succeeds. But it’s not there yet (Interviewee-CBC English Services executive).

This is an interesting, but problematic assertion. Using audience share is not the most valid way to measure the effectiveness of a public service broadcaster serving its mandate because it is designed to measure the effectiveness of content for attracting viewers to advertising. The CBC has been using that, instead of measures like audience reach and impact, at its peril. Secondly, people do not have to go home to ‘catch the shows.’ Media consumption patterns have changed, and Canadians can access the
CBC’s content on their computers and mobile devices, wherever they are and whenever they want. The news is online and has been streaming video since 1996.

5.9 Chapter summary

The previous chapter shows how governments use policy as a tool used to identify, protect and promote particular values and agendas. This chapter examined empirical evidence to explore the various interpretations of public service broadcasting and the tensions they cause in the relationships the CBC has with other stakeholders. There was a general level of acceptance from the interviewees and the document analysis that radio and new media are serving the mandate more effectively than television. This helps explain why most of the research studies and interviewees focused on how the commercial nature of television interferes with its ability to serve the mandate. The wide range of interpretation has a direct effect on the stability of the CBC; with no common interpretation of the public service broadcasting mandate there is no common frame of reference for judging its efficacy.

The reactions from different stakeholders to the CBC’s transition online and new media offerings have ranged from indifference through tacit to enthusiastic approval. Starting with government, the executive branch has generally been ambivalent towards the CBC as a whole. Because it is prohibited from interfering directly in the affairs of the CBC, the government was neither able nor likely to attempt to ‘forbid’ the CBC’s new media endeavors. Even so, there the Crown Corporation has had no role in the government’s plans for the Canadian information society, and received very little
tangible support for its new media development efforts. Different groups within
government weight the public service mandate in terms of its political, economic or
cultural efficacy and efficiency and therefore judge the effectiveness of the CBC
according to these different standards.

The federal regulator interprets the ethos in terms of how it works within a
profit-driven system and, most of the time, how it aligns with the government’s agenda.
Private broadcasters pay lip service to the ideals of public service broadcasting, but
would prefer that it just disappeared. As for the audience, there may be as many
interpretations as there are Canadians, because people consume media content at an
individual, personal level when they are listening to the radio, watching television or
online. It is not a stretch to say that Canadians want their publicly funded broadcaster to
operate efficiently. They also want it to provide media services that give them access to
the content they want, and since the onset of the information society, when, where and
however they want it.

These various interpretations of the mandate have been focused on what the
CBC has been directed to do. The next chapter deals with the seven mechanisms
mentioned in Chapter One and explained in Chapter Two, because it focuses on how the
CBC delivers its mandate. Every mechanism it uses to deliver the public service
broadcasting ethos is subject to pressure from at least one source, and relationships with
the other stakeholders are complex because they each have their own agendas. As we
see in the next chapter, when the CBC acts on its own interpretation of the mandate, the
different viewpoints can and often do clash.
Chapter 6 - Canadian public service broadcasting implemented

6.0 Introduction

This chapter focuses on answering the fourth research question “How has public service broadcasting been affected by/reacted to contextual change associated with the information society?” It analyses how the CBC has implemented its interpretation of the mandate. The research evidence shows that it was not just reacting to the policy and regulatory shifts outlined in Chapter Four, nor was it only “acted on” by the other stakeholders discussed in Chapter Five. As an active stakeholder, its activities and transformation from traditional broadcaster to “content company” (Interviewees-CBC English Services and New Media Executives) have contributed to changes in the “ethos” of Canadian public service broadcasting. The majority of the chapter is devoted to examining changes in each of the mechanisms the CBC uses to deliver its mandate as previously described in Chapter Two, starting with the way its interpretation of the mandate has changed its areas of jurisdiction and responsibility. Section 6.8 explains their impact on the ethos of public service broadcasting.

6.1 Jurisdiction and responsibilities (including universality)

6.1.1 Interpretations of the mandate

The CBC has articulated its interpretation of its mandate in Mission, Vision, and Values statements that are contained in its Annual Reports (see Appendix VI). Earlier
interpretations were almost literal. Table 6.1 contains an example of how the 1993-1994 mission statement quotes the mandate almost verbatim.

Table 6.1

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<td>… to inform, entertain and enlighten both general and specialized audiences;</td>
<td>1. (I) the Canadian Broadcasting Corporation, as the national public broadcaster, should provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains;</td>
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<td>… to contribute to the development of a shared national consciousness and identity;</td>
<td>(vi) contribute to shared national consciousness and identity,</td>
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<td>… to reflect the regional and cultural diversity of Canada, by, among other things, presenting each region to itself and to the rest of the country;</td>
<td>(ii) reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions,</td>
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<td>… to contribute to the development of Canadian talent and culture; and,</td>
<td>(iii) actively contribute to the flow and exchange of cultural expression,</td>
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<td>… to reflect the changing realities of the Canadian experience and of the world in which we live, as seen by Canadian eyes, heard by Canadian ears, investigated by Canadian minds and explored by Canadian imaginations</td>
<td>(i) be predominantly and distinctively Canadian,</td>
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Differences such as placing entertainment before enlightenment, and characterizing “national consciousness and identity” as a work-in-progress, can be seen as variations on rather than re-interpretation of the mandate.

The ‘refined’ mission statement in the 1998-1999 Annual Report was a significant departure because it expanded the definition of service delivery “...across a
wide range of platforms, through new cost-effective services and strategic partnerships”
(CBC/Radio Canada, 1999, no page number). According to the Chair of the CBC’s
Board of Directors Guylaine Saucier, “...the CBC’s mandate has been refined and
expanded over the decades” (Saucier, 1998, April 3). The CBC rationalized its
commitment to new media by explaining that while its goals were the same, the game
had changed:

While the CBC’s mandate remains constant and well defined, the way in which
the Corporation carries out its duties must evolve in step with the evolution of
the broadcast industry, the impact of globalization and the changing habits of
Canadians” (CBC/Radio Canada, 1999, no page number).

This “refinement” enabled a reinterpretation of the mandate over the next decade, during
which the CBC was redefined:

... as a content provider that is ‘platform agnostic’, not as a television company
or radio network. This is the single reality that is already significantly
transforming CBC/Radio-Canada” (Lacroix, 2008, p. 1).

Platform agnostic content can be transmitted on any and all communication platforms at
the CBC’s disposal.

The CBC’s mandate specifies radio and television services (Broadcasting Act,
1991, Part I, 3.(1)1.(l)) but the Act encourages the broadcasting industry as a whole to
“... be readily adaptable to scientific and technological change” (Part I, 3.(1)(d)(iv)). In
the Governance section below, I deconstruct the CBC’s re-interpretation of the mandate
as “technologically neutral” (Interviewee-CBC English Services Executive) and the
claim:
... we see new media broadcasting as being an essential part of fulfilling our Broadcast Act mandates, which are media and platform agnostic. If you read the Act it doesn’t actually specifically say radio or television or anything (CBC New Media executive).

The integration of new media into its service envelope effectively expanded the CBC’s areas of activity beyond radio and television broadcasting formats. The increased commercialization of the CBC was in progress (Steemers, 2001). The CBC adopted these new technologies despite its lack of universality, and developed them within a commercial framework. As a result, the public service broadcasting ethos has been affected on a fundamental level. However, the effect was neither instant nor immediate, and it all began with an experiment.

The CBC’s journey online began in 1993, when the CBC joined the Communications Research Centre in an experiment to digitize and distribute radio programs online via Gopher, FTP and the World Wide Web. The department of Information Technology, which was normally responsible for internal networks, hardware and software support, provided the technical expertise at the CBC. The potential of this new service was unclear at the time because bandwidth was limited and there were not many computers in use with the capacity to access and replay the programs. At the end of the trial period, analysis showed that the public demand was high. In fact, demand exceeded the capacity of the test configuration, so the CBC saw value in keeping the site after the experiment ended (Patrick, Black and Whalen, 1996).
6.1.2 Online radio

In October 1998, the CBC applied for AM/FM radio licences to serve English and French youth. The plan also included providing a supplemental internet service in both languages. The Canadian Association of Broadcasters (Association) disagreed with the CBC’s market research and opposed the application on the grounds that the CBC could not afford to provide these new services. The Association also argued that awarding those frequencies to the CBC would have a negative impact on private broadcasters because of the scarcity of available frequencies (1999). When the CRTC denied the youth-network application, English Radio decided to build the next generation of listener online.

The English-Radio group partnered with two private internet companies to create sites that featured Canadian artists exclusively. When the Radio 3 (R3) online-only service was launched in the fall of 2000, the design of the 120seconds.com site was cutting edge with streaming audio and video, photos, interviews and chat capability. At $1.5 million per year, it was much less expensive than conventional radio (Gordon, 2000). One reviewer commented that neither the content nor the quality of the design were as interesting as what the site signified: “It’s not perfect, but 120seconds.com seems to have one refreshing thing going for it that has been absent from the Canadian Broadcasting Corporation for years: optimism for the future” (Babin, 2000).

In November 2000, the CBC launched the sister sites www.justconcerts.com and www.newmusiccanada.com. “Justconcerts” carried backstage and on-stage coverage of concerts as well as studio and live sessions, many of them recorded by the CBC.
“Newmusiccanada” provided web pages for independent Canadian artists that allowed them to post material, concert dates, images and their own songs (Frame, 2000). Francophone 13-21 year olds had to wait until January 2001 when Radio-Canada French radio and New Media launched a francophone Canadian music website called www.bandeapart.fm under the R3 umbrella,

The CBC justified expanding online with arguments about the capacity of new media to serve some of the touchstones of the public service broadcasting ethos, including universality, as well as the expectations of public entities for transparency and standards of excellence. In the 1997-1998 Annual Report, then Chair of the Board of Directors Guylaine Saucier, described how the capacities of new media aligned with the goals of the public service broadcasting mandate (CBC/Radio Canada, 1998). She explained how new media could overcome geographic barriers for rural and Northern communities, encourage cross-cultural and regional exchange, reach new audiences in different age groups, and encourage creativity with new types and styles of content. She did acknowledge that it was still early days for the medium and that the CBC was only just “….beginning to offer programs specifically designed for the Internet” (CBC/Radio Canada, 1998, pp. 3-4).

The President and Chief executive officer Perrin Beatty offered corporate transparency and accessibility as another justification, because “…Canadians have a right, and a responsibility, to know what goes on behind the cameras and the microphones” (Beatty, 1998b, no page number). Within a year President Beatty had declared that the CBC’s online presence would become “Canada’s web site”
The goal was to become the “…prime architect of a Canadian public space in the emerging multimedia environment through its brand reputation, its standards of excellence and its independence from commercial imperatives” (CBC/Radio-Canada, 2002a, p. 18).

One challenge for the CBC, like other public broadcasters, was that adding new services replicated the structural and systemic weaknesses that had plagued traditional media, such as the split between national and regional services (Schejter, 2003). Online development was a chaotic, unplanned, organic process that took place primarily in the larger urban centres, partly because of the lack of vision about what role the regions could play in the online development. The main site was offering national programs from Toronto, and the Radio 3 design group in Vancouver was winning awards (Frame, 2000a) before regional sites were set up to provide local information, or information about regional radio and television programming became available (CBC/Radio Canada, 2001). Other factors in the uneven development process were the shortage of human and technical resources after the regions were cut in the late 1990s, and significant network, hardware and software compatibility issues throughout the institution (Milliken, 2002).

The challenges associated with the adoption and integration of new media into the CBC’s service envelope demonstrated and reinforced the long-standing tension that has existed both within the institution and as an intrinsic feature of the public service broadcasting ethos. The tension revolves around the provision of equivalent service to national, regional, French and English jurisdictions. By taking the initiative to develop
new media services, the CBC recognized the potential of these new platforms to increase its ability to serve its mandate by providing diverse content to more Canadians in more ways. However, the pattern of development that delayed service to both francophone and regional audiences replicated the structural weaknesses that have always undermined the CBC’s ability to provide equivalent service for all of its audiences.

6.2 Institutional organization

New media also provided the impetus for the CBC to transform itself by breaking down the traditionally divided structure that had dominated its organizational structure and practices. The CBC changed dramatically as an institution over the fifteen years covered by this research study (1993-2008), but its growth pattern to that point had made it:

... a monster ... the proverbial lumbering giant. It’s so big, and so layered, and has an extremely old-fashioned management structure that probably hinders it to be able to be more nimble, and hinders its ability to create more, sort of, really aggressive in-house programming (Interviewee-Independent media consultant).

Historically, the organizational and functional structure of the CBC has been characterized by divisions between French and English languages, radio and television services, administrative and production functions, as well as central and regional locales. The main institutional silos of Television and Radio had evolved so that each service in both languages had its own, distinct set of supporting departments, processes and procedures. Collaboration between these services was rare and releasing content on more than one media platform was difficult. The funding distribution process was
another divisive factor. After the Parliamentary appropriation was awarded, the English and French Vice-presidents of Radio and Television, who reported directly to the President of the CBC, would compete for funding, resources and by extension, prestige.

The CBC restructuring process began after it had been “challenged” by the government to “... function on a business-like footing ...” (Saucier, 1996, p. 6). When cuts to the appropriation were combined with decreased advertising revenue the CBC’s roughly one billion dollar budget was in fact being reduced by over $400 million a year over a three year period (CBC/Radio-Canada, 1999, no page number). These cuts, in addition to recommendations from the Auditor General, a changing technological environment and shifting market prompted the CBC to implement a downsizing program that ran from 1995-1996 to 1997-1998.

6.2.1 New media silo

New technologies come with their own set of challenges and can exacerbate existing conflicts, and public service broadcasters face distinctive challenges when they adopt “... new technologies to improve and complement their public service mission” (World Radio and Television Council, 2001, p.28). Making the transition to new platforms often replicates the institutional identity of the broadcaster, including its foibles and limitations (Schejter, 2003). New technology is risky, the rapid pace of growth made predictions difficult, and developing something new can be hard to justify when core services are under threat. In hierarchical bureaucratic organizations like the CBC, there are practical problems with any new activity when it comes to allocating
equipment, staff or space, particularly when there is no established budget or management structure.

When the experiment with the Communications Research Centre came to an end in 1993, the Information Technology department at the CBC’s offices in downtown Toronto Ontario continued to provide the technical support for what was a typical first-generation site with static content. After the addition of some corporate content, the Communications department became interested in the website for its promotional and marketing potential. By 1996, the Information Technology department had begun to move away from generating content, to focus on its corporate functions, which were becoming more extensive and complex as new technologies and systems were brought in to support the corporate restructuring (Milliken, 2002).

The departments of Communications and Radio Operations formed and co-led a New Media Committee, along with representatives from the Radio and Television services. This Committee was primarily advisory as each service was responsible for generating its own content and managing its online presence. One person in the Communications department kept track of the technical side of the main web site, even though the work was well outside the mandate of the department (Milliken, 2002) and webmaster Joe Lawlor from Radio Operations began connecting the assorted web pages that individual radio programs had built for themselves to that main site.

The pattern of new media development replicated the division between the core services as English Television network set up its own network New Media Unit in June 1996. The unit was formed to set policy, direct new media business development and
programming, create initiatives and coordinate production of websites for English Television shows, as well as design and manage the main Television site (CBC/Radio-Canada Communications, 1996). It would help programs start their own pages, but the shows themselves were responsible for on-going maintenance and updates. The small staff started with the six biggest shows to help individual programs build their own websites based on what they could afford and manage. The New Media Unit also integrated non-program related content, maintained a cohesive internet presence and managed the English television home page. Smaller shows that lacked resources were referred to the Communications New Media Committee, which set up a static public relations page with minimal program information and directed users back to the main Radio and Television pages.

Initially new media services were designed to support, and enhance the core Radio and Television services, both of which were eyeing the new service as another space to compete for resources. However, as the capacity of new media for delivering unique content in new ways became more real, that perception began to fade. At the same time, the CBC was moving towards operational and administrative integration, which involved introducing several new technologies and harmonizing technical standards and system architecture across the country. Management structures were changing and the Information Technology group was restructured to provide nationwide support (CBC/Radio-Canada, 1998).

By 1997, English Television’s New Media Unit had disbanded and Communications took on more responsibility for programs. After it launched cbc.ca as
the main CBC site, the Communications New Media Committee took over building pages for television programs as well because it already had a stable process and the technical expertise in place. By December 1999, all of the new media groups in different language and media streams had been reorganized under one umbrella, and all of the existing pages connected through the main English CBC.ca and French radio-canada.ca sites.

6.2.2 Interim cross-platform and inter-service cooperation

Sometimes it was world events, rather than corporate planning, that pushed the CBC towards change. For example, the attack on the Twin Towers in New York City on September 11, 2001 revealed two serious systemic limitations of the news operations. Radio One carried national programming, with breaks for regional news. While the content for a show could be pre-recorded in any location, each show was broadcast and taped live-to-air, to the Atlantic Time Zone. The taped show was then rebroadcast to maintain the same schedule in accordance with the different time zones across the country, except in Newfoundland where the schedule started one half hour later.

