ANNEX TO THE LPIF ANNUAL REPORT FORM FOR THE YEAR ENDING 31 AUGUST 2014

QUALITATIVE REPORTS STATION: CBHT-TV HALIFAX

CBC/Radio-Canada is pleased to submit its fifth and final annual qualitative report that demonstrates how the Local Programming Improvement Fund (LPIF) has helped to maintain the quality and quantity of local programming on CBHT-TV Halifax.

In BRP 2008-100, the Canadian Radio-television and Telecommunications Commission (CRTC) created the LPIF to help support local television production in non-metropolitan markets. In BRP 2012-385, the CRTC decided to phase out the LPIF over two years. Until August 31, 2012, cable and satellite companies contributed 1.5% of gross broadcasting revenues to the Fund. Effective September 1, 2012, contributions decreased from 1.5% of gross broadcasting revenue to 1%. Effective September 1, 2013, contributions decrease from 1% of gross broadcasting revenue to 0.5%. The Fund was discontinued September 1, 2014.

As required by BIB 2010-333, CBHT-TV's Fifth Annual LPIF Report demonstrates the importance of LPIF funding to its local television activities, using the CRTC's indicators of success:

- increases in the quantity of local programming broadcast;
- expansion of news bureaus;
- evidence of audience success and viewer satisfaction;
- increases in local advertising revenues;
- increases in original local news stories; and
- the number of local news stories that are picked up nationally.

In BRP 2009-406, the Commission determined that television stations would be able to draw on the LPIF to maintain their spending on local news and other types of local programming. Therefore, in addition to the areas noted above, this Annual Report also reviews how the LPIF has overall improved the quality and diversity of the station's local programming. The Corporation believes these are also important factors in measuring the success of the Fund.

1. Broadcast of Local Programming

In 2013-2014, CBC Nova Scotia (CBHT-TV) continued to produce a variety of news and special event programming. Through the contribution of the LPIF, the station has expanded regional news coverage. CBHT-TV broadcasts to the entire province with the main production facility located in Halifax and bureaus in Sydney and New Glasgow.

Beginning in 2008, CBHT-TV has incrementally increased both the quantity and quality of news and current affairs programming through the use of LPIF funding; in 2014 CBHT-TV sustained these improvements to scheduled TV news production *CBC News: Nova Scotia* launched a 60-minute supper hour newscast in mid-2008. The creation and distribution of LPIF funds allowed the station to expand news production in September of 2009. It added an additional 30 minutes of news at the supper hour, allowing audiences to view stories from their province at 5:00, 5:30 and 6:00 PM. In October of 2009,

ABRIDGED

through careful planning and efficient use of resources, the station was also able to launch a 10 minute late-night newscast. In 2011 we expanded our weekday 10 minute late-night newscasts to 30 minutes. In total, the presence of the LPIF allowed the station to program an additional 60 minutes daily of news content, Monday to Friday – representing a 100 per cent increase. In May 2012 we expanded our news production to weekends – 30-minute regional show on Saturdays and a 10-minute regional newscasts on Sundays. *CBC News: Nova Scotia* now produces 10.67 hours per week of news programming, compared with 5 hours weekly prior to the introduction of the LPIF.

In addition, in 2012-2013, *CBC News: Nova Scotia* affirmed its leadership in producing investigative, enterprise journalism. In May of 2014, A CBC News Nova Scotia investigation revealed serious questions about the use -- or non-use -- of automatic defibrillators in skating rinks across Canada. We highlighted the story of Jordan Boyd, an elite hockey player who died of sudden cardiac arrest. A defibrillator was not used in his case. As a result of our reporting, Canadian junior hockey officials are re-examining their recommendations on defibrillator use protocols. In August of 2014 *CBC News Nova Scotia* produced *Bounty: Into the Hurricane*, a one-hour documentary which looked at the reasons behind the tragic sinking of the tall ship during Hurricane Sandy in November of 2012.

In all, CBHT-TV totalled 646 hours of local news programming in 2013-14. The station is now able to be more present in smaller communities more frequently and, as a result, deliver more news from around the province than previously. In addition to CBHT-TV's local newscasts, the station also contributed news items to *The National*, CBC's network newscast.

