

This is a response to some of the questions raised in "Responding to the New Environment: A Call for Comments"
<http://www.ic.gc.ca/eic/site/110.nsf/eng/00003.html>

Some General Thoughts

1) The justification for regulation of OTA (Over The Air) broadcasting does not apply to the internet, including the World Wide Web.

To get a handle on how indefensible CRTC regulation of streaming websites is, let's see how much sense it does (not) make elsewhere...

1. What is the justification for the CRTC regulating movie theatres?
2. What is the justification for the CRTC regulating symphony orchestras and rock concerts?
3. What is the justification for the CRTC regulating newspapers and magazines?
4. What is the justification for the CRTC regulating CFL and NHL teams?

Against this background, what is the justification for the CRTC regulating internet streaming services, which include movies, music, news, and sports, just like the items mentioned above? One needs to look at the electromagnetic nature of OTA radio and television transmission and the origin of cable TV as CATV, to understand why they were regulated in the first place.

- Radio and Television use electromagnetic spectrum, of which there is a finite amount for broadcasting. There are fewer non-interfering channels available than there are applicants. This is especially true in locations near the US border, where airwaves are shared with American radio and TV stations.
- In the late 1940's and early 1950's, the TV dial consisted of the 12 VHF channels, namely 2 through 13. The NTSC standard and vacuum tube technology of that era had notoriously poor adjacent-channel rejection. A total of 7 TV broadcast channels in a local area, broadcasting simultaneously without interfering with each other, was the best one could hope for. AM and FM radio also had interference issues, because radio signals can be received hundreds, and in some cases, thousands of miles from the transmitter.
- What we know today as Cable TV began as CATV (Community Aerial Television) in the late 1940s. In areas with poor reception, tall antennas were installed in one specific optimum location (i.e. "the head end") and the signals were amplified and fed to subscribers. There was originally no "mid-band", or "high-band", or QAM compression so the signals sent over the cable were limited to the same 12-channel spectrum as direct reception. There were no "digital boxes" back then.

To summarize, there was a shortage of broadcast spectrum versus demand. There had to be regulation to guarantee Canadian voices were given a platform to be heard. Radio and television broadcasters were given the right to broadcast on a specific frequency, a finite resource. In a quid pro quo arrangement, they were put under certain obligations in return for the grant of a broadcasting licence.

The "scarcity of slots" rationale does not apply to the internet. Thanks to virtual hosting and subdomains, thousands of websites can be hosted on a single IP address. With the adoption of IPV6, and its vastly expanded address space, any threat of IP address shortage becomes a thing of the past. Anyone can create a Wordpress blog account, or a Facebook page, or a "Youtube channel" or a Netflix-like service without causing "signal interference" with cbc.ca. Nobody can seriously argue that there's a "scarcity of channel space" for Canadian content on the web. Yes, enforce net neutrality, But there is no justification for an additional layer of regulation by the CRTC. The court system is the appropriate venue for issues like copyright, pornography, hate speech, etc.

2) "Broad"-casting is dying, and being replaced by "narrow"-casting... deal with it.

Immigration has changed Canada. Sixty years ago, there were two macro-audiences in Canada, corresponding to "The Two Solitudes". Two thirds of the country was Anglophone, Christian, and white. One-third was Francophone, Christian, and white. "Other audiences" were a rounding error in TV ratings. Today, after many years of wide open immigration, "The Great White North" is no longer overwhelmingly white.

Today, instead of two macro-audiences there are dozens of micro-audiences, each with their own combination of race, religion, culture, and language. It's becoming more difficult for any broad-based program to find a mass audience, because what pleases one micro-audience may not please other micro-audiences. Lack of macro-audience means fragmented ad revenue.

In addition, general-appeal channels are being supplanted by cable specialty channels and streaming services; e.g. all-news, all-sports, all-movies, all-cooking, etc. This is an extension of the "a-la-carte" idea, and contributes to turning "broad"-casting into "narrow"-casting..

