



Broadcasting Notice of Consultation CRTC 2016-225

***Group-based and Sports
Licence Renewals
- and -
OMNI Applications***

Final Reply of

Rogers Media Inc.

January 6, 2017

I. Introduction

1. Rogers Media Inc. (Rogers) is pleased to file our final reply in accordance with the procedures announced in Broadcasting Notice of Consultation CRTC 2016-225-5 (BNC 2016-225). After reviewing all of the submissions made in this proceeding, we believe the evidence supports the renewal of the licences for each service included in our Group, our mainstream sports services and our five OMNI television stations on the terms outlined in our applications. We have also demonstrated that the public interest would be served by granting mandatory basic carriage to OMNI Regional as proposed pursuant to an order issued under section 9(1)(h) of the *Broadcasting Act*.

II. Full Licence Terms

2. This hearing is the fourth time since 2009 that we have appeared before the Commission to renew our City licences and it is the third time we have renewed our OMNI licences during that same 7-year period. As the Chairman noted, it seems as though we have been coming to the Commission for a “biannual checkup”¹ in recent years. Granting further short-term renewals for all of our stations, but in particular for OMNI as some interveners have suggested,² would only further destabilize these stations, without providing any discernible benefits to the communities we serve.
3. As outlined at the hearing and again in our undertaking responses, Rogers has a long term strategy to grow and develop our legacy television and digital businesses. It is based on a belief in content ownership, quality over quantity and multiple platforms, and it includes a renewed emphasis on local programming, particularly news and information. It is why we support the group-based framework, which we believe is forward-looking and will help ensure that our legacy businesses remain successful during the next licence term.
4. Our proposal to launch OMNI Regional as a 9(1)(h) service fits within Rogers’ long term strategy. We have been operating OMNI for more than 30 years. We are committed to serving Canada’s ethnic communities. However, the current advertising-supported model for OMNI no longer works, even with the efficiencies derived from being part of Rogers. The new 9(1)(h) service will ensure that third language viewers can access news, information and entertainment programs in their language of comfort across the country over the long-term.

III. OMNI Regional 9(1)(h)

5. The urgency associated with our OMNI Regional application was apparent throughout the proceeding. Many interveners lamented the removal of daily newscasts on OMNI stations in 2015 and urged us to reinstate them as quickly as possible.³ Approval of OMNI Regional will do just that by reintroducing daily

¹ Transcript, Vol. 1, Nov. 28, 2016, at para. 94.

² Undertaking Response, Canadian Ethnocultural Council, et al. (the Coalition), Dec. 9, 2016, at para. 7.

³ See, for example: Metro Toronto Chinese & Southeast Asian Legal Clinic, Transcript Vol. 2, Nov. 29, 2016, at paras. 2588-2599; Unifor Local 723M and Forum for Research and Policy in Communications, Transcript Vol. 3, Nov. 30, 2016, at paras. 3954, 3960 - 3967, 3898.

newscasts in Italian, Mandarin, Cantonese and Punjabi and by providing other important programming on the OMNI services. This responds to the concerns raised by some interveners and furthers the policy objectives of the *Broadcasting Act*.