When the first plane flew into the Tower, the network’s first problem was technical because there was no master control and every station from the western part of Ontario to the Pacific had its own ‘switch’ to change the signal from local to network content. The second issue was tied to the testy relationship between central and regional services that characterized the corporate culture. There was concern in Toronto about offending regional stations by cutting into their local news segments. The news
executives took so long to make the decision to cut into regular programming, first on Radio One and then on Radio Two, that the CBC was well behind other news organizations when it began to cover the story. In the year that followed, technical and programming changes were put in place to make it easier for both the network and the regions to interrupt any regular programming with breaking news (Scott, 2002).

In 2001, the CBC embarked on a course of action designed to integrate new media, radio and television and become what President Robert Rabinovitch called a "networked organization" (CBC/Radio-Canada and English Radio, 2001, p. 9). The expectation was that old and new media operations would be brought together to work as "...one integrated communications conglomerate" (CBC/Radio-Canada, 2002a, p. 23). As Vice President of Radio Alex Frame explained, this would be a new experience because it had "...been operating in silos for a long time and increased co-operation or joint initiatives can be threatening, either through the possibility of increased workload or the loss of autonomy" (CBC/Radio-Canada and English Radio, 2001, p. 9).

As the four traditional media silos of Radio, Television, English and French were expected to start working together under a common strategy and set of objectives, the goals for New Media expanded to:

1. Be widely recognized as the prime provider of excellent non-commercial content in the development of a Canadian public space on the Web;

2. Strengthen our regional presence;

3. In collaboration with other components, make innovative use of CBC's archival content through new media platforms;
4. Increase the accessibility to our content through its distribution multiple platforms, and

5. Explore the potentials of broadband and digital services through production of innovative and standard-setting content (CBC/Radio-Canada, 2001a, p23).

The process of dismantling the traditional media silos was gradual and multifaceted, and the integration of new media services changed operations because it affected how projects were managed and realized. New media demanded an uncharacteristic level of cooperation between traditional media lines, new private sector partners and development funds. Bringing media production groups together required that the non-production support for all of the media streams had to either create connections or strengthen existing ones while adopting similar technologies and processes.

The process started with news. Journalists began reporting for an “integrated corporation” wherever they were stationed, that delivered content on twenty different media platforms in both official languages (Rabinovitch, 2001a). The new media strategy was to use used embedded features online and in conventional services to promote main channel television and radio programming. It was also designed to develop new media information, news, culture, and entertainment content that targeted kids and youth audiences in particular (CBC/Radio-Canada, 2002a).

By 2004, new content management programs and newswire software had been introduced to re-purpose content and to generate revenue from the archives (CBC/Radio-Canada, 2004, p. 31). CBC-TV, CBC Newsworld, CBC Radio and CBC.ca had been brought together. The rationale was that they would allow the CBC’s
news operations “...to cover more stories in depth, react more quickly in emergencies and produce more significant programming for Canadians” (CBC/Radio-Canada, 2004a). Fundamentally, these changes were about creating economic efficiencies since these combined units were now able to cooperate, share resources and technologies, and eliminate duplication.

Between 2002 and 2008 as part of its “Vision Project” on the administrative side, the CBC introduced new information systems and business processes to integrate program inventory and schedules with contract and revenue management, analysis, marketing and sales in both the English and French television departments (CBC/Radio-Canada, 2008, p. 22). These systems and processes helped manage content across eighteen media platforms. The CBC continued to consolidate systems, centralize operations and adjusted management structures to enable sharing services, resources and administration in the effort to increase efficiency and act as a single company (CBC/Radio Canada, 2005a, p. 25).

The changes involved some physical moves. In 1991, the CBC brought all of the Toronto staff and facilities under one roof for the first time in the Canadian Broadcasting Centre. New broadcast centres were built or old facilities refurbished in Edmonton and Quebec City in 2003, and then Ottawa in 2004. Production groups were amalgamated, for example, the CBC.ca sports group and television sports department (CBC/Radio-Canada, Mills, Lee and Enkin, 2001), Radio One local news and current affairs teams integrated with National Radio News at the Toronto Broadcast Centre, and the Radio and Television news teams in Winnipeg combined (CBC/Radio-Canada, 2005a, p. 25).
2002a). After a decade of fairly constant change when it came time for President and Chief executive officer Rabinovitch to leave, the corporate structure was completely different. The CBC was poised to enter the final stage of integration between the three media silos to become platform agnostic.

### 6.2.3 Transformed structure: The CBC as “Content Company”

In 2008 the CBC announced the full integration of radio, television and online services and began to describe itself as a “content company” (CBC.ca, 2013) rather than “....a broadcaster with separate and discrete media lines” (CBC/Radio-Canada, 2009, p. 8). It required a significant shift at philosophical, technological, operational and institutional levels to build a corporation “... in which everyone collaborates and shares resources to generate deeper, richer content that we make available to audiences whenever, wherever and however they want it” (2009, p. 8).

Even as digital technologies made operations and infrastructure more compatible, there were major technical, stylistic, financial and administrative issues to resolve:

... First off, there is still a thing called TV, radio and online. They are different technological platforms. Television has a master control, radio has a master control we have a production and operations team. They all perform similar things, they do them in totally different ways. So those platforms, we have to work with platform inter-operability (Interviewee-CBC new media executive).

The divisions between English- and French-language services for both radio and television had to be broken down to create an operational model that would serve all of
the CBC’s by that time, twenty-seven, services. As traditional media silos were flattened, services were amalgamated by language and content rather than platform type.

The CBC New Media executive explained that the reorganization created “…content genres … and having no platform group; there’s no tv news, radio news and online news, no news division. We have entertainment increasingly working together as an integrated group, sports as an integrated group.” Each group was responsible for creating its own strategy for generating content that is appropriate for each distribution format. The idea was that content producers would “… recognize the unique characteristics of the platform, but the starting point is that all content will and should end up on all platforms to some extent” (Interviewee- CBC New Media executive).

The cross-platform approach involved reconciling all of the administrative functions in each area as well, since they were all organized, managed and financed differently. Each media platform type had its own business unit, but after the change, each content group accessed their non-content services from a central group. The CBC New Media executive explained that the new design was a significant break from the past when each platform handled all of its own functions. Now a single group supplies a particular service across the company, such as the Marketing group, which does “…online marketing, viral marketing, on-air television marketing, radio promotion, they do it for all platforms.” This and other “support” groups like finance, business development, and legal, provide their services to “…clients, as it were, are internal news department, internal sports, drama, comedy and so forth.”
The New Media executive explained that the technology departments in the English and French services were “substantively” reorganized between 2006 and 2008 to improve national standards of interoperability (Interviewee-CBC New Media). He described the new managerial structure as “... a sort of three-layers of cross-department management or what we call hybrid or matrix management.” This model brings together twelve standing committees representing multiple departments to discuss core business activities. The combination of media and administrative resources to reduce costs and increase efficiencies would not be problematic except that these changes, combined with others during the reorganization, indicate an increased degree of commercialization at the CBC (Steemers, 2001) and a subsequent erosion of the public service ethos.

6.2.4 Labour practices

During the downsizing program the CBC used layoffs, hiring freezes and incentives to cut regular staff from 9,015 in 1995 to 6,728 in 1998 (CBC/Radio Canada, 1998) in every aspect of the CBC’s operations. As regular, contract and temporary workers were cut by nearly 11 per cent, the casual workforce rose by almost 34 per cent, managerial and administrative staff numbers were reduced to private sector levels or lower, and management costs dropped down to one per cent of the budget. Measures to ensure financial accountability were instituted and the internal bureaucracy simplified (CBC/Radio-Canada, 1998).
The style of work was also changing as the CBC moved away from analogue broadcast technologies and into a new media, digital radio and digital television. New collective agreements required multi- and cross-skilled employees (CBC/Radio-Canada, 1998). To further the integration process and simplify future contract negotiations, the CBC applied to the Canadian Industrial Relations Board to merge various bargaining units, and by 2002-2003, the three industrial bargaining units in the English networks had been consolidated in all areas of Canada except Quebec and Moncton (CBC/Radio-Canada, 2003). Mosco and McKercher (2006) describe how reducing the number of bargaining units down to one backfired on management when public support aligned behind the 5,500 employees workers locked out for eight weeks from August 15 to October 11, 2005. In the post-lockout negotiations, the CBC bargained for the right to hire one in ten employees as non-union contractors.

6.3 Technical

It is not just the admonition in the Broadcasting Act that the broadcasting system be “... readily adaptable to scientific and technological change” (1991, 3.(1)(d)(iv)) that motivates broadcasters to stay abreast of new technologies. Technology can help reduce labour costs. For example, the Windsor television production studio was using a technology called Parker Vision that brought together “... studio production activities under the control of a single operator, rather than multiple professionals” for a “... seamless, more efficiently produced on-air product” (Rabinovitch, 2003). Broadcasters also need to be relevant, accessible and to capitalize on new commercial opportunities.
It wasn’t until 1995-1996 that both English and French Radio were available all day, every day. Coverage has never been complete because there are still some regions of the country that the broadcast signal does not reach. New media technologies gave the CBC the ability to overcome that limitation when it became the first public broadcaster in the world to offer radio programs online (CBC/Radio-Canada, 1997, p. 32).

Adaptation requires both keeping up with changes in consumer electronics that affect traditional platforms and produce new technologies. It also requires understanding how people use them. In an interview with the Montreal Gazette, Executive Director of Newsworld’s online services Ken Wolff explained that: “We’re in a weird period when there’s a lot of technology out there that can do a lot of different things.” Figuring out how to capitalize on that potential involved a significant amount of experimentation:

The next thing is to figure out is exactly how people want to use it. We’ve seen it in other fields-technological capability, but no one gives a damn so it never goes anywhere. Then something comes up that you’ve never even thought of and suddenly people love it and it becomes the idea that takes off (Boone, 2000).

The initial supporters of the internet may have been private industry, but its rapid growth, development and success is due to public interest (Rideout, 2003; Reddick, 2003).

6.3.1 New media

The CBC recognized that interactive communication technologies have the potential to deepen the relationship between broadcasters and their audiences by
providing meaningful, context-sensitive local, regional or national information and entertainment (Collins, Finn, McFadyen and Hoskins, 2001). They could also be used to make the institution more accessible to a wider range of people than ever before. In addition, new technologies could be used to open up the institution, make it more accountable and transparent, and thereby build a closer relationship with the public.

The CBC shifted away from the single-to-many-points broadcast model as it developed online tools to give users control over where and when they consumed media. For example, video on demand became available in 2006-2007 on both CBC.ca and mobile devices (CBC/Radio-Canada, 2007). By 2007, CBC.ca hosted 1 million plus podcasts of its programs, and user statistics indicated that the site was visited by 3 million plus unique visitors from their homes every month, while Radio-Canada.ca had 1.5 million unique visitors monthly. A multi-platform tool called “myCBC” was introduced in cities where local stations already existed to allow audience members to tailor their news coverage on television, radio, the internet and digital platforms (CBC/Radio-Canada, 2007a).

In the mid-1990s there was still some doubt about the potential direction for technology development in television. Indeed, it was thought that “Fully digital television in every household remains a remote possibility”, particularly since different standards have been set in US and Europe (CBC/Radio-Canada, 1995, p. 15). However, Canada eventually adopted the Advanced Television Systems Committee standard like the United States, and the CRTC set the analogue shut-off date as August 31, 2011. The CBC was permitted to continue broadcasting on twenty-two analogue over-the-air
television stations because of its public service mandate, but only for an extra year (CRTC, 2011).

Shutting down the analogue system also meant replacing all of the analogue transmitters with digital, and/or high definition equipment. The CBC adopted a hybrid approach to the changeover, at the cost of universal service. By installing forty-four over-the-air digital transmitters, the CBC’s transmissions would reach 80 per cent of the population in major centers (CBC/Radio-Canada, 2006). To get the CBC’s signal, anyone living outside those centers had to subscribe to private cable and direct-to-home satellite services. Kamloops was one place where citizens protested the loss of over-the-air service, since that meant residents in the area who did not have cable or satellite would not have access to the public service broadcaster (Youds, 2006).

Sometimes, the challenge for a media organization is not so much the technological change itself, as it is the consequences of that change. For example, value-added technologies like high-definition television can carry a double cost for broadcasters because they have to invest in new production, editing and transmission equipment. However, it “... doesn’t deliver one more dime of revenue” (Interviewee-CBC English Services executive) so it will not even recoup its own cost.

Then there are challenges over which the media producers have no control, such as the various obstacles that impeded the adoption of digital satellite radio by Canadian consumers. Two services, Sirius Canada Inc. and XM Satellite Radio Inc., were licenced to broadcast and both were scheduled to launch in early December 2005. The CBC was part of the Sirius service, licenced in June (CRTC 2005-247). Because of the
short span between licencing and launch, most of the hardware in production was already destined for the American market so choices were limited. The receivers Canadians could get were exclusive to one service or the other, and many did not have bilingual packaging so the French-language market was automatically underserved. In addition, uptake was slow because consumers were unimpressed with the Canadian service because it offered fewer channels and different content than the American (Harvey, 2005).

6.3.2 Technology development

The Act does not require it, but the CBC has done some development in both digital radio and television technologies. The Senior CRTC official interviewed for this research described an independent engineering group in Montreal that worked in spectrum and new technology development. This group and the Canadian Association of Broadcasters, with some funding from the former Department of Communications, created a research and development company called “Digital Radio Research Incorporated” in 1993, which then worked with the Communications Research Centre under Industry Canada on digital radio standards (Interviewee-Senior CRTC Official; CRTC, 2009).

By 1993, there were experimental transmitters in Ottawa, Montreal, Vancouver, Toronto and Barrie, and the first permanent digital radio stations were located in Toronto and Montreal. The digital radio experiments were focused on research that was later used to set the international standards for the medium (Interviewee-Senior CRTC

In preparation for that transition from analogue to digital television, the CBC’s Engineering Department worked with industry partners in Advanced Broadcasting Systems of Canada and the Canadian Satellite Users Association to evaluate different Digital Video Compression (DVC) technologies. The department played a leading role in efforts of Canadian industry to establish the necessary technical basis and standards for domestic digital delivery of television and data services, compression, desk-top television, graphics in television production and the application of new distribution mechanisms (CBC/Radio-Canada, 1995, p. 74).

Eventually the CBC dropped its development work, declaring it would:

... use technical convergence to help achieve our goals. We see no need to be involved in the technical side except as a user. We believe as well that the culture of creativity and the culture of technology development are fundamentally different” (Rabinovitch, 2001).

By moving out of technology development, the CBC limited its areas of activity (Steemers, 2001), and undermined the public service broadcasting ethos. It has withdrawn from a process where it had the opportunity to help create standards that could improve public access to media. It has also put itself in the position of having to conform to each new, usually proprietary, technology that comes along. Not only will this have an impact on universality, but it has reduced the CBC’s independence from market concerns.
6.4 Financing

6.4.1 Federal funding

The CBC's move online was not without precedent. The *Broadcasting Act* does not guarantee funding levels from one year to the next and forbids the CBC from incurring debt without permission from government (1991, Part III, 46.1, 1-3, 1991). Research commissioned by the CBC has shown that Canada ranks fifteenth in a list of eighteen Western countries for the level of public funding allocated to public broadcasting (Nordicity Group Ltd., 2006). In 2004, it received $33 per inhabitant when the average was $80, and in 2009, the figures were $34 per Canadian, and still less than half of the $87 average. Over the years, in addition to repeatedly asking the government for more direct funding, the CBC has applied to the CRTC for additional distribution mechanisms, including subscription-based services like specialty channels, to expand its access to new sources of revenue.

The reduction of the annual appropriation in the mid-1990s was significant (See Appendix VII) and precipitated dramatic changes in both the institutional structure and the services that the CBC provided. However, it was not an isolated incident. Earlier that decade the CBC was widely criticized for the measures it too used, as a result of budget reductions by Minister Don Mazankowski (Finance Minister from 1991 to 1993) under the Progressive Conservative Mulroney government (1984-1993) (Eaman and Yusufali, 2012). The CBC cancelled public affairs programs and local television newscasts, closed stations, and cut staff across the country, but still acquired a deficit.
due to budget shortfalls and inflation. The worst effect of these cuts was the loss of public support, and the CBC spent the next decade trying to rebuild regional services and audiences.

During the federal election campaign in 1993, the Liberals promised to provide stable multi-year funding for the CBC. When they took office February 1994, the Liberal government led by Prime Minister Jean Chretien assured the new CBC President, Anthony Manera, that it “did not intend” to impose new cuts for the next five years (Fulton, E., 1995). The day before the Liberal government passed its budget, Manera was notified that the CBC could expect a $170 million cut from its 1.1 billion dollar budget, and that it would assume responsibility for Radio-Canada International (RCI) and its $15 million budget. President Manera promptly resigned in protest of what he saw as an attempt to dismantle the CBC (Manera, 1996).

