



Fonds canadien de la
radio communautaire

Community Radio
Fund of Canada

The Community Radio Initiative **Proposal**



Overview

We are at a crisis point in broadcasting and in society. Canadians are increasingly losing access to local media when they need it most. Community radio stations are trusted to deliver reliable local news and information because their people are part of the community too.

Since 2008, more than 511 news outlets have closed in more than 342 communities.

Meta and Google have launched an attack against local media, and their platforms are increasingly populated by those actively spreading disinformation. Canadian stories are being lost because, in many places, there are no local media outlets left. The impact is that Canadians are left without access to reliable local news, and in our specific case, community stations have been blocked entirely from the platform.

Canadians living outside major centres have fewer local media outlets to turn to other than community broadcasters, whom they already trust and who are an inexpensive but critical part of Canadian media.

The Community Radio Initiative has been developed to address the needs of the majority of Canada's community, Indigenous, and campus radio stations. It is a modest and effective solution to provide these stations with the reliable and stable support they need to thrive.

Community Radio

There are more than 235 CRTC-licensed community and campus radio stations, including 54 licensed Indigenous stations in Canada. Their licenses require that they are all incorporated as not-for-profit organizations and are each guided by a locally elected community board of directors. We know more than 2.4 million Canadians tune in regularly. Thirty per cent or 10.3 million Canadians live outside a major centre, and, for many, their only trustworthy news and information sources are community and Indigenous radio.



While private broadcasters are lobbying to play fewer Canadian artists and less Canadian content, community radio stations regularly exceed the required 35% Canadian content requirements, in many cases exceeding 50%. Most emerging Canadian artists continue to get their first spins almost exclusively on community radio.

While many stations operate in English, there are 71 stations that operate in French, 30 of them serving Official Language Minority Communities (OLMC) across Canada. Local stations also broadcast programming in over 65 languages, including over 15 Indigenous languages.

This is critical for immigrants and Canadians who speak languages other than English and French. Hearing local news, music, and programming in their language, allows them to connect with their communities.

During times of emergency, such as a pandemic, flooding, or wildfires, community radio stations are often the only ones providing locally relevant survival information in real time.

These stations are critical in offering advertising opportunities and event support for small businesses, community groups, government of all levels and the people in the communities they serve, and are, in many cases, the only way that this information is shared freely.

Community, Indigenous, and campus radio stations are at the heart of their communities.

Current Funding Model

Community radio in Canada is the only non-profit radio sector in the developed world that does not receive direct funding from the government - CBC receives \$1.4 Billion, and commercial broadcasters get significant tax breaks. Funding ideas like Bill C18 have had negative impacts on community radio in Canada.

FACTOR and Musicaction do exceptional work. To promote their emerging artists, they rely heavily on community, Indigenous, and campus stations for their first, second, and third spins. Annually, they receive about \$16.3 million from CCD (Canadian Content Development - mandated funding from commercial broadcasters), while community radio stations receive only \$2.8 million.

It should also be noted that only community and campus stations are eligible for CCD funding, while Indigenous stations have been excluded. In the early stages of the CRTC's Indigenous broadcasting review a "What we Heard" report was completed. It was clear that Indigenous radio stations also needed critical operational support.

Everyone plays a role in the broadcasting system, now we need to ensure the parts of the system are supported equally.

The Australian model

- For the last 20 years, the government of Australia has provided stable operational funding for the community broadcasting sector. Last year, more than \$21 million was allocated to community radio.
- This funding has served to support stations in governance and labour costs. It has provided support for local programming and news, and has had a material impact.
- Canada often looks to Australia as a leader in broadcasting legislation as we did with bill C-18.
- As a result of stable operational funding, there are more than twice as many community, Indigenous and campus stations in a country with 2/3 the population.

CCD funding was designed to be both predictable and stable, however as we see fewer transactions and reduced revenue, tangible benefits are declining at an alarming rate.

Based on our projections, the CRFC will need to use our reserve funds within the coming years and if nothing changes, will cease to exist by the end of the decade.

As we attempt to balance the playing field in terms of those who contribute, we should also ensure recipients benefit in equal measure. As CCD swiftly disappears, it will need to be replaced by a new initiative funded by traditional and internet-based commercial broadcasters.

Community Radio Initiative (CRI)

The **Community Radio Initiative (CRI)** would distribute **\$24.2 million** annually which will provide critical support to all **235** licensed community, Indigenous, and campus radio stations.

With stable and consistent funding that can be directed towards staffing and skills development, community broadcasters will be able to have an even more significant impact on Canadians from coast to coast to coast. Due to their not-for-profit structure, every dollar they receive is reinvested in the community and their commitment to promoting local voices.