6. Almost 4,000 individuals, businesses and organizations supported our proposal for OMNI Regional. At the hearing, with few exceptions, even those who expressed concerns about our application recognized that our proposal to offer daily newscasts would benefit ethnic communities and would make OMNI Regional an exceptional service worthy of basic carriage. The Coalition noted that newscasts provide “an essential and vital link for their respective communities.”⁴ While the Coalition did not support our application, several members of the Coalition’s underlying organizations did. In fact, four of the members of the Canadian Ethnocultural Council actually filed letters of support for our application in this proceeding.⁵
7. Those who oppose our 9(1)(h) application fail to understand that OMNI cannot continue to sustain losses forever and that newscasts cannot be reinstated under OMNI’s current financial model.⁶ Last year alone, OMNI experienced a loss of \$8.3 million. Since 2010, OMNI’s revenues have declined by 74%. Those losses are not sustainable. They are the reason OMNI does not provide newscasts today and they are the reason OMNI cannot offer newscasts without approval of our OMNI Regional 9(1)(h) application and a second revenue stream for that service. Attempts to compare OMNI to City are not valid and demonstrate a complete misunderstanding of OMNI’s financial situation and the unique challenges to its business model.⁷
8. Given the importance of reinstating newscasts and OMNI’s need to stem its revenue losses, we believe our proposal to operate OMNI Regional under a 9(1)(h) order is the only reasonable option that will ensure OMNI’s long-term viability.
9. No credible alternative to our 9(1)(h) application has been identified in this proceeding, and none arose prior to this proceeding. Since our OMNI Regional application was published on June 15, 2016, no one has said that they would be willing to replicate the multilingual service that we have proposed and offer it at a wholesale rate of 12 cents per month. In fact, none of the interveners that participated in this proceeding identified any other person or broadcaster that would be willing to do so. Even when asked at the hearing whether it would apply for a 9(1)(h) service to serve multicultural communities, Fairchild refused to make any firm commitment.⁸

⁴ The Coalition, Transcript Vol. 2, Nov. 29, 2016, at para. 2585.

⁵ Canadian Polish Congress, Intervention #747; Christian Cultural Association of South Asians, Intervention #771; National Congress of Italian-Canadians (Quebec Region), Intervention # 365; and Chinese Canadian National Council (Ottawa Chapter) – Robert Yip, Director (Int. # 278).

⁶ Despite evidence of OMNI’s losses to date, in its Final Written Submissions, the Coalition reiterated its misconception that Rogers has not shown that it is unable to provide news and other ethnocultural programming on OMNI without national mandatory distribution (Dec. 16, 2016, at para. 18).

⁷ The Coalition, Final Written Submission, Dec. 16, 2016, at para. 18.

⁸ Instead, Fairchild Television Limited (Fairchild) said “that’s certainly something that we would consider.” Transcript, Vol. 3, Nov. 30, 2016, at para. 4749.

10. Some interveners expressed concern about the process. One argued, incorrectly, that considering our OMNI Regional application at the same time as our OMNI licence renewal and without a general call for 9(1)(h) applications was a “novel precedent-setting” procedure.⁹ Others have raised a procedural fairness concern, even though they have now had three opportunities (written intervention, hearing and final submission) to express their views on our application.¹⁰ The Commission has never indicated that a separate proceeding or general call is needed to consider a 9(1)(h) application. Both APTN¹¹ and CPAC¹² were granted 9(1)(h) status as part of their licence renewals and without a competitive process. Also, when the Commission granted mandatory basic carriage to TVA¹³ and to Pelmorex’s two weather services,¹⁴ neither application triggered a call for competing applications.
11. We also reject the argument that approving OMNI Regional’s 9(1)(h) application might set a precedent that other OTA stations could follow.¹⁵ Concerns about a “slippery slope” are not valid because no one else does what we do. OMNI is the only multilingual OTA service operating in Canada today. If OMNI fails, no other OTA station could step into serve Canada’s ethnic and third language communities. The same is not true among English and French-language broadcasters. In anglophone markets, for example, there are four station groups (City, CTV, Global and CBC) that operate English-language OTA services. If one of them fails, the other three will continue to provide news, information and entertainment programming to English-speaking Canadians. Unlike the case of OMNI, there is no imperative to ensure that any of the four English-language broadcasters survives.
12. In filing the OMNI Regional application, we committed to a range of conditions designed to ensure that OMNI Regional will be exceptional and will satisfy the criteria for granting mandatory basic carriage outlined in Broadcasting Regulatory Policy CRTC 2010-629. In addition to those commitments, Rogers agreed at the hearing to accept several other conditions to further assure the Commission, interveners and the public that granting OMNI Regional 9(1)(h) status would result in exceptional benefits for Canada’s ethnic and third language communities.
13. First, we committed to operating OMNI – both the OTA stations and OMNI Regional – on a break even basis, where any profits earned would be reinvested back into OMNI’s programming. This commitment addresses concerns that Rogers would somehow profit from a decision to grant OMNI Regional 9(1)(h) status.¹⁶

⁹ Fairchild Transcript, Vol. 3, Nov. 30, 2016, at para 4714.

