

DIVERSITY OF VOICES PROCEEDING

September 21, 2007

7196 We will now proceed with the following two interveners, the National Campus and Community Radio Association and Mr. John Harris Stevenson.

7197 We will start with the National Campus' presentation. Ms Melissa Kaestner will present her colleague, after which you will have 10 minutes for your presentation.

7198 Ms Kaestner.

INTERVENTION

7199 MS KAESTNER: Thank you.

7200 Good morning, everybody.

7201 My name is Melissa Kaestner and I'm the National Coordinator of the National Campus and Community Radio Association.

7202 I've worked in radio for 14 years, getting my start in commercial radio in the U.S. in 1993. I found my passion for campus and community radio in 1997 at CHSR-FM in Fredericton. From there I went to Toronto and did a short stint as music director at CHRY before moving on to Montreal and then Ottawa to work with the NCRA for more than five years ... or more than five years ago. Currently I am a volunteer at CHUO-FM in Ottawa.

7203 MR. LIGHT: My name is Evan Light. I began volunteering at a small college station in the woods of New Jersey in 1993 and have been active at CKOT radio in Montreal since 1995.

7204 I'm a doctoral candidate in communications at Université de Montréal ... du Québec au Montréal where I specialize in independent media and the democratic management of the radio spectrum.

7205 I also volunteer with AMARC the World Association of Community Broadcasters as a policy specialist and member of AMARC's North American steering committee.

7206 Today I'm here as a board member of the National Campus and Community Radio Association representing the region of Quebec.

7207 MS PENHALE: My name is Joanne Penhale and I started at CJSF in Burnaby, B.C. five years ago as a volunteer programmer. I've since been involved as a board member, staff and then, again, as a volunteer at two other community-oriented campus radio stations.

7208 I've also completed a post-grad journalism program and have worked in the private sector as a journalist.

7209 Both the non-profit and private sectors of media have their strengths, but I continue to volunteer in the campus and community radio sector because I respect its goals.

7210 Today I'm representing the NCRA as a board member.

7211 A month ago Evan and I drove across much of Canada in my '89 Corolla which only has a radio. We left from Victoria, went to Vancouver, up into northern B.C., across Alberta, Saskatchewan, Manitoba, through northern Ontario and then down through northern Quebec into Montreal.

7212 Each region was vastly different from the next. Each rural community and city we drove through has its own distinct history, cultural identity, industries, landscape and unique mix of people, all with stories to tell.

7213 On long stretches of the TransCanada Highway we'd often hit the scan button on the radio and sometimes it was an hour before we'd pick up a frequency. Many times what came through was CBC Radio One, programming almost entirely produced in urban centres.

7214 When we got lucky we found community radio. Listening to these local broadcasts made me feel connected to the towns we were driving through. We heard voices of local regular people from places we'd never been to, talking about something happening that night in the community or playing music they chose and love and music that I'd never heard before.

7215 From region to region, however, the most typical radio we found sounded just like the radio I might find in Vancouver or Victoria or Toronto and, while it was better than nothing, it didn't reflect a unique regional diversity.

7216 MS KAESTNER: The National Campus and Community Radio Association is a national association of volunteer-based, non-profit, community-oriented radio broadcasters. The NCRA represents 47 members including campus, community, instructional and developmental stations in urban and rural locations across Canada.

7217 The programming of our stations is produced by an estimated 4,500 volunteers.

7218 While each of our member stations has their own unique characteristics generally reflective of the unique communities they serve, there are many qualities that campus and community radio stations have in common.

7219 We have open participatory access assuring diversity of membership across ranges of age, income, education, race, ethnicity, language, gender, sexual orientation and ability.

7220 Our spoken word content is dictated by the needs and desires of the community each station serves and the variety of music played by all of our stations is vast, including local musicians who sometimes go on to commercial success.

7221 Our stations are independent and non-profit. They are not restrained by a need to turn profits for shareholders, satisfy advertisers and they will never be at risk of being purchased or consolidated with other stations.

7222 Each station fills its programming day with shows produced and hosted by volunteers from vastly different backgrounds, all drawn from the community who make their own editorial decisions.

7223 On average this amounts to more than 100 different independent editorial voices on each station per week.

7224 MS PENHALE: The local impact of campus and community radio stations is huge. Because they are accessible and locally oriented, the impact of these stations resonates with local communities.

7225 Stations interact with these communities in three primary ways. First, by engaging local audiences with broadcasts on local topics that are relevant to their lives and exposing audiences to ideas, information and music that is otherwise not readily available.

7226 Second, the physical station itself is a convergent point for people and groups with various backgrounds and perspectives, making stations sites for dialogue, network building and cross-cultural exchanges.

7227 Finally, every day local people who often have no other interaction with media are sought out by programmers to share their ideas and stories on air, giving those people a sense of validation and belonging in the community they live in.

7228 For further evidence of this impact, we've included in our submission several testimonies from staff and volunteers about the nature and impact of campus community radio stations in Canada.

7229 MR. LIGHT: There's an increasing demand on the campus community radio sector as commercial media becomes more centralized, homogenized and less locally oriented.

7230 Our stations have an enormous responsibility which they take very seriously to provide audiences programming that isn't available on other frequencies in the region.

7231 As more and more local stories are left uncovered by commercial media and the CBC, there's a greater demand on us to ensure those voices are heard.

7232 While we have this responsibility, our sector has an overwhelming need for financial stability. The NCRA has partnered with ARC du Canada and ARC du Québec to develop an independent funding body for Canadian community radio.

7233 Within two weeks of this hearing, an application will be filed for incorporation of the Community Radio Fund of Canada. We have submitted our current proposal, Appendix No. 2, for this Fund as part of our presentation today.

