

# TURNING THE CHANNEL ON CANCON



How to unleash  
Canadian creativity  
in the digital age

Jill Golick  
Sean Speer



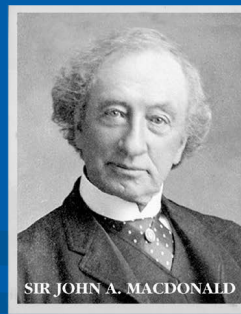
September 2019



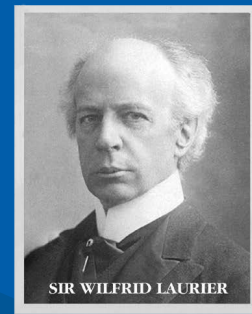
True North in  
Canadian public policy



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# Executive Summary

**F**ollowing the forthcoming federal election, the next government will have to address Canada's broadcasting and cultural policy framework whether it wants to or not. There is no choice. A combination of economic and technological forces has rendered the current policy framework obsolete. The question is no longer about whether we need modernization. It is only about how and for whom the system is reformed.

The current broadcasting and cultural policy framework was conceived more than 50 years ago. It was a different time in many regards – including culturally, politically, and technologically. Underlying the present model was a “grand bargain” between government and Canada's domestic broadcasters. The government granted protection from foreign competition in exchange for mandated investments in Canadian cultural content.

The problem is that neither side is able to live up to its end of the bargain anymore. The rise of new, over-the-top streaming services (such as Amazon Prime, Hulu, Netflix, and several emerging ones including Apple, Disney Plus, and NBC Universal) is reshaping how cultural content is produced, promoted, disseminated, and ultimately viewed. We effectively have an analog policy for a digital era. It is increasingly unsustainable as policy-makers such as the current and former Canadian Heritage ministers have conceded.

This paper sets out a new vision for Canada's broadcasting and cultural policy framework. It is rooted in ambition rather than defensiveness and is focused on the global market rather than the domestic one. Our goal is audacious but achievable: it is to leverage the new and evolving digital revolution to cultivate a dynamic and self-sufficient cultural industry. But, to realize this goal, we need the right set of policies and public support.

To this end, we recommend abandoning the grand bargain's underlying assumptions and its policy manifestations. In particular, we propose retooling the Canada Media Fund from being broadcaster-driven to creator-driven in order to incubate and support new Canadian content for the global market and to exploit Canadian intellectual property. This vision has various policy implications, including, but not limited to, changing the trigger for accessing public subsidies from a broadcaster to the creator or producer, eliminating current domestic quotas and mandates, and provide greater assistance to Canadian cultural creators to target global audiences.

This new model would transform how content is funded and developed in Canada. But we believe that it has the potential to secure broad-based support. Canadian-based broadcasters would likely support reforms that resolve the “two-tier system” that has been the subject of growing industry-wide criticism. Canadian creators and producers could support reforms if doing so meant that public resources were deployed based on market potential rather than broadcaster demands. Progressives should support such changes because they would help expand public support for Canada's cultural industry. And conservatives could be supportive because the long-term goal is to gradually phase out public support and create a self-sufficient industry. This strikes us as a possible win-win-win-win.

# Sommaire

**A**près les élections fédérales prochaines, le gouvernement en place devra, qu'il le veuille ou non, se pencher sur la stratégie canadienne en matière de radiodiffusion et de politique culturelle. Il n'aura pas d'autre choix, car un ensemble de forces économiques et technologiques ont rendu désuète la stratégie actuelle. La question n'est plus de savoir s'il faut moderniser cette dernière. Nous devons plutôt établir comment et pour qui le système doit être réformé.

La stratégie actuelle en matière de radiodiffusion et de politique culturelle a été conçue il y a plus de 50 ans. Cette époque était différente de la nôtre à bien des égards, notamment culturellement, politiquement et technologiquement. Le modèle actuel repose sur le « grand compromis » négocié entre le gouvernement et les radiodiffuseurs nationaux du Canada, qui consistait en une protection contre la concurrence étrangère en échange d'investissements obligatoires dans le contenu culturel canadien.

Le problème, c'est que ni l'une ni l'autre des deux parties n'arrive maintenant à honorer ses obligations. La montée en puissance de nouveaux services de diffusion en continu (comme Amazon Prime, Hulu, Netflix et plusieurs nouveaux services comme celui d'Apple, de Disney Plus et de NBC Universal) remodèle la façon dont le contenu culturel est produit, commercialisé, diffusé et finalement visionné. Nous disposons effectivement d'une politique pour une ère numérique. Or, elle est de moins en moins viable, ce que les décideurs politiques ont reconnu, y compris le ministre actuel et les anciens ministres du Patrimoine canadien.

Le présent document expose une nouvelle vision de la stratégie canadienne en matière de radiodiffusion et de politique culturelle. Elle est inspirée par l'ambition – plutôt que par une position défensive – et est orientée sur le marché mondial plutôt qu'intérieur. Notre objectif est audacieux, mais réalisable : il s'agit de tirer parti de la nouvelle révolution numérique en cours dans le but de cultiver le dynamisme et l'autosuffisance de notre industrie culturelle. Cependant, pour atteindre cet objectif, nous avons besoin de bonnes politiques et d'un soutien public adéquat.

À cette fin, nous recommandons d'abandonner les prémisses ayant mené au compromis négocié entre les parties et aux considérations politiques qui y sont associées. En particulier, afin de développer et de soutenir de nouveaux contenus canadiens sur le marché mondial et de valoriser la propriété intellectuelle canadienne, nous proposons de réoutiller le Fonds des médias du Canada pour l'axer sur les créateurs plutôt que sur les radiodiffuseurs. Cette vision a diverses répercussions politiques, incluant, sans s'y limiter, la réaffectation de la voie d'accès aux subventions des radiodiffuseurs aux créateurs ou aux producteurs, l'élimination des quotas et des mandats nationaux actuels et une aide accrue aux créateurs de contenu culturel canadien pour cibler des publics mondiaux.

Ce nouveau modèle transformerait la façon dont le contenu est financé et développé au Canada. Cependant, nous pensons qu'il a le potentiel d'obtenir un large soutien. En effet, les radiodiffuseurs canadiens appuieront probablement des réformes permettant de régler le « système à deux vitesses », qui fait de plus en plus l'objet de critiques au sein de l'industrie. Les créateurs et les producteurs canadiens adhéreront aussi à ces réformes si elles visent à déployer les ressources publiques en fonction du potentiel du marché plutôt que des demandes des radiodiffuseurs. Enfin, les esprits progressistes devraient supporter de tels changements parce que ceux-ci inciteront le public à soutenir l'industrie culturelle canadienne. Et les esprits conservateurs pourraient y consentir au vu de l'objectif à long terme qui est d'éliminer progressivement les mesures gouvernementales et de créer une industrie autosuffisante. Cela nous apparaît gagnant sur vraiment tous les plans.