¹⁰ See, for example: The Coalition, Transcript Vol. 2, Nov. 29, 2016, at paras. 2721, 2750-2763; Fairchild, Transcript, Vol. 3, Nov. 30, 2016, at para. 4717, Shaw Communications Inc. (Shaw), Final Written Submission, Dec. 16, 2016, at para. 30.

¹¹ Decision CRTC 99-42.

¹² Broadcasting Decision CRTC 2002-377.

¹³ Decision CRTC 98-488.

¹⁴ Broadcasting Order CRTC 2009-340.

¹⁵ Rogers, Transcript, Vol. 1, Nov. 28, 2016, at paras 312-318.

¹⁶ Metro Toronto, Transcript, Vol. 2, Nov. 29, 2016, at para. 3361.

14. Second, OMNI will accept a 10% cap on the amount of U.S. programming that can be scheduled on the services and will forego any simultaneous substitution opportunities that might be present with respect to this programming.¹⁷
15. Third, we will establish Advisory Councils for each regional feed that will have representation from all provinces served by the feed, including in Atlantic Canada. This will address concerns raised in this proceeding about meaningful consultation with ethnocultural communities that rely on OMNI.¹⁸
16. Fourth, OMNI staff will make regular visits to each province to solicit pitches for independent productions. In Atlantic Canada, we will use the infrastructure from our community channels to identify these productions. We will also create an on-line portal to receive pitches from across Canada to produce programming for OMNI. These initiatives will ensure that OMNI Regional is reflective of the regions it serves.
17. Collectively, these commitments demonstrate that OMNI Regional will make an exceptional contribution to furthering the objectives of the *Broadcasting Act*, as well as the specific objectives the Commission has identified for the basic service. As we indicated at the hearing, these commitments far exceed the obligations imposed on every other ethnic programming service operating in Canada, including the Category A services offered by Fairchild and ATN. There is no other broadcaster in Canada that could make these commitments and do so at a wholesale rate of only 12 cents per subscriber per month.
18. In its undertaking response and final submission, the Coalition proposed additional conditions of licence for OMNI Regional.¹⁹ We would note, at the outset, that imposing these conditions would increase our obligations to a level that would exceed those imposed on every other 9(1)(h) service approved to date.
19. These obligations would also significantly increase the cost of operating the new service and would therefore be impossible to support at our proposed 12 cent wholesale rate. To implement them, OMNI Regional would need to at least double that wholesale rate. The Coalition's proposals do not take into account the costs associated with its conditions of licence, and are disproportionate and unwarranted considering the broad-based support our application received in this hearing.
20. Implementing additional news programs would, for example, require additional management support and larger studio facilities. These additional costs would, in turn, require a significant increase in the wholesale rate to fund them. None of these additional costs and obligations were part of our application and they were not part of the new service that interveners overwhelmingly supported in this proceeding. One of our goals in developing the OMNI Regional plan was to present to the Commission a solution for restoring news on OMNI at a reasonable cost. The Coalition's proposals would undermine that objective and would require BDUs to pay

¹⁷ Rogers, Transcript, Vol. 1, Nov. 28, 2016, at paras 246 - 252.

¹⁸ The Coalition, Transcript, Vol. 2, Nov. 29, 2016, at para. 2587 and Undertaking Response, Dec. 9, 2016, at para. 5.

¹⁹ The Coalition, Undertaking Response, Dec. 9, 2016, at paras 7 - 8.

significantly more for the service. As such, it would compromise the balance that we tried to achieve among ethnic communities, BDUs and consumers in regards to affordability and new high quality programming.

