Sent via Email

31 July 2026

Director General
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Tax Policy Branch
Department of Finance Canada
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Re: Comments of the Canadian Association of Broadcasters with respect to *Consultations on Extending the Canadian Journalism Labour Tax Credit to Audio and Audiovisual News Organizations*

The Canadian Association of Broadcasters (CAB) is the national voice of Canadian privately-owned and operated broadcasters. Representing small, medium and large radio and television stations across the country, and national discretionary services, the CAB advocates for a modern, thriving, and competitive broadcasting system that serves all Canadians.

Since its founding in 1926, the CAB has been a trusted leader in policy development, regulatory affairs, and public dialogue, working closely with government, regulators, and industry stakeholders. Our members are committed to delivering high-quality Canadian content, supporting local news and journalism, and reflecting the voices and stories of communities across the country.

As the broadcasting landscape evolves, the CAB advocates for fair and forward-looking policies that ensure the sustainability of Canadian broadcasters, promoting innovation, and strengthening Canadian identity and culture.

With these broad objectives in mind, the CAB is pleased to share its views on extending the *Canadian Journalism Labour Tax Credit* to audio and audiovisual news producers and to respond to the questions raised in the Department of Finance's consultation.

Introduction

Commercial radio and television broadcasters remain among Canada's largest producers of original news and journalism. Every day, broadcasters provide trusted local, regional, and national information services to Canadians across all regions of the country and on multiple platforms.

As the Government of Canada moves to extend the *Canadian Journalism Labour Tax Credit* to audio and audiovisual news producers, it is important that the framework reflect the realities of modern journalism production and treat professional news organizations equitably regardless of platform or ownership structure.

The CAB fully supports extending the credit to private broadcasters and recommends that the government adopt a modern, platform-neutral approach focused on sustaining professional journalism capacity across Canada.

In particular, the CAB recommends that the government:

- modernize the definition of eligible journalistic labour to reflect broadcast journalism practices,
- maintain an appropriate and effective labour expenditure cap at a level that reflects contemporary newsroom realities – we recommend $100,000, or failing that, no less than $85,000, indexed to inflation, and
- maintain the current 35% refundable credit rate.

The overarching policy objectives should be to support the production of original professional journalism, keep journalists in Canadian newsrooms, and ensure the provision of Canadian-made news content to all markets and communities across Canada.

The Critical Role of Broadcasters in Canada's News Ecosystem

Private broadcasters are a cornerstone of Canada's news ecosystem. Television and radio remain among the most trusted and widely accessed sources of news for Canadians, while broadcasters continue to make substantial investments in local, regional, and national news production.

In an era where fact-based news programming is increasingly difficult to discern from mis- or dis-information, private broadcasters are relied on by Canadians as their primary and most trusted source for news in communities across the country, as demonstrated in many recent surveys:

- In 2023, **Statistics Canada** found that television ranked first for Canadians who reported a high level of trust in the media, followed by radio and print media.[1]

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[1] Canadian Social Survey – Quality of Life, Virtual Health Care and Trust, 2023.

- A 2024 **thinkTV / YouGov** survey showed that TV is the most trusted and the top choice for national news, with 60% of Canadians accessing it via TV on a weekly or more frequent basis, and 43% accessing news on a broadcaster website or app weekly.[2]
- According to **Pollara's 2026 *Trust in Media* survey**, television and radio remain among the most important sources for Canadian news (53% report TV, 27% report radio) topping print newspapers (at 16%). Similar results figured in their 2025 report on sources for federal election news.[3]
- Canadian data in the **2026 Digital News Report** from the **Reuters Institute** for the Study of Journalism at the University of Oxford confirm television and radio as the most important key news source for Canadians.[4]

Canada's private broadcasters also invest heavily in news. In 2024, they spent over **$680 million** on news programming – more than any other media. For comparison, spending on news by newspapers was approximately $350 million.

Spending on 'News' by Canadian broadcasters, 2024

(In $ million)	Privately-owned	CBC/SRC-owned	Total
Conventional television	390.8	112.4	503.2
Discretionary television	159.0	93.4	252.4
Total television	**549.8**	**205.8**	**755.6**
Radio	133.0	114.0	247.0
Total broadcasting	**682.8**	**319.8**	**1,002.6**

SOURCE: CRTC; Statistics Canada; Communications Management Inc.[5]

Of note, many broadcasters now operate highly converged newsrooms, often producing content simultaneously for television, radio, websites, streaming services, mobile applications, podcasts, and social media platforms, just as print publications are now often incorporating audio and video content. The distinctions between "broadcast," "digital," and "print" journalism have become increasingly blurred.

