

[Canadian Radio-television and Telecommunications Commission](#)

[Home](#) → [Business](#) → [Decisions, Notices and Orders](#)

## ARCHIVED - Public Notice CRTC 1999-197

### This page has been archived on the Web

Information identified as archived on the Web is for reference, research or recordkeeping purposes. Archived Decisions, Notices and Orders (DNOs) remain in effect except to the extent they are amended or reversed by the Commission, a court, or the government. The text of archived information has not been altered or updated after the date of archiving. Changes to DNOs are published as "dashes" to the original DNO number. Web pages that are archived on the Web are not subject to the Government of Canada Web Standards. As per the Communications Policy of the Government of Canada, you can request alternate formats by [contacting us](#).

## Public Notice CRTC 1999-197

Ottawa, 17 December 1999

### Exemption order for new media broadcasting undertakings

#### Summary

*The Commission is issuing an order that exempts from regulation, without terms or conditions, all new media broadcasting undertakings that operate in whole or in part in Canada. New media broadcasting undertakings are those undertakings that provide broadcasting services delivered and accessed over the Internet.*

*This means that new media broadcasting undertakings are not subject to licensing by the Commission. The Commission wishes to emphasize that the exemption order does not apply to the licensed broadcasting activities (e.g. over-the-air radio and television broadcasting) of a company that also operates a new media broadcasting undertaking.*

#### Introduction

1. In Public Notice CRTC [1999-118](#) "Call for comments on a proposed exemption order for new media broadcasting undertakings" dated 19 July 1999, the Commission set out the proposed text of an order to exempt new media broadcasting undertakings from regulation under Part II of the *Broadcasting Act* (the Act). In response, the Commission received 26 submissions from a variety of individuals and from the broadcasting, telecommunications and new media industries.

2. The Commission acknowledges the comments and suggestions contained in these submissions, and has taken them into account in developing modifications to the text of the exemption order proposed in Public Notice [1999-118](#). These modifications are reflected in the *Exemption order for new media broadcasting undertakings* (the Order), which is attached as Appendix A to this Notice.

#### Comments

3. The majority of those who made submissions agreed that the decision to exempt new media broadcasting undertakings satisfies all the requirements of the Act in that regulation of these undertakings would not contribute in a material manner to the implementation of the broadcasting policy set out in section 3(1) of the Act.

4. Several parties expressed concern that, while the exemption from regulation of this class of undertakings may be appropriate at this time, the conditions under which they operate and their impact on the broadcasting sector generally may change radically in the near future. These parties argued that the Commission's policy of reviewing exemption orders within five years of their issuance should be altered in this case to require a review of the Order within a shorter period of time.

5. The Canadian Cable Television Association (CCTA) and others argued that the creation of a distinct class of services known as the new media broadcasting undertaking is unnecessary and could create confusion. Others supported the creation of this distinct class.

6. Several parties expressed concern that undertakings providing both new media broadcasting services and conventional broadcasting services, which are currently subject to regulation, might assume that they are therefore considered exclusively as a new media broadcasting undertaking, and hence exempt from regulation in respect of all of their services.

## Conclusion

7. The Commission acknowledges that conditions in the new media market change at a rapid rate. In the Commission's view, however, a shorter review period could create regulatory uncertainty that may stifle the growth of new media markets and thereby limit the access of Canadians to such services.

8. The Order attached as Appendix A to this Notice exempts from regulation, under Part II of the Act and any applicable regulations made thereunder, new media broadcasting undertakings which offer broadcasting services accessed and delivered over the Internet.

9. The Commission expects that the exemption of these services will enable continued growth and development of the new media industries in Canada, thereby contributing to the achievement of the broadcasting policy objectives, including access to these services by Canadians.

10. The Commission has modified the description of a new media broadcasting undertaking from that which was originally proposed. The exemption order now states: "New media broadcasting undertakings provide broadcasting services delivered and accessed over the Internet, in accordance with the interpretation of "broadcasting" set out in Broadcasting Public Notice CRTC 1999-84 / Telecom Public Notice CRTC 99-14, *Report on New Media*, 17 May 1999." The addition of the words "accessed and delivered" to the definition that was proposed in Public Notice 1999-118 is intended to more clearly describe the class of exempt undertakings.

11. The Commission wishes to clarify that, for the purpose of the Act, a single corporate entity (or other person) may carry on more than one distinct broadcasting undertaking. It considers that the new media activities of a company (or any person) involve a separate undertaking from any other type of broadcasting undertaking that the company or person is licensed to operate. For example, the same company may be the licensee of both a television programming undertaking and a separately licensed specialty service programming undertaking and also operate an exempt new media broadcasting undertaking. Another example would be a company licensed to carry on a distribution undertaking and a separately licensed video-on-demand programming undertaking that also operates an exempt new media broadcasting undertaking.

12. The Order does not affect or alter the existing regulatory obligations imposed on any licensee.

Secretary General

*This notice is available in alternative format upon request, and may also be viewed at the following Internet site: <http://www.crtc.gc.ca>*

---

## Appendix A to Public Notice 1999-197

### Exemption order for new media broadcasting undertakings

The Commission is satisfied that compliance with Part II of the *Broadcasting Act* (the Act) and applicable regulations made thereunder by the class of broadcasting undertakings described below will not contribute in a material manner to the implementation of the broadcasting policy set out in subsection 3(1) of the Act.

Therefore, pursuant to subsection 9(4) of the Act, the Commission exempts persons who carry on, in whole or in part in Canada, broadcasting undertakings of the class consisting of new media broadcasting undertakings, from any or all of the requirements of Part II of the Act or of a regulation thereunder. New media broadcasting undertakings provide broadcasting services delivered and accessed over the Internet, in accordance with the interpretation of "broadcasting" set out in Broadcasting Public Notice CRTC 1999-84 / Telecom Public Notice CRTC 99-14, *Report on New Media*, 17 May 1999.

### Date modified:

????-??-??