Canadian Radio-television and Telecommunications Commission | Conseil de la radiodiffusion et des télécommunications canadiennes

Broadcasting Decision CRTC 2017-147

PDF version

References: 2016-225, 2016-225-1, 2016-225-2, 2016-225-3, 2016-225-4, 2016-225-6 and 2016-225-7

Ottawa, 15 May 2017

Quebecor Media Inc., on behalf of TVA Group Inc. and Videotron G.P.
Across Canada

Application 2016-0017-2, received 11 January 2016
Public hearing in Laval, Quebec
22 November 2016

Quebecor Media Inc. – Group-based licence renewals for French-language television stations and services

The Commission ***renews*** *the broadcasting licences for the various television stations and services that will form TVA Group for the next licence term, beginning 1 September 2017 and ending 31 August 2022.*

Further, the Commission ***renews*** *the broadcasting licences for the various television services that will not be part of TVA Group for the next licence term, from 1 September 2017 to 31 August 2022*

Application

1. The Commission received an application from Quebecor Media Inc. (QMI), on behalf of the licensees listed in Appendix 1 of this decision, to renew the broadcasting licences for the network, television stations, discretionary services and on-demand service set out in the same appendix.

2. QMI requested that the licences for its television services be renewed under the group-based approach, except for the national news service LCN, the mainstream sports service TVA Sports and the on-demand service Illico sur demande. The Commission's decision regarding the appropriateness of applying the group-based approach to QMI's services is set out in paragraphs 7 to 12 of this decision.

3. The Commission received several interventions regarding this application. The public record for this proceeding can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.

Commission's analysis and decisions

4. The Commission's determinations regarding the appropriateness of applying the group-based approach to QMI's services and the implementation of this approach, as well as issues common to all of the French-language ownership groups, are set out in Broadcasting Decision 2017-143 (the Introductory Decision), also issued today, which should be read in conjunction with this decision.

5. In the Introductory Decision, the Commission set out its determinations on various issues, including setting a minimum requirement for Canadian programming expenditures (CPE) and expenditures on programs of national interest (PNI). These determinations are reflected below and in the conditions of licence for QMI's services.

6. After examining the public record for this application in light of the Introductory Decision and applicable regulations and policies, the Commission considers that the issues it must address in this decision relate to the requests made by QMI with respect to:

    - the composition of the group;
    - CPE;
    - PNI expenditures;
    - independent production;
    - local programming;
    - mandatory distribution order for the TVA network;
    - regional and official language minority community (OLMC) reflection;
    - closed captioning;
    - described video;
    - conditions of licence imposed on CFTM-DT;
    - the renewal of the licences for TVA Sports and LCN; and
    - the renewal of the licence for Illico sur demande.

Composition of the group

7. QMI requested to form a group that would be made up of six television stations (CFCM-DT Québec, CFER-DT Rimouski, CFTM-DT Montréal, CHEM-DT Trois-Rivières, CHLT-DT Sherbrooke and CJPM-DT Saguenay) and the five discretionary services AddikTV, Moi&cie, Yoopa, Casa and Prise 2.

8. Regarding the TVA Sports and LCN services, the group-based approach set out in Broadcasting Regulatory Policy 2010-167 provides for the exclusion of national news and mainstream sports services from the designated groups to prevent that the

flexibility to share CPE requirements results in spending on high-priced sports programming rights at the expense of independent production, Canadian drama, documentaries or children's programming. Therefore, QMI proposed to exclude TVA Sports and LCN from its designated group.

9. QMI indicated in its application that it did not want to renew the licence for the service Argent, which ceased operations. The Commission revoked the licence in Broadcasting Decision 2016-290.

10. Contrary to the position it was advocating at the last renewal, QMI stated that it was now open to the group-based approach, under certain conditions.

11. The Commission considers that QMI's request to avail itself of the group-based approach is appropriate and responds to the Commission's invitation in Broadcasting Regulatory Policy 2015-86. This approach will allow the group to benefit from more flexibility in the allocation of its resources to better meet the needs of viewers.

12. In light of all of the preceding and in accordance with the decisions set out in the Introductory Decision, the Commission has determined that QMI's group (TVA Group) shall consist of the following services:

    - the TVA network;
    - CFCM-DT Québec;
    - CFER-DT Rimouski;
    - CFTM-DT Montréal;
    - CHEM-DT Trois-Rivières;
    - CHLT-DT Sherbrooke;
    - CJPM-DT Saguenay;
    - AddikTV;
    - Moi&cie;
    - Yoopa;
    - Casa; and
    - Prise 2.

Canadian programming expenditures

13. TVA’s television stations must currently devote 80% of their programming expenditures for the current year to CPE. Regarding QMI’s other services, they do not currently have any specific CPE-related requirements, except for the discretionary service AddikTV, which is currently subject to a CPE requirement of 40% of the previous year’s gross revenues.

14. QMI argued that since four of its discretionary services that will be included in the group do not currently have any CPE requirements, a group CPE level of 70% of the programming expenditures for the current year was justified.

15. In its initial application, QMI did not comment on the imposition of a CPE requirement based on the previous year’s revenues as set out in the group-based policy. Instead, QMI requested that the calculation method using the current year’s revenues approved by the Commission in Broadcasting Decision 2012-242 be maintained. However, at the hearing, QMI indicated that if the Commission decided to impose a CPE level based on the previous year’s revenues, a level of 40% would be appropriate for its group.

Positions of parties

16. The Conseil provincial du secteur des communications and the Syndicat canadien de la fonction publique (CPSC), as well as the Association des réalisateurs et réalisatrices du Québec (ARRQ), the Union des artistes (UDA) and the Société des auteurs de radio, télévision et cinéma (SARTEC) (collectively ARRQ-UDA-SARTEC), proposed individual levels for each television station and discretionary service.

17. The CPSC proposed to maintain the minimal CPE level of 80% for television stations, as well as impose a requirement to devote 50% of the evening to the broadcast of Canadian programs and 55% of the day to the broadcast of Canadian programming, during the broadcast year. It also proposed imposing a minimum CPE level of 50% of the current year’s expenditures on all discretionary services in the group.

18. The Association québécoise de la production médiatique (AQPM) proposed a 50% CPE level calculated based on the group’s revenues from the previous year.

19. The Forum for Research and Policy in Communications (FRPC) stated that the Let’s Talk TV objectives could only be achieved if the Commission maintained or increased the current CPE requirements.

20. The Fédération nationale des communications (FNC) did not comment on the expenditure-based calculation, but opposed a reduction in the CPE limit to 70% on the basis that it could result in a reduction in expenditures for Canadian content on the TVA network by several million dollars.

