



September 21, 2012

John Traversy
Secretary General
Canadian Radio-television and
Telecommunications Commission
Ottawa, Ontario K1A 0N2

Submitted via E-Pass

Dear Mr. Traversy,

Re: Broadcasting Notice of Consultation CRTC 2012-370 – Application (Application 2012-0516-2) by BCE (“BCE”) on behalf of Astral Media Inc. (“Astral”) for authority to change the effective control of Astral – Final Comments.

1. The following are the Final Comments of the Writers Guild of Canada (“WGC”) in response to new proposals and information provided by BCE during the above-mentioned Public Hearing.
2. As the WGC mentioned at the Public Hearing, it was very frustrating to have BCE come to the Public Hearing with new proposals for allocation of the tangible benefits. BCE provided little detail and could answer few questions regarding these new proposals. Stakeholders were forced to review and comment on these bare bones proposals on the fly during the course of the Public Hearing. Our Final Comments address the new proposals and in particular those submitted by BCE in their Reply on the final day of the Public Hearing.
3. During the Public Hearing there was much discussion about what should be the appropriate breakdown between English and French benefits. The WGC had been in agreement with the original breakdown of tangible benefits which roughly was in accordance with the value of the services, namely 40% English and 60% French. However, in the breakdown of tangible benefits which accompanied BCE’s Opening Statement, the language breakdown is closer to 33% English and 66% French because of the addition of \$20 million to a French News Service.
4. The WGC has concerns that the French News Service is not incremental and may not be confined to onscreen programming given that BCE provided the Public Hearing with very little detail about how the tangible benefits would be spent on the French News Service. The Commission requested more narrative description of the benefit proposals but only received narrative on the allocations to social benefits. The Commission may decide that the French News Service is not an appropriate allocation of tangible benefits. In that event, we respectfully request that the \$20 million allocated to the French News Service be allocated to onscreen programming in a proportion that would return the tangible benefits split to 40% English and 60% French.

5. BCE has proposed that if the Commission finds that the allocation to Northwestel is not acceptable, then it should be reallocated to onscreen benefits including the Harold Greenberg Fund. This is exceedingly vague as there currently are nine categories under onscreen benefits. The WGC has requested that any reallocation such as the \$40 million allocated to Northwestel or additional monies from valuation increases be reallocated to onscreen benefits for children's and youth and "Other PNI" as these categories will have the greatest impact on the Canadian public. We add to that request that the allocation between English and French is determined so as to ensure that the total onscreen benefits are at least 40% English.
6. The WGC reiterates its position that Commission policy is that at least 85% of tangible benefits should be onscreen. Without a reallocation of the Northwestel benefits, the allocation to onscreen is still too low at 74.4%, including the questionable benefits to the French News Service. This is yet another reason in addition to those already on record for the WGC to urge the Commission to reallocate the Northwestel benefits proposal.
7. The WGC asks that the Commission disregard BCE proposals for 'intangible' benefits that were raised during the Public Hearing, namely the so-called Netflix competitor service and the investment in the joint venture with Cirque du Soleil. As these proposals are not part of the tangible benefits package they do not need to meet the tests of incrementality or self-dealing. Little detail was therefore provided by BCE. They seem to be merely dangled as shiny objects intended to distract from the core of the transaction.
8. Finally, it would greatly assist stakeholder review of annual benefits reports if the Commission could ensure that a full and final detailed breakdown of benefits is part of the public record within the decision. In some past decisions, the Commission has chosen to allow the purchaser to make proposals on reallocation post-decision and these reallocations have been agreed to through correspondence and without a reiteration of the final agreed to benefits proposal. This makes review for compliance and for comparison when dealing with future acquisitions difficult.
9. We thank you for this opportunity to provide you with our final comments.

Yours very truly,



Maureen Parker
Executive Director

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