21. Our proposed wholesale rate was generally well-received at the hearing. There was little opposition to it. Only two parties from the BDU sector – Telus Communications Inc. (Telus) and the Canadian Cable Systems Alliance (CCSA) – appeared at the hearing to discuss the English-language licence renewal applications. Other BDUs that had filed written comments in this proceeding chose not to appear.²⁰ We can only assume that their absence reflects the actual level of concern they have about our application or that they did not want their arguments tested by Commissioners.
22. While the CCSA addressed our OMNI Regional application in its written submissions, it chose not to say anything about it at the hearing. As for, Telus it too focused its comments at the hearing on matters unrelated to OMNI Regional. Only when prompted by the Chairman did Telus express a view on OMNI Regional. In doing so, Telus noted that the 12 cent “cost is not the issue”²¹ and then stated that:

We’re certainly not objecting to the rationale for the service. It is no doubt a very important service.²²
23. This acknowledgement of the importance of OMNI and the lack of concern about the wholesale rate are entirely consistent with our view that an enhanced OMNI will add value to the basic service. The content we will be able to offer on OMNI Regional and our stations will be considerably more attractive to ethnic Canadians and will serve third language communities outside the stations’ current reach.²³ That will make each BDU’s basic service even more attractive to the ethnically diverse communities they serve. Our proposal is a low-cost option that will ensure that, across Canada, the basic service is able to actually reflect the ethnocultural and multilingual nature of Canadian society.
24. The fact that Telus, one of Canada’s largest BDUs, indicated it was not concerned about the cost of OMNI Regional, and that no other BDUs have proffered any actual evidence of negative effects on the price of basic as a result of adding this service to that entry level package, should provide further comfort that granting OMNI Regional 9(1)(h) status would not impose an undue burden on BDUs or their subscribers.
25. While Shaw and Cogeco (neither of whom appeared at the hearing) stated in their final submissions that OMNI Regional would not be exceptional,²⁴ neither BDU filed any evidence to support their position. Other than stating that our proposed service would not be exceptional, they did not actually identify each of the Commission’s criteria and explain why OMNI Regional would fail to satisfy them. Nor did they

²⁰ This includes, Shaw, Cogeco and Eastlink.

²¹ Telus, Transcript, Vol. 3, Nov. 30, 2016, at para. 3715.

²² Telus, Transcript, Vol. 3, Nov. 30, 2016, at para. 3723.

²³ Rogers, Transcript. Vol. 1, Nov. 28, 2016, at paras. 239 and 240.

²⁴ Shaw, Final Submission, Dec. 16, 2016, at paras. 4-13; Cogeco, Final Submission, Dec. 16, 2016, at para. 10.

attempt to define what would make a service, like OMNI Regional, exceptional. Merely stating that a service is not exceptional is, in our view, insufficient.

26. The exceptional nature of OMNI was acknowledged throughout the public hearing.²⁵ We provided evidence demonstrating that OMNI Regional would satisfy the criteria for granting 9(1)(h) status and thousands of Canadians supported our view. One intervener at the hearing even referred to our request for 9(1)(h) status as a “no-brainer”.²⁶ Rogers is confident that we are the only broadcaster capable of offering ethnic Canadians a multilingual, multicultural discretionary service that will include relevant and reflective Canadian news, information and entertainment programming.

