

Canadian Radio-television and Telecommunications Commission

2012–13

Report on Plans and Priorities

The Honourable James Moore, P.C., M.P.
Minister of Canadian Heritage and Official Languages

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Minister's Message

Year after year, Canadian Heritage portfolio organizations pursue Government of Canada objectives to allow Canadians to discover the richness of their culture and their heritage. As Minister of Canadian Heritage and Official Languages, I am pleased to present the 2012–13 *Report on Plans and Priorities* prepared by the Canadian Radio-television and Telecommunications Commission (CRTC).

Broadcasting and telecommunications technologies provide Canadians with the tools to strengthen their cultural identity and create a prosperous digital economy. As the regulatory body that oversees this dynamic industry, the CRTC promotes competition, innovation, and consumer choice and ensures that content reflects Canadian society. In 2012–13, the CRTC will ensure that Canadians have access to a wide variety of communications products and services.

The CRTC will achieve its goal by establishing new licence terms and conditions for private French-language television services and by implementing the framework for large integrated companies. It will also actively monitor the evolution of online and mobile programming and the impact of such programming on the traditional broadcasting system. In the area of telecommunications, the CRTC will implement new wholesale billing models that large telephone and cable companies can use to charge independent Internet service providers that access their networks.

As indicated in this report, in 2012–13, the CRTC will continue to take concrete measures to promote our arts, culture, and heritage. In so doing, the CRTC will help improve the quality of life of Canadians, while contributing to Canada's social, cultural, and economic vitality.

The Honourable James Moore, P.C., M.P.
Minister of Canadian Heritage and Official Languages

Acting Chairman's Message



I am pleased to present the Canadian Radio-television and Telecommunications Commission's (CRTC's) *Report on Plans and Priorities* for 2012–13. This report describes the activities the CRTC will undertake in the coming year to build on its commitment to fostering a healthy and competitive communications system that will enable Canadians to participate in, and benefit from, the digital economy. I would like to highlight four of these activities.

In April 2012, the CRTC will hold a public hearing to review the Local Programming Improvement Fund. Created in 2008, the fund supports the production of local programming by television stations in non-metropolitan markets and is financed by cable and satellite companies. By the end of 2012, more than \$300 million will have been distributed to more than 75 local stations across the country. The CRTC is evaluating whether the fund should be maintained, modified or discontinued.

The CRTC will also renew the licences of the French-language television services that are operated by large private ownership groups. In setting new terms and conditions for these television services, we will ensure that they continue to support the production of Canadian programming, including local programs that reflect Quebec's different regions. We will also hold a proceeding to renew the licences of the Canadian Broadcasting Corporation's English- and French-language radio and television services.

The CRTC will continue to implement two major telecommunications policies that were introduced in 2011–12. The first policy established the wholesale billing models large telephone and cable companies can use to charge the independent Internet service providers that access their networks. The second was created to guide the adoption of Internet Protocol technology throughout telecommunications networks. As we work to implement these new policies in 2012–13, we will ensure they achieve our underlying goal of ensuring Canadians have access to innovative services at affordable prices.

Finally, the CRTC will contribute to a more secure online environment for consumers and businesses. As the primary government agency charged with enforcing Canada's anti-spam legislation, the CRTC will begin to fulfill its responsibilities when the law comes into force later this year. We will work with our partners to investigate and take action against those who send spam or install computer programs without prior consent. We will also act against those who co-opt infected computers to re-route network transmission data.

Over the last few years, the CRTC has increasingly relied on market forces and industry self-regulation to achieve the objectives of the *Broadcasting Act* and *Telecommunications Act*. Before establishing any new regulation or policy, we will carefully assess whether such an approach is needed and evaluate its potential impact on consumers and small businesses. We will also seek to fulfill our mandate in the most efficient and cost-effective way possible, while working towards our goal of a healthy communications system that benefits all Canadians.

Leonard Katz

Section I: Organizational Overview

Raison d'être

The Canadian Radio-television and Telecommunications Commission (CRTC) is an independent public organization that seeks to promote competition, innovation, consumer choice and Canadian reflection in order to foster a world-class broadcasting and telecommunications system that benefits all Canadians.

The CRTC seeks to balance the needs of Canadians with those of the communications industry. Through its regulatory function, the CRTC addresses various economic, technical, social and cultural issues. Some examples include fostering:

- a competitive marketplace in which Canadian communications enterprises create jobs and value for Canadians
- Canada's linguistic duality and cultural diversity
- enhanced accessibility for people with disabilities through tools such as closed captioning for the hearing impaired and described video for the visually impaired
- the development of mechanisms to address concerns, such as abusive comments or violence in the broadcast media, or rates for telephone services, and
- compliance with rules that seek to ensure the privacy of Canadians and foster growth in telecommunications and electronic marketing channels.