# Introduction

Broadcasting and cultural policy were conspicuously absent from the 2015 federal election campaign. The one exception was a widely-viewed YouTube video by then-Prime Minister Stephen Harper about the so-called “Netflix tax” and the risk that the opposition parties might impose one (CBC 2015). The prime minister did not specify what precisely he was referring to, but nevertheless, the Liberal Party and the New Democratic Party moved quickly to assure Canadians that they opposed such a policy. The upshot is that there was no substantive discussion of the significant policy questions about the taxation of digital services and how the Canadian government supports cultural production in a new and evolving digital landscape.

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*Canadian policy-makers should stop thinking in defensive or protective terms.*

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These policy challenges have not disappeared. They have only become more urgent and more complex. The rise of streaming media services, also known as “over-the-top,” or OTT, television content providers such as Amazon Video, Crave TV, Hulu, and Netflix is reshaping how Canadians access cultural content. One estimate is that there will be more over-the-top subscribers than subscribers to traditional broadcasters by 2020 (Desjardins 2018).

But it is not just how we consume cultural programming that is changing. How and for whom we create and produce content is also fundamentally changing. The marketplace is becoming more globalized with a large number of traditional and over-the-top platforms acquiring, creating,

and disseminating content. This has major implications for creators of Canadian cultural content (including writers, directors, producers, and actors) and how their work is produced, promoted, and disseminated. As a federal panel responsible for reviewing Canada’s broadcasting and telecommunications policies recently observed, “The shifting market dynamics are likely to be a permanent aspect of the landscape” (Broadcasting and Telecommunications Legislative Review 2019).

Yet Canada’s public policy framework is still rooted in an inward-looking model that is principally concerned with protecting Canadian broadcasters and subsidizing Canadian content for domestic consumption. A “grand bargain” struck between broadcasters and government and codified in the *Broadcasting Act* more than 50 years ago has unravelled. The resulting gap between business and technological trends and Canada’s outdated policy framework is growing and it is harming opportunities for Canadian creators and producers to fully participate in the new, dynamic global marketplace.

How can we close this gap? That is the subject of this paper.

We argue that Canadian policy-makers should stop thinking in defensive or protective terms and instead orient the country’s policy framework, including the deployment of public resourc-

es, to supporting and cultivating Canadian cultural content for global consumption. This would mean shifting from a policy framework that aims to protect Canadian broadcasting to one that supports and creates content for a global market. The ultimate goal should be to leverage the new and evolving digital revolution to cultivate a dynamic and self-sufficient cultural industry. This goal is achievable with the right set of policies and public support.

This paper outlines the case for such a policy agenda. We examine the origins of the current policy framework, including what we refer to as the “grand bargain,” and its limits in the new technological environment. We describe how the system of quotas and public spending currently functions and the extent to which it creates barriers for creators and producers to fully participate in the global marketplace. We then conclude by setting out specific reforms that would better enable Canadian cultural creators and producers to bring their content to global audiences by leveraging new and evolving digital platforms.

We believe that our proposed reforms can find broad-based support among broadcasters, creators, and producers – and the general public. Now is the time for Canadian policy-makers to exhibit greater ambition and replace the 50-year old grand bargain with a new and better policy framework for the digital age.

## The “Grand Bargain”: Origins of the Canadian Broadcasting and Cultural Policy

It is useful to think of current Canadian broadcasting and cultural policy as the result of a grand bargain between government and industry in the late 1960s. This arrangement has governed Canadian policy in this area for the better part of half a century. But a combination of financial and technological forces is rendering it obsolete. Neither side is able to live up to its end of the bargain anymore.

Section 3 of the *Broadcasting Act* outlines the conditions of the bargain and the expectation of the participants on both sides (Canada 2019). It is worth unpacking the section and what it means for broadcasters and for government and in turn bring expression to the grand bargain which has defined Canadian broadcasting and cultural policy for more than 50 years.

The start of Section 3 stipulates that “the Canadian broadcasting system shall be effectively owned and controlled by Canadians.” This unequivocal statement represents government’s part of the bargain to the broadcasters. It commits to protecting the industry from foreign competition. Its place at the top of the section is telling; it is reasonable to interpret industry protection as the primary objective of the statute.

But such protection comes with demands from policy-makers. Subsequent sub-sections in the Act set out the responsibilities required of broadcasters in exchange. The Act calls on broadcasters to enrich “the cultural, political, social and economic fabric of Canada” and – through their programming and operations – to “serve the needs and interests, and reflect the circumstances and aspirations, of Canadian men, women and children” (Canada 2019). These few paragraphs are the policy basis for Canadian content requirements, including quotas and subsidies. The

broadcasters get state protection in exchange for producing Canadian content that aims to represent “the linguistic duality and multicultural and multiracial nature of Canadian society and the special place of aboriginal peoples within that society” (Canada 2019).

It is worth emphasizing that the industry protection comes first, and the Canadian content conditions come second. We will come back to this point momentarily. But the key, for now, is that the grand bargain formed the basis of Canadian broadcasting and cultural policy for several decades.

This arrangement was reached in unique cultural, political, and technological circumstances. The *Broadcasting Act* came into force in 1968. Cultural nationalism was in the air as Canadians celebrated the country’s centennial the previous year and recoiled in response to the Vietnam War. Airwave scarcity also produced technological constraints on the industry and the need for a degree of central planning.

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*Broadcasters who  
wished to use the  
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The Canadian Radio-television and Telecommunications Commission (CRTC), which was born out of the Act, was, in this context, mandated with the “orderly development” of Canada’s broadcasting and telecommunication sectors “in the public interest” (Speer 2016). The offshoot was the combination of domestic protection and mandated content that continues to mark Canadian broadcasting and cultural policy.

Top-down regulation was possible and even necessary in the communications sector at the time. The limited availability of radio frequencies necessitated rationing through government-managed licensing and other regulatory requirements. The 13-channel television system could be easily overseen and managed by a central regulator.

As mentioned, political sensitivities about culture only reinforced a predisposition to such a regulatory model. A combination of the rise of Canadian nationalism in and around the centenary in 1967, attendant concerns about the dominance of American culture and popular opposition to the Vietnam War, and the cultural and political influences of the Quiet Revolution in Quebec contributed to a growing emphasis on “cultural sovereignty” and the “development of Canadian expression” (Katz and Speer 2016). These sentiments shaped the creation of the Canadian Film Development Corporation (now Telefilm Canada) in 1967 and Canadian content (CanCon) requirements in conjunction with the establishment of the CRTC.