Commission's analysis and decision

21. With respect to the appropriate CPE level for the group, the services included in the group devoted 50.3% of previous year's revenues to CPE on average between 2013 and 2015 and that TVA Group plans to devote 49.8% of the previous year's revenues of the group to CPE on average over the next licence term.

22. The 70% level of expenditures for the current year proposed by QMI would represent a 45.3% level of revenues from the previous year according to QMI's projections for the next licence term. This level would be slightly inferior to the group's historical expenditures and projections. However, TVA Group has historically devoted a greater share of its programming to Canadian programs than the other large French-language groups, both with respect to the number of hours broadcast and the expenditures devoted to this type of program. For this reason, the Commission considers that a 45% level is appropriate to ensure the support of Canadian programming.

23. In light of the above, the Commission imposes on TVA Group a **condition of licence** requiring it to devote 45% of the previous broadcast year's gross revenues to CPE for all its services.

24. Consistent with the determinations set out in the Introductory Decision, the services will be able share CPE expenditures and receive credits if TVA Group allocates expenditures to Indigenous producers or producers from OLMCs.

Expenditures on programs of national interest

25. TVA Group's services are not currently subject to expenditure requirements for PNI. QMI maintained that such programs nonetheless hold a prominent place on its airwaves. It added that TVA's television stations and discretionary services devoted collectively an average of over 19% of their revenues to PNI between 2012 and 2015.

26. Several interveners including the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ), the Alliance des producteurs francophones du Canada (APFC), the AQPM and UDA/ARRQ/SARTEC proposed specific levels for TVA Group based on the historical levels of the services in the group and maintained that those levels were needed to keep these programs on air. ADISQ decried the significant decrease in PNI expenditures as it relates to TVA Group's television stations since 2011-2012.

27. Further, the ADISQ, the AQPM and the Documentary Organization of Canada (DOC) expressed concern over the impact of the elimination of genre protection stemming from the Let's Talk TV proceeding, submitting that this policy determination would affect certain types of content (including documentaries, music programs and video clips). These interveners submitted that this would be particularly detrimental in the French-language market because its small size meant that the offering for some specific types of services was not as great and these services would be tempted to turn to more general interest content to appeal to the general public.

28. QMI argued that the popularity of PNI meant that the groups would continue spending for these types of programs and that there was no need to regulate. It stated that it did not wish to be subject to an expenditure requirement in this regard, a position that it maintained in its application and reiterated at the hearing.

Commission's analysis and decision

29. Although it is true that TVA Group currently has higher PNI expenditures than the other television groups, the absence of a minimum PNI requirement means there is no guarantee that TVA Group will pursue this same course in the future. This risk is even greater given that due to the elimination of genre protection, discretionary services are now free to change their nature of service whenever they want, which may impact their programming and result in a decrease in PNI expenditures.

30. The Commission considers that an expenditure requirement is needed to ensure that services in the French-language market continue to offer a broad range of programs, especially in program categories that are more expensive and difficult to produce. In fact, the Commission considers that dramas, long-form documentaries, and music and variety programs are prime vehicles for conveying Canadian attitudes, opinions, ideas, values and artistic creativity in the French-language market.

31. To determine the appropriate PNI level for the group, the Commission took into account historical expenditure levels for the services, as well as the projections filed as part of the application.

32. Accordingly, in light of the above and consistent with the determinations set out in the Introductory Decision, the Commission sets TVA Group's minimum PNI requirement at 15% of the previous broadcast year's gross revenues. Therefore, the Commission imposes a **condition of licence** on TVA Group to that effect.

Independent production

33. TVA Group's television stations are currently required to devote $20 million per broadcast year to independent production. QMI requested that these current expenditure requirements relating to independent production be maintained. These requirements differ from the requirements set out in the group-based policy. Instead of relating to an expenditure level set as a percentage of PNI expenditures, they consist of a fixed dollar amount that the licensee must allocate to independent production on an annual basis.

34. In accordance with the Introductory Decision, the Commission stated that it would impose a condition of licence on the services of each of the French-language groups requiring them to devote 75% of their PNI expenditures to programming produced by independent producers. Consequently, the Commission imposes a **condition of licence** to that effect on TVA Group's services rather than retaining the existing requirement. The Commission considers that this requirement is sufficient to ensure the place of independent producers in TVA Group's programming.

Local programming

35. In Broadcasting Regulatory Policy 2016-224, the Commission introduced several changes with respect to local and regional programming, especially in the area of local news. QMI requested that the local news exhibition requirements imposed by the Commission be calculated based on the definition of locally relevant news rather than locally reflective news.

36. The stations CHEM-DT Trois-Rivières, CHLT-DT Sherbrooke, CFER-DT Rimouski and CJPM-DT Saguenay are currently subject to a requirement to broadcast 5 hours of local programming per week. QMI stated that all of the local programming of these stations consists of newscasts. The licensee therefore proposed to maintain the current requirement for 5 hours of local programming per broadcast week currently imposed on its stations.

37. For its part, CFCM-DT Québec is required to broadcast 18 hours of local programming, including 5 hours and 30 minutes of local news (with two local newscasts on weekends), as well as 3 hours and 30 minutes of other programming that specifically reflects the Québec region and can be broadcast on the TVA network.

38. QMI stated that the local news broadcast by the stations in Trois-Rivières, Sherbrooke, Rimouski and Saguenay all consists of local reflection. However, with respect to the Québec station, the local news mainly but not exclusively consists of local reflection. Since this stations broadcasts complete news segments (i.e. without breakaways), its programming must be able to respond to “emergencies” of a provincial or national scale. QMI therefore stated that the Local TV Policy was difficult to respect for the Québec station. In its reply, it proposed that the Québec station maintain its current condition of licence, specifying that 5 hours and 30 minutes of local news would mainly consist of local reflection.

39. CFTM-DT Montréal has no requirement pertaining to local programming. QMI stated at various times during the proceeding that it broadcasts over 70 hours of local programming per week and roughly 30 hours of news (including locally reflective news programs). QMI therefore considered that a condition of licence regarding local programming or local news for the Montréal station was not appropriate and would be contrary to the Commission’s practice, which seeks to regulate only when necessary.

40. QMI stated that the “carving out” of time periods within the same program to identify which program segments meet the Commission’s definitions would be difficult since it had never proceeded in this manner.

41. Further, QMI stated that it wishes to include commercial breaks in the calculation of the number of hours of local programming broadcast by its television stations.

Positions of parties

42. The AQPM submitted that at a minimum the current requirements for CFCM-DT should be maintained.

43. The Syndicat des employé(e)s de CFCM-TV (SECC) submitted that TVA assigned too few reporters to local coverage because the editorial directives come from Montréal. According to this intervener, the lack of staff assigned by TVA Group to the coverage of events in the regions is detrimental to public life because it has resulted in delays and even cancelled press briefings, including those from Québec's city hall. The SECC also argued that TVA was meeting its news-related requirements through short capsules repeated at various times of the day.