3) OTA (Over The Air) TV will eventually disappear... deal with it.

Much of what used to be TV spectrum has been re-allocated to cellular and land/mobile use. At the introduction of the UHF channels in the early/mid 1950's, the TV dial went up to channel 83.

- first, the 800 mhz band was reassigned, and the UHF TV dial topped out at channel 69.
- then, the 700 mhz band was reassigned, and the UHF TV dial topped out at channel 51.
- now, the 600 mhz band is being reassigned, and the UHF TV dial will top out at channel 36 once "the re-pack" is complete.

- In the future, expect cellular carriers to start clamouring for "the 500 mhz band" as cellular data usage increases. This will take away channels 21-36.
- Channels 14-20 were re-allocated for other uses <https://www.ic.gc.ca/eic/site/smt-gst.nsf/eng/sf11343.html#s6.2> although UHF stations licenced in this space before the re-allocation are "grandfathered" for the time being.

Expect the TV UHF band to disappear completely. In the TV VHF band, things won't be much better. Many governments are raising electricity prices as part of the fight against global warming. For a broadcaster who needs to crank out multiple kilowatts of effective radiated power 24x7 from their transmitter, that is bad news. OTA TV viewership, and therefore ad revenue, is also declining. Factors include...

- competition from specialty cable channels
- time spent surfing the web, Youtube, Bitchute, Facebook, Twitter, etc.
- fracturing of macro-audiences into micro-audiences mentioned above
- commercials, commercials, cimmercial, and more commercials; In the 1960's, 10 minutes of commercials per hour was the norm on OTA television. Today, it's more like 20 minutes per hour. People are getting totally turned off, and respond by turning off the TV set.

4) BDUs will greatly shrink if not disappear altogether... deal with it

Recent CRTC communication monitoring reports indicate that "Peak BDU" was reached in 2012, and BDU subscriptions have declined ever since. See...

- Page 188 of <http://www.crtc.gc.ca/eng/publications/reports/PolicyMonitoring/2016/cmr.pdf>
- Page 194 of <http://crtc.gc.ca/eng/publications/reports/PolicyMonitoring/2017/cmr2017.pdf>
- The correction to subscriber numbers in <https://crtc.gc.ca/eng/archive/2018/lb180511.htm> The corrected numbers are...
 - 2012 - 11,461,161 subscribers
 - 2013 - 11,440,401 subscribers - down 20,760 from 2012
 - 2014 - 11,295,912 subscribers - down 144,489 from 2013
 - 2015 - 11,146,513 subscribers - down 149,399 from 2014
 - 2016 - 10,907,362 subscribers - down 239,151 from 2015

Note: the CRTC's broadcast year runs from September 1 to August 31. So "2016" means August 31, 2016, i.e. over 2 years ago. We can use American data as a more up-to-date proxy. According to

<https://www.axios.com/more-than-1-million-cut-the-cord-in-biggest-pay-tv-quarter-loss-1541621451-2feb4391-60c2-4321-b8bf-2d2f3f500889.html>

over a million US paid-TV subscribers cancelled in the 3rd quarter of 2018. That's a rate of over 4 million per year. Canada is approximately 1/9th of the US population. But let's be conservative and stick with the old "divide-by-10-versus-the-USA" rule-of-thumb. That would extrapolate to a loss of over 400,000 BDU subscribers in Canada in 2018.

The main reason for the decline is simple... money. BDUs used to be regarded by many Canadians as a utility. Monthly BDU charges have risen well in excess of inflation. Depending on one's income, BDUs have become either an unaffordable luxury, or else an expensive toy that doesn't provide the same value as other less expensive toys. Netflix's Standard Plan is \$14 per month for HD service, with up to 2 simultaneous logins. Similar service on Rogers Cable would be more like \$60 per month by the time you get the second HD digital box, and a movie theme pack or 2, to match what Netflix offers.