7234 Through the Fund, community radio stations and associations hope to attain fiscal security so they can better uphold their role in the Canadian broadcasting sector.

7235 Some examples of initiatives that could be funded are:

7236 Resource building. Some campus and community radio stations have great difficulty acquiring simple equipment like portable audio recorders, computers and sound boards. A basic standard of technological resources would optimize capacity for volunteers across Canada.

7237 Ground wire news. Sustainable funding would allow the NCRA to launch a national newscast that covers topics untouched by commercial media and which covers a diversity of perspectives on national issues. The ground wire news project already has a detailed plan and budget but requires staff with an estimated cost of \$10,000 to launch a pilot series.

7238 Thirdly, rural station development. Many small communities across Canada have no commercial media or CBC presence. With adequate resources, the NCRA can provide support to any group of people from these communities who want to have a local independent non-profit media presence.

7239 Over the long term, it is our desire to work with the CRTC and Canadian Heritage to develop mechanisms through which our sector can be adequately supported and maintained.

7240 Commercial stations for decades have used the public air waves for private profit. If a small percentage of these profits is directed towards the non-profit radio sector, we will be better enabled to give the public access to their own air waves.

7241 Among possible solutions, we recommend that the Commission re-examine the distribution of CCD benefits. As we've stated in our written submission today and in previous audiences with the CRTC, we believe the commercial broadcasting benefits policy in its current form does not adequately support the development of a richly diverse and innovative Canadian cultural sector.

7242 We call upon the Commission to re-examine the benefits policy in full, assuring that it contributes to the development of Canadian content as a cultural rather than commercial product.

7243 The Community Radio Fund of Canada can play such a role as a guaranteed recipient of the benefits policy.

7244 We also recommend a more transparent and communicative benefits allocation process.

7245 The Fund has sought and continues to seek voluntary partnerships with commercial media for funding, but has not had success to date. While we encourage these voluntary contributions from the commercial sector, sustainable funding for our sector cannot be assured without mandated contributions.

7246 MS PENHALE: Ultimately the NCRA wants every market, small and large, to have a sustainable community radio presence, however, licence allocations for such stations are not currently guaranteed. For instance, Kelowna, B.C. is without a single community or campus community broadcaster.

7247 While there is one in development, 11 commercial broadcasters have recently applied for licences in this market. If all these applications are approved, spectrum scarcity could leave Kelowna and the surrounding area without an available frequency allocation for a community-based broadcaster, regardless of the obvious need and interest.

7248 Additionally, unprotected developmental stations such as CJAI on Amherst Island in Ontario are increasingly in danger of losing their frequencies to commercial applicants without notice or recourse and are having difficulty locating another available frequency or lack the resources to move to high power.

7249 Given this reality, the NCRA recommends the CRTC reserve a protected licence in each market for at least one community radio station, even where none currently exists, and work in collaboration with Industry Canada to ensure that a frequency remains available in each market to service these licences.

7250 MR. LIGHT: Finally, in choosing or defining a digital broadcast standard, the NCRA recommends that the CRTC and Industry Canada consult equally with all three broadcasting sectors, assuring that digital transition and related policies are developed in the interest of furthering diversity of the broadcasting system.

7251 We value the opportunity to present to you today and invite all the Commissioners, Staff and anyone in this room to visit any of the NCRA campus or community stations across the country or just to tune into one.

7252 We welcome your questions now.

7253 THE SECRETARY: Thank you.

7254 We will now proceed with Mr. John Harris Stevenson's presentation. Please go ahead.

INTERVENTION

7255 MR. STEVENSON: Thank you.

7256 Good morning, Mr. Chairman, Members of the Commission.

7257 My name is John Harris Stevenson, I am the President of CHUO-FM here in Ottawa which is Canada's only fully bilingual community radio station.

7258 I sit on the advisory board of the National Campus and Community Radio Association and, in my spare time, I'm a doctoral student at the University of Toronto researching new media regulation and the public interest.

7259 Over the past few days listening to these proceedings I've noticed that the very notion of diversity is being contested. Programming choice is important, but I believe our interest is more fundamental. The open and free exchange of information, opinion and culture is central to our democracy and to our economy.

7260 History seems to indicate that as beneficial as an open market for ideas might be, it is something that must be chosen, built and nurtured.

7261 In our context, diversity means the availability of a wide range of unique perspectives which allow us to make better decisions about our lives and our society.

7262 In my written submission I describe some of the characteristics of the current mass media environment which should be considered when making policy in a world of both greater choice and increased concentration of media ownership.

7263 This discussion cannot be reduced to a simplistic attack on commercial media as a whole. Private media has a place in any media environment and can serve the public interest in several ways, however, Canada's media scape is at this moment in history overwhelmingly dominated by the commercial media model and I believe that the dominance of any single organizational model for media makes true diversity more difficult.

7264 As I wrote, within a competitive environment all media institutions, commercial, public and community will attempt to maximize the welfare of their owners and stakeholders. This is expressed in a variety of ways from overt control of editorial policy to a more common and subtle bias.

7265 The pioneering work of economist Thomas Schelling in the 1970s showed that small, individual biases on the part of decision-makers can result, on aggregate, in overwhelmingly biased outcomes for which no one person or group seems to be responsible.

7266 There is likely no means by which this sort of bias could be eliminated, nor would that be a desired objective. In a democratic society media owners and stakeholders have

the right to express their opinions as do others, including producers, reporters, program hosts and guests.

7267 Some have suggested this week that consolidation leads to greater diversity. This is simply not supported by real world evidence. According to Mulhulathan (ph) and Schlaefer (ph) of MIT and the National Bureau of Economic Research, diversity of audiology correlates with diversity of media ownership.