44. However, some interveners, specifically the SECC and the CPSC, raised concerns that the Québec station's programming was being produced in Montréal at the expense of a local journalistic presence. In particular, the SECC expressed concern that all the editorial choices were being made in Montréal to the detriment of the Québec station.

45. The CPSC expressed doubts about QMI's argument regarding last-minute news because, noting that it is always local news that suffers, not national news. It expressed concern in particular that QMI's interpretation of the definition of locally relevant news would allow the slots earmarked for local programming and local news to be quickly filled with network programming. The CPSC suggested imposing conditions of licence on each of the television stations in the group, including the Montréal station, based on the Commission's new definition of locally reflective news programs.

46. The FNC-CSN submitted that television stations are the primary providers of local news with which viewers identify. It largely supported the Commission's new Local TV Policy, but stated that it wished to ensure that a condition of licence supporting the production and broadcast of local programming and local news in the regions continued to apply to TVA Group.

47. The Table de concertation de l'industrie du cinéma et de la télévision de la Capitale-Nationale expressed concerns regarding the elimination of the Local Programming Improvement Fund (LPIF). It stated that it hoped that TVA Group would continue to support variety producers in Quebec despite the LPIF's elimination. It also hoped that TVA Group would fulfill its commitments regarding programming outside of commercial breaks. Finally, it asked that a specific number of hours be reserved for independent regional productions.

48. In reply, QMI stated that most of the news created by CFCM-DT Québec is locally reflective. QMI also noted that the CPSC's recommendation to increase the local news requirements imposed on the Québec station fails to take into account the competitive environment, as well as the difficulties and economic pressures facing television broadcasters, including TVA, as it relates to local news. It would therefore be contradictory to increase its requirements given that the challenges observed with respect to local news are real and substantial. Consequently, QMI maintained its

position regarding the exhibition levels proposed for the station CFCM-DT in its reply.

49. Moreover, with respect to the station CFTM-DT Montréal, in response to an undertaking made at the hearing, QMI indicated that it would agree to a condition of licence requiring that station to devote an average of four hours per week to local news, calculated on a monthly basis.

50. QMI stated that while some newscasts may be repeated throughout the day on its stations, they are updated at the time of broadcast when the news being presented has evolved, with the result that the newscasts are not rebroadcast in full.

Commission’s analysis and decisions

Definition of local news

51. With respect to QMI’s request that the local news exhibition requirements imposed by the Commission be calculated based on the definition of locally relevant news rather than that of locally reflective news, the Commission considers that the rationale provided by QMI in this regard are not sufficient to warrant an exception to the Local TV Policy. Consequently, the Commission will apply the established definitions.

TVA station in Montréal

52. Montréal’s TVA station (CFTM-DT) is not currently subject to a local programming exhibition requirement, but broadcasts a great deal of such programming.

53. However, the Commission is of the view that Montréal’s urban community comprises a very diverse metropolitan market composed of many municipalities that must be reflected onscreen. Further, the Commission notes the findings of the study by Influence Communications submitted by the CPSC showing that it is in the Greater Montréal region that the lowest percentage of local news in Quebec is broadcast, despite the size of the population residing in the area. In light of the above, the Commission considers that a condition of licence regarding local programming and locally reflective news is necessary to ensure that the station CFTM-DT provides citizens of the Greater Montréal region with programming that meets their needs and specifically reflects life in their community.

54. In light of the above and given the level of local programming that QMI has stated, the Commission considers that a requirement of 25 hours of local programming for CFTM-DT is appropriate. A **condition of licence** to that effect is set out in Appendix 2 to this decision.

55. Regarding the broadcast of local news, the Commission imposes a requirement to the effect that CFTM-DT must devote six hours per broadcast week to the broadcast of locally reflective information and news programs. The Commission considers that this minimum requirement will allow for appropriate reflection of the diversity of the

Montréal community. A **condition of licence** to that effect is set out in Appendix 2 to this decision.

TVA station in Québec

56. The Québec TVA station (CFCM-DT Québec) is subject to conditions of licence requiring the broadcast of locally produced programming (all categories combined). Under its current requirements, CFCM-DT must provide 18 hours of local programming each week, including:

    - locally produced newscasts (minimum of 5 hours and 30 minutes); and
    - programs reflecting the Québec region, but from categories other than news (minimum of 3 hours and 30 minutes).

57. The station CFCM-DT Québec is the only station other than the Montréal station to produce its own full newscast (rather than just a local breakaway). As such, the Commission is of the view that it is likely that some parts of that newscast are not locally reflective, but instead consist of other types of news to provide a full newscast.

58. Analysis of the logs submitted by the licensee for the 2014-2015 broadcast year reveal that the group's regional stations exceeded the requirements regarding local programming established at the last licence renewal. According to those logs, which were submitted before the new Local TV Policy came into effect, the Québec station broadcast on average 23 hours and 21 minutes of local programming per broadcast week, including 13 hours and 7 minutes of locally produced news.

59. The Commission shares the concerns raised by the SECC and the CPSC and considers that the requirements for local programming and newscasts produced in Québec should be maintained in the current context.

60. In light of the above, the Commission maintains the current requirements for local programming and imposes a new exhibition requirement relating to locally reflective news in accordance with the Local TV Policy. These requirements will be based on the new definitions set out in that policy. Therefore, in each broadcast week, the Québec station must devote at least 18 hours each week to local programming, including:

    - at least 5 hours and 30 minutes of newscasts produced in Québec;
    - at least 3 hours and 30 minutes of locally reflective news and information programming; and
    - 3 hours and 30 minutes of other programs reflecting the Québec region.

61. A **condition of licence** to that effect is set out in Appendix 2 to that decision.

TVA stations in Saguenay, Sherbrooke, Trois-Rivières and Rimouski

62. TVA Group's stations in Saguenay, Sherbrooke, Trois-Rivières and Rimouski are currently subject to a requirement to broadcast five hours of local programming per week.

63. QMI agreed to maintain this requirement, but opposed the imposition of a requirement for the broadcast of locally reflective news on these stations.

64. Although QMI indicated its agreement with the weekly five-hour requirement, the Commission considers that QMI did not sufficiently justify its request for an exception to the measures set out in the Local TV Policy for the Commission not to impose a minimum exhibition requirement for locally reflective news and information. According to the data provided by QMI in response to undertakings, the licensee broadcasts an average of 5 hours of local news each week for each of those stations. Consequently, the Commission considers that a minimum exhibition requirement of 2 hours and 30 minutes of locally reflective news per broadcast week is warranted and strikes a balance between the need for local news for Canadians living in the communities served and flexibility for broadcasters. Moreover, the information from TVA's logs shows that these requirements are achievable for these stations.