IV. OMNI OTA Renewal

27. In addition to our OMNI Regional application, we also requested the renewal of the licences for our five OMNI OTA television stations. These stations operate outside the group-based licensing framework. Each would be offered in tandem with the OMNI Regional feeds to ensure that Canadians who do not subscribe to a BDU service would not lose the ability to receive OMNI over-the-air. The programming aired on each station will mirror a regional feed. This is another unique and exceptional element of our application that could not be replicated by any other applicant.
28. As part of our renewal application, we requested relief from certain conditions of licence for our OMNI stations, in the event that OMNI Regional did not receive mandatory basic carriage. Some interveners opposed this request.²⁷ The rationale for our request is twofold. First, from a programming perspective, many of the changes we propose would allow OMNI to devote more programming to the languages and the groups that represent the largest communities in the markets we serve. Second, from a financial perspective, our hope is that these changes would enable us to attract larger audiences from these ethnic communities, thereby enabling OMNI to increase advertising revenues and reduce its losses.
29. None of the changes we proposed to our conditions would, however, enable OMNI to become profitable. We noted during the hearing that “the savings would be just a decreased debt”.²⁸ Without a second revenue stream and in an environment where advertising revenues are declining year-over-year, we require the opportunity to reduce OMNI’s losses. However, these proposed changes will not be necessary if our OMNI Regional application is granted approval.
30. Some interveners suggested at the hearing that the Commission could simply impose an obligation on OMNI to reinstate local newscasts.²⁹ That is simply not

²⁵ See, for example: Unifor Local 723M, Transcript Vol. 3, Nov. 30, 2016, at para. 4003; Unifor National, Transcript Vol. 3, Nov. 30, 2016, at para. 4240; Jag Badwal, Transcript Vol. 4, Dec. 1, 2016, at para. 5847; and HotBizMedia Inc., Transcript Vol. 4, Dec. 1, 2016, at para 5986.

²⁶ Unifor National, Transcript, Vol. 3, Nov. 30, 2016, at para 4257.

²⁷ See, for example, Final Written Submission, the Coalition, December 16, 2016, at para. 34.

²⁸ Rogers, Transcript, Vol. 1, Nov. 28, 2016, at para. 487.

²⁹ The Coalition, Transcript, Vol. 2, Nov. 29, 2016, at paras. 2593, 2596, 2694, 2765.

possible without granting OMNI Regional 9(1)(h) status. If an obligation was imposed on OMNI to reinstate local newscasts even for a short term, the stations would be forced to close. Our commitment to operating OMNI's OTA stations for the "foreseeable future" under the current business model was made on the basis that no new obligations would be imposed that would result in greater financial losses. As we stated at the hearing, reinstating newscasts "probably would triple our costs" without "tripling our revenues".³⁰

V. Group Licence and Mainstream Sports

31. With respect to the renewal of the licences for the services in our Group and mainstream sports services, Rogers notes that few interveners raised significant concerns about our renewal applications. There were, however, some issues discussed at the hearing that require further consideration.
32. First, we wish to address the removal of conditions of licence that relate to matters that are now governed by the Wholesale Code. The Wholesale Code was established as part of the Let's Talk TV hearing and contains a comprehensive set of provisions that were refined in subsequent proceedings. We believe the Commission should remove the conditions of licence that were imposed in Broadcasting Decision CRTC 2014-399 (BD 2014-399) prior to the establishment of the Wholesale Code. A number of those conditions are inconsistent with comparable provisions outlined in the Wholesale Code. Our concern is not, as Telus suggests, duplication.³¹ Rather, it is the inconsistencies between the conditions of licence that were imposed in 2014 and the condition of licence that requires us to adhere to the provisions in the Wholesale Code that concern us. Not only does it create difficulty in determining compliance but it also imposes unique obligations on Rogers that other programmers and distributors are not required to meet. This is particularly troubling given there has been no evidence advanced in this hearing that would support the need to have special rules apply to Rogers' services.
33. The Wholesale Code was created to "frame the wholesale relationship between all distributors and programmers."³² It was designed to help develop a "healthy and dynamic wholesale market" that will result in "fair negotiation of terms and conditions for the distribution of programming services."³³ In this respect, parties are encouraged to rely on market forces and engage in good faith negotiations to determine fair market value. The Commission's intent was not to encourage BDUs or programmers to rely on CRTC dispute resolution mechanisms as an initial step in any negotiation between a BDU and a programmer. Rather, those mechanisms should only be a last resort and, even then, should only be relied upon if both parties intend to renew their agreement.

³⁰ Rogers, Transcript, Vol. 1, Nov. 28, 2016, at para. 448.

³¹ Telus, Final Written Submission, December 16, 2016, at para. 14.