One can think of the cultural, technological, and political environment in even simpler terms. The airwaves were seen as a public asset. This enabled the government to manage the market in the form of domestic protection and mandated content requirements. Broadcasters who wished to use the public airwaves needed to conform to the bargain.

The *Broadcasting Act* and accompanying policies and institutions essentially set out these dual objectives of a protected domestic industry and the financing, production, and dissemination of Canadian content. As Pierre Juneau, the first chair of the CRTC, wrote in a 1986 column: “We believe that broadcasting is a matter for collective concern and that the intervention of the state may well be necessary to achieve national goals...” (Katz and Speer 2016).



It is neither our objective nor relevant to this paper to render a judgment on the forces that shaped these policy choices or if they were the right choices under the circumstances. We highlight the policy origins to emphasize the different context then from what it is today.

## A Changing Broadcasting Landscape

As we discussed earlier, the grand bargain in Canada was in part a reflection of a broader set of economic and technological forces that shaped the broadcasting business model around the world.

Understanding the current gap between policy and practice in Canada requires a brief primer on the evolution of broadcasting and its underlying business model.<sup>1</sup> We must remember that the Canadian broadcasting industry was largely based on the American one and deeply tied to it. A description of the historic broadcasting model in North America and its subsequent evolution is thus key to understanding the grand bargain's current unravelling.

Commercial broadcast television in the 1960s was free to viewers. The goal was not to generate subscriptions. The model was organized around maximizing advertising revenues. Audiences were essentially a commodity that the broadcaster sold to the advertiser (Maheshwari and Koblin 2018). The larger the audience, the larger the broadcaster's advertising revenue.

This model drove a form of cultural production that targeted large-scale audiences. Networks sought programming that would draw the largest viewership in order to maximize advertising revenues. Think of programs like *M\*A\*S\*H* that averaged close to 20 million viewers per episode in the United States. Its series finale was watched by 106 million viewers (Battaglio 2019). The recent *Game of Thrones* finale, by comparison, was viewed by 19 million (Digg 2019).

US broadcasters commissioned a large portion of their programming from studios and production companies. For these rights holders, the broadcaster's commission covered the costs of production, but the real revenues were found in syndication. After its initial network run, a series is syndicated by licensing it directly to multiple television stations as well as broadcasters around the world. Syndication required at least 65 episodes (which might take five seasons to produce).

For the studios and production companies, the goal was to produce series that would generate large numbers of episodes. The networks sought series that would draw big audiences. This combination of interests shaped the kind of television series that were produced. The most successful shows were ones that the entire family could watch together. They were also episodic in the sense that they told similar stories week after week. Scale was the name of the game both with respect to audience size and number of episodes. This meant that programs and shows targeted a median audience and generally refrained from controversy or provocation. Contemporary programming that appeals to smaller, niche markets would have been anathema to the industry for most of the 20th century.

The industry was also unrepresentative. Women, ethnic minorities, and other under-represented groups were mostly excluded as creators and producers and or as parts of the storyline. There were some exceptions, of course, such as *The Jeffersons* or *The Fresh Prince of Bel-Air* (Chow 2014). But that they are notable for their diversity and uniqueness is in and of itself a sign

that the traditional model of consolidation and centralization could be narrow and insular. Men tended to hold the remote control in the households so broadcasters produced programming that appealed to them. Furthermore, advertisers assumed that men were also the breadwinners and the decision-makers when it came to household spending, so they preferred to target them with their advertising dollars.

This cultural production model was also partly a reflection of a heavily-concentrated marketplace. The US market consisted of mainly three channels: NBC, ABC, and CBS. Canada similarly had a small number of commercial networks and the public broadcaster. A lack of broadcasting and consumer options only reinforced the model. As one observer has noted: “[these conditions] transformed entertainment into a big, powerful industry, with a handful of executives deciding what families would watch every night” (Satell 2015).

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*The emergence of cable television was the first challenge to the traditional television business model.*

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In Canada, the broadcast schedule has long been dominated by American-produced content. It is less expensive to buy national broadcasting rights to an existing US series than to produce an original Canadian series. The “simulcast” increased the profitability of US product to Canadian broadcasters. They would air the series at exactly the same time as their American counterpart but replace the US ads with Canadian ones. The benefit of the simulcast was that the viewer did not

even have to tune his or her television to a Canadian channel. Canadian commercials were displayed to Canadian viewers even if their sets were tuned to a US channel. The American networks heavily promoted their series which was an additional benefit to Canadian broadcasters.

The simulcast made broadcasting a lucrative business in Canada. It also put original Canadian productions at a disadvantage because they required bigger investments and did not come with the same promotional advantages. The *Broadcasting Act* nevertheless required that broadcasters invest in a certain percentage of Canadian programming as a condition of licence. Simultaneous substitution of US advertisements with Canadian advertisements on US programming also resulted in reducing Canadian programming access to prime-time slots. Instead, Canadian content was aired in less desirable “shoulder time slots,” thereby limiting the size of viewing audiences and associated advertising revenues.

The emergence of cable television was the first challenge to the traditional television business model. New subscription-based channels such as HBO were predicated on the assumption that viewers would pay for compelling cultural content. These channels would not compete for mass audiences and the advertising revenues that they generated but instead would target smaller, paying audiences with high-quality content. *The Larry Sanders Show*, which launched on HBO in 1992, is a good example. It had a small audience but its critical acclaim (including as the first cable-originated show to win multiple Emmy Awards) was an affirmation of a new business model. *The Sopranos* (which won 21 Emmy Awards and 5 Golden Globe Awards in eight years) took it to the next level. As one of us has observed:

All the shows we think of as part of the Golden Age of Television started to come out at this time, because instead of creating shows that were intended to sell eyeballs to advertisers, these were series that were supposed to bring audiences who were paying for it themselves. It was a whole new kind of television. (Golick 2018)

But if the rise of cable represented a shift from the highly concentrated broadcasting model, the emergence of the over-the-top media streaming model in the past 15 years or so has completely blown it apart. It has hastened the cultural and technological transformation that is at the centre of this paper.

What does over-the-top mean? It refers to film and television content provided via a high-speed Internet connection rather than a cable or satellite provider. It enables the consolidation of the traditional home entertainment “stack” of consumer options into a single, digital platform that can provide vastly more choice at minimal marginal cost for the consumer or provider. Think of Amazon Video, Crave TV, Hulu, or Netflix. The over-the-top model is transforming the industry and, as we will discuss later, essentially rendering the Canadian policy framework obsolete.

Netflix started as a DVD-by-mail service in 1998. It added streaming in 2007 and in so doing became a subscription-based, video-on-demand service. Apple’s iTunes had begun offering television shows and full-length movies to its transactional, demand-driven service in the previous 24 months. Others soon followed.