At the same time, broadcasters face many of the same structural pressures affecting all professional news organizations, including:

- declining advertising revenues
- audience fragmentation
- competition from foreign digital platforms
- rising labour costs, and
- increasing technological transition costs.

[2] thinktv, The value of TV news, 2024.
[3] Pollara, *Trust in Media*, July 2026. See also their results for 2024 and 2025.
[4] Reuters Institute, *Digital News Report 2026 – Canada*.
[5] For additional information on the state of the broadcasting industry, see *Broadcasting in Canada – 2025*.

As the government modernizes supports for journalism, public policy should focus on sustaining professional news production across Canada rather than privileging particular distribution technologies or business models.

Correcting the Imbalance between Print and Broadcast Journalists

The current iteration of the *Canadian Journalism Labour Tax Credit*, which applies exclusively to original written news, has effectively disadvantaged broadcasters for too long, creating two classes of journalists, those in print media, whose labour is fiscally supported, and those in private broadcasting, who have been left behind. As the government moves to extend this credit to audio and audiovisual news organizations, it is imperative that this systemic imbalance be fully corrected.

Imposing a framework originally designed solely for a text-based journalism model onto broadcasters would perpetuate this inequity. To ensure truly equitable treatment for journalists performing equivalent editorial functions across all media formats, the government must remove print-centric metrics and adopt a modernized, platform- and technology-neutral approach that recognizes the integrated functions performed by today's journalists, which may include:

- researching and fact-checking
- conducting interviews
- filming and recording
- writing and editing
- audio and video production
- on-air presentation, and
- digital publication across multiple platforms

Professional journalism should therefore be recognized based on the journalistic function being performed, not solely on the format in which the content is ultimately delivered. A modernized framework should therefore adopt a platform- and technology-neutral approach that recognizes equivalent journalistic work across print, broadcast, audio, video, and digital media. Careful editing will be required to remove print-centric wording from both the *Income Tax Act* (the Act) and the Canada Revenue Agency's *Guidance on the income tax measures to support* journalism (the Guidance).

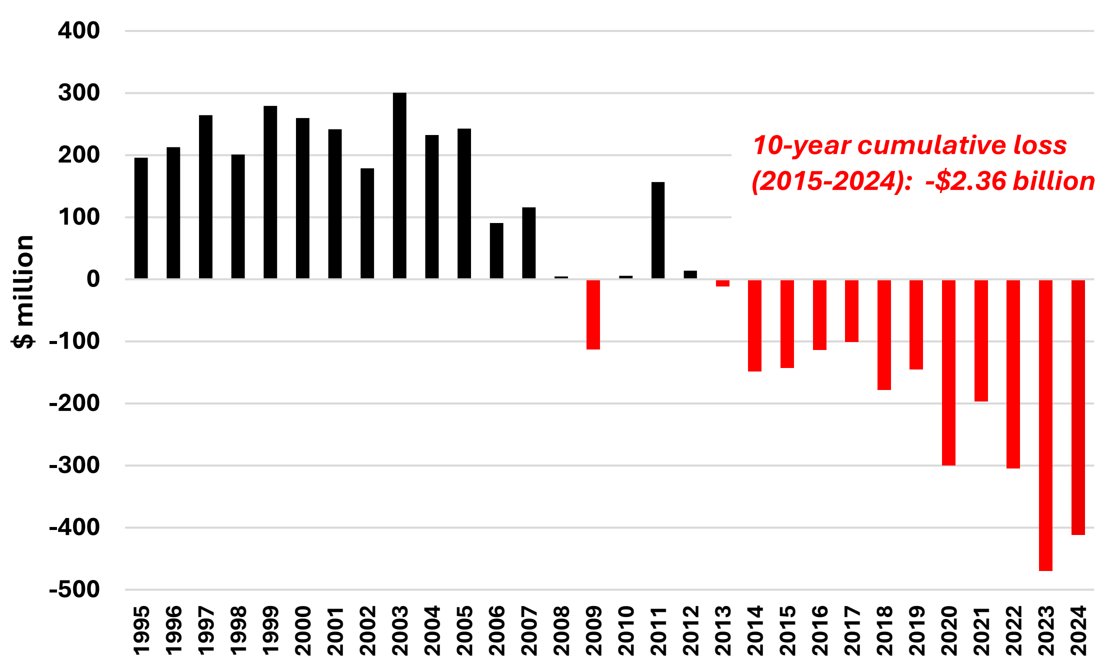
With that as background, the CAB now turns to answering the consultation questions.

1. What is the general state of Canada's audio and audiovisual news production industry? What specific challenges are those in this industry experiencing?