65. In light of the above, the Commission imposes **conditions of licence** on these stations requiring the broadcast of 5 hours of local programming, including 2 hours and 30 minutes of locally reflective news. These conditions are set out in Appendix 2 to this decision.

Expenditure requirement for locally reflective news

66. In the Local TV Policy, the Commission announced that all licensees would be required to devote part of their revenues from the previous year to locally reflective news. Consistent with the determinations set out in the Introductory Decision, the Commission imposes a **condition of licence** requiring TVA Group stations to devote at least 5% of the previous year's gross revenues to the acquisition of or investment in local news.

Mandatory distribution order for the TVA network

67. The TVA network is subject to a mandatory distribution order on the basic service of distributors operating in English-language markets pursuant to section 9(1)(h) of the *Broadcasting Act* (the Act).

68. In support of its original request in 1998, QMI had submitted that distribution of the TVA network's programming on the basic service would:

- add diversity to the Canadian broadcasting system;

- provide Francophones outside Quebec with a private French-language general interest television service;

- increase access to diverse, high-quality programming for OLMCs; and
- help meet certain objectives of the Act.

69. At the time, the Commission imposed conditions of licence on the network to ensure that OLMCs were reflected onscreen. The Commission maintained the conditions of licence imposed on the TVA network in 1998 and associated with its mandatory distribution when renewing the licence for the service in 2001, 2009 and 2012.

70. In 2012, the Commission set out a new expectation according to which the licensee had to conduct at least one annual survey of OLMCs. As part of its current application, QMI requested that this expectation be removed. It submitted that the dialogue with OLMCs was well established and that TVA was well aware of their concerns.

71. However, in light of the importance of the TVA network for Francophone OLMCs, the Commission is not convinced that this expectation is no longer needed in the current context. Therefore, the Commission **denies** the request to remove this expectation for TVA Group. Further, the Commission expects the results from the surveys to be made public on a going-forward basis.

72. Moreover, as mentioned in Broadcasting Decision 2012-242, TVA does not receive any subscription revenues through its mandatory distribution on the basic service and has difficulty monetizing audiences outside Quebec through national advertisers. Given the exceptional importance of TVA's distribution outside Quebec, particularly with respect to reflecting the linguistic duality and enhancing service to OLMCs, the Commission considers it important to maintain the mandatory order relating to the distribution of TVA on the basic service, as well as the associated conditions of licence.

Expectation on regional and OLMC reflection

73. At the time of the last renewals for French-language services, the Commission had set out an expectation regarding regional and OLMC reflection for all discretionary services. Consistent with the determinations set out in the Introductory Decision, the Commission sets out the following expectation for all QMI's discretionary services, including LCN and TVA Sports:

> The Commission expects all the discretionary services to ensure that the programs broadcast by their services adequately reflect all of Quebec's regions, including those outside Montréal, as well as all of Canada's regions. The Commission further expects the licensee to provide producers operating in those regions with the opportunity to produce programs intended for their services.

Closed captioning

74. Consistent with the approach established in Broadcasting and Telecom Regulatory Policy 2009-430 (the Policy on the accessibility of telecommunications and broadcasting services), the licensee must comply with the closed captioning quality standards developed by the television industry groups and implement a monitoring system for every closed captioning signal to ensure that the appropriate signal is closed captioned, that the closed captioning is included in the signal that is broadcast and that it reaches the distributor of that signal in its original format.

75. The Réseau québécois pour l'inclusion sociale des personnes sourdes et malentendantes (ReQIS) submitted an intervention drawing the Commission's attention to the closed captioning problems of certain French-language broadcasters, including TVA Group.

76. In reply to these concerns, QMI indicated that a new monitoring system was implemented in March 2016 that provides for the detection of the absence of closed captioning. QMI also stated that it was working with the company SOVO to develop voice recognition closed captioning software and that a new version should be implemented shortly. According to QMI, this new version should provide better results.

77. In light of the above and consistent with the Policy on the accessibility of telecommunications and broadcasting services, the Commission reiterates the importance of the availability of quality closed captioning. The Commission is of the view that the standard conditions of licence imposed on television stations and discretionary services are satisfactory to meet the concerns of ReQIS.

Described video

78. In Broadcasting Regulatory Policy 2015-104, the Commission imposed requirements regarding the broadcast of programs accompanied by described video.

79. Further, in Broadcasting Regulatory Policy 2016-343, the Commission determined that it would require that all programming resulting from Certified Independent Production Funds, regardless of the platform through which it is distributed, be closed captioned and provided with described video.

80. QMI noted that for some discretionary services, the costs for described video could amount to 25% of their programming budget, forcing them to cut content, contrary to the objectives of the Act.

81. QMI requested that the new requirements be applied only to television stations and not discretionary services. It also asked that they be applied only to first-run programs as adding described video to repeat programs would represent a daunting task, requiring greater effort and more resources than adding described video during production. QMI added that when a program is delivered at the last minute, adding described video can prove impossible.

Commission's analysis and decision

82. As explained by the licensee, the costs relating to described video can prove significant and impact programming.

83. However, the Commission considers that QMI has not demonstrated that it is facing sufficiently significant difficulties to justify an exception to the Commission's policy, which aims to improve access to broadcasting for Canadians with visual impairments.

84. In light of the above, the Commission imposes on TVA Group's discretionary services and television stations the requirement to provide described video for all French- or English-language programming broadcast during prime time (i.e. between 7 p.m. and 11 p.m.) and drawn from program categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety, 11(a) General entertainment and human interest and 11(b) Reality television, and/or is programming targeting preschool children (0-5 years of age) and children (6-12 years of age).

Conditions of licence imposed on CFTM-DT

85. TVA Group holds a licence for its network and a licence for its Montréal station CFTM-DT. As stated in Broadcasting Decision 2012-242, the licence for CFTM-DT and the network licence are subject to common conditions of licence.

86. QMI stated that it was not necessary to impose further conditions on CFTM-DT Montréal. However, in response to an undertaking made at the hearing, QMI stated that it was open to tying the content-related conditions of licence (e.g. the conditions of licence regarding local news) to the licence for the Montréal station and not the network licence. None of the interveners addressed the matter.

Commission's analysis and decision

87. The Commission considers that applying the conditions in the TVA network licence to the Montréal station will clarify the obligations specific to the network and those specific to the Montréal station.

88. Accordingly, the Commission imposes on CFTM-DT the content-related **conditions of licence** set out in the network licence.