But Canada’s broadcasting and cultural industry was dramatically reshaped when these services started to create their own content. Netflix’s first original series, *House of Cards*, launched in 2013. The show’s success led to a massive expansion of Netflix’s original content. It was followed by others. Now Amazon, Hulu, and others are also producing their own content to augment their pre-existing libraries of films and shows.

The result is an explosion of new cultural content and great fragmentation of the marketplace. Ottawa’s expert panel on broadcasting and telecommunications calls it a “world of limitless choice” (Broadcasting and Telecommunications Legislative Review 2019). The highly concentrated industry that the *Broadcasting Act* was enacted to protect and regulate has been replaced by a new, decentralized industry marked by many players and even more cultural output that appeals to a more and more segmented audience. The protected market that the government guaranteed half-a-century ago has been opened up by technology.

The digital market transcends national borders. Over-the-top streaming services are the antithesis of the scarce public airwaves upon which broadcasters historically had to rely. The audiences for the streaming services may be fragmented but they can also reach virtually every corner of the globe. And, of course, “binge-watching” has shifted the basic unit of cinematic storytelling from a single film or episode to a full season or multiple seasons.

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Here in Canada the transformation has been no less significant. Our consumption habits have mirrored changes elsewhere – in fact, if anything, Canadians have adopted these new technologies more than have consumers elsewhere. Just consider the following:

- Nearly half of Canadian households are estimated to have Netflix subscriptions (Pilieci 2019).
- Roughly 20 percent of those between the ages of 18 and 34 report only watching television online (CRTC 2019).
- Netflix now accounts for close to 40 percent of all bandwidth used in Canada (Tretbar 2014).
- Household subscriptions to television distribution services (i.e., traditional broadcasters) in Canada have fallen by nearly 4 percent year over year (CRTC 2019).
- The percentage of people who subscribe to traditional broadcasting services has fallen from 81.5 percent in 2013 to 72.3 percent in 2017 (CRTC 2019).
- While the traditional television sector saw its revenues decline on average by 1.3 percent per year from 2013 to 2017, estimated revenues of Internet-based video services in Canada grew at an annual average rate of 28.9 percent during the same period (CRTC 2019).

These changes in digital technology and consumer behaviour have shifted the broadcasting industry from the 1960s centralized and oligopolistic model to today’s much more decentralized and fragmented one. The business model has fundamentally shifted in tandem. One way to think about it is this: traditional broadcasters are like Facebook in the sense that their business model has been historically rooted in “selling consumers” to advertisers, whereas the new subscription-based model is focused on “serving consumers” as end users in markets across the globe.

Remember, of course, that cultural programming now has a world-wide reach rather than merely the domestic market. This new model has also created marked competition at home, which has empowered consumers who are increasingly voting through their subscriptions to new and emerging over-the-top services. And, as importantly, it is creating new opportunities for cultural creators and producers and has the potential to democratize the industry by involving new voices, experiences, and perspectives.

Our traditional conception of cultural production and dissemination has been superseded and the result has been to expand access to new content for Canadian consumers and new markets for Canadian creators. As the federal panel on broadcasting and telecommunications recently observed, “Canadians have demonstrated both the capacity and talent to produce high quality content for global distribution” (Broadcasting and Telecommunications Legislative Review 2019). Yet, as we explain next, our policy framework remains essentially unchanged.

# An Inward-Looking Policy Framework

The last section described the changes in broadcasting over the last 50 years or so, including the evolution of both the business model and consumer behaviour. The shift from market concentration to market fragmentation and from scarcity to abundance is increasingly familiar to most people. Canadians may not understand the underlying technological forces, but they are certainly familiar with the market outcomes. As we saw above, Canadians and their families are fully participating in the new and dynamic digital marketplace.

Yet the policy implications of the grand bargain remain, by and large, in place. And they are showing their age. Even the CRTC has observed that our broadcasting and cultural policy framework requires modernization. As it noted in a report nearly a decade ago:

Increasing fragmentation – the steady erosion of audiences and customers to multiple sources of substitutable products, services, content and applications delivered by domestic and international providers that may be inside or outside of the regulatory environment – may require a re-examination of the current ex ante regulatory approach that balances access to the system with corresponding obligations. This is intensified by the greater consumption of broadcasting content from outside the regulated system via the Internet. (CRTC 2010)

The *Broadcasting Act* and its accompanying policies have been tinkered with on the margins. But the basic premises of protection over competition, scarcity over abundance, and centralization over decentralization remain firmly in place. Our public policy remains rooted in the supposition that the “grand bargain” and the conditions that contributed to it are still applicable.

The result is not just that the policy framework is anachronistic; it risks impeding Canadian cultural creators from participating more fully in the new, digital, and highly globalized marketplace for cultural content. The platforms have changed. The industry has changed. And yet the way in which we support our creators and producers, by and large, has not.

As a condition of licensing, the cable, satellite, and fibre television companies (also known as broadcasting distribution undertakings or BDUs) are required to contribute at least 5 percent of their annual broadcasting-related revenues to the creation and production of Canadian programming. This can take the form of contributions to various public funds including Certified Independent Production Funds (CIPFs), the Canada Media Fund (CMF) or local expression, which involves the creation and distribution of community programming.

In addition, the CRTC required contributions to Canadian programming as a condition of approval of broadcasting-related mergers and acquisitions. In the period between 2005 and 2012, numerous such transactions occurred as the industry went through a period of consolidation and convergence in the domestic market. These “tangible benefits” were to be spread over five to 10 years, depending on the magnitude of the transaction and associated commitment and are now coming to an end.

Private contributions to the creation and production of Canadian programming by these companies totalled \$412 million in 2017. This amounted to a 3.7 percent decrease relative to 2016. From 2013 to 2017, contributions decreased by 4.4 percent per year on average (CRTC 2019).

Approximately half of these contributions to Canadian programming are directed via the CMF (see table 1 below). We will thus focus most of our discussion on it.

**TABLE 1: CANADA MEDIA FUND'S SHARE OF ANNUAL BDU CONTRIBUTIONS TO CANADIAN PROGRAMMING (\$ MILLIONS)**

Year	Total BDU Contributions	Canada Media Fund	Percentage
2013	494	222.3	45%
2014	475	218.5	46%
2015	437	218.5	50%
2016	428	214	50%
2017	412	206	50%

Source: CRTC 2019

The CMF has undergone various name and mandate changes over the past quarter century. It started as the Cable Production Fund in 1995. The current iteration was established in 2010 as the result of the consolidation of the Canadian Television Fund and the Canada New Media Fund. The new program’s stated purpose was to “support the sustainable production of successful, convergent television and digital media content that is accessible to Canadians through multiple platforms” (Canada Media Fund 2017a).