Another factor in the decline of OTA and BDU TV is time spent on the web. Facebook, Twitter, Youtube, various web forums, online gaming, etc. soak up so much of people's time, that they simply can't be bothered with BDUs.

5) Please Don't Television-ize the web

Please don't "television-ize the web". The incumbents love the current state of TV...

- Foreign players are effectively barred from majority roles in Canadian TV
- High financial barriers to entry. You need millions of dollars to be a small player and billions to be one of the big fish in the pond. This would be formidable for a small startup.
- Extreme regulation and bureaucratic form-filling requires a level of industry-insider knowledge and an expensive legal team that adds yet another layer of expense to entry.
- "Broad"-casting to the lowest common denominator is what brought us commercial-infested garbage like the Kardashians, Honey-Boo-Boo, and the latest copycat clone of "America's Got Talent". And the legacy players wonder why viewers are fleeing "broad"-casting in droves.

Compare this with the current state of the web.

- Foreign streaming websites, etc are not barred. The only restrictions are those imposed by the websites themselves, e.g. geo-fencing due to rights issues for a given territory.
- No major financial barriers to entry, such as multi-million-dollar production studios, union contracts, Can Con quotas, etc, etc. Anyone with a webcam in a den, a desktop PC with free video-editing software, a broadband connection, and a Youtube or Bitchute account can stream content that can be viewed around much of the planet.
- No need to set up a studio in Canada and fulfill a Can Con quota and fill out 200-page forms every year "demonstrating a benefit to Canadian culture". This applies even to Canadian startups. Justin Bieber is an example...

https://en.wikipedia.org/wiki/Justin_Bieber “After talent manager Scooter Braun discovered him through his YouTube videos covering songs in 2008 and he signed to RBMG, Bieber released his debut EP, My World, in late 2009”. How would a 14-year-old Justin Bieber have fared if he had to first obtain “an internet broadcast licence” in expensive legal hearings, set up a professional studio, and produce hours of “PNI” (Programming of National Interest) before being allowed to do any music videos?

- “Narrow-casting” to many specialized niches that have small but dedicated audiences. And these programs don’t assume a low-IQ audience either.

6) “ESPN Strategy” versus the “Radio Moscow Strategy” for Can Con

There are two different approaches for funding and promoting Can Con.

- ESPN Strategy - In the USA, Disney corp uses its horizontal integration of ABC and Disney networks and ESPN to force ESPN onto the basic tier of cable television. If you subscribe to cable in the USA, with few exceptions you are guaranteed to have ESPN in your package, and pay for it, regardless of whether or not you want it. Disney corp is “merely greedy”. They don’t care whether or not you watch ESPN. As long as they can extract their pound of flesh from your cable bill, at the end of the day Disney corp is happy.
- Radio Moscow Strategy - During the cold war era, the USSR spent more money jamming BBC Radio broadcasts than BBC Radio spent broadcasting. The Soviet police would occasionally kick in people’s doors and check their radios to see if they had BBC tuned in. If so, they’d get hauled off to a Gulag. Basically jail anyone who dared to consume foreign programming.

If the federal government feels that subsidizing Can Con is **THAT** important, then the money should come out of general revenues in the federal budget, i.e. the “ESPN Strategy”. Sadly, there are some spiritual descendants of Josef Stalin in Canada today, who wish to implement the “Radio Moscow” approach, i.e. actively block-for-pay foreign streaming websites, and presumably penalize people who seek to get around the blocks.

