

Canadian
Association of
Broadcasters



L'Association
canadienne des
radiodiffuseurs

July 16, 2002

The Honourable Allan Rock
Minister of Industry Canada
235 Queen Street
Ottawa, Ontario
Canada
K1A 0H5

Dear Minister:

Re: Availability of Channels for Over-the-Air Digital TV

I am writing to seek your support in resolving an issue that could threaten the future development of over-the-air television broadcasting in Canada.

On June 12th, the CRTC released Canada's transitional licensing policy for over-the-air digital television (DTV). The new policy enables TV broadcasters to implement special new transmitters that will bring our viewers digital versions of existing programs, enhanced with wide-screen pictures, improved sound and new interactive features. Once these new transmitters are in operation, all TV viewers – even those who are not cable or DTH satellite subscribers – will have access to free digital TV.

Canadian TV broadcasters have been planning this digital conversion for a long time. In 1996-97, we participated in the federal government's "*Task Force on the Implementation of Digital Television*", which developed an initial roll-out strategy for DTV, outlined in a comprehensive report to the Minister of Canadian Heritage in 1997¹. This was followed in 1998-99 by active participation in a government-industry committee that developed technical transmission standards for DTV and assisted in the creation a new TV channel allotment plan for Canada².

The development of this new channel allotment plan was critical to Canada's DTV roll-out strategy. Due to the technical incompatibility of DTV and existing analog

¹ Ref: "*Canadian Television in the Digital Era*"; Report of the Task Force on the Implementation of Digital Television; October 1997;

² Ref: "*Digital Television (DTV) Transition Allotment Plan, Issue 2*", April 1999

TV services, it will be necessary for broadcasters to operate analog and DTV transmitters in parallel until such time as all viewers acquire new DTV receivers. However, no additional TV spectrum is being provided for DTV by the federal government. DTV transmissions must be sandwiched into the available TV broadcasting spectrum, without disrupting existing analog services.

Because TV spectrum must be shared with the US in border areas, the task of accommodating new DTV transmitters in existing spectrum was very difficult. Fortunately, our government/ industry technical experts were finally able to develop a complex, glove-fitted channel allotment plan that provides each existing TV broadcaster with an additional channel on which parallel DTV services can be provided. This new plan was coordinated successfully with the US government in 2000³. It is now the model being used by Canadian TV broadcasters to plan their DTV service roll-outs.

Last year, Industry Canada raised the possibility that up to ten of the channels currently available exclusively for over-the-air TV transmissions may eventually be re-allocated for use by non-broadcasting mobile communications services⁴. This is being proposed, with respect to TV channels 60-69, with a view to “harmonizing” Canada’s spectrum use with a similar plan being executed in the USA.

Of particular concern is recent information that Industry Canada is considering a plan that would see up to four of the TV channels in the range 60-69 re-captured, even before the DTV conversion in Canada gets underway. Canadian TV broadcasters are very concerned that such action would have a serious negative impact on the planned roll-out of DTV services. Nationally, about ten percent of the proposed DTV channels in the current TV allotment plan fall in the channel range 60-69. In the Toronto and Ottawa areas, 50% of the DTV channels could be affected and the comparable figure for the Montreal area is 33%.

We fail to understand how Industry Canada can contemplate turning any TV channels over to other services at this time. As noted, many TV broadcasters will have to operate duplicate analog and DTV transmitters for a number of years, in order to ensure uninterrupted service to both analog and digital viewers. This will place an unprecedented temporary demand on TV spectrum. When our industry worked with the federal government to develop the new national channel allotment

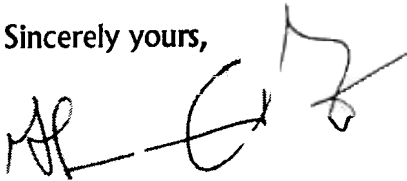
³ Ref: *Letter of Understanding Between the Federal Communications Commission of the United States of America and Industry Canada Related to the Use of the 54-72 MHz, 76-88 MHz, 174-216 MHz and 470-806 MHz Bands for the Digital Television Broadcasting Service Along the Common Border*, Published January 2001.

⁴Ref: “*Proposal to Introduce the Mobile Service on a Co-Primary Basis with the Broadcasting Service in the Frequency Band 746-806 MHz*”, Industry Canada Gazette Notice DGTP-004-01, 8 June 2001.

plan for DTV, we understood that any use of TV spectrum by non-broadcasting services would only happen after analog TV transmitters are no longer required. We also believe that the continued use of all existing channels for TV in Canada was understood and accepted by the USA when, as recently as 2000, it agreed to our new TV allotment plan.

In summary, we believe that no government action should be taken to re-allocate any TV spectrum whatsoever to non-broadcast users, or to hold back the use of existing TV spectrum by broadcasters, until such time as our industry's conversion to digital has been completed successfully. The DTV roll-out strategy for Canada, accepted in 1997 following much effort by everyone involved in the DTV Task Force, must not be compromised at such a critical time.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Glenn O'Farrell". The signature is stylized with a large, sweeping flourish that extends upwards and to the right.

Glenn O'Farrell
President and CEO

c.c. The Honourable Sheila Copps, Minister of Canadian Heritage