The CMF was established based on four principles:

1. Getting governance and accountability right;
2. Focusing the investment on what Canadians want;
3. Rewarding success and requiring innovation; and
4. Levelling the playing field relative to the public broadcaster.

The not-for-profit Canada Media Fund corporation was created to manage the fund (Canada Media Fund 2017b). Its funding comes from broadcasting (BDU) contributions as well as federal grants (see table below for distribution). It is thus characterized as a public-private partnership.

The CMF generally has two funding streams: (1) the experimental stream, which is to support the creation of “leading-edge,” interactive, digital media content and software applications; and (2) the convergent stream, which is to support the creation of convergent television and digital media content for consumption by Canadians.

This funding is available to broadcasters to produce and acquire Canadian content. Eligible broadcasters are notionally allocated an “envelope,” which is a share of CMF funding that they can tap for these purposes. These envelopes broadly reflect each broadcaster’s level of contribution to the CMF (Canada Media Fund 2017c).

**TABLE 2: CANADA MEDIA FUND ANNUAL BUDGET (\$ MILLIONS)**

Year	BDU Contributions	Government Funding	Total Budget
<b>2013-14</b>	233.6	134.1	<b>386.4</b>
<b>2014-15</b>	254.6	134.1	<b>403.6</b>
<b>2015-16</b>	229.6	134.1	<b>379.6</b>
<b>2016-17</b>	216.5	134.1	<b>369.3</b>
<b>2017-18</b>	199.6	134.1	<b>351.8</b>

*Source: Canada Media Fund 2017e*

The trigger for drawing on these envelopes is an application by a broadcaster to produce or commission Canadian content. The largest part of each envelope must be spent on “independent production,” which refers to television content commissioned from Canadian production companies that operate independently of the broadcaster. The actual funding is ultimately paid directly to the producer according to a payment schedule. But the broadcasters effectively have total control over what content gets funded. A creator or producer cannot draw on the CMF “without a broadcaster’s green light” (Golick 2018).

The model is not without its logic, especially with the traditional broadcasting market in mind. If a traditional broadcaster was not prepared to acquire and air programming, it would not reach a public audience and the public subsidies would essentially go to waste. Requiring a broadcaster to affirm a project was thus a logical means for determining which programs or shows ought to receive funding.<sup>2</sup> This means, in practice, that in order to access CMF funding a creator or producer must have a partner among the Canadian broadcasters. One can have multiple broadcaster partners, including an international one, but a Canadian broadcaster must be the principal trigger for funding from the CMF.

Put simply: a Canadian cultural creator or producer cannot sell a program to Netflix or Hulu and then apply for and access CMF funding without a Canadian broadcaster who serves as the funding applicant and ultimately airs the program on its broadcasting platform.

Non-Canadian broadcasters are excluded. The CMF’s guidelines specify that an eligible applicant includes:

- Canadian programming undertaking, public or private, licensed to operate by the Canadian Radio-television and Telecommunications Commission (CRTC);
- An online service owned, controlled and operated by a Canadian licensed programming undertaking;

- An online service owned, controlled and operated by a Canadian broadcasting distribution undertaking (“BDU”), licensed to operate by the CRTC; and
- CRTC-licensed VOD services (Canada Media Fund 2019a).

The reason for this precision is rooted in the grand bargain. Canadian-owned broadcasters obtained industry protection and in turn are solely involved in the accompanying quotas and subsidies related to Canadian content. Non-Canadian broadcasters, such as over-the-top services like Amazon Video or Netflix, by contrast, neither contribute to the CMF nor are subject to Canadian content requirements. The CMF thus is limited to firms that are contributing and required to conform to CanCon requirements.

This asymmetry is a reflection of the grand bargain. Neither side can convincingly live up to its end of the bargain. The government cannot guarantee protection of the Canadian market for domestic broadcasters. And those same broadcasters are increasingly complaining that it is unfair that they are subjected to CanCon quotas and fees. This has led to debates about a so-called “two-tier system” (Jackson 2018). Even previous Canadian Heritage Minister Mélanie Joly spoke about how the “current model is broken” (Leblanc 2017). The new federal panel reviewing the broadcasting and telecommunications policy has made a similar observation (Broadcasting and Telecommunications Legislative Review 2019).

The main question, of course, is: how should the system be repaired?

There is disagreement about how to modernize the system in light of the unravelling of the grand bargain. Some argue that the over-the-top providers ought to be subject to the same financial and regulatory conditions as traditional broadcasters. Others argue that the best way to solve the asymmetry is to remove the conditions currently in place on Canadian-based broadcasters (Katz and Speer 2016).

This debate has been principally viewed through the lens of the broadcasting firms. The interests and perspectives of Canadian cultural creators and producers have been largely neglected. Past CRTC hearings and competing submissions from industry reflect this tendency to see this issue as a matter of divergent corporate interests (Jackson 2018). We believe that this is a mistake.

## The Case for Canadian Ambition and Attendant Reforms

We have briefly described how Canada’s broadcasting and cultural policy framework functions and how the growth of the over-the-top model in particular, and digital technology in general, have rendered the grand bargain obsolete.

This section addresses the question of how to modernize the system from the point of view of Canada’s creators and producers. The current system is at least partly designed with them in mind. It stands to reason, therefore, that their perspective would enlighten and shape the policy debate.



The global marketplace and the demand for content is exploding. With new streaming platforms and over-the-top services coming online, the demand for original programming that will draw subscribers is growing at an unprecedented pace.

It is an increasingly dynamic and nimble marketplace rather than the staid, conservative one that was the norm when the *Broadcasting Act* was implemented. There is also scope for new, more creative and dynamic programming in a fragmented market. The global scalability of platforms such as Netflix – with its 148 million global subscribers (Watson 2019) and detailed data on viewing patterns – is enabling smaller, more niche content to reach specific segments of their audience. Fragmentation has changed the economics of content production and dissemination. It used to be that a television producer had to make 65 episodes of a show, and then get the series syndicated in order to realize a profit. Now a series of 10 episodes can generate a profit after the first season. This bodes well for smaller, independent writers and producers to participate and compete in the global market.

Canadian cultural creators and producers are uniquely positioned to take advantage of this new paradigm. At one time, being in the shadow of the American market was a disadvantage, but today our proximity to the US production giant is advantageous. We have geographic proximity to the biggest buyers of content in the world. And we have a series of key traits and similarities that are a good fit.

We write in English. We use a model of creating television – including the “show runner model” – that is similar to how Americans create content. We understand American comedy and their methods and approaches. But, in many cases, the Canadian sensibility plays better in other countries around the world. It is no accident, for instance, that Canada and the United Kingdom vie to be Netflix’s second-largest source country – right behind the US (Katz and Speer 2016). Canadian shows such as *Anne with an “E,” Paw Patrol, Orphan Black, The Next Step,* and *Schitt’s Creek* have been enormously successful in global markets.