³² Broadcasting Regulatory Policy CRTC 2015-96, Summary.

³³ Broadcasting Regulatory Policy CRTC 2015-438, at paras. 2-3.

34. To do otherwise, would either provide a programming service with *de facto* access rights or allow a BDU to require a programming undertaking to offer its service without any commensurate obligation to carry the service. This would create an extremely unfair imbalance between programmers and distributors and result in a situation where a service would essentially be a “must offer” without the protection of being a “must carry”. More fundamentally, this type of situation would completely undermine the Commission’s policy determinations that resulted from the Let’s Talk TV proceeding and that were incorporated in the Wholesale Code.
35. Accordingly, attempts by Telus in this proceeding to maintain conditions of licence that fall outside the obligations set out in the Wholesale Code, and that were imposed prior to the implementation of the Wholesale Code, should be rejected. In our view, maintaining our current condition of licence that requires us to adhere to the provisions in the Wholesale Code would address the issue raised by the Chairman regarding the potential impact of removing these conditions if the appeal of the Commission’s Wholesale Code decision were successful.
36. The second issue involves proposals by the Canadian Media Producers Association (CMPA) to revise the definitions of “independent production company” and “independently produced program” and to impose a new condition of licence requiring each group to conclude a Terms of Trade agreement with the CMPA.³⁴
37. With respect to the definitions proposed by the CMPA, we support the arguments made by Corus in the motion filed on December 6, 2016.³⁵ The CMPA has provided no evidence that the current definitions have failed to achieve the policy objectives set out in the Act. Instead, the CMPA has decided, on its own, that the meaning of the term “independent” that has been used for the past 15 years is now somehow inappropriate. The CMPA’s rationale for the change is unconvincing. In proposing a fundamental change to a longstanding policy, surely the CMPA has the burden to demonstrate with actual evidence that its change would benefit the broadcasting system in Canada. It has failed to do that. The only thing its change would do would be to undermine the flexibility that is needed to engender innovative Canadian production arrangements such as the one between Rogers and VICE.
38. We would also note that a licence renewal proceeding is not the appropriate forum to amend longstanding definitions that have been relied upon to green-light projects and structure joint venture arrangements. Revising those definitions in this proceeding would have a wide-ranging impact on parties whose licences are not up for renewal. This is a matter that should have been raised as part of the Let’s Talk TV proceeding where all parties impacted by the proposed changes could have voiced their concerns. The CMPA is now asking the Commission to change certain policy decisions that were carefully made after a robust public process without considering the impact those changes would have on the broader regulatory framework. We believe it would be unfair and unwise to change only one or two aspects of that framework without re-examining the entire television policy again.

³⁴ CMPA, Transcript, Vol. 2, Nov. 29, 2016, at paras. 2794-2814.

³⁵ Corus, Transcript, Vol. 4, Dec. 1, 2016, at para 6574, and Motion, Dec. 5, 2016.

