



Broadcasting Notice of Consultation CRTC 2022-182

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Ottawa, 6 July 2022

Public record: 1011-NOC2022-0182

Call for comments regarding the change to the treatment of stock footage costs as part of the Canadian program certification

The Commission calls for comments on the change to the treatment of stock footage costs as part of the Canadian program certification.

The deadline for the receipt of interventions is **5 August 2022**. Only parties that file interventions may file a reply to matters raised during the intervention phase. The deadline to file replies is **15 August 2022**.

Background

1. Licensees of conventional television and discretionary licences are required to broadcast a percentage of Canadian content.¹ In order to monitor compliance, the Commission requires licensees to keep program logs they broadcast and that the Canadian programs produced by independent producers be designated with a Canadian program certification number. These programs are considered Canadian if they are certified by the Canadian Audio-Visual Certification Office (CAVCO) or if they meet the criteria established by the Commission in different regulatory policies.²
2. One of the certification criteria that must be met for a production to be considered Canadian is that it must achieve minimal Canadian expenditures thresholds. In order to encourage the use and development of Canadian artists, the Commission specified in Broadcasting Regulatory Policy 2010-905 that at least 75% of production services costs must be paid to Canadians, and at least 75% of post-production and lab costs must be paid for services provided in Canada by Canadians or Canadian companies.
3. On 26 January 2022, the CAVCO issued a public notice seeking comments on the proposed modification to the treatment of stock footage costs to move these costs from the “services” category to the “other” category. This change would exclude the stock footage costs from the calculation of the 75% threshold of the “Canadian services”. The CAVCO specified that documentary producers had repeatedly argued that documentary productions were unfairly disadvantaged by this requirement,

¹ See section 4 of the *Television Broadcasting Regulations, 1987* as well as section 2 of the *Discretionary Services Regulations*.

² See Appendix I to Public Notice 2000-42; the appendix to Broadcasting Regulatory Policy 2010-905 or paragraphs 128 to 130 of Broadcasting Regulatory Policy 2015-86.

particularly because of stock footage cost categorization as “services” costs. They added that documentaries, and some other types of productions, often need to use non-Canadian stock footage, either because of the subject of the production or because of more limited availability of stock footage from Canadian sources.

4. On 22 April 2022, the CAVCO issued Public Notice 2022-02 in which it announced the implementation of its proposed modification and specified that the breakdown of the costs section will be adjusted to move stock footage from the “services” column to the “other” column.

Call for comments

5. Given that Commission’s program certification criteria are similar to those of the CAVCO, including the 75% minimal expenditure thresholds for Canadian services, the Commission calls for comments to know if it should adopt the same modification to the treatment of stock footage costs. Specifically, the Commission proposes that these costs be considered as “other” costs rather than “services” costs when calculating the breakdown of costs of a production.

Procedure

6. The *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure* (the Rules of Procedure) apply to the present proceeding. The Rules of Procedure set out, among other things, the rules for content, format, filing and service of interventions, answers, replies and requests for information; the procedure for filing confidential information and requesting its disclosure; and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and related documents, which can be found on the Commission’s website under “[Statutes and Regulations](#).” The guidelines set out in Broadcasting and Telecom Information Bulletin 2010-959 provide information to help interested persons and parties understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.
7. The Commission invites interventions that address the issues and questions set out above. The Commission will accept interventions that it receives on or before **5 August 2022**. Only parties that file interventions may file a reply to matters raised during the intervention phase. The deadline for the filing of replies is **15 August 2022**.
8. The Commission encourages interested persons and parties to monitor the record of the proceeding, available on the Commission’s website, for additional information that they may find useful when preparing their submissions.
9. Submissions longer than five pages should include a summary. Each paragraph of all submissions should be numbered, and the line *****End of document***** should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.

10. Pursuant to Broadcasting and Telecom Information Bulletin 2015-242, the Commission expects incorporated entities and associations, and encourages all Canadians, to file submissions for Commission proceedings in accessible formats (for example, text-based file formats that allow text to be enlarged or modified, or read by screen readers). To provide assistance in this regard, the Commission has posted on its website [guidelines](#) for preparing documents in accessible formats.
11. Submissions must be filed by sending them to the Secretary General of the Commission using **only one** of the following means:

by completing the
[\[Intervention/comment/answer form\]](#)

or

by mail to
CRTC, Ottawa, Ontario K1A 0N2

or

by fax at
819-994-0218

12. Parties who send documents electronically must ensure that they will be able to prove, upon Commission request, that filing, or where required, service of a particular document was completed. Accordingly, parties must keep proof of the sending and receipt of each document for 180 days after the date on which the document is filed or served. The Commission advises parties who file or serve documents by electronic means to exercise caution when using email for the service of documents, as it may be difficult to establish that service has occurred.
13. In accordance with the Rules of Procedure, a document must be received by the Commission and all relevant parties by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions, including those due to postal delays, will not be considered by the Commission and will not be made part of the public record.
14. The Commission will not formally acknowledge submissions. It will, however, fully consider all submissions, which will form part of the public record of the proceeding, provided that the procedure for filing set out above has been followed.

Important notice

15. All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, fax, email or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal

information, such as full names, email addresses, postal/street addresses, telephone and fax numbers, etc.

16. The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
17. Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.
18. The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

Availability of documents

19. Links to interventions, replies and answers filed for this proceeding, as well as other documents referred to in this notice, are available on the Commission's "[Consultations and hearings: have your say](#)" page.
20. Documents are available upon request during normal business hours by contacting:

Documentation Centre
Examinationroom@crtc.gc.ca
Tel.: 819-997-4389
Fax: 819-994-0218

Client Services
Toll-free telephone: 1-877-249-2782
Toll-free TTY: 1-877-909-2782

Secretary General

Related documents

- *Filing submissions for Commission proceedings in accessible formats*, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015
- *Let's talk TV – The way forward – Creating compelling and diverse Canadian programming*, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015
- *Guidelines on the CRTC Rules of Practice and Procedure*, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010

- *Revision of the definition of a Canadian program to include Canadian programs that have been dubbed in Canada and outside Canada*, Broadcasting Regulatory Policy CRTC 2010-905, 3 December 2010
- *Changes to certain practices for filing interventions – Expansion of filing practices to include the filing of joint supporting comments for broadcasting policy proceedings*, Broadcasting Information Bulletin CRTC 2010-28-1, 10 December 2010
- *Certification for Canadian Programs - A revised approach*, Public Notice CRTC 2000-42, 17 March 2000