It will provide resources to develop the skills of staff and volunteer participants so that they are able to participate fully in community media. This funding will support the production and creation of music as well local news and information content by and for diverse communities including Indigenous, Francophone, OLMC, racialized, immigrant, and rural communities.

It will, for the first time in Canadian history, ensure that all parts of our broadcasting system are adequately supported, that all radio stations are treated equally, and ensure that ALL Canadians benefit from trustworthy and consistent local news and information.

The Community Radio Initiative addresses 3 Key Issues...

1

Staffing and Skills
Development & Content
Production and Distribution

2

Innovation

3

Data Collection

The support will be distributed by the Community Radio Fund of Canada which has a proven track record of successful funding programs, dealing with multi-million dollar budgets, and successful collaborations with the federal government, private broadcasters and the CRTC.

Staffing and Skills Development, Content Production & Distribution

There is no operational (core) funding for these stations and this represents the single largest barrier to continued success and growth for all of the stations within our network.



This **Community Radio Initiative** would allocate an average of \$90,000 per station to as many as 235 stations. This includes the 180 licensed community and campus stations and the 54 Indigenous “Type B” stations across the country.



As part of the CRTC review of Indigenous broadcasters, respondents were asked about their biggest impediment to success and here is one example of what they heard:

"The importance of additional and sustainable funding was consistently identified as a key element to help remedy many of the issues mentioned throughout engagement sessions."

Eligibility for this initiative would dictate that stations meet targets in line with the objectives as established in the definition of community radio broadcasting as set out in CRTC Campus and Community Radio Policy 2010-499 and the Native Broadcasting Policy 1990-89 / CRTC 2001-70. As well as the objectives as established in Bill C-11.

Under the COVID-19 distribution program offered to members in 2020, the CRFC scaled the amounts granted based on a number of factors including size and scope of operations. This program would be similarly structured so the \$90,000 represents an average number and while this would not fully fund operations for any station, it would go a very long way towards creating stability and providing meaningful support for staff and skills development as well as content production and distribution.

This would amount to \$21,150,000 annually. The \$21,150,000 represents a potential average of \$90,000 per station. It is understood that the amounts allocated to qualified stations will vary according to need and the stations' ability to use these funds wisely.

Innovation Funding

The second element would be support to replace the declining CCD funding. We are asking for a total of \$1.5 million to ensure we are still able to provide project-specific annual grants for initiatives which go above and beyond daily operations. This is what our CCD funding does currently and it has enabled the creation of 463 significant initiatives. We recommend that this allocation either replace all CCD contributions as soon as the Community Radio Initiative is approved or the funding grows proportionally to supplement the forecasted decline in CCD contributions over time.

Data Collection

Our sector is notoriously light on quantitative data which puts all our stations at a disadvantage. Quantitative data is important for funding applications and advertising. Due to the prohibitive cost of audience measurement tools and a lack of a central data repository, much of what we know about the performance metrics for community stations is gathered through a limited number of stations that can afford audience measurement.

This funding would support the production of an annual report on the state of community broadcasting. It would provide sectoral data to interested parties such as our stations, Heritage Canada, and the CRTC. It would also help stations harmonize the data they are reporting to the CRTC so your data would be as accurate as possible.

This project would involve funding for an annual survey focussing on content, development, and diversity. It would involve the development of a database to record and track the evolution of these answers, and it would provide access to audience measurement through StatsRadio, a specialized technology solutions company, which measures digital and broadcast listeners at the same time.

We have an estimate of **\$525,000** to provide audience measurements for all 235 stations. Including administrative and operational costs, the project would cost approximately **\$625,000 annually**.





Conclusion

If we as a society are committed to Canadian programming and Canadian voices, there has never been a greater need for community and Indigenous broadcasters. At the same time, these stations have traditionally been underfunded and if nothing changes, the situation will get steadily worse.

The **Community Radio Initiative** will address that discrepancy for years to come.

Bill C-11 offers a unique opportunity to provide the necessary funding. Every penny invested in the **Community Radio Initiative** will go towards amplifying Canadian voices and promoting Canadian artists.

- It will enable community radio stations to meet the many day-to-day challenges they face.
- It will support the growth of Indigenous broadcasters.
- It will support Francophone and minority language broadcasters.
- It will connect immigrants to their communities and their voices.
- It will train the next generation of Canadian Broadcasters.
- It will make sure Canadians have access to reliable local news and information.

We have proposed a comprehensive funding structure which is in line with other sectors in the Canadian arts and broadcasting environment.

It is time to provide community broadcasters with the support they need to continue providing a critical service by protecting the Canadian voice.

Thank you for your consideration,



Alex Freedman
Executive Director, Community Radio Fund of Canada