7268 As well, and I think this is quite important, commercial media owners, whatever their differing interests and opinions on other matters, will typically be biased toward commercial media models and business-oriented policy generally.

7269 Again, these opinions are legitimate and they should be part of the public discourse, but they should not dominate or be the only set of opinions available to the public.

7270 Related to audiological bias is the problem of scope; that is, the range of opinion and amount of information that is available to the public through mass media.

7271 American Communications researcher Jim Kypers (ph) has conducted extensive content studies of mainstream media coverage in the United States focusing on the differences between information supplied to the media, such as political speeches, and how this information is reported.

7272 His work, which sits outside the usual audiological debates about media bias, has consistently shown that the mainstream media operate within a very narrow range of political beliefs. A wide range of minority views across the ideological spectrum are typically ignored. Kypers (ph) argues that the North American media, in fact, stifles alternative voices and paints an incredibly inaccurate picture of issues and ideas.

7273 The danger of this narrowness is that the public has little or no idea what they are not being told. One of the reasons for this narrowness of scope is, ironically, commercial competition.

7274 In a competitive environment, information can be simplified or exaggerated to make a story more interesting and, therefore, more appealing to audiences. This can be seen in the history of, for example, CNN. It was once the only all-news provider in the cable TV space in North America but, in the face of increased competition, CNN has moved away from traditional reporting to present more programming which is, in the words of a network executive, more emotionally gripping.

7275 Scope relates to another characteristic of the current media system in Canada; the emergence of a two-tiered environment.

7276 Traditional mass media, newspapers, radio and television, typically use open technological standards and are distributed using public conveyances. However, many newer media technologies, cable television, satellite radio and TV, some forms of digital radio and broadcasting to mobile phones, use proprietary technologies and closed private

distribution systems. The owners of these closed systems often enjoy natural monopolies and can pick and choose what content to make available to their customers.

7277 The limitations of these emerging systems are most apparent in the world of Internet access and Internet service providers are the ultimate information gate keepers. Most exist in monopoly or duo-monopoly environments with limited consumer choice.

7278 Canada's telecommunications and cable companies are exploring the option of preferential treatment for some content providers which they own or with whom they have business relationships.

7279 Bell Canada, which controls the bulk of Canada's Internet backbone, has stated that network diversity or neutrality should be determined by market forces and not by regulations.

7280 And ISPs do use their powers as gate keepers. In 2005, Telus Corporation blocked its customers' access to the website of a union engaged in a labour dispute with the company. By its actions Telus also accidentally blocked an additional 766 other websites.

7281 In this environment, how can we encourage and protect real diversity? First, the Commission should place an immediate moratorium on future mergers until clear and understandable limits on concentration of ownership have been put into place.

7282 This will be a significant challenge, but the recommendations made this week by the CBC and others represent a realistic starting point.

7283 I would recommend that the Commission initiate a study or a meta study of similar rules in other jurisdictions examining the circumstances of countries ranked in media diversity measures such as the Reporters Without Borders World Wide Press Freedom Index.

7284 The Commission can be more proactive in creating the research necessary for policy making.

7285 Second, and I believe more important, the Commission can take a more active role in the development of independent and community media. This means licensing independent and smaller commercial applicants as well as working with the community media sector to make it a full partner in our country's media system.

7286 Canadian governments and broadcast regulators have, in the past, taken too passive an approach to the development of community media depending heavily on the centralized public broadcaster as a counterweight to the increased commercialization of the media.

7287 A primary objective for the Commission could be the development of mechanisms for community media capacity building in partnership with community media producers and other stakeholders.

7288 Innovation happens at the margins of the mainstream and true diversity depends on it.

7289 Third, the Commission might address the emerging two-tiered media which is seeing an increase in closed networks and proprietary distribution technologies.

7290 The Commission could require Canadian licensed satellite radio providers and similar services to provide a reasonable portion of band width to third party independent and community media.

7291 More importantly, the Commission could issue clear regulations concerning the conduct of Internet service and backbone providers that embody the core principles of network openness; freedom to access content, freedom to run applications and freedom to attach devices.

7292 Finally, I suggest that the Commission examine its consultative processes with the objective of broader public involvement. You call this process a public process, but few members of the public have been able to participate.

7293 I notice that many important submissions from the public have been lumped under the heading of "In Comment: Numerous Letters on the CRTC Website" with no indication of how many were submitted, who sent them or in partnership with what organizations.

7294 It is no wonder that this proceeding is dominated by stakeholders who have a clear and usually commercial interest in the outcome.

7295 I fear that your public process is impenetrable to the majority of Canadians and that this could lead to an unfortunate level of cynicism about your decisions.

7296 I urge you to reach out to ordinary Canadians who care deeply about their country and its media, but who have no means to effectively tell you what they think.

7297 Thank you.

7298 THE CHAIRPERSON: Thank you very much for your thoughtful interventions.

7299 Let me first deal with the NCCRA. You are making a very strong plea that local and campus community radio stations have a big impact, huge as you said, and they're really the voice of the local community.

7300 As part of my job I visit radio stations all across the country and there is not one who doesn't tell me that localness is the essence of radio, we depend on being local, we have to reflect the community, we have to be part of it and we pride ourselves in our local roots and what we do, et cetera, and everybody explains to me ... which is quite an amazing array of activities that they have in order to.

7301 So, what do they do that you ... I mean, they have the same goal as you, to reflect the community et cetera.

7302 Why aren't they doing the job? Why do you feel that ... you quite correctly say, they have their place, but we do something more than they do, whatever.

7303 Maybe you could explain that to me.

7304 MR. LIGHT: First, just for a clarification. Have you visited any campus or community stations throughout the country during your visits?