QUESTION 2. Competition, Innovation, and Affordability

2.1 Are legislative changes warranted to better promote competition, innovation, and affordability?

There is a need for reform in TPIA access to fibre. As of the most recent iteration of hearings, Bell is demanding \$100+/month for mere access to its fibre internet network by TPIAs. This does not account for data charges or profit margins. Yet, somehow Bell manages to offer **RETAIL** residential fibre service to the condominium I live in for the following prices in Vaughan, Ontario...

https://www.bell.ca/Bell_Internet/Internet_access

Website accessed 2018/11/01

1.5G/940M 109.95/month

1G/750M 99.95/month

50M/50M 94.95/month

25M/25M 79.95/month

Either Bell is engaging in predatory pricing, or else they have been less than truthful in their calculations of \$100+/month for mere access to their network. But wait... there's more. Bell has a wholly-owned subsidiary, Virgin Mobile. This subsidiary can access Bell's fibre network, and offer **RETAIL** residential fibre access, with speed profiles shaped to resemble FTTN, like so...

<https://www.virginmobile.ca/en/internet/order-internet.html>

Website accessed 2018/11/01

25/10 \$45/month

50/10 \$60/month

100/10 \$70/month

Virgin Mobile has an unfair advantage in that they can do this on Bell fibre, while other TPIAs are required to pay \$100+ per month for mere access. This is important, because many new residences (single and multiple dwellings) are now being built with fibre-only internet/phone/TV connections, and no legacy copper wires. Given the difference between what Bell wants from TPIAs, and what it charges retail as Bell and as Virgin, something smells.

QUESTION 7. Governance and Effective Administration

Question 7.1 Is the current allocation of responsibilities among the CRTC and other government departments appropriate in the modern context and able to support competition in the telecommunications market?

Recently, the CRTC rightly turned down a proposal lead by Bell+Rogers to set up IPRA. IPRA would have been a shadow-court, under the CRTC, ruling on piracy by websites. The CRTC has no business being a shadow-court, ruling on copyright issues. Similarly the CRTC has no business being a shadow-CRA (Canada Revenue Agency). The CRTC should not be tasked with ensuring funding for Can Con. The CRTC's "tax base" is limited. Canadian BDUs rightly complain about CRTC taxes/levies/mandates that do not apply to foreign streaming services.

The appropriate response should be to

- make all streaming services, Canadian and foreign, pay GST/HST. Use those revenues to support Can Con.

- remove extra levies/mandates on Canadian BDUs.
- Again, if the government feels that funding Can Con is **THAT** important, then it should be up front and honest, and add funding from general revenues in the federal budget.

QUESTION 8.1 How can the concept of broadcasting remain relevant in an open and shifting communications landscape?

As mentioned above, "broad"-casting to large monolithic audiences is dying, and being replaced by "narrow"-casting to many small audiences, because large monolithic audiences are disappearing... deal with it. Also, "broad"-casting to large audiences results in "lowest common denominator" programming. "Broad"-casting to the lowest common denominator is what brought us commercial-infested garbage like the Kardashians, Honey-Boo-Boo, and the latest copycat clone of "America's Got Talent". The sooner it dies, the better.

QUESTION 8.2 How can legislation promote access to Canadian voices on the Internet, in both official languages, and on all platforms?

QUESTION 10.1 How can we ensure that Canadian and non-Canadian online players play a role in supporting the creation, production, and distribution of Canadian content?

Questions 8.2 and 10.1 will be handled together as one item. This is a sensitive area. Many Canadians have a well-founded fear of a small vocal and greedy minority who seek to block non-Canadian web content, under the flimsy pretense of "promoting Canadian culture". The loudness of that small minority's yelling and screaming is correlated directly with their potential financial gain from blocking foreign competition and new Canadian startups.

Even rabid foreign content xenophobes realize that explicitly and directly blocking foreign content would draw a major negative backlash from many Canadians. Instead, they pursue a strategy of "regulating the web" in a manner that implicitly and indirectly blocks foreign content. Questions 8.2 and 10.1 are examples of this strategy.

An example of question 8.2 is the idea of "zero-rating" anything that qualifies as Can Con, while charging against the user's monthly data allotment for all foreign content. This idea is impractical, but it has been floated. If the rate for accessing non-Canadian stuff is expensive enough, this discourages viewing foreign websites.