Canada's audio and audiovisual news production industry is at a breaking point. Local radio and television broadcasters, proven and trusted cornerstones of journalism nationwide, face declining advertising revenue, increased costs, and a regulatory environment that impacts their ability to serve communities across the country with high-quality local news content. Increasingly, Canada's media landscape is dominated by unregulated foreign digital platforms, who are starving domestic broadcasters of the ad revenue required to produce high-quality local news in sufficient quantity to meet the needs of Canadians across the country.

Despite Canadians ranking television and radio as their most trusted and preferred news sources, private broadcasters are buckling under structural declines. Year over year, revenues continue to decline significantly, and the financial viability of the sector is under unsustainable pressure: 172 local radio stations are at risk[6] and over 30 private radio stations have shut down over the last ten years. As demonstrated in the following chart, conventional private TV has seen almost $2.4 billion in cumulative losses over the past decade and three stations shut down last year:

Profit before interest and taxes (PBIT)
Private conventional television, Canada, 1995-2024



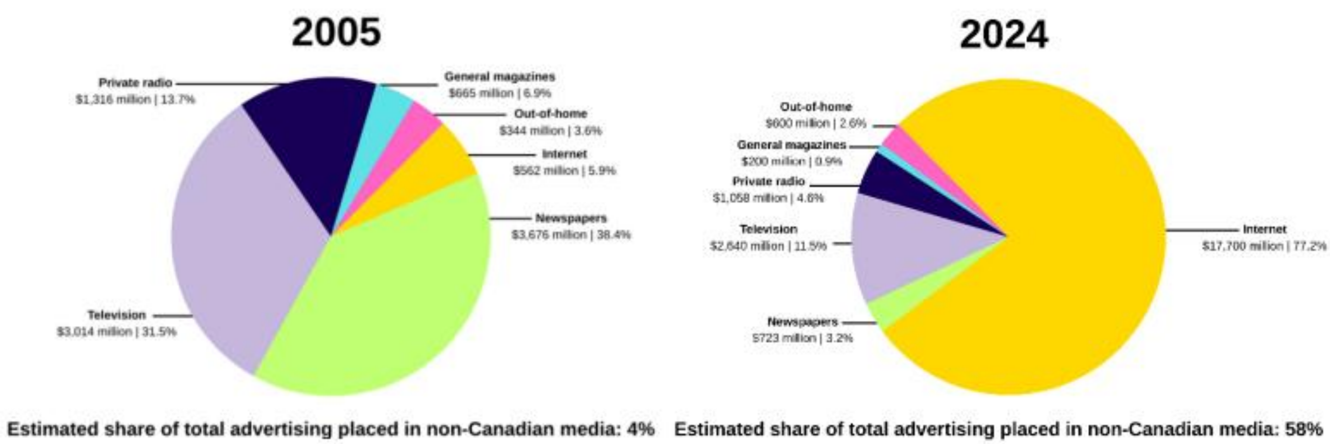
SOURCE: Statistics Canada; Communications Management Inc.

[6] According to analysis prepared for the CAB by Communications Management Inc., in 2024, 172 private radio stations had PBIT levels lower than negative 20%.

Foreign digital giants continue to dominate the Canadian media landscape, leveraging tax advantages and disproportionate control over Canada's ad market to siphon ad revenues away from domestic outlets. This is due in large part to slow adoption of competition oversight, and regulatory and taxation treatment that places Canadian players at a distinct disadvantage.

As set out below, in 2005, the Internet represented less than 6% of the Canadian advertising market. By 2024, Internet share had grown to over three-quarters. Further, an estimated 58% of all advertising in Canada now goes to non-Canadian platforms, up from just 4% in 2005:

Estimated advertising market shares for selected media
Canada, 2005 and 2024



SOURCE: ThinkTV; Statistics Canada; Communications Management Inc.

Compounding these challenges, the search ecosystem – which has served as one of the few remaining meaningful sources of referral traffic for news publishers following Meta's decision to discontinue news availability on its platforms in Canada – is itself facing disruption from emerging AI technologies. AI-powered search and content discovery tools rely on news content to generate summaries and responses that satisfy users' information needs without requiring them to visit the original publishers' websites. By disintermediating audiences, these developments further reduce opportunities for news organizations to attract direct traffic and monetize their content through advertising, subscriptions, and other revenue streams. Although public demand for reliable news remains high and the supply of news content is substantial, the ability of news organizations to monetize that content is increasingly at risk.