Responsibilities

The CRTC exists under the authority of the *Canadian Radio-television and Telecommunications Commission Act* of 1985. The CRTC's mandate is governed by the *Broadcasting Act* of 1991 and the *Telecommunications Act* of 1993.

The *Broadcasting Act* seeks to ensure that Canadians have access to a wide variety of high-quality Canadian programming. The *Telecommunications Act* seeks to ensure that Canadians have access to reliable, high-quality telephone and telecommunications services at affordable prices.

The CRTC fulfills its responsibilities through a number of interrelated activities:

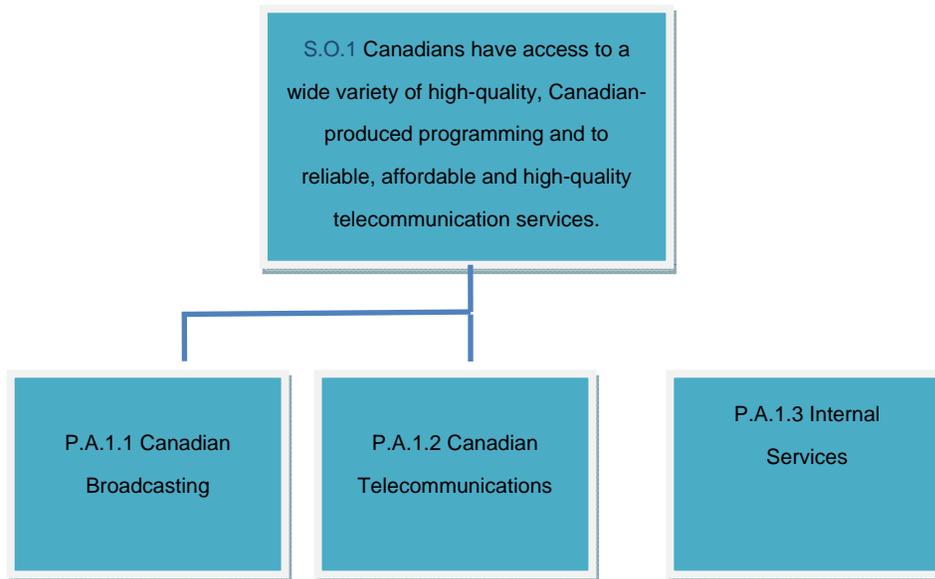
- deciding on mergers, acquisitions and changes of ownership
- approving tariffs and certain agreements for the telecommunications industry
- issuing, renewing and amending licences for broadcasting undertakings
- monitoring and removing obstacles to competition
- administering the National Do Not Call List and enforcing the list's related rules
- administering and enforcing applicable provisions of Canada's anti-spam law
- resolving competitive disputes
- researching, developing and implementing regulatory policies
- monitoring, assessing and reviewing the programming and financial obligations of broadcasting services, and
- consulting and informing Canadians through its website and public processes.

The CRTC works diligently to ensure the communications sector is regulated fairly, effectively and efficiently, and in a manner that fosters increased reliance on market forces. It endeavours to keep its regulatory policies current by taking into account emerging technologies and market developments, as well as evolving consumer interests.

In addition, the CRTC's activities are guided by the following four principles: transparency, predictability, fairness and timeliness.

The CRTC reports to Parliament through the Minister of Canadian Heritage and Official Languages, and is listed in Schedule 1.1 of the *Financial Administration Act*. Its budget and employees are subject to Government of Canada policies and guidelines, which ensure excellence and accountability to Canadians.

Strategic Outcome and Program Activity Architecture



During 2012–2013, the CRTC will focus its efforts on ensuring that Canadians have access to a wide variety of high-quality, Canadian-produced programming and to reliable, affordable and high-quality telecommunication services.

Three program activities contribute to this strategic outcome:

- Broadcasting, which deals with activities and priorities of the broadcasting system
- Telecommunications, which deals with activities and priorities of the telecommunications sector, and
- Internal Services, which includes: legal services, communications, planning and process, financial and administrative services, information management and technology, and human resources.

Contribution of Priorities to Strategic Outcome – Broadcasting

Priority	Type	Strategic Outcome and or Program Activity
Renewals of private ownership groups' French-language television licences	New	1.1 Canadian Broadcasting
Description		
<p>Why is this a priority? The CRTC is committed to ensuring that Canadians continue to have access to a wide variety of Canadian-produced, French-language television programming that comes from the private sector.</p> <p>Plans for meeting the priority: The Commission will issue licence-renewal decisions for the French-language conventional, pay and specialty television services operated by private ownership groups.</p>		