The recurring pattern of “give and take” when it comes to the money from government becomes quite obvious in the case of RCI. In 1994, the CBC was granted limited borrowing authority for the first time. In that same year, funding for Radio Canada International was cut by 15 per cent. The government renewed its commitment to RCI in December 1996, and in August 1997, promised stable ongoing funding of $15.5 million starting in 1998-1999, with an additional $15 million over 3 years to upgrade infrastructure (CBC/Radio-Canada, 1998). RCI’s funding used to come from the Department of External Affairs and the Department of Canadian Heritage. It had its own separate budget until 2002-2003 when its $15.5 million appears as part of the CBC’s appropriation (CBC/Radio-Canada, 2003).⁽¹⁰⁾
In addition to the appropriation, the CBC has received additional government funding in the form of “one-time” allotments. For example, in 2001, the Department of Canadian Heritage under the Liberal government began to give an extra $60 million annually to the CBC, which it claimed was always used for programming in all media lines. These funds were the result of the CBC having friends in Parliament who lobbied on its behalf (Interviewees-Senior communications policy scholar, former Liberal Cabinet Minister) and required annual approval. The programming fund was eventually incorporated into the CBC’s total budget, which meant it could not escape being cut by ten per when the overall budget was reduced by $115 million over three years in the 2012 Harper Conservative’s federal budget (CBC News, 2012, March 29).

That consecutive neopluralist federal governments formed by different parties have all explained cuts to the CBC’s and other public entities funding as a cost saving measure, while at the same time introducing neoregulatory measures to support market objectives, is evidence of the neoliberal tradition’s resilience. It is of deep concern that this mind-set is so pervasive. Whether these governments have withdrawn support, because they actually believe that the global market will provide independent, distinctive information and entertainment from diverse sources to all citizens, or because they no longer support these public service ideals, the outcome is the same. The social and cultural objectives of public service rank lower than the economic imperatives of a free market when they are assessed in terms of their financial, rather than their public, good.
6.4.2 Commercial revenues

As government support has declined, the CBC has become increasingly commercialized (Steemers, 2001). Even without a full content analysis, this research study can point to instances where the CBC has favoured programming with mass popular appeal, such as Wheel of Fortune and Jeopardy on television. The next section deals with this issue in more detail. The CBC also relegated minority content to “less mainstream” outlets when it reduced the levels of classical music on Radio Two and RCI was removed from the airwaves to a website.

The CBC’s growing dependence on commercial income has led it to breach the principle of universal access by adding subscription services like Galaxie and specialty television channels. It has also entered into multiple private-sector partnerships. The CBC constantly looking for opportunities to cut costs and increase efficiencies, and has (sometimes repeatedly) attempted to either sell or commercialize operational divisions.

There is general agreement that the virtually 100 per cent Canadian-produced content, and the non-commercial format of the radio networks serve the public service broadcasting mandate reasonably well. As explained below, most complaints about the CBC under-serving its mandated responsibilities in content are connected to different views about the role of the commercial television services. The television advertising model for both private and public broadcasters is based on mass appeal; the commercial viability of a program is based on the number and demographic features of viewers it can attract. The basic assumption is that those viewers will pay at least some attention to the commercials that are broadcast between segments of the show and between the
distinct shows that compose the programming schedule. That viability dictates the amount the network can charge the advertising companies that market the commercials, and therefore how much revenue a program can generate from advertisers.

The production of “distinctive” Canadian content is more expensive than purchasing programming from elsewhere, usually the United States. While the numbers are dated, I am including the full explanation offered by CBC President Rabinovitch, when he explained the relative costs of production versus purchasing, because it makes the economic argument relatively clear:

- Buying the simulcast rights for a one-hour, popular American sitcom costs between $100,000 and $125,000 per hour; the most successful series can generate revenues of $350,000 to $400,000 an hour - that's 3 to 4 times the cost.

- Producing an hour of distinctively Canadian drama can cost more than $1 million per episode; broadcasters pick up almost a quarter of those costs.

- Yet a successful Canadian drama series can only generate revenues ranging from $65,000 to $90,000 per hour.

- On this basis then, the broadcaster pays $250,000 for Canadian drama, sells a maximum of $90,000 in ads, and therefore loses about $160,000.

- Keep losing money at that rate, and you won't stay in business for long. Yet, for private broadcasters, that's the cost of doing business in Canada (Rabinovitch 2001a).

In effect, there is less incentive for Canadian broadcasters to produce original television programs because they are more expensive to make and harder to sell than American programs.

The CBC has been moving itself out of television production since the mid-1990s. The main production centres in Toronto, Halifax and Vancouver were
autonomous, but other locations began partnering with independent production companies rather than maintain their own facilities (CBC/Radio Canada, 1996). In 2006, the CBC maintained its design department on the Radio-Canada side, but closed its English Television design department to save $1 million per year. By laying off the seventy-nine people who had been responsible for designing sets, costumes, props and special effects for English television productions, the CBC abandoned television program production as a core business (CBC/Radio-Canada, 2007).

The CBC is doing more advertising on more services, so the relative importance of advertising has increased. The CBC underwent a process to create a distinctive multi-media brand that was capable of serving what Rabinovitch called "...the new paradigm of advertising effectiveness" (Rabinovitch, 2001). The President described this paradigm as "... not how many people see an ad at a particular time slot, but rather how many people are reached over various platforms over a period of time by a particular message" (Rabinovitch, 2001). Strangely, this sounds similar to the type of audience research measurement discussed earlier, one that could ascertain audience reach, instead of using the advertising-based model of audience share. This emphasis on commercial priorities is evidence that not only is the CBC's dependence on commercial revenues increasing, but also that it has internalized the neoliberal interpretation of competition, to the detriment of the public service ethos.

Rather than petition the government for additional funding for content, the CBC developed partnerships with the private sector to produce content such as "A People's History of Canada/Une histoire populaire du Canada" and to expand its service
envelope. From 1997-2010, CBC partnered with Corus Entertainment to operate a specialty, digital music service called Galaxie, of 30 continuous music channels, all with 24 hour schedules, no talk or commercials. The channels were launched in the fall of 1997 on satellite and cable with the double mission of generating revenue and extending Canadian culture to new audiences. By the time it had been running 3.5 years, it had 1.8 million subscribers (CBC/Radio-Canada, 2001a).

Other partners have been wireless and mobile providers such as Rogers AT&T, Bell Mobility, aVantGo (CBC New Media Communications, 2000a; 2000b). In February 2001, Radio-Canada French-language news service entered partnerships with wireless providers Microcell i5, the producers of Fido cell phones and wireless browsers, as well as Rogers and AT&T Wireless, which gave them access to PCS phones (CBC/Radio-Canada, 2001b). Early in 2002, New Media launched an affiliates program to create a network of partners (CBC/Radio-Canada, 2002).

One interesting example of how partnering with a wireless provider provided some hindsight into potential technological development happened during the on-site radio and television coverage of the National Town Hall and All-Candidate meetings (CBC News Media Communications, 2000). CBC partnered with Rogers AT&T, and introduced wireless transmission over Blackberry as well as digital PCS phones. Almost a decade before the launch of Twitter, home audiences had the opportunity to engage more fully by sending in their questions and comments to a live televised event. Because partnerships like this enabled greater interactivity between audiences and the broadcaster, as well as the content that it was airing, wireless connectivity was another
route to ensure “... that Canadians everywhere have access to the nation’s most comprehensive news and information service” (CBC New Media Communications, 2000).

6.4.3 Commercializing assets

The extensive organizational and service changes described above were enacted to effect cost-savings and increase efficiency. The CBC introduced new products to align systems with business objectives and smooth the process for integrating new technologies into existing systems (CBC/Radio-Canada 1998, p. 11). These technologies were selected for their ability to improve internal communication, eliminate duplication and conform to set technical standards.

When CBC President Robert Rabinovitch set up the Re-engineering Task Force in December of 1999, it was tasked with identifying opportunities to improve operational efficiency, for commercialization, to facilitate both cross-media promotion and production, and to ensure consistent branding (Rabinovitch and Redekopp, 2000). In addition to pursuing new avenues of revenue and cutting costs, the Task Force also identified opportunities for generating revenue from existing resources and properties.

In the quest for universal coverage, the CBC built up an extensive network of transmission infrastructure (CBC/Radio-Canada, 2001a). The CBC had built up and maintained a network of over 600 over-the-air transmission towers, 750 transmission sites and 2500 transmitters. These transmission assets were worth hundreds of millions of dollars, and have generated some revenue as the CBC has rented space to private
sector clients for broadcast and other voice and data transmission services. By 2006, this infrastructure was capable of reaching 98 per cent of Canadians (CBC/Radio Canada, 2006), but would all have to be replaced with digital and high definition equipment by the analogue shut-off date of August 31, 2011. The expense of maintenance and the cost of conversion from analogue to digital television prompted the Task Force to recommend that the CBC sell the transmission infrastructure (CBC/Radio-Canada, 2001a).

The CBC has put its transmission infrastructure on the market first in 2000 (CBC/Radio-Canada, 2000a). When no buyers could be found, a new division was created to manage the resource and market surplus capacity. The system was put on the market a second time, but to no avail. The CBC announced a plan to shut down or sell the system of over-the-air transmitters in 2012, despite the concerns of many local and community-based media groups who worry they will lose not only the CBC’s signal, but also the towers that supported local and community services (Beaton, 2012; Silversides, 2012; OpenMedia.ca, 2012).

In addition to property and infrastructure for transmission, the CBC began to market other “excess” capacity it had accumulated. The first was property that had been bought, leased or rented across the country for various purposes like offices, production and storage facilities. To coordinate these locations more efficiently and cost-effectively, save money and generate revenue, a Property Management Division was created to provide overall management of the various buildings, assets and facilities (CBC/Radio-Canada, 2000b). The CBC has sold various properties, including the land
underneath the Canadian Broadcasting Centre in downtown Toronto (CBC/Radio-
Canada, 2004, p. 39). The Merchandising Division was created in 2003 (CBC/Radio-
Canada, 2002b) to capitalize on opportunities to generate revenue and implement new
procedures that would improve merchandising and licencing practices. The Mobile
Division was created to manage the fleet, ensure programs had the equipment and
expertise they needed, and to market excess capacity (CBC/Radio-Canada, 2005).

The Broadcasting Act grants the CBC the right to “distribute or market”
programs outside Canada “… with the approval of the Governor in Council” (1991, Part
III 46. (1)(g)). Content sales are an important source of revenue, but there have been
complaints about the process. The CBC was criticized for selling the international rights
to a catalogue of 700 hours-worth of its television programs to the United Kingdom
based company Fireworks International. Canadian distributors complained that they had
been excluded from the bidding process for these tax-payer funded properties (No
Author, 2008 January 27).

6.4.4 New Media Finance

Funding new media was always an issue because the CBC received no additional
financial support for its efforts to develop online. The initial New Media funding was
taken from the Television and Radio budgets at the top of the corporate level, and
offered back to the two traditional services to match with their own funds. Development
funding was harder to find. When Radio created its own department and individual
television and radio programs were building their own pages, those resources were coming from the core service budgets.

There are few identifiable budgets for new media. The Board of Directors committed to set aside “… modest but recurring funds to develop a mandate for the new media area” as part of a new media strategy in 1997-98 (CBC/Radio-Canada, 1998, p. 12). Five per cent or $17.1 million (CBC/Radio-Canada, 2002) and $1.5 million (CBC/Radio-Canada, 2003, p. 88) of the non-recurring $60 million programming fund was allocated for new media in the 2001-2002, and 2002-2003 fiscal periods. It has not gone unnoticed that the CBC is not clear from the annual reports how much was allotted to New Media, or how much was spent. Among the recommendations that the Friends of Canadian Broadcasting made during its presentation to the CRTC at a hearing about the CBC was that it should “…Obtain details of CBC’s digital planning, scrutinize all CBC’s plans for new initiatives” (Friends, 1999).

Despite these concerns, the New Media funding expert interviewed for this research said that the CBC played a valuable leadership role in new media development. They had very little money, but took advantage of existing programs by working with independent producers who applied to the Bell Fund and others. She also explained that the CBC was the first broadcaster to set up a separate new media team “… so that the burden of decision-making wasn’t all on the television programming team.” In her view it was the commercial potential that motivated the CBC to pursue online development so aggressively, but she thought they were generating revenue very creatively and that, “… they’ve been pushing the envelope … the other guys are catching up but I think the CBC
has actually been a model and have really taken a leadership position online.”

(Interviewee-New Media funding expert).

Any blame that the CBC bears for not reconciling its mandate with the funding it receives, must be shared with the federal government. The lack of stable, guaranteed funding makes it extremely difficult for the CBC to manage existing or add new services, and limited the public service potential of the new platforms it has developed. The CBC’s efforts to extend the public service ethos to new media platforms have been undermined by the commercial framework it accepted as necessary. It is possible that CBC.ca would still be ahead of its privately-owned counterparts, creating more interesting, adventurous, creative and public-driven online content, like the Radio Three sites were when they were first introduced, if it were not so dependent on banner ads.

6.5 Content

Within the CBC, the traditional broadcast formula has used a generalist program schedule, based on the theory that providing exposure to a range of voices, talents, and analysis of definitive economic, political, and social events would provide for the needs of both mass and niche audiences over the course of the schedule. As the broadcasting market, audience numbers and consumption patterns changed, the generalist programming schedule was replaced with the goal to provide desirable content for audience members to access when-, where- and how-ever they want.

There has been ongoing struggle between the ‘unify and edify’ interpretations of public service content, and tension between proponents for each of the “inform”,

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"enlighten”, and “entertain” requirements in the mandate. This disagreement over what audiences the CBC should be producing content for underlies the debate about the ability of a commercial model of television to serve the goals of the mandate.

It is generally agreed that the non-commercial format of the radio networks serves the public service broadcasting mandate well. However, there has been frequent and often vociferous debate over programming decisions, as the networks attempted to continue serving their loyal, but diminishing audiences, while introducing content that would ensure continued relevance and appeal to new demographics. For example, in 2008 the CBC announced it would change the format of Radio Two from primarily classical to a wider variety of music. It justified the move with the argument that Canadians enjoy all types of music and there are all types of music being written and performed by Canadians. The CBC was also reacting to the reality that Radio Two audiences tended to be older and were in decline. According to the Independent Media Consultant I interviewed, the CBC learned from detailed research that “… CBC Radio Two had fallen behind the times…” and “… the CBC saw itself, for the first time, as having to become more competitive … to justify its existence, the money spent, and also to have a bit of a foot in the marketplace somehow or other …” (Interviewee-Independent Media Consultant).

This interviewee explained that changing the programming had two important results. The first was that it was able to reach more people than ever before, and it was doing more types of programming, such as live recordings. The second was that the changes moved the CBC away its public service mandate (Interviewee-Independent
Media Consultant). The concern, which was also expressed by the Friends of Canadian Broadcasting, was that in its quest for relevance with younger audiences on Radio Two, the CBC's programming had lost its distinctiveness (Cobb, 2008). This concern deepened when the CBC, in its 2012 licence applications, requested (and was granted) permission to carry advertising on Radio Two and the equivalent French-language network, L'espace musique.\(^1\)

The television advertising model for both private and public broadcasters is based on mass appeal, so the commercial assessment model is focused on amassing “more” people for the biggest audience. As discussed in the previous chapter, conflicting interpretations of the public service mandate are either that the CBC is meant to serve the sectors of the population that are under-served by the private broadcasters, or it should appeal to the masses. Canadian content is a requirement for all broadcasters but private broadcasters have been purchasing more foreign content, while expenditure on Canadian content has stayed fairly consistent (Friends, 2008). During the research period, the CBC demonstrated its own struggle to interpret the public service mandate for its commercial television service.

6.5.1 The edification argument

English Canadian television audiences have a long tradition of preferring American content, and the CBC was instrumental in developing that preference. Ms. McQueen described how the original role of the CBC’s television service was “…to make television accessible to Canadians, and to, actually, bring very popular American
programs to Canadians...” It was the only national network, and had a mandate of universal coverage. She explained how the government invested considerable funding in an ‘accelerated coverage plan’ to ensure that television signals, not just the CBC’s, were available across the country in locations that had a sufficient population density. The way she described it, the priority was on access to television, and Canadian programming would come later.

In the 1995-1996 fiscal year, the CBC had committed to eliminating American prime time television programming starting in September, and the ultimate goal was to have a fully Canadian English television schedule by September 1998 (CBC/Radio-Canada, 1996). This would involve changing the programming strategy, and no longer setting the schedule to meet advertising targets. Instead, the CBC would maximize the commercial potential of programs that fulfilled the mandate. By the end of the downsizing program in 1998, two hundred hours per year of American content had been replaced with Canadian (Beatty, 1998a). Chair Saucier described the programming direction in terms that should have delighted private broadcasters, saying that the “…CBC must shoulder responsibilities that others will not … to produce programs and service audiences that are not economically viable for commercial broadcasters” (CBC/Radio-Canada, 1996, p. 6).

The approach was a break with the past, to become more like the American Public Broadcasting Service by providing ‘specialized’, rather than use a generalist schedule:
1. Find a niche;
2. Be Canadian;

The niche approach meant a focus on programming for youth, children, and remote populations, audiences that “...are not economically viable for commercial broadcasters” (CBC/Radio Canada, 1996, p. 6).