7305 THE CHAIRPERSON: Yes.

7306 MR. LIGHT: Which ones?

7307 THE CHAIRPERSON: You are asking me too much because I have visited by now about a hundred, but I have visited about dozens.

7308 MS PENHALE: My opinion is that regardless of being commercial or non-commercial, it's obvious that you can have a relationship with the people in your community when you're there, but when you're organized differently, in that you're non-profit, you affect people differently because the content doesn't have to be commercially viable.

7309 It can be, for example, someone can come in and do sound art, they can play an hour of sounds that they've recorded in the woods. It sounds sort of esoteric and obscure, but to some audience it's beautiful to turn that on and listen to that in their living room in the morning or whatever.

7310 There can also be room for obscure music genres or very in-depth, long form radio documentaries that commercial, even local commercial broadcasters just don't have the capacity to play.

7311 THE CHAIRPERSON: No, I was just struck by your comment in paragraph 12, you said:

"Commercial media becomes more centralized, homogenized and less locally oriented." (As read)

7312 As I said, commercial radios that I have spoken to have suggested...

7313 Now, you are saying they may be local but they are local commercial, anything local that is non-commercial is nothing, they just ... they don't cover.

7314 I don't want to put words in your mouth.

7315 MR. LIGHT: I think we're talking about two different things. One, that we understand small, independent local stations, but in these hearings we've heard other groups, commercial groups talk about how when CHUM and Bell Globemedia merged the very next day 280 staff, all primarily dedicated to local content, were laid off.

7316 THE CHAIRPERSON: Yes, but that was television and we are talking radio now, right.

7317 MS PENHALE: We also --

7318 THE CHAIRPERSON: There is a distinct difference when you talk to the radio ... I mean, for the radio people localness is sort of enshrined up here, is our mantra, that is why I'm picking on this point.

7319 MR. LIGHT: I think localness is also ... for us it's necessarily, it's participatory.

7320 THE CHAIRPERSON: Yes.

7321 MR. LIGHT: None of you I'm sure can walk into a radio ... maybe you can ... but walk into a commercial or CBC station and produce your own program because you're a member of the local community.

7322 And there's a huge difference in a commercial station providing content about the communities they live in and the communities themselves reflecting their values, reflecting their experiences on the air.

7323 MS PENHALE: We also mentioned in our presentation that there's no risk or concern that our stations face for being consolidated with any other stations or purchased by someone in another location.

7324 THE CHAIRPERSON: Now, the other thing you suggest, you want to set up a national newscast. Isn't that a contradiction in term? I mean, you have just told me you are local, you want to reflect the local ... that part of the local community that doesn't find a voice or participation on commercial radio.

7325 Why then do you want to go national?

7326 MR. LIGHT: I think it's not necessarily that we want to go national, we already coordinate nationally, we're many stations in the same position and we ... national news is an issue that lacks much independent coverage and a lot of our stations provide that coverage in their local context and share their experiences together.

7327 So, for us, we'd like to do both, we have strong local standing, strong local activity but, at the same time, we feel a great need to develop an independence nationally and an independent perspective on national politics, an independent perspective on everything that happens in this country.

7328 THE CHAIRPERSON: So, the national newscast would be more the emphasis on independent rather than the local connection that you have talked about so far?

7329 MS PENHALE: Independent and in depth.

7330 THE CHAIRPERSON: Okay.

7331 MS KAESTNER: Yeah, and incorporating views from a number of different areas.

7332 But I think it's also worth nothing that specifically for the NCRA in developing the ground wire news project, it has another function and, that is, there is a desire for our stations to create viable news departments, like just to even be able to have a locally-based news program for a half an hour a day or even if it's to do, you know, smaller segments or larger segments. Some stations do have hour ... daily hour newscasts.

7333 But we find that, you know, especially when a station is faced with fewer resources, they don't have staff, they don't have somebody dedicated to developing a news department.

7334 There's a lot of barriers to creating something that doesn't exist, and the NCRA have the desire to create the ground wire project to help out.

7335 I mean, in a sense it's almost like what AVR is doing, right. If you want to establish news departments at stations across the country, having something like ground wire that ... well, okay, maybe you can't produce your local news there, you can start to incorporate elements of ground wire, use that as a training tool and those sorts of things.

7336 So, it's worth noting that there's two functions for that project.

7337 THE CHAIRPERSON: Okay, thank you.

7338 Mr. Harris, I listened to your presentation with great interest.

7339 You are at the wrong hearing, we are going to have a hearing on new media and I expect you will be there.

7340 MR. STEVENSON: I was just starting, really.

7341 THE CHAIRPERSON: And a lot of things that you were saying is really very much applicable to that hearing.

7342 But, to the extent, I'm not suggesting you are at the wrong hearing, what I mean is I hope you will be there because a lot of the points that you are making are germane to what we are going to consider there.

7343 But you mentioned one thing that really ... in paragraph 14 you talk about something called Reporters Without Borders World Wide Press Freedom Index.

7344 What is this animal, I have never heard of it? And how do they measure ... freedom of the press, I guess, is what they are focusing on.

7345 MR. STEVENSON: They are a number of non-governmental organizations internationally that are concerned with human rights and Reporters Without Borders, it's a ... I believe it's based in Paris. They track harassment or government or corporate dangers to free expression to the free press.

7346 So, if a reporter is being held in a jail in a country, they will notify their membership.

7347 And every year they publish this press index. So, they're actually an ongoing ... they're doing ongoing watchdog activities of essentially diversity.