In this unbalanced environment, it is critically important that the government move quickly to extend the *Canadian Journalism Labour Tax Credit* to audio and audiovisual news producers. This is a critical first step to address the crisis in Canadian news, though other steps are also required, such as (1) amending section 19 of the *Income Tax Act* to address the loophole that permits the deduction of advertising expenditures on foreign online platforms, (2) addressing federal ad spend which disproportionately favours foreign digital platforms to the disadvantage of Canadian media companies, and (3) ensuring consent, compensation and credit for AI use of news content.

2. ***Eligibility for the Canadian journalism labour tax credit is contingent on a news organization first being designated as a qualified Canadian journalism organization (QCJO). Are there considerations with respect to this condition that should be considered in extending access to the credit for audio and audiovisual news?***

Ensuring that broadcasters are eligible for the Canadian Journalism Labour Tax Credit will require amendments to both the *Income Tax Act* (the Act) and Canada Revenue Agency's related *Guidance on the income tax measures to support* journalism (the Guidance).

With minor adjustments, the definition of a qualified Canadian journalism organization (QCJO) in the Act is sufficiently broad to encompass audio and visual news production, as suggested below. We note, however, that additional legislative changes may also be required to remove any additional "print-centric" wording.

Proposed Amendments

qualified Canadian journalism organization, at any time, means a corporation, partnership or trust that

(a) meets the following conditions:

(i) in the case of a corporation,

(A) it is incorporated under the laws of Canada or a province,

(B) the chairperson or other presiding officer, and at least 3/4 of the directors or other similar officers, are citizens of Canada, and

(C) it is resident in Canada,

(ii) in the case of a partnership,

(A) it is formed under the laws of a province, and

(B) individuals who are citizens of Canada or persons, or partnerships, described in any of subparagraphs (i) to (iii) hold interests in the partnership

(I) representing in value at least 75% of the total value of the partnership property, and

(II) that result in at least 75% of each income or loss of the partnership from any source being included in the determination of their incomes,

(iii) in the case of a trust,

(A) it is formed under the laws of a province,

(B) it is resident in Canada, and

(C) if interests as a beneficiary under the trust are held by one or more persons or partnerships, at least 75% of the fair market value of all interests as a beneficiary under the trust are held by

(I) individuals who are citizens of Canada, or

(II) persons or partnerships described in any of subparagraphs (i) to (iii),

(iv) it operates in Canada, including that its content is edited, designed **<u>or produced</u>** and, except in the case of digital content, published **<u>or broadcast</u>** in Canada,

(v) it is engaged in the production of original news content, which

(A) must be primarily focused on matters of general interest and reports of current events, including coverage of democratic institutions and processes, and

(B) must not be primarily focused on a particular topic such as industry-specific news, sports, recreation, arts, lifestyle or entertainment,

(vi) it regularly employs two or more journalists who deal at arm's length with the organization in the production of its content,

(vii) it is not significantly engaged in the production of content

(A) to promote the interests, or report on the activities, of an organization, an association or its members, or

(B) for a government, Crown corporation or government agency, and

(C) [Repealed, 2021, c. 23, s. 61]

(viii) it is not a Crown corporation, municipal corporation or government agency, and

(b) is designated at that time by the Minister and, for this purpose, the Minister shall take into account any recommendations of a body established for the purpose of this definition; (*organisation journalistique canadienne qualifiée*)

Rationale

Provides certainty that broadcast journalism is encompassed in the legislation for the purposes of QCJO status. Our proposed use of the term "produced" is intended to capture the range of audio and video activities associated with the recording, filming and editing of audio and audio-visual news content.

Changes will also be required to the Guidance as several provisions remain framed around written journalism and should be updated to reflect the Government's intended extension of the tax credit to audio and audiovisual news organizations. For instance, the Guidance currently explains what qualifies as "original news content" for QCJO status with an emphasis on written content. The CAB accordingly suggests the following edits as a starting point, recognizing that additional amendments may be necessary to fully achieve the objective of broadcaster eligibility:

Section 2.30 of the Guidance

Proposed Amendments

2.30. The original news content of an organization generally refers to reports, features, investigations, profiles, interviews, analyses or commentaries that are:

b. researched, written, **recorded, filmed, produced**, edited, and formatted by and for the organization;

Rationale

As, above, this amendment retains CRA's framework while recognizing key activities involved in the production of professional radio and television journalism.

Section 2.36 of the Guidance

Proposed Amendments

2.36. The term original news content includes content for which research, writing, ***recording, filming, producing,*** editing and formatting are conducted by and for the organization. Therefore, whether news content is original depends on the active involvement of a journalist in its creation. Original news content is produced through gathering facts and should show evidence of first-hand reporting, such as independent research, interviews, and fieldwork. For example, a news article, **broadcast segment,** or report about an event would be original if it is ~~written~~ **produced** or reported by a journalist and is based on first-hand knowledge that journalist gained by conducting independent research, attending or witnessing the event, or interviewing people who organized, attended, or witnessed the event.