When he participated in the Standing Committee on Canadian Heritage’s Roundtable on the Arts, Heritage Institutions, Publishing, Film and Video Sectors about cultural funding, CBC President Beatty explained that it was the federal funding that the CBC received that gave it a unique place in the mixed broadcasting system. President Beatty said it allowed the CBC the privilege to take this niche approach, since cost recovery in such a small domestic market would be nearly impossible (Beatty, 1998). The primary role of publicly funded content should be to serve the Canadian market, but the President also suggested that distinctive content would be more saleable internationally, and thereby earn income. Chair Saucier described the appropriation funding model as liberating, because without a profit-motive the CBC was free to provide higher-risk services like French-language services outside Quebec, taking risks in technology and programming, and for nurturing Canadian culture and artists (Saucier 1998).

The CBC was acknowledging that universal appeal was likely impossible to achieve on a single television and two radio network channels in each language, particularly with its reliance on commercial revenue for television. By doing so, the CBC was attempting to highlight a distinctiveness agenda by proposing to cater to the
most underserved audiences within the market. If the CBC had been able to shift its full programming schedule in that direction, it might have come closer to the ethos of public service broadcasting. However, the timing is somewhat suspect. What was not profitable for the private broadcaster was not going to be profitable for the CBC either, and the plan was announced during the period when the federal appropriation was being reduced by one third. It is possible that there was a genuine desire within management to realign the CBC with its public service mandate and substantially transform its funding model to become less dependent on commercial revenue. It is not unreasonable to assume that the CBC was using every argument and tactic it could to ensure its survival.

The next President and Chief Executive Officer, Robert Rabinovitch committed to continue on the “niche” course when he described a role for the CBC as a specialist in Canadian content. He argued that Canadian production companies enjoyed significant tax benefits and producers could access public monies from the Canadian Television Fund, but that they were using it to produce content that was indistinguishable from American shows to be saleable. With the advertising model in trouble, Rabinovitch suggested that it was time to review the Canadian content regulations and the legislated requirement of Canadian content for private broadcasters because “To put it bluntly, even with massive government subsidies, the model does not work” (Rabinovitch, 2001a). He suggested that “Maybe Canadian programming would be much better if not everyone had to do it — and those who have to and want to do it get appropriate
funding” and that different types of broadcasters, that is public and private, should be left to “…focus on what they do best” (Rabinovitch, 2001a).

One of the more successful examples of the CBC’s distinctively Canadian content was the documentary series “Canada: A People’s History/Le Canada: Une histoire populair.” The thirty-two hour series was produced in both English and French and broadcast commercial-free from 2000 to 2002. There were two books, recordings, and website support as well as educational guides and teacher support and the series attracted fifteen million viewers (CBC/Radio-Canada, 2001a).

By September 2002, the corporate renewal plan had increased programming coming from the regions by more than half, French television and English Radio had been redesigned. The CBC’s stance was that its “niche” role as the producer of Canadian content and risk-taker was what justified the continuation of both public service broadcasting, and itself:

It was time to return to our public broadcasting roots.
... To stop trying to be all things to all people
... To focus on service, not ratings
... To treat audiences as citizens, not consumers
... To offer a TRUE [his emphasis] alternative to the mainstream
So, we set out to enhance the Canadian-ness of our schedules (Rabinovitch, 2004)

However, not everyone agreed. The story of one dissenting executive demonstrates how different sources of influence, with different power levels within the CBC itself can have an impact on the public service broadcasting ethos.
6.5.2 The unification argument

The niche argument was disputed, quite publicly, from within. Richard Stursberg was hired in 2004 as the head of English television, and then took over English Radio and CBC.ca in 2007 (Dixon, 2007). Stursberg embarked on a television renewal strategy after audience research indicated that the television schedule had been too heavily weighted with specials and mini-series, neither of which built audience loyalty. Stursberg’s strategy was to emphasize popular content and increase prime time (8-11 pm) drama and entertainment.

When Stursberg started at the CBC, he complained that English Canadian TV viewers were “...the only people in the industrialized world who seem to prefer the content of another country to their own” (Stursberg, 2006). He was also shocked to find that none of the production units paid attention to how other broadcasters were attracting audiences. He argued that absence of the competitive spirit within the CBC meant that it could not recognize what it was doing wrong:

This created an impossible problem: no matter what was done, it would inevitably be a failure. If the show attracted large audiences—witness Hockey Night in Canada and its boisterous host Don Cherry—it must be vulgar and stupid. If it did not, then while people might console themselves with the belief that the show was high quality, it also failed. This created a profound schizophrenia within the CBC culture. People felt like superior losers (Stursberg, 2012, p. 11).

In his book, Stursberg (2012) describes his battles with the board of directors, President Hubert Lacroix, the unions, management and production staff to change how programming was evaluated. He considered the CBC’s preoccupation with the idea of
"distinctiveness" to be an elitist interpretation of the public service mandate that stemmed from a complete misunderstanding of the nature of television:

Television is fundamentally about entertainment. It is the medium par excellence that people consume to be told stories, to be made to laugh, to be thrilled, frightened, moved, charmed or excited. It is a narrative medium, like the novel or the feature film. Its great strength is its immersive grip: its ability to command the emotional attention of audiences while it elaborates plots, creates characters and carries the viewer along the structure of its chosen stories (Stursberg, 2012, p. 3).

According to Mr. Stursberg, the assessment should not be based on esoteric criteria about how well it served the mandate, but rather, on how many Canadians consumed it. Stursberg's complaint was that the CBC's obsession with the mandate and its attempts to produce programming that was "enlightening" and "distinctive" had created a false "... belief that popular success was inherently incompatible with quality" (Stursberg, 2012, p. 9). The CBC's perception of the mandate was that it should produce sophisticated content for select audiences, because the needs of everyone else in the general public would be satisfied with lower quality, less distinctive content provided by the private sector. He argued that it was wrong-headed, elitist, anti-democratic and unethical for a publicly-funded entity to broadcast content that did not appeal to the broadest base audience. Stursberg embodied the "unify" side of the paradigm described above, as he pushed for more populist programming in the CBC's schedule, including American game shows like Jeopardy and Wheel of Fortune, to broaden its appeal.

The incident demonstrates the deep divisions within the CBC itself over its purpose and how it should serve its mandate. Mr. Stursberg's personal style did not
endear him to many people at the CBC, but there are those who recognize that he was hired by President Rabinovitch at a particularly difficult time precisely for his ability to make difficult decisions and dramatic changes (Cole, 2010). While the details of his firing have not been made public, he writes that his style clashed with that of President, Hubert Lacroix, and that neither the President nor the Board could be convinced to accept the programming direction he recommended (Stursberg, 2012).

This episode demonstrates the more of the range of influences that hold sway over the ethos of public service broadcasting and how it is manifested in neopluralist society. It is such a highly contested idea that there can be significant disagreement not only between stakeholders, but also between members of those stakeholder groups. President Rabinovitch presumably hired Mr. Stursberg for his vision of content that served the public mandate. President Lacroix, however, did not agree with Stursberg’s vision and fired him for it. Even though he did not always get his way, Mr. Stursberg still had the authority and power to make significant changes in the six years he worked there.

6.5.3 New Media Content

The CBC’s first generation site was text-heavy, had very little interactivity, emphasized news coverage and focused on promoting television and radio programs (CBC/Radio-Canada, 1995). The site grew in an organic and unstructured way. Raw materials for the site became more available as the Digital Imaging and Design Department digitized new and archived corporate images for corporate-wide use.
Various radio programs built their own pages in an ad hoc fashion between 1993 and 1995 until they were linked together at the radio.cbc.ca site by Radio Operations. By 1995, the site was logging about 800,000 hits a month from Canada and elsewhere.

The pace of development was very different between the separate services, with English Radio in the lead very early, actively promoting programs and collecting audience feedback. Recognizing that English-language text on the web site would not be accessible to all members of an international audience, the site provided real time audio with up-to-the-minute results of the 1995 Quebec Referendum on sovereignty. French Radio pages were static pages with broadcast schedules, a list of French-language programs and links to pages for a few individual programs.

In 1996, the CBC’s website was among the first anywhere to offer streaming, real-time programming. The first online show was the flagship network current affairs program *As it happens* that airs on the Radio One network, followed by the all-music Radio Two network (Harris, 1996, September 25). Most English television shows had internet sites and email addresses, and some hosted interactive events. In a similar pattern to Radio, French Television had a slower pace of development than its English counterpart, with a static site that showed network schedules, provided addresses of regional stations, program and biographical information, and email addresses for only seven programs. After eighteen months in development, the CBC’s 24-hour news service launched Newsworld Online. It carried schedules, highlights, merchandise, personality profiles and a Teacher’s Guide, and became the first Canadian television
news service to carry video footage. Initially, news stories were updated between noon and 7:00 pm, but the intent was that in time, stories and video clips would be updated twenty-four hours a day, seven days a week (Harris, 1996 July 4).

Communications focused on building up the corporate side. In September, it added an English audience relations homepage to help the department answer information requests, along with the email addresses for each of the English and French service Ombudsmen (CBC/Radio-Canada, 1996, pp. 42-43). When it launched cbc.ca in 1997 and took the lead development role, the Communications department was able to ensure proper branding, common look and feel, manage content and integrate promotional potential.

The site featured a database that enabled users to create their own program schedules (CBC Communications, 1997) and had other changes like the addition of rollovers (using Java) and a common navigation bar on every page with embedded links to other parts of the site as well as feedback forums. It continued to expand steadily with the addition of different radio and television program sites, as well as Internet-specific content. Examples of the latter include CBC4Kids.ca, an English-language commercial-free site for children, and the English- and French-language sites that focused on arts and entertainment called Infoculture (1997-1998). The pattern that had English language sites launched before their French-language equivalents continued; the corporate web site was not available in French until January 1998. In 1998, the CBC was the first Canadian site to launch a stand-alone online news service, complete with original audio and video.
The Corporation was continuing to develop and expand its online presence and the public was using the service. The Communications department recognized the need to establish control over the brand and in 1999, initiated a redesign of the entire site started in aid of “becoming Canada’s leading online information source” (Lewis, and CBC Communications, 1999). The redesign incorporated changes that had been suggested by employees and market research. It established a new common look and feel for the whole site, put news and information text at the forefront, made audio and video clips available on the main page and standardized the interface to improve navigation (CBC New Media, 1999). The site was recording over eight million views per month and had attracted some lucrative advertising properties. From 1999 to the early 2000s, the main site continued to be news-heavy, but offered an ever-increasing array of services and information, as well as more opportunities for public interaction and personalization.

CBC web sites were in constant development, and some were winning awards. The “interactive” module on CBC also provided an opportunity to test out a different version of public service broadcasting, where the public was not only the recipient of content, but also the creator. The example was citizen reportage of the crisis in Kosovo. Reporters were not able to enter the city, but people who were there with the North American Treaty Organization mission were uploading text, audio and video about the history and current events in the region. The news pages with Kosovo-related stories had 950,000 page views in one week (CBC New Media, 1999a).
The strategic directions of the main web sites were to continue featuring radio and television network content, to remain distinctive and mostly non-commercial, and to highlight news, culture, educational and youth-focused content (Lafrance, 2000). In 2001-2002, CBC.ca was preparing for a complete online re-design and the addition of interactive features and sites. The group wanted to address market research findings that users thought of CBC.ca as just a ‘news’ site. The plan was to showcase more television and radio programming, which users complained had been hard to find, and to address additional complaints about clutter and difficult navigation (Cohen, 2001). As the site has become more integrated and comprehensive, multimedia components have become an increasingly important and permanent feature of radio and television programming.

The CBC recognized that “New media is neither displacing traditional media nor will it solve the financial difficulties facing conventional broadcasters” (CBC/Radio-Canada, 2008a), especially since traditional media was an important source of online content. The CBC New Media executive interviewed for this research explained that the attitude at the CBC was to link the efficient distribution of content to the idea of the “...democratization of content.” The term he and his colleagues used was “engagement”, and it relied on the ability of Canadians to both access and contribute new media content easily, by commenting, recommending, forwarding or creating and uploading. He emphasized the importance of new media for its ability to help the CBC “... speak very strongly to our local service mandate, specifically around being able to provide very targeted niche content into local and regional” (Interviewee-CBC new media executive).
The incidents of public reporting from Kosovo, the drive of new media professionals to democratize content and increase engagement are exemplars of adaptive change at the CBC, because they been focused on improving service to the public. However, these goals are constantly at odds with the maladaptive influence of the changes made to compensate for the financial and technical limitations described above, and to reconcile the ongoing disagreement over the types of content that the CBC should be providing.

6.6 Governance

The CBC’s development of its new media services and its interactions with the CRTC during the process that led to the new media exemption, (17 May 1999) reveal some interesting changes in how the public service broadcasting ethos has been interpreted. The CBC was aligned with the private broadcasters against the imposition of any public service requirement on the internet. It is somewhat telling that Saucier’s argument against regulation was not based on the public service ethos, but rather that:

The logic makes simple business sense: a public broadcaster must be available to audiences -- wherever they are, whenever they wish to be served, and in a manner that suits them best ... We joined our competitors and colleagues in the opinion that the emerging new media must not be shackled by legislation or regulations ... (Saucier, 1999).

The CBC did not wait for either instruction or permission because, as Chair of the Board of Directors Guylaine Saucier explained, “You do not need a crystal ball to see into the future. It is upon us” (1999). To compete in a global multi-media environment, the
CBC adopted a "flexible" approach to fulfilling the mandate that included new communication technologies.

The problem is that no matter what it believes the Act says, the CBC has been operating outside a literal interpretation of its mandate, and therefore the Broadcasting Act, since 1993 and it still is, because new media falls outside the purview of the Act. When the CRTC exempted new media from the public service requirements of the Broadcasting Act (May 17, 1999), it placed new media outside the purview of the CBC's mandate embedded in the Act. There have been no amendments to the Act to extend the public service mandate of the CBC to new media platforms, despite the recommendations by Parliamentary (Canada, Parliament 2008, Rec. #2.4, p. 63) and Senate committees (Canada, Senate 2006, Rec.#2.3 and 2.4, p. 63).

As the nation's public broadcaster, the CBC is required to provide equivalent service to all Canadians, so as the public moves away from broadcasting technologies, so too must the CBC. This is where the value of the concept of the public service media ethos becomes apparent, because it is truly platform agnostic. What needs to matter in the discussion is that the CBC has been proactively extending the provision of content that serves the needs of the public, rather than the needs of the market, to new communication platforms.

The Canadian Heritage official interviewed for this research is quoted in Chapter Four as saying that the CBC cannot write its own policy, but in effect, that is exactly what it has done with new media. It has obviously done so with tacit approval, if not overt support, from most of the other stakeholders in the public service broadcasting
system. The government and the CRTC did not encourage the CBC in its new media activities, but they did not stop it either. In recent years, different factions within the government and the CRTC have acknowledged the validity of the CBC's new media services. Private broadcasters have been resistant, but the new media sector has worked closely with the CBC and lauded its efforts, and the public has readily adopted its new media services. When four out of five of the interested stakeholders have come to accept the CBC's new media development, the Canadian public service ethos has been expanded to encompass non-broadcast platforms, and the Crown corporation has fulfilled the spirit of the Broadcasting Act, even if it has contravened the letter.

6.7 Context (including audience)

The research literature reviewed in Chapter Three describes many of the daunting challenges posed by the growth of the information society that public service broadcasters have faced including technological change, changing audience behaviours and demands, rising costs and failing advertising models. The digital revolution enabled new technology platforms but required extensive, and expensive, switchovers to new equipment. As the next 'new' thing comes along, the CBC is constantly adapting to expand its models of service production and delivery to satisfy the demands of the Canadian population. As public and advertising funds decline, public service corporations must make choices about what they produce or purchase, capitalization, and how to reconcile economic, social and cultural public service goals.
There are numerous examples of how the neoliberal policy environment described in Chapter Four has promoted economic objectives at the expense of its social and cultural goals. The CBC's budget has been cut repeatedly, it has been ordered to operate more like a business, received minimal funding support for technological change, and undergone both periods of intense scrutiny and neglect. The market-based approach to communications regulation and policy has revealed the uneven levels of influence in Canada's neopluralist society. While both national and global private media conglomerates have grown in size and scope, the CBC has diminished. This loss of 'scale' provides opportunities for the CBC's critics to re-open debates about its continued value for the taxpayer.