7348 THE CHAIRPERSON: And Thomas Schelling's study which you referred to in paragraph 5. Your summary says that:

"...individual biases on the part of decision-makers can result, on aggregate, in overwhelmingly biased outcomes..." (As read)

7349 How am I supposed to read that? Is this a reference to the ownership of newspapers' owners being reflected in a multi-pedal way by the journalists who work for that owner? Is that what you are getting at?

7350 MR. STEVENSON: Schelling did work in the 70s on why housing segregation exists in the United States and he recorded very small biases on the part of homeowners in American cities to live near people like them.

7351 It wasn't ... he found that most people were not overly racist or strongly racist.

7352 THE CHAIRPERSON: Right.

7353 MR. STEVENSON: They were mildly ... they want to live near relatives or friends or what have you. But, on aggregate, taken together a number of smaller decisions resulted in very severe segregation.

7354 So, there has been discussion this week about, you know, why does bias happen, is there ... are people ... journalists influenced by the beliefs of the owners or the editors.

7355 And my point is that there may be ... I expect there are a number of small biases that people bring to the creation of content and that this results in what many people outside of commercial media would see as fairly significant biases against certain perspectives, particularly non-commercial perspectives.

7356 THE CHAIRPERSON: Are you working by analogy here?

7357 MS KAESTNER: Yeah.

7358 MR. STEVENSON: Yeah.

7359 THE CHAIRPERSON: Okay.

7360 MR. STEVENSON: Because this is a very difficult ... in preparation for this I did a lot of research on bias and, as you probably know, it's a very slippery research topic, it's filled with a lot of bias ... research bias itself.

7361 THE CHAIRPERSON: Yes. And very difficult in evaluating data.

7362 MR. STEVENSON: Mm-hmm.

7363 THE CHAIRPERSON: Great difficulty in evaluating data, you know, because there can be so many factors that impact on and produce a bias, to isolate one can be very difficult.

7364 MR. STEVENSON: Mm-hmm.

7365 THE CHAIRPERSON: Okay. I think my colleagues have some questions for you.

7366 Andre?

7367 COMMISSIONER NOËL: I will mainly ask you questions about the Community Radio Fund of Canada which I just received, so you will have to excuse me, I didn't have time to read it.

7368 But I noted that it's presented jointly with ARC du Canada and l'Association des radioiffuseurs communautaires du Québec.

7369 Am I correct?

7370 How does this document differ from the position you presented in the last radio policy review in the fall of 2006?

7371 Could you give us some ... you know, indicate or highlight what the modifications are.

7372 MR. LIGHT: We haven't made any modifications, per se. We figured there are new Commissioners on the Commission since that hearing, since the commercial policy review, so we wanted to take the opportunity to transmit the information in person to everyone.

7373 COMMISSIONER NOËL: So, it's not a version 2, it's not a different document than --

7374 MR. LIGHT: No, we're working from the same --

7375 COMMISSIONER NOËL: The way you presented it in your oral presentation led me to believe that this is an entirely new document.

7376 MR. LIGHT: No, it's the same document but we have made progress to the point where in two weeks or so from this hearing we will be filing for an incorporation of the Fund.

7377 COMMISSIONER NOËL: Okay. Now, I do have a question concerning the funding of this Fund ... the funding of the Fund, yes. It's a little pléonastique, as we say in French.

7378 In your written submission you say here:

"We ask that the Commission mandate commercial broadcasters to contribute a minimum of one per cent of Canadian content..." (As read)

7379 I would think that you mean development instead of benefits because you bracketed CCD:

"...on the Community Radio Fund of Canada." (As read)

7380 It's one per cent of what; one per cent of the envelope of contribution or it's one per cent of their revenues?

7381 MS KAESTNER: We have, since the time perhaps before, but at least since the time of the commercial radio review, we had originally made a recommendation to increase the benefits from six to seven per cent, so we had proposed at that time that one per cent should actually be added in as a mandatory requirement for the Fund and then that would still leave the one per cent discretionary allocations for broadcasters.

7382 COMMISSIONER NOËL: But the six per cent, you are talking the benefits when there are transactions, or you are talking the yearly contribution to Canadian content development?

7383 MS KAESTNER: It's for transactions.

7384 COMMISSIONER NOËL: For transactions. So, it would be one per cent of the transaction price?

7385 MS KAESTNER: Oh yes, yeah.

7386 COMMISSIONER NOËL: Okay. Because it's not quite clear what you have in mind here, one per cent of the ... okay.

7387 How does it mesh with what I have seen in the ... your colleagues of l'Association des radiodiffuseurs communautaires who are squarely asking for half a per cent of revenues, because you say it's a common Fund and you're asking for one per cent of the

tangible benefits payable on a transaction; they're asking for .5 per cent of gross revenues of the 10 largest broadcasters in Canada.

7388 Did you have communications between yourself before you decided on who's asking what from whom?

7389 MS KAESTNER: There have been communications. I think that when ... the NCRA in preparing its submission we were trying to remain consistent with what we were asking for before, so I just think that that's part of the issue and I --

7390 COMMISSIONER NOËL: So, there's been communications but not consensus?

7391 MS KAESTNER: I wouldn't say that there hasn't been consensus, maybe it's more about specific communication on that detail. Perhaps there has been just a lack of a detailed communication on that.

7392 COMMISSIONER NOËL: Because this could mean a lot of difference in the number, you know, in the money that would be collected. It's an entirely different ball game.

7393 MR. LIGHT: I would say that we're open to both. On one side we understand that the commercial policy was just reviewed and that reviewing the benefits policy within it would be --

7394 COMMISSIONER NOËL: Did you make any evaluation of what this would bring in in terms of dollars on an annual basis?

7395 MR. LIGHT: For us there's no way to determine what the results of unforeseen mergers are going to be. What we'd like to do is work with the Commission and Heritage to develop a regular sustainable funding mechanism for community broadcasting.