Priority	Type	Strategic Outcome and or Program Activity
Licence renewals for the Canadian Broadcasting Corporation (radio and television)	Previously committed	1.1 Canadian Broadcasting
Description		
<p>Why is this a priority? The CRTC will ensure that the national public broadcaster continues to satisfy the obligations and special policy objectives described in the <i>Broadcasting Act</i>.</p> <p>Plans for meeting the priority: The Commission will hold a public hearing to consider the licence renewals of the Canadian Broadcasting Corporation's English- and French-language radio and television services.</p>		
Priority	Type	Strategic Outcome and or Program Activity
Review of the Local Programming Improvement Fund (LPIF)	Previously committed	1.1 Canadian Broadcasting
Description		
<p>Why is this a priority? The LPIF was created by the CRTC in 2008 to support local programming produced by conventional television stations that operate in non-metropolitan markets. The CRTC will evaluate whether the fund should be maintained, modified or discontinued.</p> <p>Plans for meeting the priority: The Commission will hold a public hearing on April 16, 2012, to review its policies and regulations relating to the Local Programming Improvement Fund.</p>		
Priority	Type	Strategic Outcome and or Program Activity
Implement the regulatory framework and policy decisions relating to vertical integration	Ongoing	1.1 Canadian Broadcasting
Description		
<p>Why is this a priority? The CRTC will ensure that consumers benefit from a wide choice of programming in a broadcasting system in which programming and distribution have become increasingly integrated.</p> <p>Plans for meeting the priority: The CRTC will rely on its framework for vertically integrated companies to resolve disputes involving the ownership of distribution, programming and production properties by a single entity. The CRTC will also reports submitted by vertically integrated companies detailing the progress they have made in providing television subscribers with more choice and flexibility. Should the CRTC determine that they have made insufficient progress in this area, a public consultation may ensue.</p>		

Risk Analysis

The CRTC's ability to meet its priorities depends on many factors, some of which are beyond its control. For example, new developments in the global communications environment can potentially stretch the organization's resources. The CRTC must monitor such trends closely with the aim of adapting quickly.

The principal challenges and threats the CRTC expects to face in the coming years are driven by the evolving nature of broadcasting. Canadians are growing more accustomed to using the Internet and mobile devices to access content. Although such technologies provide consumers with more choice, they also create uncertainty within the broadcasting industry.

As audiences increasingly turn to specialty and pay-television services (which are licensed and regulated by the CRTC) as well as new platforms (which are exempt from licensing) for programming, the business models of conventional television stations have become strained. This trend could be a cause for concern, given that these stations are involved in the production of Canadian programming.

As competition intensifies in the broadcasting industry, and business models are developed for new platforms, the number of competitive disputes among broadcasters may increase. The CRTC has well-defined processes to help resolve disputes on a timely basis.

Finally, ensuring compliance with regulations and conditions of licence remains one of the CRTC's key challenges. Additional powers and tools to ensure members of the broadcasting industry follow the rules would enable the CRTC to provide maximum benefit for Canadians.

Contribution of Priorities to Strategic Outcome – Telecommunications

Priority	Type	Strategic Outcome and or Program Activity
Implement wholesale services frameworks	New	1.2. Canadian Telecommunications
Description		
<p>Why is this a priority? Large telephone and cable companies are required to provide wholesale services to their competitors in order to foster competition in the telecommunications market. In 2011–12, the CRTC issued new regulatory policies regarding two types of wholesale services: voice network interconnection services and high-speed access services. These wholesale services play a fundamental role in enabling the provision of reliable services, including Internet services, through advanced networks that reach across Canada. Competition in this sector leads to more innovative services at affordable prices for Canadians.</p> <p>Plans for meeting the priority: In 2012–13, the CRTC will turn its focus towards the implementation of these two regulatory policies. Regarding the policy for voice network interconnection services, the CRTC will review the terms of service and rates submitted by the parties, coordinate and facilitate the activities of the CRTC Interconnection Steering Committee and mediate agreements between parties, as required. The CRTC will also address issues raised by parties concerning the implementation of the new billing models for wholesale high-speed access services.</p>		
Priority	Type	Strategic Outcome and or Program Activity
Modify regulatory frameworks for retail services	New	1.2. Canadian Telecommunications
Description		
<p>Why is this a priority? The Commission's price-cap policy limits the prices that a telecommunications company can charge its customers. Price-cap regulation applies to the regulated services of over 40 incumbent telephone companies serving customers in all provinces and territories. The price-cap frameworks for these companies are reviewed from time to time to determine how the CRTC's strategic outcome of facilitating Canadians' access to reliable, affordable, and high-quality telecommunications services can be met in light of technology changes and marketplace innovation.</p> <p>Plans for meeting the priority: In 2012–13, the Commission will review the price-cap regulatory framework for 35 small independent telephone companies that offer services to customers in British Columbia, Ontario and Quebec. The Commission will also undertake a comprehensive review of the infrastructure and services of Northwestel, a telephone company that serves customers in the Yukon, the Northwest Territories, Nunavut and northern British Columbia. Finally, the Commission will address specific applications from industry participants to adjust certain aspects of the price-cap regulatory framework that applies to large telephone companies such as Bell Canada and TELUS Communications Company.</p>		
Priority	Type	Strategic Outcome and or Program Activity
Enforce the rules related to the National Do Not Call List (DNCL)	Ongoing	1.2.Canadian Telecommunications
Description		