Ironically, the kind of series that Netflix, for instance, commissions as a “Netflix original” is considerably different than a series that meets a Canadian broadcaster’s needs. Canadian broadcasters still, by and large, depend on advertising revenues and thus seek programming that draws big audiences to appointment viewing. By contrast, over-the-top providers and streaming services with big global audiences and detailed viewing data look for compelling content intended for binge viewing. As one of us has observed:

[Traditional] broadcasters need shows about doctors and lawyers – a more traditional kind of television. In contrast, streamers in the global market want to go to new places where we have not been before – a different kind of series, which can be more like a book, where every episode takes you someplace different rather than being exactly the same format. The Canadian industry has incredible potential. We have talented crews, experienced creators, and the rich experience that the Canadian funding system has helped to create ... but we have a trigger mechanism to access that funding that leads us to make the wrong kind of content for the global market. (Golick 2018)

What does this mean in practice?

What Canada needs is a new, creator-driven policy framework. It is time to abandon the grand bargain, which means abandoning the goal of protecting the Canadian market for broadcasters in exchange for Canadian creators and producers receiving a mandated allocation for their efforts. The model needs to be fundamentally reshaped. The goal should be to cultivate Cana-

da's network of creators and producers whose intellectual property can be sold into the global market, financing a lucrative production industry with royalties and ongoing revenues flowing into Canada. The public funding system should be revamped so that creators have the time and the resources to create original programming that is not just driven by the needs and interests of Canadian broadcasters, but that is more ambitious.

Our policy framework should not be merely about helping Canadian broadcasters satisfy minimum CanCon standards. It should not conceive of its objectives in defensive terms or view the Canadian market as an island. And it should not think of Canadian cultural creators and producers in secondary terms as a vulnerable group in need of perpetual protection.

As the paper has discussed earlier, the digital revolution has transformed the broadcasting and cultural marketplace. The “genie is out of the bottle” as one industry observer has put it (Jackson 2018). The grand bargain has unravelled.

But, as we have sought to argue, this is hardly a bad development for Canadian creators and producers. Quite the opposite, in fact. There is an enormous opportunity to expand the reach of Canadian cultural content and export our creativity and talent to the world. This will not, however, happen on its own. It will require that we fundamentally redesign Canada's broadcasting and cultural policy framework including the *Broadcasting Act* itself.

## Policy Reforms for a New Model of Cultural Creation and Production

Canada needs to reconceptualize the current policy framework to reflect the dynamic changes occurring in the industry. This country has a broadcasting and cultural policy framework for the analog era. We need one for the digital era. The grand bargain is over. Public policy must move on. We need a policy framework that bets on the creativity and talent of Canada's cultural creators and the entrepreneurial skills of our production companies.

This means that we must stop thinking in defensive or protective terms and instead direct public resources and attendant policies to supporting and cultivating Canadian cultural content for global consumption. There is no longer a public case for prioritizing protection to domestic broadcasters. They have become large companies with profitable interests beyond broadcasting, including the provision of Internet and wireless services. We propose a new priority. The ultimate goal should be a dynamic and self-sufficient cultural industry. This goal is achievable with the right set of policies and public support.

One area requiring fundamental reform is how Canadian cultural content is supported. The present model, which is funded largely by levies on Canadian broadcasters, gives these domestic firms disproportionate influence over what domestic content is publicly supported. The CMF currently functions as a flow-through subsidy back to the broadcasters to fulfill domestic quotas rather than supporting and cultivating Canadian content for the global marketplace. Public policy must align with the move from an industry that relies on advertising revenues to a user-pay model.

As we have discussed, the present model not only creates policy asymmetries between Canadian broadcasters and non-Canadian over-the-top providers, it locks Canadian creators and producers into a framework that is focused on serving the domestic market rather than the export one. It essentially underestimates our cultural industry in general and our creators and producers in particular. It imposes a policy-induced barrier to realizing their potential in the digital marketplace.

We recommend, therefore, that the federal government shift the Canada Media Fund from being broadcaster-driven to creator-driven in order to incubate and support new Canadian content for the global market and to exploit Canadian intellectual property. This vision would place creators and producers rather than broadcasters at the centre of the *Broadcasting Act*. Realizing such a vision requires a series of policy reforms.

The first, practical change is that the trigger for accessing public subsidies needs to change from the broadcaster to the creator or producer. The current funding model, which is conditional on the participation of a Canadian-based broadcaster, may have made sense in the past but now it stands in the way of Canadian creators and producers leveraging public support to reach global markets. A redesigned CMF should therefore enable creators and producers to apply directly for funding without being required to rely upon a Canadian-based broadcasting partner.

Along with the shift away from the broadcaster trigger, there should be an increased emphasis on development – the creation of original intellectual property. Shifting the CMF in this direction would help incubate and support new Canadian content for a broader market. Canadian broadcasters could, of course, choose to acquire publicly-funded content, but so could others including Amazon Video, Netflix, or Hulu. This shift would unlock creators and producers from one kind of partner or one form of production and dissemination model and expand their options. It would enable greater creativity, experimentation, and a potentially greater profit.

The good news is that the CMF is starting to display progress in this area. Its Early Stage Development Fund is a step in the right direction (Canada Media Fund 2019b). This new program funds projects at an embryonic stage prior to broadcaster involvement and is available to Canada's most experienced and successful television writers. That it was oversubscribed is a sign of the great demand for it (Canada Media Fund 2017d). The CMF needs to move further in this direction.

The government should not stop here, however. It needs to make broader reforms. Full funding for the CMF should henceforth come from general government revenues. This would impose some incremental fiscal costs on the federal budget, but Ottawa already contributes about 40 to 50 percent of the CMF's funding and that share is rising because of declining industry contributions. The industry's contributions have fallen by 20 percent in the past five years due to falling revenues. A rising share of government funding seems inevitable anyway. Waiving industry contributions as part of a broader policy redesign would just accelerate this trend (Broadcasting and Telecommunications Legislative Review 2019).

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*There should be an increased emphasis on development – the creation of original intellectual property.*

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One consequence of changing the funding formula would be to solve the policy asymmetry that has bedeviled federal policy-makers and that Ottawa's expert panel has observed recently (Broadcasting and Telecommunications Legislative Review 2019). Removing the Canadian-based broadcasters' financial obligations and the accompanying CanCon requirements would level the playing field with over-the-top players. The change would amount to a conclusion of the grand bargain.

Some may argue that broadcasters ought to continue to carry a disproportionate burden given the long-term financial benefits of a protected market. We understand this argument and may even sympathize with it. But there is a strong political economy case that policy-makers ought to end the quotas for broadcasters as part of a shift to a more creator-centric model. One might think of it as the implicit cost of reform.