In a neopluralist society, politics can also influence the relative health and welfare of a public service broadcaster because the government, and individuals within that government, are key stakeholders in the communications sector. As the Former CBC President described in Chapter Five, when the CBC produces content that is critical of government policy or regulation, politicians react like they have been bitten by their own dog. While every public institution must expect some degree of criticism and scrutiny to ensure a level of accountability, there have been times when the antipathy of neoliberal forces in the Canadian federal government toward public services broadcasting has become evident through policy. Whether it is the result of a neoliberal policy approach or the antipathy of a Prime Minister who does not like the way it reports a story (Taras, 2003), political power can make the CBC's role in Canada's fourth estate precarious.
6.8 The changing ethos of public service broadcasting

Despite the fact that it is an intrinsic part of the public service broadcasting system, the CBC has tried to distance itself from the ‘broadcast’ model through its reorganization and re-branding as a “content company” (Interviewees-CBC New Media Executive, and English Services Executive). The CBC’s decision to expand its jurisdiction to include no-broadcast media followed a period of substantial downsizing and attrition in the latter half of the 1990s. New media appeared to be “… a natural, indeed crucial, extension of our mandate” (Beatty, 1998c). At the very least, it appeared to offer the CBC some kind of future:

While the heart of the CBC’s mission remains constant, the means by which we carry out our duties must evolve in step with the broadcast industry and Canadians themselves. Otherwise, the CBC will wither into a marginalized, if not eventually hollow, anachronism (Beatty, 1999).

The message was that the platform did not matter as much as having a strong Canadian presence across platforms did. The CBC was looking beyond conventional broadcasting to other types of service like specialty services and the internet because they all had the potential to become “… the integrated elements of a constellation of services that allows us to satisfy our established audiences and reach out to the generations that follow” (Beatty, 1998c).

The paradigm had shifted from a passive to an active model of service provision, one in which the CBC had to be “… prepared to offer content and services that Canadians want, when they want them and where they want to find them” (Beatty, 1998c, no page). The place of new media in the service envelope was clearly
established and supported a decade later by a different President who warned, “If the national public broadcaster is confined by its regulatory environment or confines itself through its own choices to conventional radio and television, it will die” (Lacroix, 2008).

The width and depth of organizational and institutional change within the CBC indicate the width and depth of consequence for the public service broadcasting ethos that are the result of incorporating new media into the mandate:

... back track to ’93 ... since that time, the diversity of platforms ... has enabled the CBC to diversify its content, to expand and diversify its audience. And that’s a very, sort of direct, outcome. Indirectly, and it’s probably almost exploded its mandate in that sense, meaning expanded it, it’s just become even bigger, and the expectations have become even bigger (Interviewee-Independent media consultant).

The CBC has adopted the contract model for all aspects of its operations, staffing, content production and dissemination. The title of ‘Content Company’ is somewhat ironic in that the CBC has distanced itself from the role of content creator to become a commissioner and distributor of Canadian content. In that role, however, the CBC could offer substantial exposure for the independent media production community, and thereby play a significant economic, as well as cultural, role.

Technically, the CBC went somewhat “rogue” when it first expanded online and then again when it restructured to become a “content company.” The Act might be technologically neutral, but the mandate is not platform agnostic because it states that the CBC is to offer “… radio and television services incorporating a wide range of programming that informs, enlightens and entertains” (1991, 3.(1)(l)).
Broadcasting Act refers to the broadcasting system as using “radio frequencies” (1991, Part I, 3.(1)(b)). It provides clear definitions for every aspect of the service, such as:

“broadcasting” means any transmission of programs, whether or not encrypted, by radio waves or other means of telecommunication for reception by the public by means of broadcasting receiving apparatus, but does not include any such transmission of programs that is made solely for performance or display in a public place; (Part I, 2. (1)).

Radio waves are defined as “…electromagnetic waves of frequencies lower than 3 000 GHz that are propagated in space without artificial guide;” (Part I, 2. (1)). By offering services other than radio and television, the CBC has redefined its own mandate and thereby acted as a source of change to the public service broadcasting ethos.

Furthermore, the mandate stipulates that the services the CBC is to use are radio and television, and because new media is neither of those, it does not come under the jurisdiction of the Broadcasting Act. That means that the CBC was operating outside the Act from the time it began to provide (non-broadcast) new media services in 1993, until six years later when the New Media Exemption was confirmed (CRTC 1999-197). The CRTC’s rationale for exempting new media was that internet services “…consist predominantly of alphanumeric text” (CRTC 99-14 and CRTC 1999-84, 1999), which means the CBC’s online content does not qualify as either broadcasting or programming.

Over time, the CBC’s online presence has helped to lessen at least one recurring challenge for the CBC in that it has dramatically expanded access to regional content. The amount of regional programming in the daily broadcast schedule has fluctuated as different programming models have been implemented and funding levels have risen.
and fallen. Some network programs are produced outside of the central hubs of Vancouver, Toronto, Montreal and Halifax, but the main focus of regional programming services has been to provide local audience with local content. There is almost no room in a twenty-four hour schedule for sharing content between regions, other than big story items. The CBC's web site has completely changed the paradigm because it offers Canadians the option of accessing content from every market across the country. That means a radio-listener in Fredericton can access Vancouver content simply by changing his or her location on the website. Traditional broadcasting services can continue to focus on serving their local and regional audiences, and the web site can help them reach the wider Canadian public.

However, not all of the changes associated with being online and developing new media have been adaptive, and the public service mandate has suffered as a result. A significant challenge to the ethos comes from the CBC's commercial focus, and how that might have a larger impact as the organizational structure and systems become more integrated. The weakness of existing business models for online and conventional television raises the concern that service integration might weaken the public service mandate across platforms. The commercial approach to new media services, which relies on advertising revenue and partnerships, threatens the CBC's ability to produce content that can be easily distinguished from private sources. Some fear that in the process of cross-platform production, the commercial models of television and new media may transfer to radio and taint its public service record.
Another concern about platform agnostic production is its effect on content quality:

... the CBC, television and radio used to be in two different silos but they’ve merged, converged that now. You can actually hear in the radio and television news how they’re almost exactly the same now. They weren’t always the same before. They’ve rationalized news production process, so that’s similar to the way the private sector has of converging newsrooms ... and you get the same people. Sometimes you’ll have the same text. The reporter will have a radio text as well as the video segment. They use the audio from the video for the radio sometimes. You can see that there’s been that rationalization there to save money obviously (Interviewee-Political economics and communications scholar).

The changes the CBC has made to expand its reach to a wider audience may have negative consequences for the public service ethos. In its efforts to reach audience demographics, the CBC may have narrowed its perspective, which could translate into limiting the diversity of content that is re-packaged and re-presented across platforms.

6.9 Chapter summary

This chapter explored the exemplar of the CBC as it embraced the information society. Traditionally, public service broadcasting has been restricted to the one-to-many platforms of advertising-free radio and commercial television broadcasting. The transformation involved different phases and involved a long and complex process of change that affected all of the seven mechanisms of public service delivery described in Chapter Two. The neoliberal policy environment that channeled the development of the information society has also contributed to the devaluation of the public service broadcasting ethos. Despite multiple recommendations that the Broadcasting Act needed amendment, it has stayed the same, and the CBC, government and CRTC seem
to have all agreed that it and the mandate are technologically neutral and platform agnostic.

The CBC has changed fundamentally, at systemic and structural levels and faced challenges of varying strengths and from multiple internal and external sources throughout the process. At the same time as the public was finding different ways to access its information and entertainment, the highly segmented, bureaucratic institution was experiencing rapid technological change, neoliberal public policy and declining revenues within an increasingly concentrated global and national media market. When the CBC’s funding was cut by about a third between 1995 and 1998, it implemented a downsizing program of internal reorganization to consolidate resources, cut staff, streamline processes and improve efficiency. The CBC employed a range of private-sector practices and metrics to commercialize resources and develop new revenue sources as well as to redefine its service areas. This multi-year restructuring process continued after the downsizing program was complete and coincided with the rise of the digital technologies that made networking, integrated management systems and multi-platform content possible. It has deployed new technologies for both its core content business and to manage its internal operations.

Visions for the CBC that had been based on fairly literal interpretations of the Broadcasting Act shifted away from radio and television broadcasting to include multimedia. In the process of becoming a digital, cross-platform content company, the CBC has re-defined its mandate to include non-broadcast technologies. The patterns of new media growth reflected the traditional divisions and areas of discord within the
CBC, when English services and national projects based in central locations developed more quickly than either French or regional content. The changes the CBC has made to increase its accessibility and the potential for interaction with the public by using new media and internet-based technologies is an adaptive change to the public service ethos.

The process of incorporating new media into the CBC’s service envelope was a bit uneven, and Radio proved to be the more intrepid of the two traditional services. Radio, because it is not bound to commercial objectives, was much more adventurous in its adaptation of new technology. Television tends toward the “safe” approach and is fundamentally a more conservative medium than radio because of its expense and dependence on commercial revenue. This timidity is reflected not only in the programming choices based on advertising goals, but also in the slow uptake of multimedia.

The personalization of consumer electronics and the capacity for customization has inserted media into more facets of human experience than ever before, which presents broadcasters of all types with the opportunity to become an integral part of daily life. The commercial multimedia technologies that the CBC has adopted promise increased opportunities for audience interaction, on-demand consumption and creative contribution. They can also be used to engage the public in unforeseen ways, both as audience members and creators of Canadian culture. New platforms give the public more control over how, when and where it consumes media, which has shifted the power dynamic between traditional producer and consumer. However, these changes have had costs.
Maladaptive changes at the CBC have undermined the ethos by shifting the focus away from increasing public service, usually toward economic objectives. By expanding the public service broadcasting ethos in the spirit of universality to include new media technologies and formats to reach more Canadians, the CBC has effectively limited its access to subscribers of those services only. The CBC has apparently internalized the ideal of competitive model. The increasing reliance on commercial revenues, as well as partnerships to expand service offerings or co-produce content, and its role as ‘responder’ (rather than developer) of consumer electronics, undermine the CBC’s independence.

There is also the risk of ‘commercial creep’ when two platforms carry advertising to the third that does not, radio. The diversity of content across multiple platforms is not assured while the same production unit, with fewer staff and resources, are producing all of the content. Finally, the CBC has reduced its own production capacity while increasing commissions, with an emphasis on their capacity to generate revenue, which threatens its distinctiveness. The next chapter concludes this work by answering the research questions and discussing the state of Canadian public service media (Jakubowicz, 1999; Hujanen and Lowe, 2003).
Chapter 7 - Conclusion: Public service broadcasting to public service media

7.0 Introduction

The first two chapters of this dissertation explained how combining a neopluralist theoretical approach with a qualitative case study of the CBC has contributed a unique perspective to the existing body of research on the changing nature of public service broadcasting. The overall study design helped to show how the Canadian federal government, the national regulator, private media sector and the public each have their own, often conflicting goals for public service broadcasting, and different levels of influence over the CBC and how it implements its mandate.

The research literature in Chapter Three explored challenges that the information age has posed for public service broadcasting, and how it is both possible and desirable to extend public service principles to non-broadcast media. The next two chapters provided evidence that over the last forty years, Canadian communications policy has increasingly favoured economic objectives over social and cultural goals, and described the effect of that emphasis on how the public service broadcasting mandate has been interpreted. Chapter Six focused on the CBC as an earlier adopter of the Internet, the challenges it has faced, and how it has reinvented itself as a cross-platform ‘content company.’

This research study found that Canadian public service broadcasting has been brought up to date with current realities (Jakubowicz, 1999), but only partially. The CBC’s reinterpretation of its public service broadcasting mandate to include non-
broadcast technologies, the structural and organizational transformations it has undergone, and the uptake of its new media services by the public have helped move the institution closer to what Bardoel and Lowe (2007) describe as public service media. Members of the public continue to adopt new technologies at a rapid pace, with the not unreasonable expectation that the media corporation they fund will provide content on the platforms they are now using in place of radio and television broadcasting. What has been noticeably absent from the updating process has been the philosophical and tangible support from both the Canadian federal government and the CRTC.

The first five sections of this chapter summarize the answers to the research sub-questions:

1. What has the ethos of public service broadcasting traditionally meant in Canada?
   a. How has it appeared in policy?
   b. How has that policy been interpreted by different stakeholders?
   c. How has that policy been implemented?
   d. How has it been justified or rationalized?

2. What are the main challenges that public service broadcasting has faced and with what effects?

3. Where did the Canadian information society come from and how was it created?

4. How has public service broadcasting been affected by/acted to contextual change associated with the information society?

5. Is there a valid role for public service in the changing communications context? What purpose does it serve?

These summaries provide context for the conclusion, which pulls together the threads of discussion raised in earlier chapters to answer the main research question: "How has the
concept of public service broadcasting changed in Canada’s information society?" The chapter ends with a brief discussion of potential areas for research.

7.1 Traditional ethos of public service broadcasting

The structure of the Canadian public service broadcasting system and the design of the national broadcaster were the result of the government’s attempt to reconcile contesting interests of different stakeholders. The “hybrid” system was a compromise between the demands of powerful economic interests, the Radio League as the representative of diverse social, cultural and public service interests, and the federal government with its nationalist agenda (Vipond 1992; Spye and Potvin, 1992; Raboy, 1990; 1995a). The system imposed social, cultural and economic objectives on all broadcasters, and gave a central role to the Crown Corporation, the CBC.

The current Broadcasting Act (1991) adjusted the role of the CBC to become one of many operators within a competitive system. Public service objectives in communications have been undermined the world over as globalization has expanded with innovations in information and communication technologies and the growth of networks that have significantly changed how information is spread and used. The design of public policy has increasingly served neoliberal economic goals, and consumer habits have changed. As the CRTC has enabled private broadcasters to transform themselves into large, integrated, multi-media companies, the CBC has become the main proprietor of public service, expected to ‘complement’ private
broadcasters by supplying public-minded content and services that they either can, or will, not provide.

7.2 Challenges for public service broadcasting

The expectations for broadcast technology have always been high, and there are uniquely Canadian challenges. Public service broadcasting was expected to provide content that met the diverse interests of an increasingly multicultural population that has been spread out over a vast expanse and largely conditioned to accept American culture. Some of the hazards have included Canada's colonial history, official biculturalism, and its competitive confederation of distinct regions. The CBC itself has cycled through successive models of re-invention, often at great expense of both financial and public support. It is open to constant critique from all quarters and even though it is held accountable to an extensive and malleable public service mandate, its performance is usually assessed using commercial measures.

Historically the CBC has had difficulty balancing expectations for what it can accomplish with the resources it has. Unlike the British model of licence renewal, the CBC has neither a set agenda nor guaranteed funding, and the system of annual appropriation creates a self-perpetuating cycle of instability. The institution and the ethos have been undermined by the lack of fiscal and philosophical support from government, and by extension, the CRTC. When the government and the CRTC did finally acknowledge that the CBC's new media endeavours had merit, it was long after the services were well established.
7.3 The Canadian information society

The information society is characterized by the widespread diffusion and rapid uptake of information and communication technologies. It has been driven by a neopluralist, neoliberal assumption that a market-driven approach to the spread of information creation and dissemination as the basis of the global economy will be accompanied by social, cultural and democratic benefits for both users and producers. The research literature in Chapter Three provides insight into how neoliberal, technologically progressive agendas, supported by non-democratic supra-national interests, have enabled the global expansion of digital communication and financial networks. The chapter also supports the neopluralist theoretical supposition that the growth of the information society in Canada was the result of a complex social process involving multiple interests.

The role of the private sector in public policy at both national and international levels has been described by Sarikakis (2004) as “public-private partnership” when private corporations and government work together to build competition-friendly policy in a process that excludes citizens. Since the 1980’s, the Canadian federal government and the CRTC have employed neoliberal economic principles to the design of public policy to further the expansion of global financial and communication networks. These policies have encouraged the market economy to act as the primary source of innovation and service provision by reducing regulatory requirements, liberalizing financial processes and providing financial support, as well as expanding trade agreements. The consumer electronics industry is constantly developing new technologies that the public
adopts -- and either adapts or adapts to -- and the media sector has responded by expanding its service envelope.

Chapter Four describes some of the policies that facilitated the growth of the Canadian information society and some of the short-term programs implemented by the federal government to help build the consumer market for the private technology sector (Birdsall, 2000). The closeness between the state and capital has made the former less accountable to the public and undermined its role as an agent of public interest and undermined democratic discourse.

Chapter Four also explains how broadcasting and telecommunication used to have separate ownership models and regulatory frameworks, but that neoregulation has encouraged their convergence and attempted to foster competition between various types and sizes of undertakings. A lighter, more flexible regulatory framework, unfettered by public service requirements, was designed to be more easily adapted to new technologies. These various stakeholders and interests have exerted varying degrees of influence, but the overall approach has favoured market-based objectives. That focus has had a direct impact on both the CBC and the context in which it operates as economic goals receive preferential treatment over social and cultural objectives.

The CBC played a role in furthering the information society agenda with its pioneering efforts in both digital radio and online services. While it was not the only media organization to undergo some degree of chaos as it developed its new media services, the process revealed the CBC's culture as a particularly challenging aspect, due to the internal divisions, unstable funding model, defensive power structures and
conflicting visions of the public service mandate. Initially, the CBC funded new media from its core television and radio budgets. Eventually, it joined private media companies lobbying against internet regulation so it could develop commercial online services.

7.4 Contextual change and public service broadcasting

The technological and contextual changes associated with the growth of the information society have both exacerbated existing challenges for the CBC and created new ones. Many of the policies related to the growth of the information society have been maladaptive for the ethos of public service broadcasting, because they have limited public service in favour of furthering the agendas of other stakeholders. One of the main strengths of the Canadian broadcasting system, the public hearing process the CRTC uses in the process of policy and regulation development (Raboy, 1994), was also eroded by the exclusion of the public from the internet policy process.