Why is this a priority? In 2006, the CRTC created a National DNCL to help Canadians reduce the number of unwanted telemarketing calls they receive. The CRTC is committed to protecting the privacy of Canadians—who have registered more than 10.7 million numbers on the list to date—by actively enforcing the Unsolicited Telecommunications Rules. **Plans for meeting the priority:** In 2012–13, the CRTC will continue to investigate possible violations—which to date have resulted in over \$2.1 million in penalties collected on behalf of the Receiver General for Canada and over \$740,000 in payments to post-secondary institutions—and make greater use of its tools to further encourage telemarketers' compliance. The Commission will also explore opportunities to educate consumers and telemarketers about the list and its associated rules.

Priority	Type	Strategic Outcome and or Program Activity
Promote and enforce Canada's anti-spam legislation (CASL) ¹	Ongoing	1.2.Canadian Telecommunications

Description

Why is this a priority? In 2011–12, the CRTC received a new mandate to promote and enforce CASL, which addresses, among other things, the sending of commercial electronic messages (e.g., spam), the unauthorized installation of computer programs (e.g., malware) and the unauthorized alteration of transmission data (e.g., network re-routing) without consent. The purpose of this legislation is to promote confidence in the electronic marketplace by regulating malicious or unsolicited forms of commercial electronic activity that erode consumer faith in electronic media as a venue for legitimate and safe commercial activities. **Plans for meeting the priority:** In the coming year, the CRTC will continue to develop investigation and enforcement processes, systems and tools. When the legislation comes into force, the Commission will pursue investigations of potential instances of non-compliance and initiate outreach activities to increase public awareness.

Risk Analysis

The CRTC's decisions and new regulatory policies affect participants in Canada's telecommunications industry. As such, there is always a risk that some industry participants may seek adjustments or clarifications to certain aspects of new policies, which could delay their implementation.

Similarly, the CRTC regulates and supervises the Canadian telecommunications system using public processes. Any procedural delays requested by parties may temporarily deprive Canadians of benefits, such as those derived from increased competition.

To implement major telecommunications policies, the CRTC relies on market forces and negotiation among involved parties. Accordingly, the efficient and timely implementation of new policies and functioning of telecommunications markets in general depends on the good faith of affected parties.

A lack of long-term funding for the National DNCL continues to be a challenge for workforce stability and staff retention. Failure to obtain additional funding will put the continued operation of this activity at risk. Moreover, the public's lack of understanding of the National DNCL rules and its exemptions increases the number of complaints received by the CRTC. Further, the Commission is particularly challenged by the task of investigating fraudulent telemarketing calls that originate from abroad. As a result, the CRTC's results may not meet Canadians' expectations.

¹ *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act.*

Finally, the CRTC will soon assume its new responsibilities under Canada's anti-spam legislation. The legislation addresses a broad range of electronic threats, most of which are not well known by the public, and those who would break the rules rely on sophisticated means to avoid detection. Given that this is a new enforcement activity, the CRTC must develop strategies to conduct investigations and increase public awareness. During the law's implementation, the CRTC will have an opportunity to assess the effectiveness of its strategies, which will be dependent in part on the success of its partnerships with Internet service providers, law enforcement agencies and international partners.

Financial Resources (\$ millions)

2012-13	2013-14	2014-15
53.2	52.9	52.5

Human Resources (Full-time equivalent—FTEs)

2012-13	2013-14	2014-15
431	429	427

Note: These forecasted totals exclude resources dedicated to the National Do Not Call List (DNCL) activities. At the time of finalizing this report, no funding had been identified for the period after March 31, 2012. As of February 2012, the CRTC was working with government partners to explore funding solutions on a long term basis beginning in 2012-13.

Planning Summary

Planning Summary Table

Program Activity	Forecast Spending (\$ millions) 2011–12	Planned Spending (\$ millions)			Alignment to Government of Canada Outcomes
		2012–13	2013–14	2014–15	
Canadian Broadcasting	18.4	17.5	17.5	17.5	- Social Affairs - A vibrant Canadian culture and heritage
Canadian Telecommunications	20.9 (note 1)	17.8	17.6	17.3	- Economic Affairs - A fair and secure marketplace
Internal Services	19.9 (note 1)	17.9	17.8	17.7	Social Affairs
Total Planned Spending	59.2 (note 1)	53.2	52.9	52.5	

Note 1: These amounts include the temporary DNCL funding approved for 2011–12

Description of Internal Services

Internal Services are groups of related activities and resources that are administered by the CRTC to support its program needs and other corporate obligations. Internal Services include: management and oversight services, communications services, legal services, human resources management services, financial management services, information management services, information technology services, real property services, material services, acquisition services, travel, and other administrative services.