It is not to say that our broadcasters would no longer produce or disseminate Canadian content, but doing so would be driven more by market forces and less by regulatory requirements. We understand that this change might be concerning for creators and producers who might worry that it would threaten their livelihoods. There is no doubt that there would be transitional challenges for some in the industry, but, overall, we are confident that Canadian creators and producers would succeed in this new policy framework. As one of us has observed:

I am really optimistic about Canadian creators and the Canadian production industry. We are completely world-class. We are always vying to be Netflix's number two provider of content. We are just sort of neck-and-neck with the UK and only behind the US. Our stuff plays all over the world. Our children's television is a massive worldwide success. People come from all over the world to have Canadians write and create their shows. So I am incredibly optimistic. And, yes, I do have a bit of a swagger about Canadian creators and the kinds of programming that Canadians can make. (Golick 2018)

This is thus a policy framework marked by ambition and even "swagger" on behalf of our creators and producers. Our ambition needs to be matched by careful policy design, of course.

The CMF governance model would not necessarily need to fundamentally change to facilitate a creator-driven application process. One feature that would be important, however, is support for production companies as they move from a domestic to an international focus. It might also be necessary to expand funding to festivals that showcase Canadian content and bring foreign buyers to our shores. Various accelerator models that would be worth examining in order to derive best practices include Impact Imagine, led by US producers Ron Howard and Brian Glazer, and the Sundance model. The key point, though, is that it would not just be enough to provide start-up funding to creators and producers. In addition, we need to provide financing support to ongoing and new production, distribution, and marketing.

There is, therefore, an argument for the government to develop different funding streams. An expanded version of the Early Stage Development Fund could support early-stage creative development. An accelerator fund could then help creators connect and establish relationships with global producers. The first would encourage the creative process. The second would get creators closer to being market-ready. The design and funding levels for such programs require more research.

The federal government may also need to increase the size of the CMF's budget in the short-term. Were the CMF to expand its reach beyond programming acquired by Canadian broadcasters, it would ostensibly increase the number of projects that might need support. We do not have a recommendation on the right funding level. It would need to be determined in conjunction with other budget priorities. A short-term increase, though, would be very encouraging for

Canada’s network of writers, directors, actors, producers, editors, composers, and crews.

Canada’s overall goal should be to create a critical mass of talent and work here in Canada that ultimately enables the industry to be self-sufficient. Think of Hollywood, for instance, which has reached such a scale that it does not require public subsidies. This objective is possible for Canada’s industry, too. It may take some time, but it seems reasonable to wager on Canadian creators and producers – especially in light of the market trends outlined in this paper.

This new model would transform how content is funded and developed in Canada. But we believe that it has the potential to secure broad-based support. Canadian-based broadcasters would likely support reforms that resolve the “two-tier system” that has been the subject of growing industry-wide criticism. Canadian creators and producers could support reforms if doing so meant that public resources were deployed based on market potential rather than broadcaster demands. Progressives should support such changes because they would help expand public support for Canada’s cultural industry. And conservatives could be supportive because the long-term goal is to gradually phase out public support and create a self-sufficient industry. This strikes us as a possible win-win-win-win.

## Conclusion

Broadcasting and cultural policy has not been the subject of high-profile political debate in Canada for some time. The political parties have by and large been reactive to business, cultural, and technological trends. The “Netflix tax” debate that was part of the 2015 federal election campaign is an example of this tendency. We think this is a mistake.

Not only has it produced a growing gap between these trends and Canada’s outdated policy framework, it has harmed the ability of Canadian creators and producers to fully participate in the new, dynamic, and globalized marketplace. We have been locked in a 50-year grand bargain that has unraveled. Our policy framework has looked inward while business, cultural, and technological forces have pushed outwards. This is a huge missed opportunity for our creators and producers.

This paper has argued for a newfound ambition for policy-makers and Canada’s cultural creators and producers. We believe that with the right policy framework, Canada could strengthen its position as a global leader in cultural products – including television, film, and other screen-based products.

Achieving this vision requires that we modernize our policy framework and shift its emphasis from protecting Canada’s cultural industries to creating the conditions for them to expand their profile and reach markets around the world.

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*Our policy framework  
has looked inward  
while business, cultural,  
and technological  
forces have pushed  
outwards.*

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Our paper has sought to put forward specific policy reforms that can move the policy framework in this direction. Shifting the foundation of the *Broadcasting Act* from the interests of domestic broadcasters to the interests of Canadian creators and producers and their ability to compete globally is the right direction.

As part of this, the Canada Media Fund should change from being broadcaster-driven to creator-driven in order to incubate and support new Canadian content for broader commercial opportunity. Canadian broadcasters could still choose to acquire publicly-funded content, but so could others including new and emerging over-the-top players around the world. Such an agenda would better support a long-term vision of a dynamic and self-sufficient cultural industry in Canada.

It is high time for policy-makers to become more ambitious. Our creators and producers are ready for it. The rest of us should be too.

## About the Authors



**A**s a television writer-producer, Jill Golick has worked in children's (*Androids*), prime (*Blue Murder*), soap (*metropia*) and digital (*Weirdwood Manor*). As a multiplatform creator, Jill has created, written, financed and produced four original, cutting-edge series, including the internationally acclaimed digital detective series *Ruby Skye P.I.* Her creative work has been rewarded with two Writers Guild of Canada Screenwriting Awards, a Canadian Screen Award, a Youth Media Award of Excellence, a Banff Rockie, and the grand prize from the LA-Marseilles WebFest among others. Golick teaches about TV series creation in the era of Netflix and mentors screenwriters at every career stage. She is currently developing characters for conversational user interfaces, writing a musical and creating new TV series for both adult and children's audiences.



**S**ean Speer is a Munk Senior Fellow at the Macdonald-Laurier Institute. He previously served in different roles for the federal government including as senior economic advisor to the Prime Minister and director of policy to the Minister of Finance. He has been cited by *The Hill Times* as one of the most influential people in government and by *Embassy Magazine* as one of the top 80 people influencing Canadian foreign policy. He has written extensively about federal policy issues, including personal income taxes, government spending, social mobility, and economic competitiveness. His articles have appeared in every major national and regional newspaper in Canada (including the *Globe and Mail* and *National Post*) as well as prominent US-based publications (including *Forbes* and *The American*). Sean holds an MA in History from Carleton University and has studied economic history as a PhD candidate at Queen's University

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# Endnotes

- 1 Some of this section is derived from a podcast discussion between the authors in November 2018. See Golick (2018).
- 2 As the CMF application guidelines explain: “The Performance Envelope Program, which forms part of the CMF’s Convergent Stream, allots funding envelope allocations to Canadian Broadcasters (see section 2.1.1), who are in the best position to decide which projects could have the greatest market success. The envelope allocation mechanism enables the CMF to disburse funds in a timely, efficient, and market-driven manner in partnership with Canadian Broadcasters. Although envelope allocations are assigned to Canadian Broadcasters, CMF funding is disbursed directly to producers.” See Canada Media Fund (2019a).