Contextual changes have had profound implications for nation-based communications regulation and policy, and called the core functions and continued value of every type, size and organizational structure of public service broadcasting into question. Changes in audience expectations and new means of media consumption have forced both private and public broadcasters to re-evaluate their offerings. The limits on public input and the exclusion of the CBC from any vision of the Canadian information society are evidence that the policy approach of successive federal governments and the CRTC has been focused on market-based objectives.
The market-focus of the policy approach tends to gloss over the limitations of the information society and its promises for more openness and democracy. There are various types of digital divides affecting the degrees of access for both producers and consumers. These and the issues of ownership, copyright and intellectual property have an impact on the potential for users to become producers. The sheer volume of content and a lack of clarity as to its origins become a concern as new media platforms are increasingly dominated by large corporations, and the development model is focused on economic, rather than social, cultural or democratic goals.

The growth of digital technologies and networks make more types of communication possible than ever before. However, the diversity of the public service broadcasting system has been threatened by the concentration of private media organizations and the market-driven focus of converging telecommunications and broadcasting. Telecommunications technologies are more exclusive by nature than the more ubiquitous model of broadcasting, because of their subscription basis and the controlled competition that limits availability to profitable markets. As long as there are economic and service inequalities, digital divides will not disappear. Government intervention was still required, as recently as 2012, when the Federal Communications Commission in the United States launched the “Connect-to-Compete” initiative, which involves cable companies providing broadband at reduced rates for a period of two years and Microsoft selling discounted computer packages to low-income families (Federal Communications Commission, 2011).
7.5 The continued validity of public service in communications?

The Canadian ethos of public service broadcasting is unique for the core principal of equal, dual-linguistic service, and for the actual conditions the CBC has to overcome when serving a culturally diverse population that is geographically scattered. Unilingual nations do not have public service broadcasters that are structured around the provision of equivalent service in English and French or providing services in multiple First Nations languages. Australia serves its ethnically diverse populations with two separate institutions, not just one. The only other broadcaster that faces similar geographic and environmental challenges to overcome vast distances, reach remote and linguistically diverse populations while balancing national and regional demands is the All-Russian State Television and Radio Broadcasting Company. It is a “national broadcasting company” that operates some public service channels among its holdings, (VGTRK, 2013).

As citizens interact with technology on cultural, economic, political and social levels, that interaction helps to shape what media is in that society, the role it plays, and how it contributes to democracy (Sarikakis, 2004). Recent research has shown that Canada has one of the most concentrated media markets in the world, and the most concentrated television ownership in the G8 (Tencer, 2012). The pluralist, democratic potential of the information society is not the objective for multi-platform, private media organizations operating on a global scale. That is why the core principles of the public service broadcasting ethos are as important and relevant as they have ever been for neopluralist, information-driven societies, which are made up of individuals with a
diverse range of interests and characterized by individualistic media consumption models. The main obstacle to extending the core principles of the public service broadcasting ethos -- universality, independence, diversity and distinctiveness -- beyond traditional broadcasting to other communication platforms is what Reddick describes as the limited perception of the “public” as either a consumer or a citizen, rather than simultaneously both (2002).

7.6 How has the concept of public service broadcasting changed in the Canadian information society?

To have public service media in Canada, the same principles of public service broadcasting need to be applied by extending to social and cultural as well as economic objectives, to non-broadcast media platforms. The federal government and CRTC support has been almost non-existent, the privately-owned media sector disputes everything and anything the CBC does, but the public has taken up the CBC’s new media offerings, which indicates that it is willing to accept a revised interpretation of the public service broadcasting mandate. The CBC has made a number of changes, but as a Crown Corporation, and a distinctive component of the public service broadcasting system, the CBC has limited authority or power to redefine itself.

Some of the changes the CBC has made can be seen as “adaptive”, because they have improved or expanded service to new platforms, while others have been “maladaptive” (Bowden, 2009) because of their commercial focus, particularly when those new platforms are only accessible by subscription. With the non-commercial
radio service leading the charge to take the CBC online, the potential making the
transition from public service broadcaster to public service media organization seemed
high. The Canadian cultural sector is as creative as anywhere in the world, but access
and distribution have always been problematic.

7.6.1 Universality

Universal communications has always been difficult to achieve in Canada
because there are significant practical limitations on signal transmission and carriage.
The size of the country means there can be a substantial distance between the point of
origin and the destination of a signal with any number of geographic barriers in
between, and weather conditions can make the cost of building and maintaining
distribution infrastructure prohibitive. However, factors like these are only part of the
on-going challenge to equal levels of service provision. Even before the onset of the
information society, Canadians who live in rural and remote regions of the country have
typically had less choice, restricted access, and lower levels of service than citizens who
lived in cities.

Ironically, it may be that universality may actually be less achievable in the
digital information age than it was in the days of analogue broadcast services.
Broadcasting and telecommunications policy have fundamentally different approaches
to the consumer base, the Canadian public. The concept of universality at the core of
public service broadcasting has traditionally focused on the provision of equal levels and
types of service to all citizens, whether or not they use the service. In that way,
universality employs a “push” model, where the onus is on the producer to make content available to everyone everywhere. In telecommunications, the model is that service provision is decided by the profitability to the provider. Direct distribution mechanisms have shifted the cost of ‘getting the content out there’ from producers to consumers. Once license fees were removed, the costs associated with over-the-air analogue broadcasting were finite.

Since the mid-1930s, universal broadcasting has focused on expanding signal coverage, and public service broadcasting policy was introduced to ensure that as many Canadians as possible could pick up both private and public media broadcast signals. Even with its limitations, over-the-air broadcasting is well aligned with the goal of universality because the same signal is transmitted from one point to many, and everyone who can receive gets the same content. When complete signal coverage was (almost) achieved in the 1960’s, the idea of universality was expanded to encourage the creation of programming that represented Canadian culture and was made by Canadians.

Canadian telecommunications policy does not espouse universal service but instead, focuses on providing Canadians with “access” to service within a controlled, competitive framework. Telecommunications service provision is linked to the presence of municipal infrastructure, which ties it to population distribution and density patterns and leaves more remote and rural locations underserved. This means that subscription-based transmission services are only available to Canadians who can afford to pay the fees and are where the services are profitable for the provider.
As broadcast and telecommunications policies converge, the social and cultural objectives of public service broadcasting and the principle of universality are increasingly subject to the motivation of profit. The likelihood that new media can fulfill its potential to serve the cultural and social goals outlined in the Broadcasting Act (1991) while it remains exempt from all public service requirements is unrealistic. The CBC has reconfigured its definition of universality to include content that can only be accessed through privately owned and operated transmission networks. The CBC’s areas of jurisdiction and responsibility have increased with the introduction of new technologies, because as a public service corporation it is required to provide services to a pluralist Canadian population however they can access the signal. However, while these new services provide new way for the CBC to reach and expand its audience, they use subscription-based distribution mechanisms, which by definition, are not universal.

As population patterns change, areas of development and interests shift, a truly public service media corporation needs to be able to move and shift with them, without cutting off service to the sectors of the population who have restricted access. Because the development of the telecommunications market has been driven by corporate interests, the CBC cannot dictate what means a diverse population will use or have access to, it has tried to be on all of them but that is an expensive process. The chances of universal coverage may be increased through partnerships with private interests and the application of business principles to public service practices, but may come at a cost to the CBC’s independence, diversity and distinctiveness.
7.6.2 Independence

The traditional model of public service broadcasting has been increasingly subject to the commercial framework in which culture is proprietary and assessments of efficacy are limited to economic parameters. The CBC’s independence has also been tested by its reliance on commercial revenue and partnerships to develop its new media platforms. The distinctiveness of the CBC’s content and the diversity of its sources, on English television in particular, are constrained by the demands of the commercial agenda. It is an old and often repeated argument, but no less true that a public broadcaster that relies on commercial content during peak hours of the schedule is more focused on the economic, rather than the social and cultural, objectives of its mandate. Even if that revenue is then invested in domestic productions, the dynamic is based on revenue generation as the guide for program decisions.

Both the CBC and the CRTC are legally required to operate at arm’s length from the federal government to retain their independence, but sometimes that arm is not very long. The CRTC made repeated assurances that it was pursuing public service objectives during every review of regulatory frameworks in both telecommunications and broadcasting. However, the independence of the CRTC’s regulatory approach and functions is questionable because it was also complying with a federal directive to pursue commercial objectives.

The CBC is structurally vulnerable to political interference, since the top positions are government appointed. The CBC’s Board of Directors distanced itself from the management level in an effort to limit opportunities for editorial interference,
but it is powerless to redefine its relationship with government and control incidents of political interference. The relationship is easily politicized, particularly when the CBC performs its function as a member of the fourth estate. When reports about government are favourable, the CBC is accused of being a "state broadcaster" but when the reports are critical, they can raise the ire of the CBC's main source of funding. Chapter Six described how the CBC reacted to the government demand that it conduct itself more like a business. The CBC undertook an extensive institutional transformation that affected every mechanism it uses to deliver its mandate. It changed its operational, advertising and managerial models, its labour relations, outsourced more activities and partnered with more private companies.

Even so, the neopluralist theoretical approach of this research study helps to explain the various roles of the different stakeholders, including evidence of reversals. The CRTC, for example, has not adopted a market-driven approach blindly, nor has it always given unmitigated support to support the private sector. It did redefine new media as new media broadcasting, appealed to the courts to define the relationship of Internet Service Providers to the Broadcasting Act, and identified the need for regulation to address digital divide issues. It also awarded the CBC with the specialty service licence for Newsworld channel, against resistance. Nonetheless, the CBC followed its own path in developing Radio 3 and subsequent online services against the advice of the CRTC and without much in the way of federal support. These acts of self-direction on both the part of the CRTC and CBC indicate that there may be opportunities to democratize the processes of policy development and content creation.
7.6.3 Diversity

The CBC has been utilizing new media to increase its interaction with and input from the public, and it has been ahead of private broadcasters in its approach to new media development. For example, online streaming channels, concert recordings and the Radio 3 web sites promote Canadian music and musicians in all genres as never before. The mainstream radio content has had more of a struggle to maintain its diversity and Canadian focus, and television has always been problematic for the CBC.

The ethos itself, however, is endangered as the CBC struggles to maintain audiences for its traditional services, and its motivation to reinvent itself has been focused on revenue generation, rather than the distinctiveness, originality, creativity or capacity of the content to reflect Canada and Canadians. The amalgamation of the television, radio and new media production teams has created a great deal of anxiety about the effect of the commercial approach of new media and television for radio, (which was) the last non-commercial service. The concerns about the cross-platform production model are that it effectively homogenizes content as it is packaged and recycled on various platforms, and that there are implications for the ability of the audience to distinguish between the distinctive radio, television and new media brands.

7.6.4 Distinctiveness

Without a full content analysis, this research study cannot say conclusively whether the CBC’s content is distinctive from that of its private counterparts on all platforms, or whether it draws from and represents a more diverse range of interests than
they do. However, certain events during the research period suggest that the
distinctiveness of the CBC’s offerings have been, and continue to come under,
significant threat (see Appendix VIII). The non-commercial radio broadcast services
managed to hold on to their reputations for diverse sources and distinctive content, but
was faced with a significant backlash from listeners who objected to programming
changes designed to appeal to different demographics, particularly when the music
network replaced its classical programming with more diverse genres and newer music.
The struggle for local, regional and national coverage on the two main networks has
continued. The demise of Radio Canada International as a radio service and its
relegation to a website can be seen as a blow to the diversity of the CBC’s service
offerings.

While the CBC calls itself a “Content Company”, its operational structure has
come to resemble that of a carrier as its role has shifted from creator to commissioner.
The broadcaster began producing content at a time when it was the biggest player in the
market and other sources of Canadian content were scarce but now it is out of the
English television production business, has cut the orchestra and sold sections of its
publicly-funded programming archives while it contracts independent production
companies to make content. This would not be a problem, except when the content that
the CBC is distributing, particularly on television, is not Canadian.
7.7 The transition of Canadian public service broadcasting to media

Public service media is obligated to promote social cohesion while serving the needs of cultural diversity, democracy and both special groups and individual users (Bardoel and Lowe, 2007). The CBC’s transition from public service broadcaster to public service media is incomplete and tenuous. In recent years, Canada has been moving away from the possibility of public service media towards the end of both the public service broadcasting system and institution. The political climate and societal change have undermined not only the ethos of public service in media, but the credibility and integrity of the CBC as well.

Raboy argued for repositioning public service broadcasting as a priority in Canadian society (1997b). He outlined particular steps that would also be necessary to complete and solidify the transition, including the CBC carrying content that Canadians want and need, a realistic funding strategy, a redefined mandate, and a greater degree of public accountability for the entire system (Raboy 1997b). To focus on the needs of citizens, public service broadcasting cannot be restricted to a particular institutional model, single type of ownership or one style of funding. According to Raboy, any type of broadcaster, if it followed a clear set of guidelines, could deliver the public service remit, but since this has been a case study of the CBC that is where the focus shall remain.

For public service media to be possible, there have to be changes in the production model. There needs to be a generational shift using newer technologies, from a ‘push’ model of public service broadcasting to a ‘pull’ model of public service...
media by creating a demand-driven rather than supply-driven model of operations (Bardoel and Lowe, 2007). The key ingredient is a public access infrastructure that would answer the mandates policy-driven public broadcasters like the CBC, while maximizing the potential for access offered by newer technologies.

Not all sources of commercial funding are equal. Generating revenue from program sales or service rentals and leasing facilities do not contravene the mandate, but they cannot be relied upon for operational or core funding. However, the CBC’s dependence on advertising revenue must be eradicated because it is having an effect on content decisions. Because it is so difficult to predict the evolution of new technologies, the annual funding model of the CBC needs to be adapted to allow a longer view when it comes to allocating resources and at the same time, prevent commercial creep. The example of the BBC demonstrates what can be accomplished when public services have a guaranteed level of funding over a multi-year term to achieve particular objectives.

If the CBC had guaranteed income for a multi-year term, say five years, it should be able to reduce its dependence on commercial funding and the legislative changes are not unprecedented. The Treasury Board is already permitted to approve multi-year items in the organization’s budget (1991, Part III, 54., (8)) and the CBC is already required by the existing Broadcasting Act to submit both annual and five-year corporate plans (1991, Part III, 54. (2)(3)). The main legislative change would be that the CBC’s funding would have to be secure, and since ruling parties can change within a five year period, that guarantee would have to be entrenched.
The ethos of public service is a constant 'ideal' based on the principles of universality, diversity, distinctiveness and independence. As the context changes, the public service broadcasting ethos is interpreted by different stakeholders and there is negotiation between them about the particular social, cultural and economic objectives it is meant to deliver in each country. Chapter Three provides a template based on what has been identified as essential in different systems and of various types of broadcasters, and the issues and demands of various stakeholders in the public system are what define the ethos of public service broadcasting as distinctively Canadian.

The traditional interpretation of the public service broadcasting ethos has been to typify the public as a monolithic collective. In the new technological context, the sheer volume of content that is available in different, individualized formats make the possibility of a shared culture challenging, but only if the goal is to create a single, homogenous “mass” audience. The ethos of public service media needs to be realigned with the realities of Canadian society, which is much more diverse than a century ago.

In the past, discussions of Canadian identity have portrayed the wide social and cultural diversity of Canadian society as an obstacle to understanding what public service broadcasting should be and do. Interestingly, the information society provides us with a new way to think about that obstacle and move towards a model of public service media, which has the capacity to serve a public made up of individuals with multiple interests, who are capable of supporting a ‘common will’ for the public good (Macpherson, 1987, p. 60).
The Canadian public service media ethos is not as limited as the broadcasting one was because new information and communications technologies are interactive rather than unidirectional. By taking the attributes of different communication platforms into consideration when revising the CBC’s remit, we can to start thinking about an ethos of public service media that suits Canada’s heterogeneous society. The definition of an ethos is that it is “... the characteristic spirit or attitudes of a community, people, or system...” (Barber, 1998, p. 478). However, because there is no single, archetypal Canadian “…community, people or system…”, we can take a lesson from the diversity that information and communication technologies permit to redefine what public service media means in a changing communication technology environment.

Public service media is therefore not limited to reflecting the social, cultural or economic objectives of a single or dominant group in Canadian society, but rather, has the potential to reflect an aggregate of values, both shared and dissimilar, held by different communities within Canadian society. As new information technologies evolve and spread throughout Canadian society, the task of public service media becomes to ensure that Canada’s society and culture are communicated in all of their diversity and complexity, and with all of their contradictions as well.

The information society presents the opportunity for the CBC to embody its mandate more fully than it ever could with unidirectional broadcast media platforms, by using various means to deliver a wide range of content that reflects the diversity of Canada’s neopluralist society. A condensed, distinctively Canadian ethos of public service media would then focus on the need for content, on any platform, that reflects,
informs, enlightens and entertains Canadian citizens of all ages and interests in multiple languages. The mostly-publicly funded national, Crown Corporation could then be encouraged to adapt the various mechanisms it uses to deliver its public service mandate in ways that increase regional and public involvement. It could thereby create and disseminate broadcast and non-broadcast content that promotes understanding of Canada’s diverse multi-culture and its democratic rights and freedoms, both nationally and internationally. Removing the technology-based limitations on the CBC in the Broadcasting Act (1991) would show that government recognizes there is a role for the CBC in the global media market.

