



ISSUE #4:

CBC/Radio Canada Funding

ACTION NEEDED: CBC/Radio-Canada remains an important actor in our changing media ecosystem to preserve democracy, build cultural identity, and create original Canadian programming. The next government should provide stable sources of funding to preserve CBC/Radio-Canada's mandate and independence.

The fundamental “public good” reasoning, which has defined public broadcasting for nearly a century, grew out of scarcity – of spectrum, capital and content. This model is being questioned in a globalised media world characterised by abundance, audience fragmentation and the omnipresence of transnational internet giants. But these trends are proving once again that a public broadcaster is the cornerstone of our national identity, indispensable to build social trust and protect democracy (and safeguard the creation of Canadian content).

Public broadcasters provide a non-partisan information base, which in turn creates opportunities for political, cultural and local engagement. CBC/Radio-Canada has often been an important source of technological innovation in both platforms and content, and talent development, which over time benefits both the sector and enriches social cohesion.

Furthermore, CBC/Radio-Canada plays a pivotal role in shaping the Canadian media ecosystem and cultural landscape given the small population size and proximity to a larger country with the same language. Added to that is the high concentration of a few media voices, the two-language market and the audience appeal of indigenous programming.

Markets have proven to be an imperfect means of distributing opportunity; a public broadcaster addresses a national public – not just a market, a targeted demographic, or a network like private broadcasters do. A public broadcaster reaches out to smaller communities, responds to market failure and provides value for money.

Successive Conservative and Liberal governments have cut the parliamentary grant to the public broadcaster, which represents the vast majority of the financial support to the public organization. Between 1991 and 2014, the parliamentary appropriation decreased by \$42 million. If we consider inflation, it actually fell by 36% in a period of 24 years. In 2016, the liberal government pledged a \$675 million funding increase over 5 years for CBC/Radio Canada, making up for cuts. But how future funding will be guaranteed remains unclear.



A 2016 Nordicity study suggested that Canada's geographic and socio cultural environment would benefit more than any of seventeen western countries with a public broadcaster. Despite this fact, Canada continues to display one of the lowest levels of public funding per capita for public broadcasting today¹.

Recommendation

CBC/Radio-Canada would benefit from **predictable and stable funding**, at similar levels to other OECD countries, indexed to inflation, and **separated from political influence, election and government budget cycles**.

¹At \$29 per capita, Canada's level of public funding was third lowest among the 18 comparison countries; only New Zealand (\$17 per capita) and the US (\$3 per capita) posted lower levels of public funding. Canada's level of public funding was 64% less than the average of \$86 across the 18 comparison countries.