Now for Question 10.1. There's a saying "if it quacks like a duck, and flies like a duck, then it **IS** a duck". Similarly, if it quacks like a very blatant back-door attempt to block foreign streaming websites, and flies like a very blatant back-door attempt to block foreign streaming websites, then it **IS** a very blatant back-door attempt to block

foreign streaming websites. Question 10.1 **IS** a very blatant back-door attempt to block foreign streaming websites. The idea is to turn the web into a heavily regulated "TV 2.0" ("television-ization of the web") where all streaming websites are required to "play a role in supporting the creation, production, and distribution of Canadian content" in order to be granted an "internet broadcasting licence". The inability to produce Canadian content, and "PNI", in studios located in Canada, would implicitly disqualify almost all non-Canadian streaming websites from obtaining an "internet broadcasting licence" in Canada.

Netflix makes some of its own series, and even without Can Con requirements would probably take advantage of financial and tax incentives to do some productions in Canada. So they could qualify for a Canadian "internet broadcasting licence". But the vast majority of foreign streaming websites would find it virtually impossible to "play a role in supporting the creation, production, and distribution of Canadian content" by making productions and PNI in Canada, and hence would be denied a licence to stream to Canadians. This would be in direct contradiction to the opening statement of this call for comments "...A *world-class communications sector should enable Canadians to connect with each other **and the world***" (my emphasis).

Another question that leaps out is... why on earth are we asking foreign, and domestic, for-profit corporations to do the heavy lifting here? Collect GSH/HST from all streaming service subscriptions (domestic and foreign) and apply the proceeds to funding for creation of Can Con, rather than mandating for-profit corporations to do it. CBC.CA should be the home of Can Con.

As mentioned above, excessive regulations and mandates would also block Canadian startups. E.g. imagine how a 14-year-old Justin Bieber would've fared if he was required to spend a few million dollars for an "internet broadcast licence" and producing PNI ("Programming of National Interest") before being allowed to do any music videos.

We must resist lobbying by entrenched interests seeking to block new entrants to cybermedia. Just as buggy and whip makers lobbied against the horseless carriage, and the taxi industry lobbied against Uber/Lyft, so too legacy content producers are lobbying to block new entrants in cybermedia. Rather than a blatant outright ban, legacy companies will lobby for more subtle, but equally effective, ways to block low-cost startup competitors, e.g. ...

- requiring the spending millions of dollars annually producing PNI ("Programming of National Interest") to receive and retain an "internet broadcasting licence".
- requiring the filing of 200-page legal forms every year "to demonstrate a benefit to Canadian culture".
- mandatory, and very expensive, "professional accreditation".
- mandatory, and very expensive, "streaming society membership".
- the "streaming society" will have the ability to revoke a member's "streaming privileges" for various irrelevant reasons.
- etc., etc.

A multi-billion-dollar media conglomerate can afford the multi-million

dollar annual legal budget to handle this; a basement startup can't. This submission suggests more realistic ideas for promoting Can Con like...

- Enforce net neutrality to ensure a level playing field for Canadian streaming websites.
- Collecting HST/GST on subscriptions charged by all Canadian and foreign websites, and using those revenues to support Can Con. The mandates/levies on BDUs should be removed.
- The CRTC should set up a website <https://www.crtc.ca/cancon> with a searchable cross-indexed database of Can Con on the web, so that people "desperately seeking Can Con" would have links to follow.
- What does CBC.CA exist for, anyways, if not to do Can Con?

10.2 How can the CRTC be empowered to implement and regulate according to a modernized Broadcasting Act in order to protect, support, and promote our culture in both official languages?

I appreciate the opportunity to make a submission on this issue to a body other than the CRTC. This submission cautions against giving the CRTC such powers in the first place, because the CRTC is in an extreme conflict of interest. The problem is the "revolving door" between CRTC staff and media industry. It's gotten to the point where the legacy media industry effectively regulates the CRTC (aka "regulatory capture"). CRTC members and chairpersons have an extreme conflict of interest. E.g. consider why we're going through this current exercise in the first place...