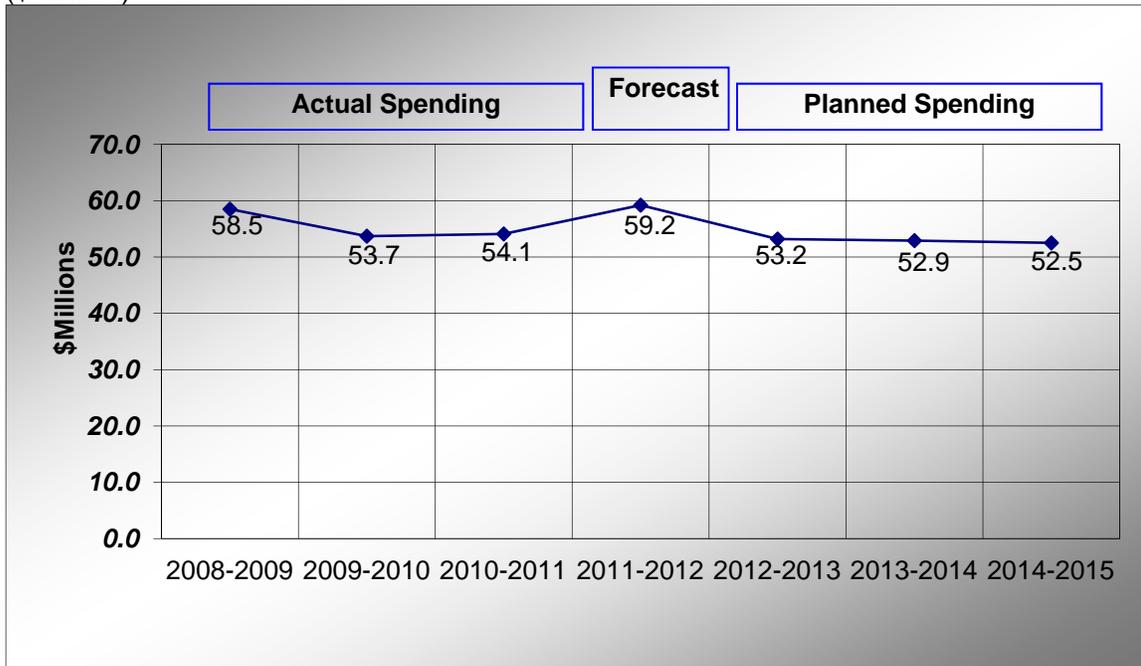
The CRTC reports on Internal Services in accordance with the Treasury Board Secretariat's "Revised Profile of the Government of Canada's Internal Services" Information Bulletin, which applies to all organizations subject to the Management, Resources and Results Structures Policy.

Expenditure Profile

The CRTC will spend \$53.2 million in 2012–13 to meet the expected results of its program activities and contribute to its strategic outcome. This amount represents a decrease of \$6 million—or 10.1 per cent—versus the spending forecasted in 2011–12. The difference between these figures is due in large part to the fact that no funding has been currently identified for DNCL, for the impact of the settlement of severance benefits that occurred as a result of changes to terms and conditions of employment, and for the carry-forward adjustments.

The figure below displays the CRTC's annual spending from 2008–09 to 2014–15.

(\$ million)



Total spending includes all Parliamentary appropriation and revenue sources: Main Estimates, Supplementary Estimates, Treasury Board Vote transfers, and revenues from Part I broadcasting licence fees and telecommunications fees. The figures also include operating budget carry-forward adjustments.

In 2008–09, the Commission received temporary funding to address increased workload related to its legislative and regulatory responsibilities. This temporary funding ended on March 31, 2009. Details on the approved increases and the related billing impact for broadcasting and telecommunication industries are noted in Broadcasting Circular CRTC 2007-9 and Telecom Circular CRTC 2007-18 dated December 21, 2007.

The amount for 2009–10 includes the Main Estimates and Supplementary Estimate amounts (i.e., authorized budget carry-forward and the temporary funding received for the National Do Not Call List related activities).

For 2010–11 and 2011–12 the forecasted spending includes the Main Estimates and Supplementary Estimate amounts (i.e. authorized budget carry-forward, the temporary funding received for the National Do Not Call List related activities, as well as funding for Canada's anti-spam legislation that was received at the end of 2010–11. The forecasted spending in 2011–12 includes funding for CASL-related activities for the full year and the settlement of severance benefits as a result of changes to terms and conditions of employment.