LCN and TVA Sports

89. QMI requested the renewal of the licences for LCN and TVA Sports under the standard conditions for national news services and mainstream sports services. The Commission **approves** these requests. The **conditions of licence** for these services are set out in Appendices 4 and 5 to this decision.

Illico sur demande

90. QMI requested the renewal of the licence for Illico sur demande under the standard conditions of licence for on-demand services. The Commission **approves** this request. The **conditions of licence** for that service are set out in Appendix 6.

Conclusion

91. In light of all of the above, the Commission **renews** for a five-year term the broadcasting licences for the network, television stations and discretionary services that will form TVA Group listed in Appendix 1 to this decision under the applicable **conditions of licence** set out in Appendices 2 and 3. The licences will take effect 1 September 2017 and expire 31 August 2022.

92. The Commission **renews** the broadcasting licence for the discretionary service TVA Sports. The licensee shall adhere to the **conditions of licence** set out in Appendix 4 to this decision. The licence will take effect 1 September 2017 and expire 31 August 2022.

93. The Commission **renews** the broadcasting licence for the discretionary service LCN. The licensee shall adhere to the **conditions of licence** set out in Appendix 5 to this decision. The licence will take effect 1 September 2017 and expire 31 August 2022.

94. Finally, the Commission **renews** the broadcasting licence for the on-demand service Illico sur demande. The licensee shall adhere to the **conditions of licence** set out in Appendix 6 to this decision. The licence will take effect 1 September 2017 and expire 31 August 2022.

Secretary General

Related documents

- *Renewal of licences for the television services of large French-language ownership groups – Introductory decision*, Broadcasting Decision CRTC 2017-143, 15 May 2017
- *Policy Framework for Certified Independent Production Funds*, Broadcasting Regulatory Policy CRTC 2016-343, 25 August 2016
- *Argent – Revocation of licence*, Broadcasting Decision CRTC 2016-290, 26 July 2016
- *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016
- *Let's Talk TV – Navigating the Road Ahead – Making informed choices about television providers and improving accessibility to television programming*, Broadcasting Regulatory Policy CRTC 2015-104, 26 March 2015
- *Let's Talk TV – The way forward – Creating compelling and diverse Canadian programming*, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015
- *Quality standards for English-language closed captioning*, Broadcasting Regulatory Policy CRTC 2012-362, 5 July 2012
- *TVA Group Inc. – Licence renewals*, Broadcasting Decision CRTC 2012-242, 26 April 2012

- *Quality standards for French-language closed captioning*, Broadcasting Regulatory Policy CRTC 2011-741, 1 December 2011
- *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009

This decision and the appropriate appendices are to be appended to each licence.

Appendix 1 to Broadcasting Decision CRTC 2017-147

Services that form part of TVA Group and for which the broadcasting licences have been renewed in this decision

Network

TVA Group Inc.	Réseau TVA

Television stations

Licensee	Call Sign / Location
TVA Group Inc.	CFCM-DT Québec
	CFER-DT Rimouski and its transmitter CFER-TV-2 Sept-Îles
	CFTM-DT Montréal
	CHEM-DT Trois-Rivières
	CHLT-DT Sherbrooke
	CJPM-DT Saguenay and its transmitter CJPM-TV-1 Chambord

Discretionary services

Licensee	Name of service
TVA Group Inc.	Addik TV
	Casa
	Moi&Cie
	Prise 2
	Yoopa

Appendix 2 to Broadcasting Decision CRTC 2017-147

Terms, conditions of licence, expectations and encouragements applicable to TVA Group's network and television stations

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragements

1. The licensee shall adhere to the standard conditions of licence, expectations and encouragements for television stations set out in Appendix 1 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, with the exception of condition 14, which is replaced by the following:

    The licensee shall, by 1 September 2019, provide described video for all English- and French-language programming that is broadcast during prime time (i.e., from 7 p.m. to 11 p.m.), and that is drawn from program categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety, 11(a) General entertainment and human interest and 11(b) Reality television, and/or is programming targeting preschool children (0-5 years of age) and children (6-12 years of age).

Canadian programming expenditures

2. In accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming at least 45% of the previous year's gross revenues of the undertaking.

3. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more television stations from TVA Group in the same broadcast year towards fulfilling the requirement set out in condition 2 as long as these expenditures are not used by those television stations towards fulfilling their own Canadian programming expenditure requirement.

4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more discretionary services from TVA Group in the same broadcast year towards fulfilling a combined maximum of 25% of the requirement set out in condition 2 as long as these expenditures are not used by those discretionary services towards fulfilling their own Canadian programming expenditure requirement.

5. Subject to condition 6, the licensee may claim, in addition to its expenditures on Canadian programming:

   a) a 50% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an Indigenous producer and claimed as Canadian programming expenditures during that broadcast year;
   b) a 25% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an official language minority community producer and claimed as Canadian programming expenditures during that broadcast year. The licensee may claim the credit if:

      (i) the programing is produced in the province of Quebec and the original language of production is English; or

      (ii) the programming is produced outside the province of Quebec and the original language of production is French.

6. The licensee may claim the credits calculated in accordance with condition 5 until the expenditures made on Canadian programming produced by Indigenous producers and by official language minority community producers, including credits, reach a combined maximum of 10% of the Canadian programming expenditure requirement for TVA Group.

Programs of national interest

7. The licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest at least 15% of the previous year's gross revenues of the undertaking.
8. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more undertaking from TVA Group in the same broadcast year towards fulfilling the requirement set out in condition 7 as long as these expenditures are not used by those undertakings towards fulfilling their own expenditure requirement regarding programs of national interest.
9. At least 75% of the expenditures in condition 7 must be made to an independent production company.
10. The licensee shall, by 30 November of each year, provide for the previous broadcast year a report in a form acceptable to the Commission that contains information on the programs that were broadcast by all undertakings from TVA Group in regard to:

    - programs of national interest;

    - the use of Indigenous and official language minority community producers, specifying notably for each: the number of producers they meet with each year; the projects commissioned, including projects in development, in production and completed; the budgets and the total Canadian programming expenditures devoted to such projects; and any other information the Commission requires to this effect; and

- access that women have to key leadership positions, by providing information regarding the employment of women in key creative leadership positions in the productions broadcast, as well as any other information the Commission requires to this effect.

Over- and under-expenditures

11. Subject to condition 12, the licensee shall, for each broadcast year, make sufficient expenditures such that the undertakings that form TVA Group collectively devote:

    a) 45% of the previous year's revenues of the undertakings that form TVA Group to the acquisition of or investment in Canadian programming; and

    b) 15% of the previous year's revenues of the undertakings that form TVA Group to the acquisition of or investment in programs of national interest.