Rationale

These amendments align with the legislative amendment suggested above and with the intent of expanding the tax credit to include broadcast journalism. The balance of paragraph 2.36 broadly reflects how broadcasters gather news (research, interviews and fieldwork). The changes simply recognize that the resulting journalism is often conveyed through audio and audiovisual production rather than text alone.

Section 2.37 of the Guidance

Proposed Amendments

2.37. The rewriting, translation, reproduction or aggregation of news from external sources (including articles from news agencies, a current or previous issue of the same publication or any other publication) would not be considered original. Content produced in such a manner, by or for an organization, will factor into the determination of whether the organization is engaged in the production of original news content. For the purposes of QCJO designation, the CRA considers aggregation to be the automated or manual process of collecting information from published external sources based on keywords and presenting that information, often in an abbreviated form, without additional research, commentary, or annotation. **The mere use of externally sourced**

footage, audio clips, photographs or archival material as part of a broader journalistic work will not, by itself, prevent content from being considered original news content where journalists have undertaken substantial original reporting, analysis or editorial work.

Rationale

This amendment clarifies that the use of third-party footage, audio, photographs or archival material is not the same as mere aggregation or reproduction where that material is incorporated into a broader work of original journalism. Broadcast and audiovisual reporting often relies on externally sourced clips or images to document events, provide context, or illustrate matters of public interest. Provided journalists have undertaken substantial original reporting, analysis or editorial work, the presence of such material should not, on its own, prevent the content from qualifying as original news.

Section 2.43 of the Guidance

Proposed Amendments

2.43 For the purposes of designation as a QCJO, original news content may be in written, audio, or audio-visual format. Note that each of the underlying tax measures has specific requirements for an organization's news content. **Organizations producing written, audio and/or audio-visual original news content could qualify for the Canadian journalism labour tax credit provided they satisfy the applicable legislative requirements.** ~~An organization that produces only audio and/or audio-visual original news content would not be eligible to claim the Canadian journalism labour tax credit and its subscriptions would not~~ **An organization seeking to** qualify for the digital news subscription tax credit ~~since both of these measures require written news content. However, such an organization~~ could be a qualified donee if it is designated as a QCJO and meets all of the requirements of the definition of a "registered journalism organization". For more information, please refer to Registered journalism organization requirements for registration.

Rationale

This proposed amendment is simply designed to align the guidance with the Government's proposed extension of the labour tax credit to audio and audiovisual news organizations.

3. ***To access the Canadian journalism labour tax credit, an organization must also be designated as a qualifying journalism organization (QJO). How should this designation be adjusted to allow audio and audiovisual news organizations access to the credit?***

   For instance, what types of audio and audiovisual news organizations should be eligible for the Canadian journalism labour tax credit?

First and foremost, the definition of a **qualifying journalism organization** (QJO) at section 125.6(1) of the Act must be amended to remove the prohibition "*does not hold a licence as defined in subsection 2(1) of the Broadcasting Act.*"

We submit that all Canadian broadcasting undertakings, whether licensed or exempt from licensing under the *Broadcasting Act,* including their affiliated online undertakings and activities, should qualify as QJO, without additional conditions. As licensed or licence-exempt undertakings, they are, by definition, Canadian.

The CAB notes that Québec recently modernized its own framework by replacing its print-only measure with the comprehensive *Crédit d'impôt pour les médias d'information québécois* (CMIQ), which explicitly includes "private generalist television" and "commercial radio" as eligible media without requiring any additional ownership or control tests.

Accordingly, the current wording at section 125.6(1) must be replaced with language that explicitly allows licensed or licence-exempt broadcasting undertakings to qualify. Other related amendments may also be required to replace print-centric language and to ensure broadcasters can be designated as QJO. We suggest the following as a starting point for consideration:

Definition of a qualifying journalism organization - at section 125.6(1)

Proposed Amendments

qualifying journalism organization, at any time, means a qualified Canadian journalism organization that meets the following conditions:

(a) it ~~does not~~ hold**s** a *licence*, as defined in subsection 2(1) of the *Broadcasting Act* **or is exempted from holding such a licence under the *Broadcasting Act***; ~~and~~ **or**

(b) if it is a corporation having share capital, it meets the conditions in subparagraph (e)(iii) of the definition *Canadian newspaper* in subsection 19(5). (*organisation journalistique admissible*)

Rationale

By definition, broadcasters are Canadian companies that have been through a rigorous process to obtain their licence from the Canadian Radio-television and Telecommunications Commission (CRTC) or must meet specific requirements to be exempt from licensing. In both cases, they are required to meet strict Canadian ownership requirements and are subject to the CRTC's supervision. This should be a sufficient criterion to name a broadcaster – who has already qualified as QCJO – as a qualifying journalism organization for the purposes of the tax credit, provided it otherwise meets the requirements set out elsewhere in the Act (and the Guidance).