Total spending for the period from 2012–13 to 2014–15 corresponds to the planned vote-netted revenues², statutory appropriation related to employee benefit plans, and budgetary appropriation received for CASL-related activities. Supplementary funding, carry-forward adjustments and funding for the National DNCL are unknown at this time and therefore not reflected.

Estimates by Vote

For information on our organizational votes and/or statutory expenditures, please see the 2012–13 Main Estimates publication at <http://www.tbs-sct.gc.ca/est-pre/2012-2013/me-bpd/toc-tdm-eng.asp>

² Vote netted revenues pertain to CRTC Part I broadcasting licence fees and CRTC telecommunications fees.

Section II: Analysis of Program Activities by Strategic Outcome

Program Activity by Strategic Outcome

Program Activity 1.1: Canadian Broadcasting

Financial Resources (\$millions)

2012–13	2013–14	2014–15
17.5	17.5	17.5

Human Resources (FTEs)

2012–13	2013–14	2014–15
133	133	133

Program Activity Expected Results	Performance Indicators	Targets
Canadians have access to a broadcasting system that offers a variety of voices that reflect Canada's linguistic and cultural diversity	<p>A) Percentage of television audience share, including discretionary and over-the-air services, permitted to be controlled by one entity</p> <p>B) Number of radio stations an entity is permitted to own or control in markets with fewer than eight stations</p> <p>C) Number of radio stations an entity is permitted to own in markets with at least eight commercial stations operating in a given language</p>	<p>A) No more than 45 per cent</p> <p>B) No more than three stations operating in that language, with a maximum of two stations in any one frequency band</p> <p>C) No more than two AM and two FM stations in that language</p>
Canadians have access to a diversity of opinions as a result of CRTC policy on cross media ownership	<p>A) Number of companies that may simultaneously own local newspapers, local radio and local television stations serving the same market</p> <p>B) Number of companies that may control all television distribution services in any given market</p>	<p>A) Zero</p> <p>B) Zero</p>
Local Program Improvement Fund (LPIF)	<p>A) Total amount invested in the Local Programming Improvement Fund (LPIF)</p> <p>B) Minimum number of hours of local programming maintained in</p>	<p>A) Approximately \$100 million annually</p> <p>B) Seven hours per week in non-metropolitan, anglophone markets;</p>

	rural areas as a result of LPIF	five in non-metropolitan, francophone markets
	C) Number of non-metropolitan communities receiving LPIF support	C) 78 stations in non-metropolitan markets

Planning Highlights: Broadcasting Sector

Competitive radio licensing hearings

In 2011–12 the Commission issued calls to consider granting new licences in the Miramichi, Calgary and Toronto markets. The Commission also announced that it plans to issue a call in the Winnipeg market in 2012–13. These hearings will help the Commission determine whether new radio stations should be licensed in these markets to improve access to Canadian programming.

Satellite radio licence renewal

In 2012–13, the CRTC will undertake a public process to renew the licences of satellite radio services. The public consultation will allow for a discussion on the role of satellite radio in the future and will help set the appropriate requirements to impose on these licensees.

CBC licence renewals

In 2012–13, the CRTC will undertake a public process to renew the licences of the Canadian Broadcasting Corporation's English- and French-language radio and television services. The public consultation will allow for a broad discussion on the role of the national public broadcaster in the digital environment.

Implementation of the Broadcasting Distribution Undertaking (BDU) and Discretionary Programming Services Policy

In 2008, the CRTC established new policies to ensure its regulatory frameworks for BDUs—which include cable and satellite television providers—and discretionary programming services are appropriate for a multi-platform digital environment. The majority of changes came into effect on August 31, 2011. The updated regulatory framework will ensure that Canadians have access to a greater choice of high-quality Canadian programming.

Implementation of the new policies for community television and community and campus radio

In 2010, the CRTC issued new policies for community television and community and campus radio. The CRTC is implementing the policies through conditions of licence and changes to its regulations governing radio, television broadcasting and broadcasting distributions. These policies will ensure that the community broadcasting sector makes a strong contribution to the achievement of the *Broadcasting Act's* objectives.

Market monitoring

In 2012–13, the CRTC will monitor the financial and market performance of the Canadian communications industry and its participants. Moreover, the CRTC will continue monitor online and mobile programming services as well as their impact on the Canadian communications system. In the year ahead, the CRTC will develop reporting requirements for these programming services, and continue to work with the New Media Reporting Working Group to facilitate the development of standardized metrics and measurement tools.

Dispute resolution

The CRTC will ensure fair treatment for independent broadcasting distribution and programming services that must compete against strong, vertically integrated competitors. To do so, the Commission aims to resolve disputes between parties in a timely fashion (using arbitration as and when appropriate), and rule on dispute-resolution applications on an expedited basis.

Data collection

The CRTC will continue to provide accurate and valuable domestic and foreign information to the broadcasting and telecommunication industries to help support proper regulatory development in Canada. It will also continue to collect data on key financial indicators including revenue, capital expenditures and other operational data, and publish its *Communication Monitoring Report*.