12. In each broadcast year of the licence term, excluding the final year,

    a) the licensee, in concert with the other undertakings that form TVA Group, may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 11(a) and 11(b) respectively; in such case, the licensee shall ensure that the undertakings that form TVA Group expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;

    b) where the licensee, in concert with the other undertakings that form TVA Group, expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure calculated in accordance with conditions 11(a) and 11(b) respectively, the licensee or another undertaking from TVA Group may deduct that amount from the total minimum required expenditure in one or more of the remaining years of the licence term.

    c) Notwithstanding conditions 12(a) and 12(b), during the licence term, the licensee shall ensure that the undertakings that form TVA Group expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with condition 11(a) and 11(b).

Licensee's obligations with respect to TVA Group

13. In the two years following the end of the previous licence term, the licensee shall report and respond to any Commission enquiries relating to expenditures on Canadian programming, including programs of national interest, made by the licensee and by TVA Group for that term.

14. The licensee shall be responsible for any failure to comply with the requirements relating to expenditures on Canadian programming, including programs of national interest, that occurred during the previous licence term.

15. In regard to the operation of the undertakings that form TVA Group:

    a) Subject to conditions 15(b) and 15(c), the licensee shall operate the television station and that station shall remain part of TVA Group for the duration of the licence term.

    b) Should the licensee wish to operate the television station outside TVA Group or cease its operation, the licensee shall apply to the Commission for that station to be removed from TVA Group no later than 120 days prior to operating the station outside TVA Group or ceasing its operation.

    c) The licensee shall ensure that the list of undertakings that form TVA Group is accurate at all times.

16. In accordance with paragraph 90 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the television station is hereby designated a "designated local television station." The station shall maintain this designation for the licence term so long as all the television stations from TVA Group remain in operation.

Repurposing of the 600 MHz frequency band

17. In regard to the repurposing of the 600 MHz frequency band in Canada:

    a) The licensee is authorized to operate the television station and transmitters according to contours and technical parameters that differ from those approved in its most recent application and/or listed on its licence, to the extent that these new contours and technical parameters have been approved by the Department of Industry (the Department) as a result of the Department's repurposing initiative of the 600 MHz frequency band as set out in *Decision on Repurposing the 600 MHz Band*, SLPB-004-15, 14 August 2015 and its April 2017 *Digital Television (DTV) Allotment Plan, Digital Television (DTV) Transition Schedule* and the *Broadcasting Procedures and Rules* entitled *BPR-11 – Broadcasting Television Application Procedures During the 600 MHz Transition*.

    b) For the purpose of the *Broadcasting Distribution Regulations*, the licensee is deemed to be operating the television station and transmitters under the contours and technical parameters approved by the Commission and in effect on **15 May 2017**.

    c) The above authorizations are valid only if the Commission receives confirmation from the Department that the revised contours and technical parameters resulting from the Department's repurposing initiative of the 600 MHz frequency band satisfy the requirements of the *Radiocommunication Act* and the regulations made thereunder and that a broadcasting certificate has been or will be issued to the licensee in respect of the revised parameters.

Additional conditions of licence for the network

Service to official language minority communities

18. The licensee shall broadcast at least six special events per broadcast year reflecting francophone life outside Quebec.

19. The licensee shall broadcast a weekly 30-minute program on Francophone life outside of Quebec.

Journalistic independence

20. The licensee shall limit to no more than 40% the number of persons serving on its board of directors who are now or have been a member of the board of directors of Quebecor inc., Quebecor Media Inc. (QMI) or of any corporation or business undertaking controlled directly or indirectly by Quebecor inc. or QMI.

21. The licensee shall adhere to the code of professional conduct it has established with respect to the independence and separation of the newsrooms, and which the Commission approved in *Transfer of effective control of TVA to Quebecor Média inc.*, Broadcasting Decision CRTC 2001-384, 5 July 2001. Any amendment to the code must be approved by the Commission. However, the application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.

22. The licensee shall maintain a monitoring committee to review any complaints relating to the independence and separation of the newsrooms. Any amendment to the mandate or operation of this committee must be approved by the Commission. However, the application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.

23. The operations of TVA and LCN shall be independent of the other Quebecor Media Inc. entities.

24. TVA management shall be separate from and independent of the management of Quebecor Media Inc.'s newspapers and shall have the authority to make independent decisions on day-to-day matters.

Conditions of licence applicable only to TVA Group's television stations

Locally reflective news

25. In accordance with *Renewal of licences for the television services of large French-language ownership groups – Introductory decision*, Broadcasting Decision CRTC 2017-143, 15 May 2017, and consistent with the definition of locally reflective news set out in paragraph 56 to 58 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the licensee shall in each broadcast year devote to the acquisition of or investment in locally reflective news at least 5% of the previous year's gross revenues of the undertaking.

26. The licensee may count expenditures made for the acquisition of or investment in locally reflective news by one or more television stations from TVA Group in the same broadcast year towards fulfilling the requirement set out in condition 25 as long as these expenditures are not used by those television stations towards fulfilling their own locally reflective news expenditure requirement.

27. Subject to condition 28, the licensee shall, for each broadcast year, make sufficient expenditures such that the television stations from TVA Group collectively devote to the acquisition of or investment in locally reflective news at least 5% of the previous year's gross revenues of those television stations.

28. In each broadcast year of the licence term, excluding the final year,

    a) the licensee, in concert with the other television stations from TVA Group, may expend an amount on locally reflective news that is up to 5% less than the minimum required expenditure for that year calculated in accordance with condition 27; in such case, the licensee shall ensure that the television stations from TVA Group expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;

    b) where the licensee, in concert with the other television stations from TVA Group, expends an amount for that year on locally reflective news that is greater than the minimum required expenditure calculated in accordance with condition 27, the licensee may deduct that amount from the minimum required expenditure in one or more of the remaining years of the licence term.

    c) Notwithstanding conditions 28(a) and 28(b), during the licence term, the licensee shall ensure that the television stations from TVA Group expend on locally reflective news the total of the minimum required expenditures calculated in accordance with condition 27.

Conditions of licence specific to CFTM-DT Montréal

29. Consistent with *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016:

    a) The licensee shall broadcast at least 25 hours of local programming in each broadcast week.

    b) The licensee shall broadcast at least 6 hours of locally reflective news in each broadcast week.

30. For the purposes of validating requirements relating to local programming and closed captioning of local programming, the licensee shall provide, using the Commission's computerized system, program logs on a quarterly basis for the local programming broadcast

by the station. These logs must be submitted to the Commission within 30 days of the end of each quarter.