- Mme. Francoise Bertrand was president and CEO of Tele Quebec in the early 1990's
- Mme. Bertrand was chair of the CRTC from 1996 to 2001
- During her tenure, the CRTC declared that audio and video on the web qualified as "broadcasting", and were subject to CRTC regulation... basically because the CRTC said so. <https://crtc.gc.ca/eng/archive/1999/PB99-84.htm>
- An exemption order temporarily forbearing from web regulation was issued, but the CRTC could revoke it at any time.
- Mme. Bertrand now sits on the board of Quebecor, which owns the firms "TVA Films" and "TVA Productions".
- "Follow the money". Those entities, and therefore Quebecor, would benefit financially if the CRTC implemented an artificial mandate requiring Can Con on the Canadian web.
- While this may technically not be illegal, the optics are very ugly.

To get an idea of Mme. Bertrand's extreme control-freak attitude, read the article about a 1996 interview she gave

<http://www.efc.ca/pages/media/ottawa-sun.18nov96.html> The article refers to software and companies that may no longer exist, but the principles still apply.

What is this "Canadian Culture" that you speak of?

The Canadian Prime Minister has stated that "there is no core identity, no mainstream in Canada". See web article...

<https://www.theguardian.com/world/2017/jan/04/the-canada-experiment-is-this-the-worlds-first-postnational-country>

There is no point in applying defacto taxation, and censoring and hampering Canadians' enjoyment of the internet, to preserve an alleged "Canadian Culture" that the Prime Minister says doesn't exist.