7396 The benefits policy, it's not ideally what we want, it's what is there.

7397 COMMISSIONER NOËL: Wouldn't it be, I don't know, more productive if you could put your act together, all those organizations, before you come to us to ask us a piece of this and a piece of that and a piece of that and no evaluation is made of what it really means?

7398 Is that a yes?

--- Laughter/Rires

7399 MS KAESTNER: Yes. I think it's just ... I mean, speaking personally from my own personal standpoint there's just ... it's really, it's really hard to figure out what the best solution should be and, for me personally, I think that's just where some of the confusion is coming from.

7400 MR. LIGHT: For us, I think we would much rather I think engage in real dialogue with the Commission and with Commission Staff about this instead of doing all of the development work ourselves and presenting a model that maybe doesn't work for the Commission. We'd rather develop something in real partnership with the CRTC and with Heritage.

7401 COMMISSIONER NOËL: But maybe you could prepare alternatives and put numbers on them, because here we are, you know, sort of pulling numbers out of a tree and it's a little difficult to see where you're going with your Fund.

7402 You say it's a united approach of the three associations, but ARC du Canada doesn't put any number on their initiative, you put one per cent of the tangible benefits and ARC ... l'Association des radiodiffuseurs communautaires du Québec is at .5 per cent of gross revenues of the 10 largest broadcasters.

7403 So, we are all over the map here.

7404 MR. LIGHT: At the same time, I --

7405 COMMISSIONER NOËL: We don't know where you're going.

7406 MR. LIGHT: ... I believe when we presented the Fund in the commercial radio review and when we met with the Commission in person in May, we had said we would like a minimum of \$5-million annually coming from commercial radio through some mechanism.

7407 It could be benefits, it could be revenue, but that's a number and ideally we would like a Fund that can work with \$18-million annually with money being contributed from Heritage.

7408 So, we have laid out --

7409 COMMISSIONER NOËL: But maybe you have a bit more homework to do to get us a position that is liveable because you don't even have projections of what these figures will yield in terms of benefits.

7410 I remember that you had some help from some broadcasters at the time, maybe those people can still help you.

7411 MS KAESTNER: We can try to ... we can try to put something together in the short term and submit it as part of our follow-up to this proceeding, if time and resources allow for us to do that.

7412 THE CHAIRPERSON: Just one problem on your thing. You want to work with the Commission. That is really not our role, our role is a facilitator to furnish you with information and explain the regulatory system to you, but decisions which we make are based on submissions which come from stakeholders such as yours.

7413 We can't on the one hand sit down with you and work out a model and then have a public hearing saying, is this model acceptable. You know, that's not how we work.

7414 So, while we facilitate and assist you, the initiative and the thinking and the conceptualization has to come from you.

7415 MS PENHALE: I just wanted to thank you and that we take your point.

7416 The bottom line that we're presenting is that we have fiscally unsustainable organizations right now that rely ... that have been relying on these voluntary contributions.

7417 And it is difficult for the three associations to work together. For example, the two of us who have put together this presentation and the rest of the board are all volunteers that have regular day jobs and family commitments.

7418 COMMISSIONER NOËL: But I remember when you came to the Commission you were in the good hands of Mr. Goldstein, I think, who was trying to help you.

7419 MR. LIGHT: In May?

7420 COMMISSIONER NOËL: Yes.

7421 MR. LIGHT: He was not with us, no.

7422 COMMISSIONER NOËL: He was not with you but he helped you prepare that document; no?

7423 MR. STEVENSON: No.

7424 MR. LIGHT: No.

7425 COMMISSIONER NOËL: David Goldstein?

7426 MR. STEVENSON: No.

7427 MR. LIGHT: No.

7428 MS KAESTNER: No, he didn't.

7429 COMMISSIONER NOËL: He didn't?

7430 MR. STEVENSON: No.

7431 COMMISSIONER NOËL: Okay, thank you.

7432 THE CHAIRPERSON: Ron, I believe you have some questions.

7433 COMMISSIONER WILLIAMS: Yes, Mr. Chair, thank you.

7434 Mr. Stevenson, I have a few questions on your presentation, both written and oral today.

7435 You agree with the CBC's recommendations that the Commission limit single company ownership of media in a given market to 35 per cent of that market.

7436 Is that your own opinion, or would it have an impact on community and campus radio?

7437 MR. STEVENSON: I would generally support that sort of ... that sort of limitation and style of limitation. I think that the number is a judgment call.

7438 I'm more concerned about more non-commercial voices in the mix. As I said, I believe that the system is healthier if there are more non-commercial voices.

7439 I also appreciate that consolidation is going to lead to a stronger set of media companies, I just think we have to strike a balance between too many and too few.

7440 COMMISSIONER WILLIAMS: Are there specific initiatives that you would recommend other than generally more non-commercial broadcasting entities?

7441 And other than mandating a funding policy, what could the Commission do to ensure the survival and contribution of campus radio stations to the broadcasting system?

7442 MR. STEVENSON: Outside of a funding mechanism?

7443 COMMISSIONER WILLIAMS: Yes.

7444 MR. STEVENSON: I think that the Commission should ... and I know that the Chairman has stated that the Commission has to deal with alternatives and proposals ... but what I've seen in other jurisdictions, and most other jurisdictions in the western world is some sort of a policy or approach to non-commercial media.

7445 And I know that the CRTC has a policy and I think it's time to refresh or renew that policy and see after 30 years, 35 years of licensing these kinds of entities where are we compared to other countries and what could we do to strengthen the sector generally, and not necessarily financially only, but through licensing and facilitating communication.