Conditions of licence specific to CFCM-DT Québec

31. Consistent with *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016:

    a) The licensee shall broadcast at least 18 hours of local programming in each broadcast week, of which

        i) at least 5 hours and 30 minutes shall be local news produced in Québec, including two local newscast on the weekends;

        ii) at least 3 hours and 30 minutes shall be other programs that focus specifically on the Québec region that may be broadcast on the TVA network; and

        iii) at least 3 hours and 30 minutes shall be locally reflective news in each broadcasting week.

32. The licensee is exempted from the requirements relating to program logs set out in section 10(3) of the *Television Broadcasting Regulations, 1987*, where the programming broadcast by that station is the same as the programming broadcast by CFTM-DT Montréal.

33. For the purposes of validating requirements relating to local programming and closed captioning of local programming, the licensee shall provide, using the Commission’s computerized system, program logs on a quarterly basis for the local programming broadcast by the station. These logs must be submitted to the Commission within 30 days of the end of each quarter.

Conditions of licence specific to CHEM-DT Trois-Rivières, CHLT-DT Sherbrooke, CFER-DT Rimouski and its transmitter CFER-TV-2 Sept-Îles, and to CJPM-DT Saguenay and its transmitter CJPM-TV-1 Chambord

34. Consistent with *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016:

    a) The licensee shall broadcast at least 5 hours of local programming in each broadcast week.

    b) The licensee shall broadcast at least 2 hours and 30 minutes of locally reflective news in each broadcast week.

35. The licensee is exempted from the requirements relating to program logs set out in section 10(3) of the *Television Broadcasting Regulations, 1987*, where the programming broadcast by that station is the same as the programming broadcast by CFTM-DT Montréal.

36. For the purposes of validating requirements relating to local programming and closed captioning of local programming, the licensee shall provide, using the Commission's computerized system, program logs on a quarterly basis for the local programming broadcast by the station. These logs must be submitted to the Commission within 30 days of the end of each quarter.

Expectation

The Commission expects the licensee, at a minimum, to conduct an annual survey of the official-language minority communities in order to improve dialogue between the licensee and these communities and to ensure that the concerns and realities of Francophones living outside Quebec are taken into account. Results of the surveys will be made public.

Definitions

“TVA Group” means the group of undertakings set out in Appendix 1 to *Quebecor Media Inc. – Group-based licence renewals for French-language television stations and services*, Broadcasting Decision CRTC 2017-147, 15 May 2017.

“Independent production company” means a Canadian company (i.e., a company carrying on business in Canada, with a Canadian business address, owned and controlled by Canadians) whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

“Indigenous producer” means an individual who self-identifies as Indigenous, which includes First Nations, Métis or Inuit, and is a Canadian citizen or resides in Canada, or an independent production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and are Canadian citizens or reside in Canada. In regard to the definition of “independent production company,” “Canadian” includes a person who self-identifies as Indigenous and resides in Canada, whereas “Canadian company” includes a production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and reside in Canada.

“Local programming” shall have the meaning set out in Appendix 1 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016.

“Locally reflective news” means programming that meets the criteria set out in paragraphs 56 to 58 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016.

“Official language minority community producer” means a company that meets the definition of “independent production company” and that:

a) if operating in the province of Quebec, produces original English-language programming, or

b) if operating outside of the province of Quebec, produces original French-language programming.

“Programs of national interest” means Canadian programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy and all related subcategories, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety.

Appendix 3 to Broadcasting Decision CRTC 2017-147

Terms, conditions of licence, expectations and encouragements applicable to all discretionary services in TVA Group

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragements

1. The licensee shall adhere to the standard conditions of licence, expectations and encouragements for discretionary services set out in Appendix 2 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, with the exception of condition 17, which is replaced by the following:

   The licensee shall, by 1 September 2019, provide described video for all English- and French-language programming that is broadcast during prime time (i.e., from 7 p.m. to 11 p.m.), and that is drawn from program categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety, 11(a) General entertainment and human interest and 11(b) Reality television, and/or is programming targeting preschool children (0-5 years of age) and children (6-12 years of age).

2. In each broadcast year, the licensee shall devote at least 35% of the broadcast day to the exhibition of Canadian programs.

Canadian programming expenditures

3. In accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming at least 45% of the previous year’s gross revenues of the undertaking.

4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more undertakings from TVA Group in the same broadcast year towards fulfilling the requirement set out in condition 3 as long as these expenditures are not used by those undertakings towards fulfilling their own Canadian programming expenditure requirement.

5. Subject to condition 6, the licensee may claim, in addition to its expenditures on Canadian programming:

   a) a 50% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an Indigenous producer and claimed as Canadian programming expenditures during that broadcast year;

   b) a 25% credit against its Canadian programming expenditure requirements for expenditures made on Canadian programming produced by an official language minority community producer and claimed as Canadian programming expenditures during that broadcast year. The licensee may claim the credit if:

(i) the programing is produced in the province of Quebec and the original language of production is English; or

(ii) the programming is produced outside the province of Quebec and the original language of production is French.

6. The licensee may claim the credits calculated in accordance with condition 5 until the expenditures made on Canadian programming produced by Indigenous producers and by official language minority community producers, including credits, reach a combined maximum of 10% of the Canadian programming expenditure requirement for TVA Group.

Programs of national interest

7. The licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest at least 15% of the previous year's gross revenues of the undertaking.
8. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more undertaking from TVA Group in the same broadcast year towards fulfilling the requirement set out in condition 7 as long as these expenditures are not used by those undertakings towards fulfilling their own expenditure requirement regarding programs of national interest.

9. At least 75% of the expenditures in condition 7 must be made to an independent production company.

10. The licensee shall, by 30 November of each year, provide for the previous broadcast year a report in a form acceptable to the Commission that contains information on the programs that were broadcast by all undertakings from TVA Group in regard to:

- programs of national interest;

- the use of Indigenous and official language minority community producers, specifying notably for each: the number of producers they meet with each year; the projects commissioned, including projects in development, in production and completed; the budgets and the total Canadian programming expenditures devoted to such projects; and any other information the Commission requires to this effect; and

- access that women have to key leadership positions, by providing information regarding the employment of women in key creative leadership positions in the productions broadcast, as well as any other information the Commission requires to this effect.

Over- and under-expenditures

11. Subject to condition 12, the licensee shall, for each broadcast year, make sufficient expenditures such that the undertakings that form TVA Group collectively devote:

    a) 45% of the previous year's gross revenues of the undertakings that form TVA Group to the acquisition of or investment in Canadian programming; and

    b) 15% of the previous year's gross revenues of the undertakings that form TVA Group to the acquisition of or investment in programs of national interest.