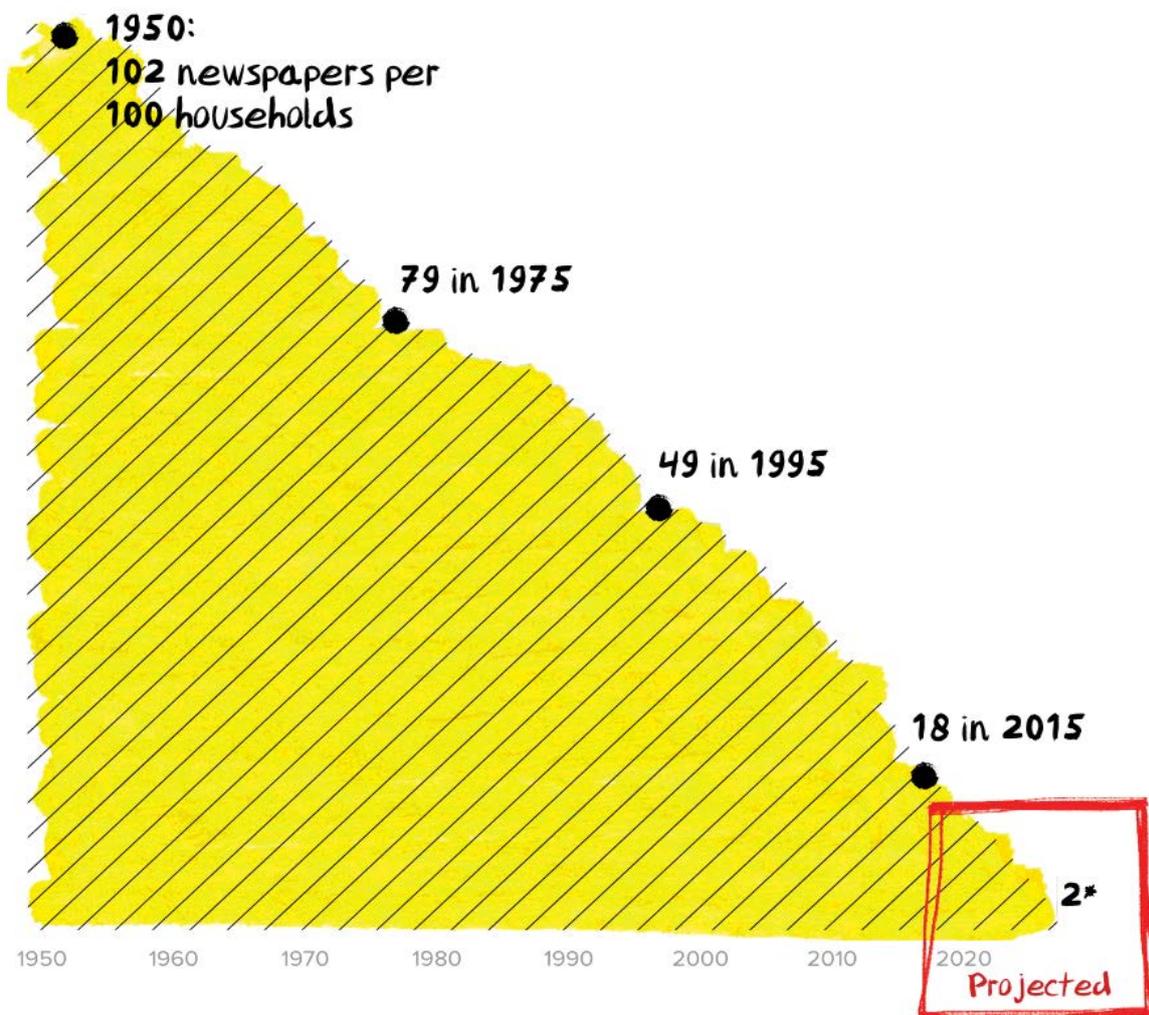
11. Democracy, News and Citizenship

11.1 Are current legislative provisions sufficient to ensure the provision of trusted, accurate, and quality news and information?

It seems that every failing media business blames its woes on the internet, and also demands subsidies funded by taxes on the internet. An example is the newspaper industry. On "The Shattered Mirror" website, on the state of newspapers in Canada, there is a PDF report available for downloading. On page 18 of the report is a graph of newspaper subscriptions per 100 households in Canada since 1950...

THE VANISHING NEWSPAPER

Newspapers sold per 100 households in Canada, 1950-2015, projected to 2025



* Projection for 2025 is based on trend from 2000-2015

Source: Compiled by Communications Management Inc. from: CARD; CNA; Newspapers Canada; ABC; AAM; CCAB; Statistics Canada

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Notice something? Newspaper subscriptions per 100 households **HAVE BEEN FALLING STEADILY SINCE 1950!** Usenet newsgroups, a text-based pre-cursor to

today's web forums, only began in 1980, and they were limited to a small audience of geeks with dialup modems, and unix competency. So their impact was minimal. The World Wide Web as we know it was invented by CERN in late 1990, and took off in the mid-1990s. The decline in newspaper subscriptions since 1950 has continued unabated. The newspaper industry is remarkably silent about the fall in subscriptions between 1950 and 1995, but still blames everything, from 1995 onwards, on the web.

Much of the legacy media is based on, or connected with newspapers, so this is an important issue. Attempts to bail out newspapers are doomed to repeat the saga of King Canute's order to the tide to stop coming in. Also, the MSM (Main Stream Media) has totally lost its credibility. Remember when you were considered a "conspiracy theorist" if you believed that...

- The "Gulf of Tonkin Incident" (justification for USA war in Viet Nam) wasn't real.
- Bill Clinton was having a lot of extramarital affairs.
- The NSA was constantly spying on everybody.
- Saddam Hussein did not possess "Weapons of Mass Destruction"
- and a whole list of others.

And CBC's USA election night 2016 coverage was a sickening spectacle of constant Trump-bashing. In response to Question 11.1), current provisions are not sufficient and there probably is no way of restoring the lost trust. Don't bother trying. The best that can be done is to **NOT** "television-ize the web". Do not put up high barriers to entry, so that only main stream media can afford to spread their corporate sponsors' version of "the truth". Allow other sources, including "Alt-Left" and "Alt-Right" to challenge the mainstream narrative.