39. We would also point out that the CMPA's suggestion that it would be "willing to accept the grandfathering for the next licence term of the 'independent' status for VICE studio Canada"³⁶ would not alleviate the concerns expressed by Rogers or VICE at the hearing. Our joint venture with VICE is a long-term strategy that will ultimately be undermined if the Commission accepts this policy change. There would be no incentive for Rogers or VICE to continue to invest in this venture if it has only a five year horizon. The closure of the VICE Studio and channel would ultimately come at the expense of content creators and Canadian programming.
40. As for the Terms of Trade condition proposed by the CMPA, again we believe that this issue was addressed as part of the Let's Talk TV proceeding in Broadcasting Regulatory Policy CRTC 2015-86. We do not think that the terms under which we negotiate with independent producers should be prescribed by the Commission. As Corus outlined, every project is different and requires a different set of negotiated terms.³⁷ Requiring broadcasters and independent producers to adhere to an omnibus agreement negotiated by the CMPA would undermine those negotiations.
41. The reality is that Rogers and other broadcasters have developed wide-ranging relationships with both Canadian and foreign content producers and distributors. We have extensive experience working with international partners like FOX and VICE (to name just two), which enables us to access foreign markets and ensure that Canadian programming is fully exploited internationally. These relationships were referenced in the streaming strategy we filed as part of our undertaking responses on December 9. We are confident that we can leverage those relationships, but we must have the opportunity to develop business models that will provide financial incentives for all parties to create compelling content for global markets.
42. The third issue relates to Canadian programming expenditures (CPE) and expenditures on programs of national interest (PNI). We believe that all Groups should be subject to the same standard requirements, with respect to things like Canadian programming expenditures (CPE) and Canadian exhibition requirements. In its Final Submission, the CMPA suggests that "Rogers confirmed its view that 30% is the appropriate CPE level."³⁸ With respect, that is not quite what we said. Throughout this proceeding we have consistently maintained that we would accept a 30% CPE, provided that it applied to all Groups. We simply believe that each Group should have the same obligations (CPE and Cancon exhibition) at the Group level.
43. However, with respect to PNI, we argued that no Group should be required to spend on PNI an amount that would exceed its historical levels. The reason for this is that the programming produced using PNI money is primarily scripted content. Broadcasters like Bell and Corus operate a large number of programming services that rely on dramas, comedies and other types of scripted programming. As a result, they historically spend more on PNI programs than Rogers, which owns a vastly different mix of broadcasting assets. We do not believe that other proposals, such

³⁶ CMPA, Final Written Submission, Dec. 16, 2016, at para. 16.

³⁷ Corus, Transcript, Vol. 1, Nov. 28, 2016, at paras. 900-902; Transcript Vol. 4, Dec 1, 2016, at paras 6346-6362.

³⁸ CMPA, Final Written Submission, Dec. 16, 2016, at para. 23.

as requiring all Groups to devote 8% of their revenues to PNI programming, should be adopted.³⁹ Rogers would not be able to meet such an obligation.

44. Similarly, we do not support any proposal to impose obligations relating to local news that would exceed our proposed commitments.⁴⁰ The local news commitments we made for City are significant and exceed our historical levels in all but one market (Toronto).
45. Finally, we note that no one objected to our proposal not to renew the network licence for Hockey Night in Canada (HNIC), which is aired on CBC on Saturday evenings. As we stated at the hearing and in our undertaking responses, the significant annual cost, in terms of broadcast licence fees, of maintaining the network licence is our primary motivation for not renewing the licence.
46. We have proposed another mechanism to ensure that Rogers maintains responsibility for the HNIC programming broadcast on the CBC. Specifically, we set out a condition of licence for Sportsnet that would ensure it takes full responsibility for all regulatory issues relating to the broadcast of HNIC on the CBC's television stations, including programming-related complaints. We submit that the condition we have proposed obviates the need for a separate network licence.

VI. Correcting an Inaccurate Statement of an Intervener

47. One final issue that we feel compelled to address is the inaccurate statements made at the hearing by Steve Hawkins who appeared on behalf of Unifor Local 830. At the hearing, Mr. Hawkins said that our City station in Vancouver operates with "one journalist", which is misleading.⁴¹ The reality is that our news team for City Vancouver consists of the equivalent of 28 full-time staff, which includes on-air hosts, news reporters, writers/researchers, news shooters/editors and studio crew.

VII. Conclusion

48. For all of the reasons outlined in our written and oral submissions, Rogers requests the renewal of the licences for the services included in our Group, our mainstream sports services and OMNI, as well the issuance of a new licence for our OMNI Regional 9(1)(h) service.

Yours truly,

Susan Wheeler
Vice-President, Regulatory

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³⁹ ACTRA, Transcript, Vol. 3, Nov. 30, 2016, at para. 4077.

⁴⁰ Unifor, Final Written Submission, Dec. 16, 2016, at page23.

⁴¹ Unifor Local 830, Transcript, Vol. 4, Dec. 1, 2016, at para. 6094.