12. In each broadcast year of the licence term, excluding the final year,

    a) the licensee, in concert with the other undertakings that form TVA Group, may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 11(a) and 11(b) respectively; in such case, the licensee shall ensure that the undertakings that form TVA Group expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure;

    b) where the licensee, in concert with the other undertakings that form TVA Group, expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure calculated in accordance with conditions 11(a) and 11(b) respectively, the licensee or another undertaking from TVA Group may deduct that amount from the total minimum required expenditure in one or more of the remaining years of the licence term.

    c) Notwithstanding conditions 12(a) and 12(b), during the licence term, the licensee shall ensure that the undertakings that form TVA Group expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with condition 11(a) and 11(b).

Licensee's obligations with respect to TVA Group

13. In the two years following the end of the previous licence term, the licensee shall report and respond to any Commission enquiries relating to the reported expenditures on Canadian programming and on programs of national interest by the licensee and by TVA Group for that term.

14. The licensee shall be responsible for any failure to comply with the requirements regarding Canadian programming expenditures and expenditures on programs of national interest that occurred during the previous licence term.

15. In regard to the operation of the undertakings that form TVA Group:

a) Subject to condition 15(b), the undertaking shall remain part of TVA Group for the duration of the licence term.

b) Should the licensee wish to operate the undertaking outside TVA Group, the licensee shall apply to the Commission for the undertaking to be removed from TVA Group no later than 120 days prior to operating the service outside TVA Group.

c) The licensee shall ensure that the list of undertakings that form TVA Group is accurate at all times.

Expectation for reflection of regions and official language minority communities

The Commission expects the licensee ensure that the programs broadcast by the services provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its services.

Definitions

"TVA Group" means the group of undertakings set out in Appendix 1 to *Quebecor Media Inc. – Group-based licence renewals for French-language television stations and services*, Broadcasting Decision CRTC 2017-147, 15 May 2017.

"Broadcast day" means:

- For AddikTV, Casa, Moi&cie, as an exception to the definition set out in Appendix 2 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, "broadcast day" refers to the 24-hour period beginning each day at 6 a.m., Eastern Standard Time.

- For Prise 2, as an exception to the definition set out in Appendix 2 to *Standard requirements for television stations, discretionary services and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, "broadcast day" refers to the 24-hour period beginning each day at 12 a.m. or any other period approved by the Commission.

"Independent production company" means a Canadian company (i.e., a company carrying on business in Canada, with a Canadian business address, owned and controlled by Canadians) whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

"Indigenous producer" means an individual who self-identifies as Indigenous, which includes First Nations, Métis or Inuit, and is a Canadian citizen or resides in Canada, or an independent production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and are Canadian citizens or reside in Canada. In regard to the definition of "independent production company," "Canadian" includes a person who self-identifies as Indigenous and resides in Canada, whereas "Canadian company" includes a production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and reside in Canada.

"Official language minority community producer" means a company that meets the definition of "independent production company" and that:

a) if operating in the province of Quebec, produces original English-language programming, or

b) if operating outside of the province of Quebec, produces original French-language programming.

Appendix 4 to Broadcasting Decision CRTC 2017-147

Terms, conditions of licence, expectations and encouragement for the mainstream sports service TVA Sports

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragement

1. The licensee shall adhere to the standard conditions, expectations and encouragement set out in Appendix 1 to *Conditions of licence for competitive Canadian specialty services operating in the genres of mainstream sports and national news – Definition of "broadcast day" for mainstream sports services*, Broadcasting Regulatory Policy CRTC 2009-562-2, 25 May 2012, with the exception of condition of licence 7, which shall be replaced by the following.

   Consistent with *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009, the licensee shall:

   i) ensure that advertising, sponsorship messages and promos in the English and French-languages are closed captioned;

   ii) in regard to the quality of closed captioning, the licensee shall adhere to the requirements set out in the appendix to the *Quality standards for French-language closed captioning – Enforcement, monitoring and the future mandate of the French-language Closed Captioning Working Group*, Broadcasting Regulatory Policy CRTC 2011-741-1, 21 February 2012; and

   iii) implement a monitoring system to ensure that, for any signal that is closed captioned, the correct signal is captioned, the captioning is included in its broadcast signal and this captioning reaches the distributor of that signal in its original form. "Original form" means, at a minimum, that the captioning provided by the licensee reaches the distributor unaltered, whether it is passed through in analog or in digital, including in high definition.

2. In order to ensure that the licensee complies at all times with the Order in Council entitled *Direction to the CRTC (Ineligibility of Non-Canadians)*, the licensee shall submit beforehand, for the Commission's consideration, a copy of any commercial or trademark agreement it has concluded with a non-Canadian party, within 30 days following the signature of such agreement. The Commission may also request any additional document that may have an impact on the control or management of the service.

3. In the two years following the end of the previous licence term, the licensee shall report and respond to any Commission enquiries relating to the expenditures on Canadian programming for that term.

4. The licensee shall be responsible for any failure to comply with requirements relating to expenditures on Canadian programming, including programs of national interest, that occurred during the previous licence term.

5. The licensee shall adhere to the Wholesale Code, set out in the appendix to *The Wholesale Code*, Broadcasting Regulatory Policy CRTC 2015-438, 24 September 2015, in its dealings with any licensed or exempt broadcasting undertaking.

Expectation

The Commission expects the licensee to ensure that the programs broadcast by the service adequately reflect all of Quebec’s regions, including those outside Montréal, as well as all of Canada’s regions. The Commission also expects the licensee to provide producers working in these regions with opportunities to produce programs for this service.

Appendix 5 to Broadcasting Decision CRTC 2017-147

Terms, conditions of licence, expectations and encouragement for the national news service LCN

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragement

1. The licensee shall adhere to the standard conditions, expectations and encouragement set out in the appendix 1 to *Revised standard conditions of licence for Canadian discretionary services operating as national news services*, Broadcasting Regulatory Policy CRTC 2015-436, 23 September 2015.

2. The licensee shall adhere to the Wholesale Code, set out in the appendix to *The Wholesale Code*, Broadcasting Regulatory Policy CRTC 2015-438, 24 September 2015, in its dealings with any licensed or exempt broadcasting undertaking.

Expectation

The Commission expects the licensee to ensure that the programs broadcast by the service adequately reflect all of Quebec’s regions, including those outside Montréal, as well as all of Canada’s regions. The Commission also expects the licensee to provide producers working in these regions with opportunities to produce programs for this service.

Appendix 6 to Broadcasting Decision CRTC 2017-147

Terms, conditions of licence, expectations and encouragement for the on demand service Illico sur demande

Terms

The licences will take effect 1 September 2017 and expire 31 August 2022.

Conditions of licence, expectations and encouragement

The licensee shall adhere to the standard conditions of licence, expectations and encouragements for on-demand services set out in the appendix to *Standard requirements for on-demand services*, Broadcasting Regulatory Policy CRTC 2017-138, 10 May 2017.