11.2 Are there specific changes that should be made to legislation to ensure the continuing viability of local news?

Again, do **NOT** "television-ize the web". Do not put up high barriers to entry, so that only corporate main stream media can afford to spread their sponsors' version of "the truth". If the average Joe Citizen can cover local council meetings, etc, and talk about it on a Youtube channel, that will keep the main stream media on their toes.

12. Cultural Diversity

12.1 How can the principle of cultural diversity be addressed in a modern legislative context?

This is the opposite of Question 8.1). "Broad"-casting is dying, and "narrow"-casting is arising. Having multiple niche audiences fits in with this concept. Again, do **NOT** "television-ize the web". It does not make financial sense for a multi-million or multi-billion dollar corporation to program for small niche audiences. Please allow individuals and local communities to stream their own videos without "TV 2.0" bureaucracy. Allow streaming services "from the old country" in unimpeded. At most, do no more than collect GST/HST from streaming subscriptions.

13. National Public Broadcaster

13.2 Through what mechanisms can government enhance the independence and stability of CBC/Radio-Canada?

Provide stable funding from the federal budget. The idea of a “TV licence” like in the UK, gets floated occasionally by well-meaning individuals. However, it is an extremely bad idea.

For example, in Canada, Bell is (in)famous for its high-pressure door-to-door internet sales tactics.

<https://www.cbc.ca/news/business/hidden-camera-reveals-misleading-sales-tactics-for-bell-1.4556536> They outsource the sales to an outside firm, offering high commissions for each sale. The firm will in turn get individual contractors to do the actual door-to-door sales, offering them high commissions for each sale. Given the amount of money offered, some contractors do eventually cross the line. When specific instances go public, Bell claims to be “Shocked; Shocked I tell you; Absolutely shocked”. Then they “launch an internal investigation” and point fingers at the outsource firm who points fingers at their contractor.

The situation is similar with TV licence enforcement in the UK. See article <https://www.theguardian.com/media/2017/feb/27/bbc-investigation-tv-licence-enforcement-outsourcing-firm-capita> The BBC outsources licence sales/collections to an outside firm, with commissions. The outside firm in turn, uses contractors who get incentives and/or commissions for each additional licence. With money at stake, the contractors do cross the line on occasion. When such incidents are publicized, the BBC claims to be “Shocked; Shocked I tell you; Absolutely shocked”. Then they “launch an internal investigation” and point fingers at the outsource firm who points fingers at their contractor. Sound familiar?

Another problem with the “TV licence” idea is the extra overhead. Individual contractors have to be paid for licences sold. The outside firm has to be paid for the training of contractors, as well as commissions. Then there’s corporate overhead, e.g. business licence, office buildings, paperwork, hackable computer databases, salaries of secretaries and board of directors, and let’s not forget a profit, which is passed along as a dividend to the shareholders. Given that virtually all Canadians have TV and/or radio and/or internet, it’s much more efficient to simply raise income tax by the appropriate percentage and make the payment to CBC out of general revenues. No new bureaucracy or enforcement agency or additional employees required.

Meta-Question about Questions 13.3 through 13.6

There’s a saying “If a tree falls in a forest, and there’s nobody around to hear, does it really make a sound?”. In the case of the CBC TV “If CBC TV does/says something, and (almost) nobody watches, does it really make a difference?”. CBC TV averages around 5% in ratings. Its only program that consistently breaks into the top 30 is Murdoch Mysteries near the bottom of the list. Hockey Night In Canada (eastern prime time) also shows up. But that’s actually a Rogers production, that CBC TV carries for free, so it doesn’t really count as a CBC TV program. With its lack of audience, CBC TV may not be the appropriate vehicle for the objectives in questions 13.3 through 13.6.

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