Online and mobile programming

The Commission will continue to monitor developments that pertain to online and mobile programming services, including technological advancements and market and consumer behaviour.

Accessibility

The Commission will continue to monitor how it can improve its regulations on the accessibility of broadcasting services through closed captioning, described video and audio description.

Program Activity 1.1: Canadian Telecommunications

Financial Resources (\$millions)

2012–13	2013–14	2014–15
17.8	17.6	17.3

Human Resources (FTEs)

2012–13	2013–14	2014–15
130	129	128

Note: The totals forecasted for 2012–13 and 2013–14 exclude the full-time equivalents related to the activities of the National Do Not Call List given that no funding has been identified after March 31, 2012.

Program Activity Expected Results	Performance Indicators	Targets
Canadians have increased access to service providers that offer reliable telecommunications services at just and reasonable rates.	Percentage of residential phone lines served by competitors of the incumbent telephone companies	Annual 2 per cent increase
	Percentage of Canadians that subscribe to mobile services	Annual 2 per cent increase
	Percentage of Canadians that subscribe to broadband Internet services (1.5 Mbps or higher)	Annual 3 per cent increase

Planning Highlights: Telecommunications Sector

9-1-1 enhancements

The CRTC is constantly monitoring ways to enhance the 9-1-1 system and make it work effectively across telecommunications platforms. In 2012–13, the CRTC will work with the industry to test a new process that is designed to improve access to 9-1-1 services for people with hearing or speech impediments.

Numbering resources management

Overall growth in the telecommunications market has created a need for additional telephone numbers in Canada. The Canadian Numbering Administration, on behalf of the CRTC, monitors the availability of telephone numbers in each area code. As needed, the Commission establishes planning committees to develop relief proposals for anticipated shortages. Relief implementation will take place in 2012–13 in a number of area codes that are nearly exhausted: 204 (Manitoba), 250/604/778 (British Columbia), 289/905 (Southern Ontario), 306 (Saskatchewan), 416/647 (Toronto), 819 (Québec) and 902 (Nova Scotia).

Model municipal access agreement

Competition in the provision of telecommunications services has led to a greater number of carriers requesting access to municipal properties for the purposes of installing, operating and maintaining telecommunications facilities. This demand has resulted in municipalities and carriers negotiating and entering into multiple municipal access agreements (MAA), which can consume a significant amount of time and resources for both parties. Considering that a model agreement would benefit both carriers and municipalities, the Commission has tasked the CRTC Interconnection Steering Committee with developing the terms and conditions to be included in a model MAA.

Retail and competitor tariff notices and intercarrier agreements

Each year, the CRTC receives more than 500 tariff notices and requests for approval of intercarrier agreements. Tariff notices may pertain to the introduction of new services, changes in rates or conditions of service, service withdrawals or the replacement of existing services by new functionalities. Intercarrier agreements concern the interconnections of telecommunications networks or the provisions of certain services. In 2012–13, the Commission will conduct a timely review of these tariff notices and agreements in light of relevant regulations and policies.

Voice over Internet Protocol (VoIP) 9-1-1

The Commission requires VoIP providers that offer local telephony to offer 9-1-1 services to their customers and inform them of any limitations associated with such services. In 2012–13, the Commission will continue to educate new VoIP providers to ensure that they understand and comply with these obligations.

Internet traffic management practices (ITMPs) complaints

Internet traffic management practices are used by Internet service providers (ISPs) to manage network traffic. Such practices can directly affect users' Internet experiences. The Commission's policy concerning the use of ITMPs requires ISPs to inform consumers of their practices so that end users can make more informed decisions about the Internet services they purchase. In 2012–13, the CRTC will continue to address complaints concerning ITMPs, and enforce compliance with the ITMP policy, according to guidelines published in September 2011.

Resolutions of competitive disputes and other issues

As a result of increasing competition in the Canadian telecommunications industry and in keeping with its powers under the *Telecommunications Act*, the Commission has refrained in recent years

from regulating a significant portion of the marketplace for telecommunications services. In parallel, the Commission adopted several major regulatory policies which reshaped many aspects of Canadian telecommunications. In this new environment, the Commission must address a greater number of applications from industry participants to assist with competitive disputes and clarify policies. Effective and timely Commission actions in response to such requests are crucial to ensure the marketplace continues to provide Canadians with high-quality telecommunications services. In the coming year, the Commission will respond to formal applications from industry participants according to its service objectives.

Accessibility

The Commission will continue to consider ways in which it can improve its regulations on the accessibility of relay services, emergency telecommunication services, mobile wireless services, customer information and support, closed captioning, described video and audio description.