7446 If you look at the Canadian scene you'll notice that the Quebec community stations are ... they have quite a mature sector and that's because there was some strategic intervention early on in the development of those stations.

7447 We're seeing a similar kind of strategic intervention in the United Kingdom which has only had community radio for five or six years, but the regulator in the United

Kingdom has a community radio program, a very limited set of funding aimed toward capacity building.

7448 And my fear is that in another five years we're going to have a very mature sector in the United Kingdom when in English Canada we won't have one just because a simple set of interventions from the government and from the regulator haven't taken place.

7449 So, I think that the reality of dealing with these kinds of media is that the Commission has to take a little bit of a different role than it would adjudicating commercial licences or commercial disputes.

7450 COMMISSIONER WILLIAMS: Thank you.

7451 When assessing diversity of voices in a particular market, if there was a community campus radio station existing, should the Commission allow more concentration of ownership for private broadcasters in that type of scenario?

7452 MR. STEVENSON: I would ... I think that since in English Canada the vast majority of listening is to commercial media, probably about 90 per cent, the one to five per cent of listening represented by campus and community radio, it may not have enough of an impact in that community that I would change the numbers for that community in terms of 35 versus 40 per cent.

7453 Again it's ... to me it's, part of the equation would have to be strengthening that existing non-commercial licensee in that community.

7454 Certainly the alternative that that campus community station would provide in that community would be important, but unless it's strengthened I wouldn't see any reduction in the numbers for concentration in that community.

7455 COMMISSIONER WILLIAMS: You recommend that the Commission requires Canadian licensed satellite radio providers and similar services to provide a reasonable portion of band width to community broadcasting.

7456 Have you discussed this possibility with any of the satellite providers?

7457 MR. STEVENSON: During the satellite radio process, the licensing process which is now several years ago, we made an intervention to that effect and we attempted to speak with the people who were running those bids at that time.

7458 CHUM at that point was ... had a bid on the table and we developed a relationship with them that would have resulted in access to band width. Unfortunately, CHUM did not proceed with their service.

7459 We've had some minimal contact with XM Radio, we have made some suggestions to them. They have said that they are not interested in this point.

7460 Sirius Canada, unfortunately ... and I sound like a broken record whenever I say it ... but they don't return phone calls, they don't return letters. I feel jilted by Sirius Canada, even though I like their service.

7461 And this is the danger of having these closed systems. The traditional media, it's healthy but it's shrinking in terms of audience, slowly shrinking. It's these other services that are growing rapidly, Internet-based radio, satellite radio and so on.

7462 It's not a question of forcing them to turn over 30 per cent of their band width, it's really about opening up a chunk, 10 per cent or less of what they have to third party non-profit organizations essentially as part of their public service.

7463 So, we have approached them and we continue to be open to them and we think it would enhance their services.

7464 COMMISSIONER WILLIAMS: In your remarks this morning you spoke about our public process and the inability to ... in your perception, for broader public involvement.

7465 Do you have any specific suggestions on how we may consider improving the public process?

7466 MR. STEVENSON: I think ... well, I mentioned that because I was involved with speaking with one of the organizations that sponsored the, I guess what was a form fax that was sent as part of this process and I know that the amount of time that people put in to filling out these online forms and pushing the button is not very much, it's only a few minutes, but for that person to do that as an individual, taking their own time and being concerned about the issue, it's important and their names at least should be listed on the website along with their submissions.

7467 And that's one way to indicate that that opinion is worth something within this process.

7468 I've learned over the years that you come to the Commission, you ask to speak, you present specific proposals, that's the only way that your issues are going to be discussed seriously.

7469 And I think we have to understand that there's an issue of scale here, that an individual who's concerned about media reform can't put together a brief with ratios and so on, it's just not possible, but the support that they have for the ideas or for the proposals of others are important.

7470 You know, I know that one organization ... I think there was over a thousand submissions that were sponsored by that organization and that makes it as important as some of the other stakeholders that appear here.

7471 It would be useful if the Commission held actually public town meetings across the country with people to talk about a range of issues.

7472 I think even polling, asking ... you know, commissioning polls about some of the issues that you're discussing will give you a good idea.

7473 And, again, I'm very appreciative of the open process and having been invited many times to speak. So, it's just that reaching out to the communities a bit more will have a great benefit for everyone I think.

7474 MR. LIGHT: If I can add something too. For me it's quite telling to be in the room with a media table with no media at it and there's been a pretty huge void of media coverage --

7475 THE CHAIRPERSON: You know, you are on live TV.

7476 MR. LIGHT: I'm happy to be on live TV.

--- Laughter/Rires

7477 THE CHAIRPERSON: Yes, so to say you're in a room without media is just technically not correct.

7478 MR. STEVENSON: Actually, it is interesting because I follow ... I have a Google news aggregator that tells me every time the CRTC is mentioned in some site ... website.

7479 And it's interesting watching the coverage this week, start out with some reporting about how concentration equals diversity, which I saw as a headline which I thought was Orwellian and almost funny, and then a decline, only the Globe and Mail seemed to do regular reporting, and I'm pretty sure today they're won't be a story about what we said here from Grant Robinson, but usually the last few days there would be.

7480 And, you know, we are the media ourselves, but this is the kind of problem that ... I mean, that goes to the heart of what my concerns would be about what's happening in this country.

7481 I mean, CanWest Global, their website had the same story, all the websites for the newspapers, canada.com, it's all the same story and the headline is, you know, concentration is diversity.

7482 And, you know, it's a bit strange.

7483 THE CHAIRPERSON: You won't get any argument from us, concentration is diversity is totally Orwellian, I agree with you.