Similar changes will need to be made to the Guidance. We suggest wording similar to that suggested above, as follows:

Sections 3.7 and 3.8 of the Guidance

Proposed Amendments

3.7 A qualifying journalism organization (as defined in subsection 125.6(1) of the Act), at any time, means a QCJO that meets the following conditions:

a. it ~~does not~~ hold**s** a licence, as defined in subsection 2(1) of the Broadcasting Act **or is exempted from holding such a licence under the *Broadcasting Act***; ~~and~~ **or**
b. if it is a corporation having share capital, it must meet one of the following conditions in subparagraph (e)(iii) of the definition of Canadian newspaper, in subsection 19(5) of the Act ...

3.8. Generally, an organization is a qualifying journalism organization at any time in a taxation year if, at that time, it is a QCJO that satisfies conditions (a) **or** ~~and~~ (b) above.

Rationale

As above.

4. How should the definition of "eligible newsroom employee" be modified? In addition to removing the requirement to be engaged in preparing exclusively "written" news content, would the below lists of currently and newly eligible activities appropriately capture typical production and presentation activities in these newsrooms?

- ***Currently eligible activities: researching, collecting information, verifying facts, photographing, writing, editing, designing and otherwise preparing content.***
- ***Newly eligible activities: videography, sound recording, video or sound editing, post-production, presentation of a news bulletin or a news segment, and other activities related to the preparation or presentation of content.***

The current federal framework defines an "eligible newsroom employee" as an individual working an average of at least 26 hours per week and spending at least 75% of their time producing original news content. The CAB submits that these quantitative thresholds are ill-suited to the reality of broadcaster newsrooms and ought to be revised.

In today's radio and television stations, employees operate in highly converged environments. Their schedules are often atypical or part-time, and versatility is essential: the same employee may produce news in the morning and perform other programming, on-air presentation, or technical operations duties for the rest of the day.

Consequently, as the federal government contemplates modifying the definition of an eligible employee to accommodate audio and audiovisual news organizations, it should also keep in mind the following considerations:

- **The 26-hour per week minimum** unduly discriminates against news companies that make use of part-time or contract employees to produce the news, which is increasingly common in newsrooms across the country. The credit should fully recognize regular employment, whether full-time, part-time or under contract (but excluding freelancers), so as not to penalize stations that do not – or cannot – rely on full-time journalists, technicians or other news-industry workers to maintain local coverage. The CAB recommends removing this minimum.

- **The 40-week minimum** may similarly penalize modern work arrangements. To increase flexibility the government should consider reducing (or eliminating) this minimum to recognize employment contracts that may last less than 40 weeks. While we have not specifically recommended a change in this respect, we believe it is something the government should consider as it modernizes the definition.

- **The definition of eligible activities** must encompass all tasks inherent to information broadcasting. For example, video and audio editing are functionally equivalent to text editing in written journalism and must be recognized as such. We have proposed amendments to the list of eligible activities below.

- **The requirement that an employee spend 75% of their time** engaged in the production of original news content may also unduly impact smaller companies where a small number of employees share positions and undertake multiple roles in the operation of their stations. While some are engaged in the production of news, their work may include many additional functions which would make it difficult for them to meet the 75% threshold. We have not proposed an amendment at this time but encourage the government to give consideration to this reality.

In general, we suggest that the Federal Government align its definition of eligible employees with the recently modernized parameters of the Québec CMIQ.

In particular, as outlined in the 2026-2027 Québec Budget, eligible news production activities for television and radio now officially include: image capture (photo or video), sound recording, writing, reviewing, designing, editing, post-production, the presentation of a news bulletin or an information segment, and any other activity related to content preparation or presentation.

The CAB recommends explicitly adding these terms to the federal list of eligible activities, alongside tasks recognized by the Canadian Journalism Collective to accurately reflect the modern audiovisual workflow:

- **Research and data collection**: Studying trends, researching and conducting interviews, and cross-checking sources.

- **Technical production and live broadcasting**: Image capture (photo or video), sound recording, studio set preparation, camera setup, teleprompter operation, field reporting, and live interaction with the public.

- **Distribution and post-production**: Video and audio editing, post-production, presentation of a news bulletin or segment, multi-channel distribution (television, radio, web), as well as post-publication updates and corrections.

In light of all of the above, the CAB suggests that the current definition of "eligible newsroom employee" be amended as follows.

