



BOARD OF DIRECTORS of the CANADIAN BROADCASTING CORPORATION

**Minutes of the Meeting held on**

March 22-23, 2016

Ottawa, ON

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**Members of the Board present:**

Rémi Racine, Chairperson of the Board  
Hubert T. Lacroix, President and CEO  
Edward Boyd  
Sonja Chong  
Robert Jeffery  
Marni Larkin  
Terrence Leier  
Marlie Oden

**Members of the Board absent:**

Norman May  
Maureen McCaw  
Brian Mitchell

**In attendance:**

Sylvie Gadoury, Vice-President, Legal Services, General Counsel and Corporate Secretary  
Stéphanie Duquette, Chief of Staff to the President and CEO  
Tranquillo Marrocco, Associate Corporate Secretary  
Consultant,

**Also participating:**

Heather Conway, Executive Vice-President, English Services (Item 1)  
Josée Girard, Vice-President, People and Culture (Items 1, 6 and 9)  
Steven Guiton, Executive Vice-President, Media Technology and Infrastructure Service  
(Items 1 and 7)  
Alex Johnston, Vice-President, Strategy and Public Affairs (Items 1, 7 and 8)  
Louis Lalande, Executive Vice-President, French Services (Items 1 and 7)  
Judith Purves, Executive Vice-President and Chief Financial Officer (Item 1)  
Marco Dubé, Former Vice-President, Strategy and Public Affairs (Items 1, 7 and 8)  
Anita Lasebnik, Senior Director, Finance and Administration, English Services (Item 1)  
Jean Mongeau, General Manager and Chief Revenue Officer (Item 1)  
Michael Mooney, Executive Director, Corporate Finance & Administration (Item 1)

Kevin Payan, Director, Business and Strategic Planning, People and Culture (Item 9)  
Jennifer Shaw, Senior Director, Finance and Administration, English Services (Item 1)  
Benoit Villeneuve, General Manager, Finance and Administration, French Services (Item 1)

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## Opening of the Meeting

On March 22, 2016, at 12:30 p.m., the Chairperson called the meeting to order.

### 1. Operating & Capital Budgets

#### Budget Overview

Judith Purves explained the overall arrangement of the budgetary information included in the presentation decks. She also provided the key budget highlights, in particular the budget's assumption that additional government funding will be provided and the budget's provision for contingencies should the additional funding not materialize.

Michael Mooney provided an overview of the key budget assumptions, the external factors that can affect the budget, the Strategy 2020 investments, the status of the reductions and the four-year financial outlook.

Board members inquired about the legal proceedings with respect to the previously legislated cap on salary increases, the impact of the ongoing industry consolidation and restructuring, the foreign exchange rate impact on the budget projections, the extent of expenditures incurred and the revenues generated with US dollars, the Corporation's relationship with Rogers and the likelihood and impact of an extension of the current agreement with them, and severance costs.

#### Revenue Forecast

Jean Mongeau provided an overview of the budget's advertisement and subscription revenue assumptions and projections.

Board members inquired about the subscription revenues,  
the opportunity of monetizing our programming assets internationally, and  
the branding of CBC\Radio-Canada programs distributed on streaming services.

### English Services

Heather Conway outlined the strategic priorities, business plan objectives and key performance indicators for English Services.

Board members commended the number of Canadian Screen Awards won by the Corporation and the coverage of Aboriginal communities. They also commended the collaborative efforts between English Services and French Services.

Anita Lasebnik provided an overview of the proposed content investments, the status of the Strategy 2020 investments and revenues, and the proposed operating budget for English Services.

Board members inquired about the forecasted amount for the Post Rogers/VIK deal, the regional media budgets and re-investments, and the content development timeline and costs.

### French Services

Louis Lalande outlined the strategic priorities, key initiatives, and key performance indicators for French Services.

Board members inquired about the Francophone market's advertisement and subscription revenue trends, the opportunity for data mining, the regional offering and the manner in which its performance will be assessed, the number of users of, and revenues derived from, the Radio-Canada apps, the monetization of digital services, the influence of the US market, the reduction of internal productions, the production of programs for children, and the number of website viewers.

Benoit Villeneuve provided an overview of the proposed content investments, the status of the Strategy 2020 investments and reduction of revenues, and the proposed operating budget for French Services.

Board members inquired about the quality of francophone productions, the number of young producers and how they can be nurtured.

### Media Technology & Infrastructure Services (MTIS) and Media Partners

Michael Mooney provided an overview of activities and budget projections of MTIS and the Media Partners, as well as the status of their budget reductions.

Board members inquired about the timeline for completing the MTIS budget transfers and

### Capital Budget

Michael Mooney provided an overview of the proposed capital budget, including the projected real estate projects.