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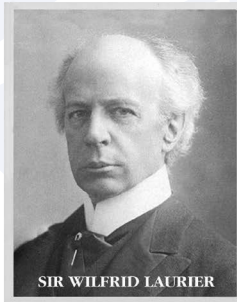
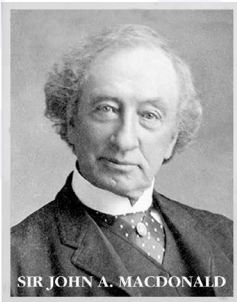
# About the Macdonald-Laurier Institute

## What Do We Do?

**When you change how people think, you change what they want and how they act.** That is why thought leadership is essential in every field. At MLI, we strip away the complexity that makes policy issues unintelligible and present them in a way that leads to action, to better quality policy decisions, to more effective government, and to a more focused pursuit of the national interest of all Canadians. MLI is the only non-partisan, independent national public policy think tank based in Ottawa that focuses on the full range of issues that fall under the jurisdiction of the federal government.

## What Is in a Name?

**The Macdonald-Laurier Institute exists not merely to burnish the splendid legacy of two towering figures in Canadian history – Sir John A. Macdonald and Sir Wilfrid Laurier – but to renew that legacy.** A Tory and a Grit, an English speaker and a French speaker – these two men represent the very best of Canada's fine political tradition. As prime minister, each championed the values that led to Canada assuming her place as one of the world's leading democracies. We will continue to vigorously uphold these values, the cornerstones of our nation.



## Working for a Better Canada

**Good policy doesn't just happen; it requires good ideas, hard work, and being in the right place at the right time.** In other words, it requires MLI. We pride ourselves on independence, and accept no funding from the government for our research. If you value our work and if you believe in the possibility of a better Canada, consider making a tax-deductible donation. The Macdonald-Laurier Institute is a registered charity.

## Our Issues

**The Institute undertakes an impressive program of thought leadership on public policy. Some of the issues we have tackled recently include:**

- Aboriginal people and the management of our natural resources;
- Making Canada's justice system more fair and efficient;
- Defending Canada's innovators and creators;
- Controlling government debt at all levels;
- Advancing Canada's interests abroad;
- Ottawa's regulation of foreign investment; and
- How to fix Canadian health care.

# Macdonald-Laurier Institute Publications

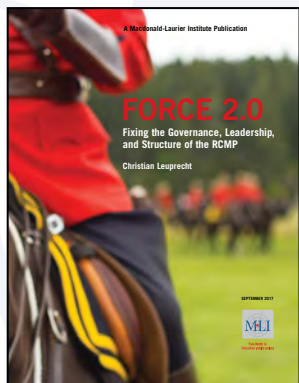


Winner of the Sir Antony Fisher International Memorial Award BEST THINK TANK BOOK IN 2011, as awarded by the Atlas Economic Research Foundation.

**The Canadian Century**  
By Brian Lee Crowley,  
Jason Clemens, and Niels Veldhuis

Do you want to be first to hear about new policy initiatives? Get the inside scoop on upcoming events? Visit our website [www.MacdonaldLaurier.ca](http://www.MacdonaldLaurier.ca) and sign up for our newsletter.

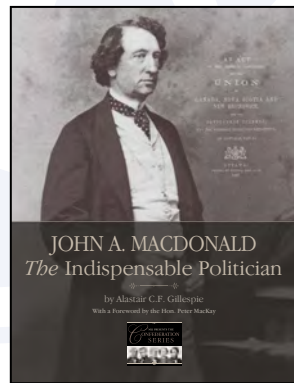
## RESEARCH PAPERS



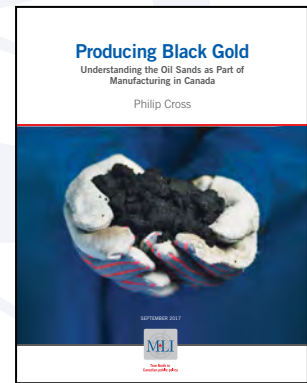
**Force 2.0**  
Christian Leuprecht



**The Unkindest Cut**  
Wayne Critchley and  
Richard C. Owens



**John A. Macdonald:  
The Indispensable  
Politician**  
Alastair C.F. Gillespie



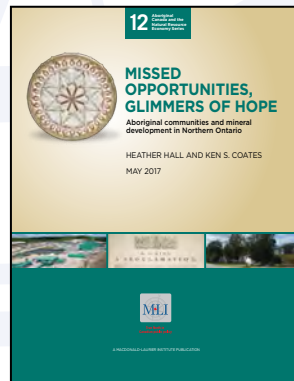
**Producing Black Gold**  
Philip Cross



**Getting Out of a Fiscal  
Hole**  
Sean Speer



**Getting the Big Picture**  
Bram Noble



**Missed Opportunities,  
Glimmers of Hope**  
Heather Hall and  
Ken S. Coates



**Running Out of Time**  
Brian Ferguson, Sean Speer,  
and Ariel Freeman-Fawcett



True North in  
Canadian public policy

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## What people are saying about the Macdonald-Laurier Institute

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*In five short years, the institute has established itself as a steady source of high-quality research and thoughtful policy analysis here in our nation's capital. Inspired by Canada's deep-rooted intellectual tradition of ordered liberty – as exemplified by Macdonald and Laurier – the institute is making unique contributions to federal public policy and discourse. Please accept my best wishes for a memorable anniversary celebration and continued success.*

THE RIGHT HONOURABLE STEPHEN HARPER

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*The Macdonald-Laurier Institute is an important source of fact and opinion for so many, including me. Everything they tackle is accomplished in great depth and furthers the public policy debate in Canada. Happy Anniversary, this is but the beginning.*

THE RIGHT HONOURABLE PAUL MARTIN

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*In its mere five years of existence, the Macdonald-Laurier Institute, under the erudite Brian Lee Crowley's vibrant leadership, has, through its various publications and public events, forged a reputation for brilliance and originality in areas of vital concern to Canadians: from all aspects of the economy to health care reform, aboriginal affairs, justice, and national security.*

BARBARA KAY, NATIONAL POST COLUMNIST

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*Intelligent and informed debate contributes to a stronger, healthier and more competitive Canadian society. In five short years the Macdonald-Laurier Institute has emerged as a significant and respected voice in the shaping of public policy. On a wide range of issues important to our country's future, Brian Lee Crowley and his team are making a difference.*

JOHN MANLEY, CEO COUNCIL

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