Definition of an eligible newsroom employee – at section 125.6(1)

Proposed Amendments

eligible newsroom employee, in respect of a qualifying journalism organization in a taxation year, means an individual who

(a) is employed by the organization in the taxation year

~~(b) works, on average, a minimum of 26 hours per week throughout the portion of the taxation year in which the individual is employed by the organization;~~

(c) at any time in the taxation year, has been, or is reasonably expected to be, employed by the organization for a minimum period of 40 consecutive weeks that includes that time;

(d) spends at least 75% of their time engaged in the production of original ~~written~~ news content~~, including by researching, collecting information, verifying facts, photographing, writing, editing, designing, and otherwise preparing content~~; and

(e) meets any prescribed conditions. (*employé de salle de presse admissible*)

Rationale

First, the deletion of clause (b) will permit the tax credit to apply to a greater array of employment arrangements, including part-time and contract work (but excluding freelancers). This adjustment will ensure that stations that do not – or cannot – rely on full-time journalists, technicians or other news-industry workers to maintain local coverage are not penalized.

Second, the removal of the word "written" is simply to remove any distinction between print and broadcast journalism, consistent with the Government's intent to extend the tax credit to broadcasters.

Third, we propose to remove the list of news production activities from the Act in favour of describing them in the Guidance, as suggested below. This approach would allow for easier adjustments as job functions change in relation to the evolving nature of news production.

Changes would also need to be made in the CRA's Guidance. Our suggestions are as follows:

Section 3.17 of the Guidance

Proposed Amendments

3.17 An eligible newsroom employee (as defined in subsection 125.6(1) of the Act), in respect of a qualifying journalism organization in a taxation year, means an individual who:

a. is employed by the organization in the taxation year;

~~b. works, on average, a minimum of 26 hours per week throughout the portion of the taxation year in which the individual is employed by the organization;~~

c. at any time in the taxation year, has been, or is reasonably expected to be, employed by the organization for a minimum period of 40 consecutive weeks that includes that time;

d. spends at least 75% of their time engaged in the production of original ~~written~~ news content~~, including by researching, collecting information, verifying facts, photographing, writing, editing, designing, and otherwise preparing content~~; and

e. meets any conditions that may be prescribed, (currently there are no prescribed conditions).

It should be noted that

~~i. Original written news content requires that the content be in writing. For example, an image, video, or audio, without accompanying text, would not be considered "original written news content". Therefore, an organization that only produces audio and/or audio-visual original news content without accompanying text would not be able to claim the Canadian journalism labour tax credit since it would not have an eligible newsroom employee (as defined in subsection 125.6(1) of the Act).~~

i. **The production of original news content includes, but is not limited to** researching, collecting information, verifying facts, **conducting interviews, capturing photo or video images, capturing sound,** ~~photographing,~~ writing, **reviewing,** editing, **video-editing, audio-editing,** designing**, post-production, studio set preparation, camera and teleprompter operation, field reporting, live interaction with the public, scheduling, multi-channel distribution, on-air presenting of a news bulletin or segment,** and otherwise preparing **original news** content **for presentation on traditional or digital platforms.**

Rationale

This revised wording recognizes the realities of modern newsrooms and ensures equivalent treatment of written, audio and audiovisual journalism. We emphasize that these additions would not broaden the policy beyond journalism. Rather, they would ensure equitable treatment for journalists performing equivalent editorial functions across different media formats. For similar reasons, the note regarding original content only being in writing is no longer appropriate.

A more detailed rationale for each proposed addition is set out in Attachment 1.

5. ***Is the $85,000 annual cap on qualifying labour expenditures for the Canadian journalism labour tax credit appropriate in the context of an extension to audio and audiovisual news organizations?***

The realities of multimedia journalism production continue to place pressure on newsroom spending. Inflation and labour market pressures have eroded the real value of the cap as labour costs across the Canadian economy – including journalism – have continued to rise significantly. Without an upward adjustment (or at least indexation), the real value of the cap will continue to erode over time, reducing the effectiveness of the measure in supporting sustainable Canadian news production.

Broadcast journalism, in particular is inherently labour-intensive and often requires highly skilled employees performing multiple integrated editorial, technical, and presentation functions across television, radio, streaming, and digital platforms. Compensation levels for experienced journalists, producers, anchors, editors, videographers, and multimedia reporters frequently exceed the current cap.

The labour expenditure cap should therefore continue to reflect contemporary compensation realities and should support the long-term sustainability of local journalism operations across Canada.