Halifax is one of the Corporation's production centres and produces high quality programs that are reflective of the particular sensibilities of the region. For example, *CBC News: Nova Scotia* supports the production of the regional documentary series *Land and Sea*, which chronicles life in the Maritimes outside urban centers. Halifax also produces a series consisting of 6 hours of regional music performances and a showcase of regionally produced short films entitled *Short Film Face-Off*. These are broadcast in prime time during the summer. *At the Table* is a late-night television series featuring engaging conversation with Maritimers from all walks of life. CBHT-TV also produces *the Halifax Comedy Festival* and *This Hour has 22 Minutes* that are aired across the network. CBHT-TV produced or commissioned 298 hours of non-news local programming in 2013-14.

Overall, there were 944 hours of local programming aired on CBHT-TV in 2013-14 – an average of 18.16 hours per week. Since 2009, as a result of the LPIF, CBHT-TV's local programming expenditures have increased by 24%. This, in turn, has permitted the station to overall improve the local programming offered to Canadians in Nova Scotia. For details, please see Part A and B of the LPIF Annual Report Form.

2. Local News Bureaus

CBC/Radio-Canada's mandate is to represent all regions of the country. Our local newscasts focus strongly on the region in which they are produced. The presence of local journalists ensures viewers are made aware of local events and news from a local perspective. The continued funding of the LPIF has ensured that we are able to maintain a broad journalistic presence across the province.

3. Audience Success and Viewer Satisfaction

In Halifax, CBHT-TV's local newscast has generally maintained the gains it was able to achieve in the past couple of years. It has shares in the 14-17% range for the 5:00pm to 6:30pm time period. The 5:30-6:00pm newscast has emerged as the leading half-hour with a 17% share the last two surveys. The late-local news at 11:00-11:30pm is capturing a steady 5% share.

CBHT-TV Halifax Share of Total Tuning by Daypart – All Persons 2+ Source: BBM

	Spring 2011	Fall 2011	Spring 2012	Fall 2012	Spring 2013	Fall 2013	Spring 2014
Mon-Fri 5:00- 5:30pm	13	16	14	18	17	17	16
Mon-Fri 5:30- 6:00pm	13	16	15	18	19	17	17
Mon-Fri 6:00- 6:30pm	14	15	14	16	17	15	14
Mon-Fri *10:45- 11:15pm	7	7	5	4	3	5	5

^{*}Late local news changed to 30 minutes (11:00pm-11:30pm) in Fall 2012

Reviewing the 2+ audiences in the Halifax EM, CBHT-TV's local news programming is watched on average by between 26,000-29,000 people in the extended market. Although audiences have declined slightly in the 6:00pm half-hour, the two earlier half-hours are delivering similar audiences as the last half-hour.

CBHT-TV Halifax Extended Market (EM) Audience (000's) – All Persons 2+ Source: BBM

	Spring 2011	Fall 2011	Spring 2012	Fall 2012	Spring 2013	Fall 2013	Spring 2014
Mon-Fri 5:00- 5:30pm	18	28	25	27	26	25	26
Mon-Fri 5:30- 6:00pm	20	30	30	30	29	27	29
Mon-Fri 6:00- 6:30pm	25	35	34	31	35	30	28
Mon-Fri *10:45- 11:15pm	8	11	8	4	4	5	5

^{*}Late local news changed to 30 minutes (11:00pm-11:30pm) in Fall 2012

ABRIDGED

Audiences engage with CBHT-TV in a variety of ways beyond watching our programs on television. For example, in an average week, approximately 2,868 *CBC News: Nova Scotia* newscasts are either downloaded or streamed live.

