

Keep Our Airwaves Canadian Maintain Current Limits to Foreign Ownership

Commit to maintain current limits to foreign ownership of Canadian airwaves to ensure that our broadcasting and telecommunications industries are controlled by Canadians, for Canadians.

Even with Canadian majority ownership of our broadcasters, we're fed a steady diet of U.S. programming. Our culture is already being marginalized and would be more so with a relaxing of ownership rules. If we don't own our airwaves, we don't own our country. Foreign companies can already own 46.7% of Canadian broadcasters, cable and other media companies but they want more. As many Canadians receive U.S. signals directly, foreigners command substantially more than 46.7% of our airwaves already.

Increased foreign control of Canadian broadcasting would damage Canada's sovereignty over cultural policy, jeopardize Canadian content regulations and deepen the crisis in Canadian TV drama. Relaxing ownership restrictions in the telecommunications sector would have a serious impact on broadcasting.

There is a link from telephone companies to culture. As technology converges, telephone, cable and broadcasting companies are competing to provide the same services. This link is critical because we must care equally about Canadian content on television as about whether a telephone line is owned by a foreign company.

There are competing views within Parliament about maintaining limits to foreign ownership of Canadian broadcasting and telecommunications. While members of all parties serving on the Heritage Committee have called for maintaining limits in broadcasting, the Industry Committee has called for relaxation of rules for telecommunications companies. In March, 2006, a special Telecommunications Policy Review Panel report recommended to the government that foreign ownership rules for telecommunications be relaxed and also recommended further review of foreign ownership rules under the broadcasting policy. Key cabinet ministers favour deregulation in broadcasting and telecommunications, and opening up the ownership rules. The Industry Minister's Competition Policy Review Panel report, *Compete To Win,* recommends relaxing foreign ownership rules in broadcasting and reviewing foreign ownership restrictions in cultural industries. ACTRA opposes the *Compete To Win* report.

The CRTC approved the takeover of Alliance Atlantis by CanWest Mediaworks, a transaction that ACTRA maintains challenges Canada's foreign ownership limits. Sixty-four percent of the equity and financing come from U.S. investment bank Goldman Sachs, giving a U.S. company a majority stake in a Canadian broadcaster, contrary to the *Broadcasting Act* that requires Canadian ownership of broadcasters. The deal was widely opposed, including by ACTRA and our colleagues in the Coalition of Canadian Audio-visual Unions (CCAU).

The digitization of content along with the incredible growth in current network capacities has redefined the telecommunications sector and erased the boundaries between it and

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the broadcasting sector. Broadband is the term now used for the capacity to transfer huge amounts of information at high speed, whether over fibreoptics, satellites, wireless or cable and will become the chosen conduit for future media delivery.

Controlling our own communications systems is an essential and longstanding principle of Canadian cultural and communications policies. According to the *Broadcasting Act*, "the Canadian broadcasting system shall be effectively owned and controlled by Canadians." And the *Telecommunications Act* states, "A Canadian carrier is eligible to operate as a telecommunications common carrier if it is a Canadian-owned and controlled corporation incorporated or continued under the laws of Canada or a province."

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