Therefore, the CAB recommends that the cap be increased to $100,000 to better reflect contemporary journalism labour costs and the realities of multimedia news production. At minimum, it should be no lower than $85,000 and indexed to inflation on an ongoing basis to preserve the effectiveness and real value of the measure over time.

6. ***Currently there is a temporary enhanced tax credit rate of 35 per cent on qualifying labour expenditures until December 31, 2026. Are there any important factors the government should consider with respect to the credit rate in the context of audio and audiovisual news organizations?***

Starting in 2023, the government increased the credit to apply a rate of 35% to total qualifying labour expenditures in recognition of the severe financial pressure faced by the print journalism sector and that additional support was needed to help news organizations maintain newsroom employment and original journalism production.

The challenges identified in 2023 remain true today. None of the underlying conditions have improved for news businesses since that time. If anything, they have intensified:

- advertising revenues remain under pressure
- competition from foreign platforms continues
- AI-driven search and content aggregation are emerging threats to the news production ecosystem, and
- labour costs continue to rise.

In other words, the logic that justified moving from 25% to 35% in 2023 applies equally to broadcasters entering the system today. Indeed, broadcasters are being brought into the regime precisely because they face the same structural challenges as other news organizations. Therefore, while the Government has indicated its intent to return the rate to 25% effective 1 January 2027, we submit that the current rate of 35% provides more meaningful and balanced support in the long run for the continued production of original Canadian journalism to the benefit of local communities across the country. This also aligns with the cap of the Quebec CMIQ.

Maintaining the current rate would provide stability, predictability, and equitable treatment across eligible journalism organizations while avoiding unnecessary complexity or structural disruption to the framework.

7. ***Does an extension of eligibility for the Canadian journalism labour tax credit to audio and audiovisual news organizations raise any other considerations the government should examine with respect to the credit's broader framework, such as the mandate of the Independent Advisory Board on Eligibility for Journalism Tax Measures?***

The extension of the *Canadian Journalism Labour Tax Credit* to eligible audio and audiovisual news organizations should apply to qualifying labour expenditures incurred on or after 1 January 2026. We note that this would be consistent with previous enhancements to the credit, which have consistently been made effective from the beginning of the applicable taxation year, ensuring that the policy achieves its intended objective. Applying the extension from 1 January 2026 would similarly provide certainty, administrative simplicity, as well as consistent and equitable treatment across all eligible journalism organizations.

As for the Advisory Board, we consider that its mandate remains appropriate. As for its composition, we recommend that at least two experts from the field of broadcast journalism be added on a going forward basis. This would ensure that the Advisory Board has direct expertise in the editorial, technical and operational realities of radio, television and audiovisual news production when assessing eligibility under the expanded framework. Broadcast journalism involves distinct workflows, employment models and production functions that differ from written journalism, including live reporting, on-air presentation, audio and video production, field gathering, and multi-platform distribution. Adding broadcast expertise would therefore support consistent, informed and platform-neutral application of the credit while preserving the Board's existing mandate and independence.

We thank you for the opportunity to comment on the expansion of the *Canadian Journalism Labour Tax Credit* and would be happy to respond to any additional questions you may have.

Yours sincerely,
[Original signed by]
Kevin Desjardins
President and CEO | Canadian Association of Broadcasters

Attachment 1 – Justification for proposed additions to the definition of eligible employees

"conducting interviews, capturing photo or video images, reviewing, capturing sound, video-editing, audio-editing, post-production" These are essential editorial and production activities required to prepare original television, radio, and digital news content for publication or broadcast. Video and audio editing, for instance, are functionally equivalent to text editing in written journalism and involve editorial judgment, verification, fairness, and contextualization. Including them ensures parity between written, visual, and audio journalism.

"studio set preparation, camera and teleprompter operation, field reporting, live interaction with the public, scheduling, multi-channel distribution" To correct the historical disadvantage between written and broadcast journalism and to genuinely adopt a platform-neutral approach, the definition of eligible activities must encompass all tasks inherent to information broadcasting. These technical, logistical, and distribution activities are core to the modern audiovisual workflow and are necessary to successfully reach audiences across multiple channels.

"on-air presenting of a news bulletin or segment" On-air presentation in broadcast journalism is not merely performance or entertainment; it is an integral journalistic function involving editorial judgment, contextualization, live reporting, interviewing, verification, and communication of news to the public. Employees who present news on-air are directly involved in the journalistic process before, during, and after the dissemination of news content.

"for presentation on traditional or digital journalistic platforms" Canadian broadcasting journalists often produce content simultaneously for a variety of platforms and applications. This addition ensures the definition remains technologically and platform-neutral by recognizing that professional journalism is no longer confined to a single medium, ensuring broadcasters are treated equitably with digital-first and print organizations.