Digital information and communication technologies enable the creation of a social process of collaboration between public service media and the public, which can then be used to define the institutional agenda and serve imperative social, cultural and democratic needs. Involving the public would increase transparency, accountability and provide more accurate performance measures. Success of public service media content could then be measured using public service rather than commercial criteria, for example, whether it has represented the public interest or legitimized political constructs, whether it has increased understanding between people or imposed restrictive social norms, whether it has benefited diverse cultural production and domestic industry or been used to sell soap.

With truly public service media, national unity is not something to be ‘imposed’ by the public service institution or system on the public. That agenda has never worked particularly well, since there is no single version of “Canadian-ness” that is acceptable
from coast-to-coast-to-coast. Instead, national unity should be seen as an outcome, or by-product of increased understanding between different cultural, social and regional groups.

Attempting to be universal, independent, diverse and distinctive, Canadian public service broadcasting has faced various challenges from being part of a mixed market, to covering the large land mass and providing content for a pluralist population with diverse cultural demands and linguistic requirements. The information society presents the opportunity to think differently about media, by thinking differently about the public it is mandated to serve. It is precisely the diversity of Canadians and the jostling nature of different interests defines the Canadian public, and therefore, should define what public service means in this country. The characteristic spirit or attitudes that the Canadian ethos of public service broadcasting embodies is that Canada is a complex country full of people with different backgrounds and languages, as well as businesses, regulatory and state organizations, each with their own interests. The public service broadcaster has been charged with using one-way communication technologies to serve each of these interested parties, and build connections between them, to paraphrase the Task Force on Canadian Broadcasting (1986, p. 265) “... as equally as possible, under the circumstances ...” Extending the ethos of public service broadcasting to non-broadcast media platforms requires a commitment to the principles and value of public service in communications, as well as political will, philosophical change and tangible support, which has been absent.
7.8 Areas for further research

This research fills a gap in the academic literature about the changes in Canadian communications, and thereby makes a contribution to the international debate about public service communications (Bardoel and Lowe, 2007). There are still many interesting questions that need answering. For reasons explained in Chapter Two, this study barely scratched the surface of the relationship between the public and the CBC, but there are multiple facets that would make fascinating research, not the least of which would be analyzing the shifts in media consumption patterns and the adoption of new media services between different regions and demographics. Analysis of the CBC’s multiple, and often failed, attempts at merchandising, for example CBC Enterprises, RadioWorks and the CBC Boutique would be very revealing of both changes in the corporate structure and the effect of commercialization. A case study that applied a public service framework to changes in licencing analogue and digital content might provide some interesting analysis that could help address some of the limitations associated with the current, outdated approach to copyright. One item that could be added to the Steemer-McQuail (2001) list of increased commercialization indicators is the effect of changing hiring practices on the public service mandate. Even though, “The officers and employees employed by the Corporation ... are not officers or servants of Her Majesty” (Broadcasting Act, 1991, Part III, 44.(3)), it would be beneficial to see if, or how, private companies, contract and casual workers, and permanent staff at the CBC weight the objectives of the public service mandate.
A longitudinal political analysis of the federal appointments to the upper level management of the CBC could be very revealing about operational and structural changes, as well as the role of political influence at various levels of the CBC. A neopluralist analysis of other public services at the federal level, such as national transportation systems or health could be useful to identify different stakeholders and assess their levels of influence over directions in policy. Finally, using a neopluralist theoretical approach to examine the impact of different stakeholders on other public service broadcasters around the world would provide valuable insight into the strengths and weaknesses of the different types and structures, as well as best practices.
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Appendix I
Interview Questions

From page 54.

**Government and CRTC questions**

Please state your name, job title and where you work for as a test of recording quality and to identify the recording for transcription.

1. **Policy**
   a. What has the working definition of public service broadcasting been for this department/the CRTC?
   b. Where does that come from?
   c. What is public service broadcasting meant to do or accomplish?
   d. Has the idea of public service broadcasting changed at all?
   e. Are there different public service expectations for different technologies?
   f. Has the department/the CRTC ever directly or indirectly questioned the value of public service broadcasting?

2. **Interpretation**
   a. Are there different interpretations of public service broadcasting?
   b. Whose are they? (e.g. public, CBC, private broadcasters, academics, politicians)
   c. What are the areas of tension or conflict between these different interpretations of public service broadcasting?
   d. Have expectations changed for what public service broadcasting is and what it is expected to accomplish? Where is the emphasis now?
   e. How does this department/the CRTC influence decisions?

3. **Practice**
   a. What is the relationship of this department to the CBC?
      i. How does your department/the CRTC communicate with the CBC?
   b. What has the CBC been expected to do as part of the Canadian broadcast system?
   c. Is the CBC running well as a public service institution/organization and performing satisfactorily? (7 themes)
   d. What are the most important public service responsibilities of the CBC?
   e. How was public service broadcasting practiced by the CBC before the onset of the ‘information age’? Has it changed at all?
   f. Where and in what ways have the practices of the CBC exceeded, met and failed the ethos of public service in broadcasting?
      i. Where has the CBC met expectations? (7 themes)
      ii. Where has it failed? Where has it exceeded expectations?
g. How have relations been between the CBC, the CRTC and government bodies? Have they changed at all? How? Why?
h. Have things changed at the CBC? If so, what? How has it changed?
  i. Who is affected and how? Why?
  ii. Are the changes adaptive (i.e. strengthen public service) or mal-
      adaptive (weaken public service)?
  iii. How has the department/the CRTC reacted?

CBC questions

Please state your name, job title and where you work for as a test of recording quality and to identify the recording for transcription.

1. Policy
   a. What is public service broadcasting? Where does that come from?
   b. What particular roles that the CBC been expected to play in the Canadian broadcast system?
   c. Have this idea and these goals always been the same?
   d. Has public service broadcasting been challenged in any way? (7 themes)

2. Interpretation
   a. Are there different ideas of public service broadcasting?
   b. How have relations been between the CBC, the CRTC and government bodies? How? Why?
   c. Has the government or the CRTC ever directly or indirectly questioned the value of public service broadcasting?
   d. What does the CBC see the role of public broadcasting to be now?
   e. Have expectations changed for what the CBC is, how it is expected to operate and what it is expected to accomplish?
   f. Where is the emphasis now?

3. Practice
   a. How do the organizational and institutional structure of the CBC reflect public service values? How not? What has the CBC been exclusively responsible for?
   b. What financial challenges has the CBC faced? Why? How did it deal with them?
   c. How does the CBC justify that it has met public service expectations in content? What do others say and why?
   d. Where and in what ways have the practices of the CBC exceeded, met and failed the ethos of public service in broadcasting?
   e. What praises and criticisms has the CBC had for what it does and how it does it?
   f. How are comments registered?
   g. What and who are the interested parties (government, public, private industry nationally and internationally? Who is commenting?
h. How are they making their views known (i.e. by what channels)?
i. What are the different levels of influence between the stakeholders?
j. Have things changed at the CBC? If so, what? How has it changed? Who is affected and how? What are the justifications? Has the way the CBC performs its public service duties changed? If so, which practices have changed and how?
k. How does the CBC see public service broadcasting and what it is meant to accomplish? Are the changes adaptive (i.e. strengthen public service) or mal-adaptive (weaken public service)?

Public interest groups

Please state your name, job title and where you work for as a test of recording quality and to identify the recording for transcription.

1. Policy
   a. How is public service broadcasting defined? Where does that come from?
   b. Has the value of public service broadcasting been challenged or questioned? How does the public influence public service policy?

2. Interpretation
   a. What role has public expected the CBC to play in the Canadian broadcast system?
   b. Is the public's idea of public service broadcasting the same as gov't? CRTC? Private broadcasters? The CBC? Academics?
   c. Does everyone agree on the role of the CBC and what it is supposed to make/do? If not, what are the objections?
   d. How does the public influence public service broadcasting legislation?
   e. Has there been a change in the interpretation of public service broadcasting?
   f. What does the public see the role of public broadcasting to be now?
   g. How does it make its views known?

3. Practice
   a. What kind of content does the public think the CBC should be producing for traditional media, new media and online?
   b. What has the CBC been expected to do in service of the public?
   c. How have relations been between the CBC and the public? Why?
   d. Where and in what ways have the practices of the CBC exceeded, met and failed the ethos of public service in broadcasting? Or to put it another way, what are the areas of tension that have arisen between the ethos of public service in broadcasting and the practices of the public broadcaster?
   e. What is the CBC doing well? Where has it just met with expectations? What is it not doing well? What is it failing to do? What are the reasons?
   f. How does the public influence the CBC?
g. What expectations does the public have for what the CBC is, how it is expected to operate and what it is expected to accomplish?
   i. Where is the emphasis now?

h. Have things changed at the CBC in its relationship with the public?
   i. If so, what? How has it changed? Why? Who is affected and how? What are the justifications?

j. Has the way the CBC performs its public service duties changed? If so, which practices have changed and how?
   i. Has the CBC changed its approach to public service broadcasting and what it is meant to accomplish? Are the changes adaptive or mal-adaptive?
   ii. How has the public reacted? How does it get its point across?

Private broadcasting interests

Please state your name, job title and where you work for as a test of recording quality and to identify the recording for transcription.

1. Policy
   a. How do private broadcasters define public service broadcasting?
   b. How does it affect them?
   c. Have private broadcasters ever directly or indirectly questioned or challenged the value of public service broadcasting?
      i. Do they see any value in it? Why/why not?

2. Interpretation
   a. Do private broadcasters see public service broadcasting the same way as CRTC? Government? The CBC? i.e is there tension or conflict?
   b. What role do private broadcasters think the CBC should do now?
   c. Has there been a change in the interpretation of public service broadcasting? Where is the emphasis now?
      i. Should it be responsible for different things or content than it used to?
      ii. Should it be organized, financed or governed differently?
   d. What should the CBC do for the broadcasting industry in Canada?

3. Practice
   a. What has the role of the CBC been in the Canadian broadcast system?
   b. What do private broadcasters like/dislike about the CBC?
   c. How do private broadcasters ‘grade’ the performance of the CBC in meeting its public service responsibilities?
      i. Where has it excelled?
      ii. Where has it failed?
      iii. How and why?
   d. How do private broadcasters make their views known (i.e. by what channels)?
e. How much access to different gov’t departments do private broadcasters have?

f. How much do they use? (levels of influence)

**Unique perspectives**

Please state your name, job title and where you work for as a test of recording quality and to identify the recording for transcription.

1. Policy
   a. What is public service broadcasting and what it is meant to do?
   b. Have there been particular roles that the CBC been expected to play in the Canadian broadcast system?
   c. Has the government or the CRTC ever directly or indirectly questioned the value of public service broadcasting?

2. Interpretation
   a. Where are the areas of tension or conflict that exist within these different interpretations of public service broadcasting?
   b. Has there been a change in the interpretation of public service broadcasting?
      i. What is the role of public broadcasting now?
      ii. Where is the emphasis?
      iii. Who says and how do they make their views known?
   c. What are the different levels of influence between the stakeholders?

3. Practice
   a. What are the relationships the CBC has with gov’t bodies and the CRTC like? How are they working?
   b. Where and in what ways have the practices of the CBC exceeded, met and failed the ethos of public service in broadcasting?
      i. Or to put it another way, what are the areas of tension that have arisen between the ethos of public service in broadcasting and the practices of the public broadcaster?
   c. How is that measured?
Appendix II
Interviewee titles

From page 55.

Broadcast policy advisor
Canadian Association of Broadcasters
Canadian Heritage official
CBC English Services executive
CBC New Media executive
Communications and multimedia scholar
Communications consultant
CRTC Executive official
Digital Media scholar
Former CBC President
Former Liberal Cabinet Minister
Friends of Canadian Broadcasting
Government relations and strategic communications consultant
Independent media consultant
Journalism and Communications scholar
Ms. McQueen
New Media funding expert
Political Economist and Communications scholar
Private broadcasting executive
Senior Communications policy scholar
Senior CRTC official
Telecommunications trade association consultant
Appendix III
Report of the Royal Commission on Radio Broadcasting

From page 71.

Summary of Recommendations
The following is a summary of our principal recommendations, viz: --

(a) That broadcasting should be placed on a basis of public service and that the stations providing a service of this kind should be owned and operated by one national company; that provincial authorities should have full control over the programs of the station or stations in their respective areas;

(b) That the company should be known as the Canadian Radio Broadcasting Company; that it should be vested with all the powers of private enterprise and that its status and duties should correspond to those of a public utility;

(c) That a Provincial Radio Broadcasting Director should be appointed for each province to have full control of the programs broadcast by the station or stations located within the boundaries of the province for which he is responsible;

(d) That a Provincial Advisory Council on radio broadcasting should be appointed for each province, to act in an advisory capacity through the provincial authority;

(e) That the Board of the company should be composed of twelve members, three more particularly representing the Dominion and one representing each of the provinces;

(f) That high-power stations should be erected across Canada to give good reception over the entire settle area of the country during daylight; that the nucleus of the system should possibly be seven 50,000 watt stations; that supplementary stations of lower power showed be erected in local areas, not effectively covered by the main stations, if found necessary and as experience indicates;

(g) That pending the inauguration and completion of the proposed system, a provisional service should be provided through certain of the existing stations which should be continued in operation by the Canadian Radio Broadcasting Company; that the stations chosen for this provisional service should be those which will give the maximum coverage without duplication; that all remaining stations not so needed should be closed down;

(h) That compensation should be allowed owners of existing stations for apparatus in use as may be decided by the Minister of Marine and Fisheries; that such apparatus should become the property of the Canadian Radio Broadcasting Company; that the more modern and efficient of these sets of apparatus should be held available for re-erection in local areas not effectively served by the high-power stations; that the cost of compensation should be met out of an appropriation made by Parliament;

(i) That expenditure necessary for the operation and maintenance of the proposed broadcasting service should be met out of revenue produced by license fees, rental of time on stations for programs employing indirect advertising, and a subsidy from the Dominion Governments.
(j) That all facilities should be made to permit a chain broadcasting by all the stations or in groups. That while the primary purpose should be to produce programs of high standard from Canadian sources, programs of similar order should also be sought from other sources;

(k) That time should be made available for firms or others desiring to put on programs employing indirect advertising; that no direct advertising should be allowed; that specified time should be made available for educational work; that where religious broadcasting is allowed, there should be regulations prohibiting statements of a controversial nature or one religion making an attack upon the leaders or doctrine of another; that the broadcasting of political matters should be carefully restricted under arrangements mutually agreed upon by all political parties concerned; that competent and cultured announcers only should be employed

(l) That consideration should be given to the question of introduction legislation which would compel users of electrical apparatus causing interference with broadcast reception to suppress or eliminate the same at their own expense

(m) That the licensing of stations and such other matters prescribed in the Radiotelegraph Act and Regulations issued thereunder for the control of radio stations in general should remain within the jurisdiction of the Minister of Marine and Fisheries; that that authority should continue to be responsible for the collection of license fees and the suppression of inductive interference causing difficulties with radio reception. (pp. 12-13)
### Appendix IV

**Canadian Broadcasting Corporation Budgets (millions of dollars)**

From page 149.

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Parliamentary appropriation</th>
<th>Additional federal funds</th>
<th>CBC-Generated revenue</th>
<th>English Expenses/Expenditures</th>
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<th>CBC-Generated revenue</th>
<th>English Expenses/Expenditures</th>
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<td>Capital</td>
<td>Working Capital</td>
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<td>2008-2009</td>
<td>996</td>
<td>91</td>
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**Notes:**
Specialty includes both English and French services such as Newsworld and Reseau d’information (RDI), Galaxie, Radio-Canada International, 1999-2000: specialty expenses do not appear to include RCI/RDI
"n/a" when reports do not clearly identify costs
The contents of this chart were taken from the financial sections of the Annual reports from 1993-1994 to 2008-2009. The formats and terminology of these reports varied considerably between different years, so the numbers are accurate only to the best of our knowledge.
Appendix V
Information Highway Advisory Council

From page 157.