National Do Not Call List (DNCL)

The CRTC launched the National DNCL in 2008 to help ensure the privacy of Canadians and reduce the number of unwanted telemarketing calls they receive. In 2012–13, the CRTC will:

- manage the National DNCL Operator
- submit an annual report to Parliament
- investigate complaints and enforce the Unsolicited Telecommunications Rules
- use inspection powers to expand its compliance options
- pursue outreach opportunities to educate consumers and telemarketers about the National DNCL and its associated rules, and
- promote co-operation among international agencies to facilitate enforcement of the telemarketing rules in their respective countries and across different jurisdictions—as it did in October 2011 when the Commission and the Australian Communications and Media Authority launched an International Do Not Call Network.

Spam Reporting Centre (SRC)

The Spam Task Force tabled its report in 2005, making several recommendations, among them the creation of a Canadian spam repository. This repository would enable Canadian Internet users to report instances of spam, malware, and a host of other violations listed in the new anti-spam legislation. Although the SRC was originally intended to be managed by a private-sector partner, the CRTC has since assumed its regular operations. The synergies of the laboratories and systems being built for CASL are easily leveraged for the creation of the SRC.

Planning Highlights: Internal Services

Financial Resources (\$millions)

2012–13	2013–14	2014–15
17.9	17.8	17.7

Human Resources (FTEs)

2012–13	2013–14	2014–15
168	167	166

Program Activity Expected Results	Performance Indicators	Targets
Improved website that provides relevant, easy-to-find content	Conduct usability testing with industry and consumers on key areas of the website Develop a CRTC strategy that meets accessibility standards	Usability testing to be completed by the end of the second quarter of 2012–13 Complete the second phase of the CRTC's plan to meet Treasury Board's accessibility standards for government websites
The CRTC is an expert, innovative and effective organization	Continued implementation of the CRTC's continuity plan as part of the Public Service Renewal Action Plan The completion of the CRTC's job rotation exercise for non-EX staff members Successful delivery of the newly designed in-house training program on strategic thinking	Talent development plans are in place for all employees; continuity plans completed for all leadership positions Job rotation is implemented by the end of the second quarter of 2012–13 The first course on strategic thinking will be delivered in April 2012; additional training will be provided throughout the year

Enhanced information technology (IT) management

The CRTC will continue to harmonize its IT planning process to reduce complexity, promote system integration and optimize service delivery. The CRTC will complete a three-year IT strategic plan to improve its electronic-communication capabilities and deliver enhanced services.

Public Service renewal

Nearly 30 percent of the Commission's workforce is eligible to retire in the next five years. As a result, the CRTC has enacted a three-year strategic human resources plan to develop and retain employees with the skills, knowledge and expertise necessary to support the organization. The Commission will continue with important initiatives such as leadership-development training, strategic-thinking training, a job-rotation exercise, employee orientation and ongoing professional development.

Section III: Supplementary Information

Financial Highlights

The financial highlights presented below are intended to serve as a general overview of the CRTC's financial operations. They are prepared on an accrual basis to strengthen accountability and improve transparency and financial management.

The statement of operation and applicable notes can be found on the CRTC's website.

Condensed Statement of Operations

(\$ millions)

	\$ Change	Future-oriented 2012–13	Future-oriented 2011–12
Revenues			
Total Revenues	\$1.9	\$163.2	\$161.3
Expenses			
Total Expenses	\$(2.4)	\$62.9	\$65.3
Net Results of Operations	\$4.3	\$100.3	\$96.0

Condensed Statement of Financial Position

For the Year (ended 31 March 2012)

(\$ millions)

	\$ Change	Future-oriented 2012–13	Future-oriented 2011–12
Assets			
Total assets	\$0	\$7.9	\$7.9
Liabilities			
Total liabilities	\$(1.9)	\$9.3	\$11.2
Equity	\$1.9	\$(1.4)	\$(3.3)
Total	\$0	\$7.9	\$7.9

Supplementary Information Tables

All electronic Supplementary Information tables found in the 2012–13 *Report on Plans and Priorities* can be found on the Treasury Board of Canada Secretariat's website at <http://www.tbs-sct.gc.ca/rpp/2012-2013/info/info-eng.asp>

- Sources of Respendable and Non-Respendable Revenue
- User Fees

Section IV: Other Items of Interest

Websites of interest

Canadian Radio-television and Telecommunications Commission

<http://www.crtc.gc.ca>

List of CRTC Commissioners and its Secretary General

<http://www.crtc.gc.ca/eng/about/commissioners.htm>

Regional Offices and Documentation Centres

<http://www.crtc.gc.ca/eng/offices.htm>

The list of statutes and regulations related to the CRTC

<http://www.crtc.gc.ca/eng/statutes-lois.htm>

CRTC Glossary

<http://www.crtc.gc.ca/eng/glossary-glossaire.htm>

National Do Not Call List

<http://www.crtc.gc.ca/eng/telemarketing.htm>