Board members inquired about the the transfer of funds between operating and capital budgets, and the opportunities of effecting changes to the proportion of operating and capital appropriations received.

## **2. Federal Budget**

The meeting was suspended to enable members to watch the broadcast of the Federal Budget presentation.

## **3. In Camera Session (Independent Directors)**

The independent members met in camera to discuss various matters.

## **1. Operating & Capital Budgets (continued)**

The Chairperson reported that, following the in camera session, board members had no further questions to raise in relation to the proposed Operating and Capital Budgets.

On a motion duly moved and seconded, **IT WAS UNANIMOUSLY RESOLVED**, — That the 2016-17 Operating and Capital Budgets be approved and the Senior Executive Team be authorized to give effect to the measures contained therein.

Board members congratulated Judith Purves and her team on the quality and clarity of the budgetary information presented. They also noted their appreciation at having received the materials so far in advance of the meeting.

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At 7:50 p.m., the meeting was suspended until March 23, 2016, at 9:00 a.m.

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#### **4. In Camera Session with the President and CEO**

The Board met in camera, with Sylvie Gadoury in attendance, to discuss various matters.

#### **5. Adoption of Minutes**

On a motion duly moved and seconded, **IT WAS RESOLVED**, — That the Minutes of the February 23, 2016, Board of Directors meeting be approved.

#### **6. Human Resources and Governance Committee Report**

Ted Boyd reported on the matters discussed at the meeting of the Human Resources and Governance Committee held on March 22, 2016.

##### 6.1. SCRC Negotiation Mandate

Ted Boyd and Josée Girard provided an overview of the context and key decision elements for the proposed negotiation mandate with the new *Syndicat des communications de Radio-Canada* (SCRC).

Board members inquired about the union's name and leadership.

On the recommendation of the Human Resources and Governance Committee, **IT WAS RESOLVED**, — That the negotiation mandate with the *Syndicat des communications de Radio-Canada* (SCRC) be approved as presented.

##### 6.2. Base Salary Planning Budgets

Ted Boyd provided an overview of the existing and proposed salary budgets, including the current market gaps and the rationale for the proposed growth budgets.

Board members inquired about the timeline for rolling out the salary growth funding, the nature of the salary gap and the types of positions affected, and the job classification level of departing employees who reported salary as reason of the departure.

On the recommendation of the Human Resources and Governance Committee, **IT WAS RESOLVED**, — That the 2016 base salary planning budget for non-unionized employees be approved as presented.

### 6.3 Succession Plan

Board members met in camera, with Josée Girard and Stéphanie Duquette in attendance, to discuss Management's Succession Plan.

Josée Girard explained the exercise's strategic importance to the Corporation and the manner in which future talent were identified and will be assessed.

## **7. Infrastructure Committee Report**

Rémi Racine reported on the matters discussed at the meeting of the Infrastructure Committee held on March 9, 2016, by video-conference.

Steven Guiton provided an overview of the governance and communications approaches for the Maison de Radio-Canada (MRC) Development Project, as well as the number and status of the review of the proposals received for the relocation of the MRC and for the sale of the property. He also noted that approval will be sought from the Board in May 2016 to proceed with the selected proponents and that the final deals will be submitted for approval to the Board in the Fall 2016.

Louis Lalande then provided an overview of the consultations held with representatives of community groups.

Board members inquired about the possibility of remaining onsite, the plans to meet with the media, and the evaluation process for the proposals. The Chair also noted the project's importance to CBC\Radio-Canada's reputation, the MRC's symbolic value, that the building will be the Corporation's flagship for the next 50 years, and consequently, these elements should be weighted alongside financial considerations during the evaluation of proposals. He emphasized that this will be an opportunity to build for the future since the current building does not position us well. Board members noted their understanding of the importance of protecting the process' fairness.

## **8. Communications and Stakeholder Relations Committee Report**

Marlie Oden reported on the matters discussed at the meeting of the Communications and Stakeholder Relations Committee held on March 22, 2016, as well as the discussions held with the Interim Vice-President, Strategy and Public Affairs, with respect to the stakeholder engagement activities for the MRC Development Project. She also noted that the Corporation should play a leadership role among other cultural partners.

## **9. Preventing and Addressing Workplace Violence, Bullying and Harassment Training**

Josée Girard and Kevin Payan provided an overview of the mandatory training provided to all managers, the status of the case management system deployed, the tools and resources made available to employees, and the mandatory training module that has been launched for all employees.

Board members inquired about the hotline and then viewed the mandatory online training module for employees.

## **10. Varia & In Camera Session (Independent Directors)**

The independent Board members met in camera to discuss various matters.

## **11. Information items**

11.1. 2020 Report Card

## **Adjournment**

The meeting was adjourned on March 23, 2016, at 1:15 p.m.