Neil Baker: Chairman of Information Systems Architects Inc.; Chairman, Telecommunications and Information Technology Committee; Regina Economic Development Authority, Regina, Saskatchewan

André Bureau: Vice-Chairman of the Board, Astral Communications Inc.; Vice-Chairman, President and Chief Executive Officer, Astral Broadcasting Group Inc., Montreal, Quebec

André Chagnon: Chairman and Chief Executive Officer, Le Groupe Vidéotron ltée, Montreal, Quebec

Bob David, P.Eng.: Former President and Chief Executive Officer, EDTEL, Edmonton, Alberta

Mary Dykstra: Professor, Library and Information Studies, Dalhousie University, Halifax, Nova Scotia

Bill Etherington: Chairman, IBM Canada Ltd., Markham, Ontario

The Honourable Francis Fox, P.C., Q.C.: Senior Partner, Martineau Walker; Chairman of the Board, Rogers Cantel, Montreal, Quebec

John Gray: Writer and Composer, Vancouver, British Columbia

George Harvey: Vice-Chairman of the Board, Unitel Communications Inc., Toronto, Ontario

Brian Hewat: Chairman and Chief Executive Officer, Bell-Northern Research Ltd., Ottawa, Ontario

Elizabeth Hoffman: University Ombudsperson, University of Toronto; Chair, Steering Committee, Coalition for Public Information, Toronto, Ontario

Douglas Holtby: President and Chief Executive Officer, WIC Western International Communications Ltd., Vancouver, British Columbia
David Johnston (Chair): Professor of Law, Centre for Medicine, Ethics and Law, McGill University, Montreal, Quebec

Rosemary Kuptana: President, Inuit Tapirisat of Canada; President, Inuit Circumpolar Conference, Ottawa, Ontario (Did not serve to the end of the Council's mandate)

Veronica Lacey: Director and Secretary-Treasurer, Board of Education of the City of North York, North York, Ontario

John MacDonald: Executive Vice-President, Business Development and Chief Technology Officer, Bell Canada, Ottawa, Ontario

Terry Matthews: Chairman and Chief Executive Officer, Newbridge Networks Corporation, Kanata, Ontario

John McLennan: President and Chief Executive Officer, Bell Canada, Montreal, Quebec

Gerry Miller: Director, Computer Services, University of Manitoba, Winnipeg, Manitoba

Reginald Noseworthy, P. Eng.: President, Porak Enterprises Inc., Winnipeg, Manitoba (Did not serve to the end of the Council's mandate)

Jean-Claude Parrot: Executive Vice-President, Canadian Labour Congress, Ottawa, Ontario

Anna Porter: Publisher and Chief Executive Officer, Key Porter Books Limited, Toronto, Ontario

Derrick Rowe: President and Chief Executive Officer, NewEast Wireless Technologies Inc. and NewEast Wireless Telecom, St. John's, Newfoundland

Guy Savard: Vice Chair and President Quebec Division, Midland Walwyn Inc., Montreal, Quebec

Irene Seiferling: Immediate Past President, Consumers' Association of Canada, Saskatoon, Saskatchewan

Gerri Sinclair: Director, Exemplary Centre for Interactive Technologies in Education (ExCITE) Group, Faculty of Education, Simon Fraser University, Burnaby, British Columbia
Charles Sirois: Chairman and Chief Executive Officer, Teleglobe Inc., Montreal, Quebec

David Sutherland: Director, Computing and Communications Services, Carleton University; Chairman of the Board, National Capital Freenet, Ottawa, Ontario

Gerry Turcotte: President, Ottawa Carleton Research Institute, Kanata, Ontario

Dr. Mamoru Watanabe: Professor of Medicine, Faculty of Medicine, University of Calgary, Calgary, Alberta

Colin Watson: President and Chief Executive Officer, Rogers Cablesystems Ltd., Toronto, Ontario

Source: http://archive.ifla.org/documents/infopol/canada/ihacfnl.txt
Appendix VI

CBC Mission, Vision, Values from Annual Reports

From page 208.


Corporate Profile
The Canadian Broadcasting Corporation was created by an Act of Parliament on November 2, 1936 and now operates under the 1991 Broadcasting Act.

The CBC is Canada’s national public broadcasting service, rooted in all parts of the country. It exists for the benefit of all Canadians, recognizing their diversity of expectations, value, interests and needs. It produces, procures and distributes primarily Canadian programming, in English, French and a number of other languages, through its national, regional and local radio and television services, and various domestic and international specialty services.

The Mission of the CBC is …
• to inform, entertain and enlighten both general and specialized audiences;
• to contribute to the development of a shared national consciousness and identity;
• to reflect the regional and cultural diversity of Canada, by, among other things, presenting each region to itself and to the rest of the country;
• to contribute to the development of Canadian talent and culture; and,
• to reflect the changing realities of the Canadian experience and of the world in which we live, as seen by Canadian eyes, heard by Canadian ears, investigated by Canadian minds and explored by Canadian imaginations.

The CBC Values…
Canada, public service, its listeners and viewers, its human resources, creativity, excellence, diversity, integrity, efficiency and accountability.


CBC’s New Mission statement
The Canadian Broadcasting Corporation is a public resource, owned by all Canadians. Our services, in French and in English, inform, enlighten and entertain. We contribute to Canadians’ shared national consciousness by celebrating Canada’s cultural and regional diversity, building bridges between our official language communities and helping our citizens take full part in the country’s life. We create, produce and present distinctive high quality Canadian programs and offer the best from around the world.
Adopted by the Board of Directors as part of the new “Vision for the CBC.”

Message from the Chair of Board of Directors, Guylaine Saucier (p. 6):

.... From the Board’s perspective, the mission comes down to three imperatives:
4. Find a niche;
5. Be Canadian;
6. Appeal to Canadians.

...CBC must shoulder responsibilities that others will not. Only the public broadcaster can be counted on to produce programs and service audiences that are not economically viable for commercial broadcasters; Canadians in remote communities; young viewers and listeners who will benefit from healthy programming designed to entertain them while helping them learn and grow.

...First and foremost, we treat our viewers and listeners as citizens; not as our customers, nor the potential customers of products our advertisers want to sell.


1998-1999 CBC/Radio-Canada Annual Report:

A Refined Mission

While the CBC’s mandate remains constant and well defined, the way in which the Corporation carries out its duties must evolve in step with the evolution of the broadcast industry, the impact of globalization and the changing habits of Canadians. In 1998-1999, a strategic plan to guide the CBC into the new millennium was crafted with input from Canadians by means of the CRTC’s public consultations undertaken in March in 11 cities across Canada, and through ongoing dialogue involving all components and the Board of Directors. The CBC’s core competencies, strengths and weaknesses were examined and challenged so as to develop the optimum plan. The results are expressed in our strategic vision titled Our Commitment to Canadians which was presented to the CRTC as part of the licence renewal process. The strategic plan is based on a set of key priorities, redefines the CBC’s mission for the new millennium and undertakes a number of important commitments.
The Priorities

Throughout the strategic planning process the CBC was guided by a number of simple yet powerful priorities:

- a determination to maintain and deepen the CBC's regional roots;
- a commitment that the CBC's programming will be pan-Canadian;
- continuing the revitalization of CBC's English television;
- CBC's news and information services will set the standard for Canadian journalism;
- opening the CBC's corporate culture to respond to the new environment.

The Mission

As Canada's public broadcaster, the CBC provides services in English and in French, and is accountable to all Canadians. The CBC

- tells Canadians stories reflecting the reality and the diversity of our country;
- informs Canadians about news and issues of relevance and interest;
- supports Canadian arts and culture;
- builds bridges among Canadians, between regions and the two linguistic communities.

The Vision

The CBC will reflect the strength of our country's past, the promise of our future, and the remarkable regional and cultural diversity of our people. The CBC's news and information programming will be acclaimed for the highest possible standards of excellence, professionalism, credibility and accountability. To enable Canadian expression to flourish and to prosper in the next century, we will create a stimulating and distinctive programming environment in English and French, delivered to Canadians across a wide range of platforms, through new cost-effective services and strategic partnerships.

The Commitments

The CBC is accountable to each and every Canadian. As we enter a new period of our history, we have set out a clear set of commitments to guide our actions. Many of these commitments are already being implemented and others will be launched in the near future.
The CBC will:

1. Provide programming of interest to all Canadians
2. Provide a pan-Canadian reflection throughout our programming
3. Strengthen our distinctive presence in the regions
4. Revitalize English Television through Canadianization
5. Provide Canada's premier news and information service
6. Support French language and culture throughout Canada
7. Build bridges between French and English cultures and communities
8. Champion Canada's arts and culture
9. Develop a constellation of new services to better respond to Canadians
10. Play a leadership role in new media and new technology
11. Adapt and open up the corporate culture
12. Provide a view of Canada abroad

Throughout its history, CBC has evolved, adding services, rebalancing schedules, and responding to wide fluctuations in its finances. However, the values that have guided its role as a public broadcaster - a determination to tell Canada's stories, a respect for its audiences, and a commitment to quality - have remained unchanged. They will continue to animate everything the CBC does as it accompanies Canadians into a new millennium.

2000-2001, until 2003-2004-reports do not have a separate mission statement. Instead they use categories from the strategic plan:

- High-quality, Distinctive Canadian Programming
- Efficiency
- Creative and Human Resources
- Strategic Partnerships
- Collaboration
- Strong Stakeholder Relations

2004-2005 CBC/Radio Canada Annual Report. What is a public space?

As Canada’s national public broadcaster, CBC/Radio-Canada addresses Canadians as citizens who want to be informed and challenged as well as entertained. They want to be exposed to a broad range of subjects, opinions and ideas that reflect the diversity and complexity of Canadian society. They want a public space in which continual questioning, debate and discussion add depth to the processes of a democratic society. This is the unique and essential role of CBC/Radio-Canada (p. 9).

Vision: Connecting Canadians through compelling Canadian content
Mission: To create audacious, distinctive programming, programs designed to inform, enlighten and entertain
Core Values: Serving the Canadian Public, a culture that is driven to achievement, a creative organization in continuous renewal, working together

Vision, Mission, Values
Programs that reflect Canadians and Canada’s regions. Programs that help tie the country together and explain great national and international events. Programming in all genres with emphasis on news and current affairs, drama and culture; and not forgetting our special responsibility to children.
Appendix VII

From page 232.

Total Parliamentary Funding of CBC
Including One-Time Grants
(in 2011 $)

Sources: Annual Treasury Board Main and Supplementary Estimates. Figures are in C$ millions adjusted to
year 2011 dollars using 1914-2011 Statistics Canada Consumer Price Index data (V41690973 series, March
2011). Years reflect the Government of Canada fiscal year ending March 31. Figures reflect Treasury Board
annual Main Estimates for operations, working capital and capital expenditures combined with amount of
one-time additional funding, if any, subsequently voted in Supplementary Estimates. Figures for 2011/12
include $60 million in programming funding announced in 2011-12 Federal Budget tabled March 22, 2011,
but not yet voted. Figures do not reflect production fund or tax credit contributions to CBC productions.

Used with permission from Friends of Canadian Broadcasting.
Appendix VIII

From page 285.

The distinctiveness and independence of the Corporation have come under further threat more recently. The 2013 federal budget omnibus bill issued by the Harper Conservatives also carried a measure that the federal government would take a direct role in the labour negotiations at the Corporation as an 'efficiency' measure. The "Economic Action Plan 2013 announces the Government’s intention to work with public sector bargaining agents to identify further steps toward this objective and to examine its human resources management practices and institutions in a number of areas" (Bill C-60, p. 12). Government involvement contravenes the spirit and the letter of the Broadcasting Act (1991). Part III outlines the powers of the Corporation with respect to "Employment of staff": “44. (1) The Corporation may, on its own behalf, employ such officers and employees as it considers necessary for the conduct of its business.”

In the section that deals with "Financial Provisions":

52. (1) Nothing in sections 53 to 70 shall be interpreted or applied so as to limit the freedom of expression or the journalistic, creative or programming independence enjoyed by the Corporation in the pursuit of its objects and in the exercise of its powers.

(2) Without limiting the generality of subsection (1), and notwithstanding sections 53 to 70 or any regulation made under any of those sections, the Corporation is not required to

(a) submit to the Treasury Board or to the Minister or the Minister of Finance any information the provision of which could reasonably be expected to compromise or constrain the journalistic, creative or programming independence of the Corporation; or

(b) include in any corporate plan or summary thereof submitted to the Minister pursuant to section 54 or 55 any information the provision of which could reasonably be expected to limit the ability of the Corporation to exercise its journalistic, creative or programming independence (http://laws-lois.justice.gc.ca/eng/acts/B-9.01/FullText.html).

The Financial Administration Act (1985) is also pretty clear about the independence of Crown corporations and their management:
109. Subject to this Part, the board of directors of a Crown corporation is responsible for the management of the businesses, activities and other affairs of the corporation. (http://laws-lois.justice.gc.ca/eng/acts/F-11/page-48.html#h-44

In addition, the most recent licence renewal, the Commission approved the Corporation’s application to carry advertising for the next three years on Radio Two English and Espace musique French networks to make up the $115 million cut from the 2012-2013, 2013-2014 and 2014-2015 parliamentary appropriations over the same period (Broadcasting Decision CRTC 2013-23).
Endnotes

Chapter Three

(1) Despite contributions from Canadian scholars over the years, the research focus of the Re-visionary Interpretations of the Public Enterprise (RIPE) initiative has a Euro-centric focus:

“Public Service Broadcasting (PSB) has a long and storied history in Europe, an interesting but shorter history in the USA, and is a relatively undeveloped approach in much of the rest of the world” (http://ripeat.org/about-ripe/).

(2) Members of the Aird Commission were Sir John Aird, President of the Canadian Bank of Commerce, Dr. Augustin Frigon, Director General of Technical Education in the Province of Quebec, and Charles Bowman, Editor of the Ottawa Citizen. Donald Manson acted as Secretary (Aird, 1929).

Chapter Four


(4) Other stakeholders who endorsed a national digital strategy were: “... the Ontario Minister of Culture, the Ontario Media Development Corporation, Astral Media Inc., Bell Canada/Bell Aliant, the Canadian Film and Television Production Association, Corus Entertainment Inc. and Quebecor Media Inc” (CRTC 2009-329, Para. 71).

(5) The Corporation began the Vancouver-based CBC Radio Orchestra in 1938. When it was cut for financial reasons in 2008, it was the last of its kind in North America (CBC News, 27 March 2008).

Chapter Five

(6) Peter Gzowski was hosting the radio network program “This Country in the Morning” in 1971, and the show invited listeners to conclude the phrase "As Canadian as..." Heather Scott won with her entry "... possible, under the circumstances" (Globe and Mail, 24 May 1996).

(7) Appendix Ten of the Lincoln Report lists the names of forty-seven studies of the Corporation that were conducted between 1936 and 2003.
Chapter Six

(8) The author was laid off from the CBC during the downsizing program from 1995-1996 to 1997-1998. It was commonly understood that anyone with less than twelve years was to be let go.

(9) In a more recent study using data from 2009, Canada’s position was still third from the bottom, with an annual contribution of $34 per inhabitant. The eighteen countries ahead were Norway ($164), Switzerland ($155), Germany ($147), Denmark ($142), Finland ($116), United Kingdom ($111), Sweden ($106), Austria ($99), Spain ($81), Belgium ($79), France ($78), Ireland ($71), Japan ($62), Australia ($44) and Italy ($43). The two behind were New Zealand ($27) and the United States ($4). The average had increased to $87 from 2004 to 2011 (Nordicity, 2011, p. 4).

(10) Radio Canada International is now an online service only. Its shortwave audio service ended after the federal budget in 2012 reduced the Corporation’s budget by ten percent, which was equivalent to about eighty per cent of Radio Canada International’s budget (CBC News, 26 June 2012).

(11) The suggestion of Radio services carrying commercials was anathema for a very long time at the Corporation, but that taboo appears to be broken. The 2012 federal budget cut the Corporation’s budget by ten per cent over three years ($115 million). As part of its licence renewal, the Corporation received permission from the Commission to make up for that lost revenue by carrying advertising and sponsorship on both its Radio 2 and Espace musique for three years (CRTC 2013-263, 264 and 265).

(11) Roundtable on the Arts, Heritage Institutions, Publishing, Film and Video Sectors. Participants:

Jim Abbot, Reform, Kootenay-Columbia;
Kevin Shea, President and CEO CanWest Global System;
Jacques Saada, Liberal, Brossard-La Prairie;
Pierre Roy, President and CEO, Reseaux Premier Choix inc., part of Astral;
Hon. Perrin Beatty, President and CEO CBC;
Bruce Cowie, Exec VP and CEO, Baton Broadcasting Inc.,
Ken Stein, Sr. VP, Corporate and Regulatory Affairs, Shaw;
Abraham Tagalik, Chair, Television Northern Canada;
Mark Muise, West Nova, PC, Heritage Critic;
Mauril Belanger, Ottawa-Vanier, Liberal.
Curriculum Vitae

Mary Catherine Milliken

Universities attended:

Trent University, Peterborough ON, First year Arts, 1984-85
Queen's University, Kingston ON, Bachelor of Arts, Honours, Film Studies, English Minor, 1988;
University of New Brunswick, Fredericton NB, Master's of Arts, Sociology, 2000-2002
University of New Brunswick, Fredericton NB, Doctorate of Philosophy, Sociology, 2003-2013

Publications:


Contributing author:


**Conference Papers and Presentations:**


2003 Milliken, M., Reddick, A., Rideout, V. “The Internet as a Traditional Media Model?” Canadian Communications Association, Congress. Panel. Dalhousie University, Halifax NS, May-June.

2002 Milliken, M. “The Internet and public service broadcasting à la CBC: Mixin’ it up or all in a muddle?” Graduate Student Association Conference on Student Research. UNBF, Feb. 21-22.