7484 MR. STEVENSON: Oh, I made it sound Orwellian. I'm sure that on Monday it sounded much more convincing, but...

7485 THE CHAIRPERSON: Okay.

7486 Michel, you had a question?

7487 COMMISSIONER ARPIN: Yes. Mr. Stevenson, you referred to the U.K. community radio program and, as you know, Ofcom is managing some funds that goes to the community radio in the U.K., but that money doesn't come either from the broadcasters, neither from Ofcom per se, they receive the moneys from, I don't know which department, at least from the government.

7488 MR. STEVENSON: Mm-hmm.

7489 COMMISSIONER ARPIN: Then they reallocate it for the community radio purpose.

7490 Obviously here you've been coming to see us, I'm sure that you've been speaking also to Heritage Canada, and are you making some headway with Heritage?

7491 MR. STEVENSON: Heritage has commissioned what we feel is a very important report on the economic impact and state of community radio in Canada. People are meeting with the consultants this week coming up who will be conducting the report.

7492 We're very happy because I work in a quasi-governmental organization, I know how slowly the budget wheels can turn.

7493 I think ... so, I think we are making headway, I think we also see it as a long-term project barring any kind of change that might take place.

7494 When we conceived of the Community Radio Fund, one of the ideas that we had about it was that it would be not simply a government program but more similar to the Australian Community Radio Fund where there would be private and public contributions to the fund.

7495 The model that I typically have seen internationally is, you know, strong government involvement and I think that's appropriate.

7496 We also in Canada have the benefits process and I think it's appropriate for us to be looking for support through that process as well.

7497 COMMISSIONER ARPIN: Have you contemplated also contacting some foundations that may have some money for projects like yours?

7498 MR. STEVENSON: We certainly have and it's really an issue of capacity. Everybody ... Melissa is the only full-time employee at the National Community Radio Association, the rest of us are volunteers and we get an awful lot done with our volunteer work but, at the same time, fund raising is very difficult, making the contacts, it's all about building relationships and that's difficult in a volunteer-based organization.

7499 I think what I would like to see is a very minimal amount of support in the shorter term that would lead to a critical mass that would allow us to build the kind of relationships with government and industry and so on that would get us moving forward.

7500 We're just not in people's minds right now, at least ... I mean, we're now more than we were two years ago, so.

7501 And we're dealing ... you know, my station in Ottawa has a very small budget, it's \$300,000 and we have hundreds of volunteers, hundreds of hours of programming. We know that we can do a lot with a little bit, but we need that ... you know, we need that seed.

7502 COMMISSIONER ARPIN: Obviously, you referred earlier in your oral presentation to the community media policy as you ... no, over the years has helped out the coming of a good number of radio stations, now we're starting to get some applications for community television.

7503 If the Commission has to prioritize for the future, what's your view; should they prioritize in favour of television rather than radio because there is already a lot of radio stations across the land?

7504 I understood from the earlier presentation that when you drove from Vancouver to ... from Victoria towards the east that there were some spots where there were no community radio stations, you mentioned Kelowna as a good case in point, but overall there is hundreds of community radio stations.

7505 MR. LIGHT: I believe there are 146 or so licensed community broadcasters and roughly almost twice as many licensed community television or holders of community television licences, according to the CRTC website at least.

7506 COMMISSIONER ARPIN: I'm talking over-the-air --

7507 MR. STEVENSON: Yeah.

7508 COMMISSIONER ARPIN: ... community television. I don't think there's even one licensed.

7509 MR. STEVENSON: I know that I can't speak for the entire working group. I know that we see a lot of requests from rural communities for radio of their own and urban areas are covered fairly well, some more than others. So, the development is probably in tandem where there's an emphasis on rural development and improving urban stations, and certainly in terms of urban community TV stations, I don't think there's any conflict, I think that there's development that needs to happen on both sides.

7510 I hope that they don't ... they don't use the same frequencies; right?

7511 COMMISSIONER ARPIN: No, no.

7512 MR. STEVENSON: They're all UHF and...

7513 COMMISSIONER ARPIN: Yeah.

7514 MR. STEVENSON: Yes.

7515 COMMISSIONER ARPIN: They use different frequencies, yes.

7516 MR. STEVENSON: Yeah, yeah, yeah.

7517 COMMISSIONER ARPIN: No impact on the FM spectrum.

7518 MR. STEVENSON: No.

7519 MS KAESTNER: And maybe too if it can be suggested, if there ... if it comes down to some point of making priorities, making choices and what kind of impact is going to happen that it's not like, you know, needing to decide this right now, that maybe there can be some consultative process that brings different aspects of community media together --

7520 COMMISSIONER ARPIN: Mind you, they're doing their applications within the framework of the community media policy of 1990.

7521 MR. STEVENSON: Mm-hmm.

7522 COMMISSIONER ARPIN: They only took 17 years before starting to get it ... to put together their plan.

7523 MS KAESTNER: Yeah. I don't think there's any doubt in people's minds, it certainly would take ... there's a lot ... there's many more aspects to developing a television ... over-the-air television station than a radio station.

7524 COMMISSIONER ARPIN: Thank you, Mr. Stevenson.

7525 MR. STEVENSON: Thank you.

7526 COMMISSIONER ARPIN: Thank you, Ms Kaestner.

7527 THE CHAIRPERSON: Thank you very much. Those are all the questions for you.

7528 I appreciate your coming in and making this presentation.

7529 I think we will take a five-minute break, Madam Boulet, before we move to the next panel.

7530 MS KAESTNER: Oh, if I can just really quickly add, as part of our ... you might notice with our written presentation that there is an appendix dealing with a project called "Dig Your Roots", and it's just an example of a voluntary contributive relationship between the NCRA and Corus.

7531 So, during the break I'll probably be distributing those to you.

7532 Thanks.