In addition, with the help of the LPIF, CBHT-TV has been able to both maintain and strengthen its commitment to community engagement and outreach and thereby strengthen its local programming. For example, CBHT-TV hosts important community events. In 2013-2014, its outreach activities included the traditional Feed Nova Scotia Campaign; fundraising for the community totalled \$301,088 and 2,893 kg of food. It also participated in the Atlantic Film Festival through the CBC Shorts Gala and participated in the Jazz Festival and the *Short Film Faceoff*. CBHT-TV also produced CULTUREVILLE, a road trip through the Maritimes to discover the best cultural centres as chosen by the CBC audience. All of these events both engaged the local community and directly contributed to CBHT-TV's local programming, either in the form of news coverage or other more focused programming.

CBHT-TV has also used social media as a way of both engaging our viewers and enhancing our programming. Social media platforms, such as Facebook and Twitter, provide a mechanism for audiences to comment on and become part of the conversation around local news and events. As of September 2014, CBHT-TV had 57,157 Facebook members and 45,453 followers on Twitter, 50% above last year's numbers. These individuals interact with CBHT-TV journalists and staff and thereby help shape our local programming in much the same way as old style investigative journalism dug up ideas and information by getting out into the streets and speaking with the public. CBHT-TV's ability to continue to tap into social media is critical to its enhanced local presence and its local programming.

Overall, CBHT-TV welcomes, encourages and facilitates community engagement whenever it possibly can and the availability of LPIF has been an important source of support in helping that to continue.

4. Local Advertising Revenue

The Commission has asked LPIF recipients to report on increases to local advertising revenue. While CBC/Radio-Canada is providing the requested information for the 2011-12, 2012-13 and 2013-14 broadcast years, we would note that changes in advertising revenues generated by stations in any given year are the result of a variety of factors and cannot be attributed solely to LPIF support.

Local Station Advertising Revenues: 2012 to 2014

CBHT Halifax	2012	2013	2014	
Local Sales	####	####	####	
National Sales	####	####	####	
Total Station Sales	####	####	#### ¹	

¹ In the 2013-14 broadcast year, CBC broadcast both the Olympic games and FIFA. Revenues arising from these broadcasts were reported in CBLT-TV Toronto, where all associated expenses were reported.

ABRIDGED

5. Original Local News Stories

While the Commission determined that the LPIF can be used to maintain spending on local news and other types of local programming, it has asked LPIF recipients to report on the increase of original local news stories. The current logging requirements do not contemplate logging segments within a program. The Corporation does not regularly track the number or the length of "program segments". The CBC news department, however, is committed to producing high quality original journalism and does so on an almost daily basis.

Original news stories – defined as those exclusive to CBC News – have steadily increased since the introduction of the LPIF. Currently, CBHT-TV produces an average of 8 original or investigative stories per week. These are stories unique to CBC News and often find their way to other regional stations and to network broadcasts, including those aired on CBC News Network. These stories require a significant investment of time and resources over and above day-to-day news coverage and may develop over a period of days or weeks with regular updates and new information uncovered. As noted above, the increased expenditure resulting from the LPIF has allowed CBHT-TV to provide distinctive, local, original journalism of high value to the audience.

For example, *CBC News: Nova Scotia* broke the story of Nova Scotia teachers who were upgrading their licences through a controversial online course offered by Drake University. The upgrading adds thousands to their base salary -- and to their pensions. As it turned out, most of the upgrading was of questionable value. Our reporting prompted the provincial government to discontinue the program.

6. Local News Stories that are Picked Up Nationally

The Commission has asked LPIF recipients to report on the number of local news stories that are picked up nationally.

As explained in section 5 above, the Commission's logging systems do not require reporting of program segments and CBC/Radio-Canada does not have a system to track the number or length of program segments (such as local news items) nor the number or length of local news items picked up nationally by all of its programs aired on the network.

However CBHT-TV contributes regularly to the national network. For example, in April of 2014 a 47-year-old disabled Nova Scotia woman, who had been reported missing by her husband, and how she crawled 800 metres to get help after spending two nights in her truck after driving into a ditch. This story appeared on *The National* and CBC News Network.

In July of 2014 *CBC News: Nova Scotia* also told the extraordinary story of a camp for kids with autism, and the counsellors who return year after year. This story aired on local TV news and was aired on *The National*.

These are two of many stories from CBHT-TV that we played on network programs.