

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Conference Call – April 1st, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
WEDNESDAY APRIL 1ST, 2009				
1. Status Report on the Recovery Plan	10:30 (30 min)	Hubert T. Lacroix George C B Smith Richard Sturberg Sylvain Lafrance Bill Chambers Katya Laviolette Shaun Poulter		
Conclude	11:00			

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Conference Call – April 23rd, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
THURSDAY APRIL 23rd, 2009				
1. Status Report on the Recovery Plan	13:00 (15 min)	Hubert T. Lacroix George C B Smith Richard Stursberg Sylvain Lafrance Bill Chambers Katya Laviolette		
2. Status report on News Renewal	13:15 (30 min)	Richard Stursberg		
3. Approval of Financial Terms Stingray/Galaxie monetization	13:45 (30 min)	Michel Tremblay	YES	YES
Conclude	14:15			

**RÉUNION SPÉCIALE DU CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
Conférence téléphonique – 23 avril 2009**

POINT	DÉBUT	PRÉSENTÉ PAR	MOTION REQUISE	DOCUMENT
JEUDI 23 AVRIL 2009				
4. Rapport d'étape sur le plan de redressement	13 h (15 min.)	Hubert T. Lacroix George C B Smith Richard Stursberg Sylvain Lafrance Bill Chambers Katya Laviolette		
5. Rapport d'étape sur le renouvellement du service des Nouvelles	13 h 15 (30 min.)	Richard Stursberg		
6. Approbation des conditions financières pour la monétisation des créances concernant Stingray/Galaxie	13 h 45 (30 min.)	Michel Tremblay	OUI	OUI
Levée de la séance	14 h 15			

Date > 21 avril 2009

From/De > Premier vice-président, Stratégie d'entreprise et Partenariats
commerciaux
Vice-présidente et chef de la direction financière

Subject/Objet > **Monétisation des créances de Stingray**

TO/À:
Conseil d'administration de
CBC/Radio-Canada

Le dernier point à l'ordre du jour de la réunion du Conseil d'administration du 23 avril 2009 concerne la vente d'une partie des créances payables à CBC/Radio-Canada par Stingray Digital Group à la suite de la cession des liquidités et de l'actif de notre service audio payant, Galaxie.

Cette démarche s'inscrit dans le cadre du plan visant à dégager 125 millions de dollars pour équilibrer le budget d'exploitation 2009-2010 approuvé par le Conseil d'administration à sa réunion du 17 mars 2009.

s.18(b)
s.20(1)(b)
s.21(1)(b)
s.21(1)(c)

Aucune banque n'aurait conclu d'entente sur la base du rendement des obligations du Canada sans prévoir un écart considérablement augmenté pour se prémunir contre les risques et assurer ses liquidités.

Le taux de base exact peut seulement être confirmé une fois qu'un décret sera reçu et que l'entente avec la Banque sera signée. La seule façon de le connaître serait de bloquer le taux en achetant une option auprès de la Banque nationale. Le prix d'une telle option sera confirmé le 22 avril.

L'exposé explique clairement les raisons pour lesquelles nous nous sommes adressés seulement à la Banque nationale. Nous avons demandé à [redacted] de valider les conditions financières de cette opération, et l'institution a confirmé que CBC/Radio-Canada fait une très bonne affaire :

s.18(b)

s.20(1)(b)

s.21(1)(b)

s.21(1)(c)

Si le Conseil d'administration approuve cette transaction, nous devons obtenir l'approbation du Conseil du Trésor et du gouverneur en conseil pour la conclure et en conserver les produits. À ce moment-là seulement, nous serons en mesure de signer l'entente avec la Banque nationale.

Nous sommes impatients de discuter de cette question avec le Conseil d'administration, jeudi.

Michel Tremblay

Suzanne Morris

CONFIDENTIAL



Monetization of Stingray Accounts Receivable

Michel Tremblay and Bill Atkinson
Corporate Strategy and Business Partnerships

**Presentation to the CBC/Radio-Canada
Board of Directors - Ottawa
April 23rd, 2009**

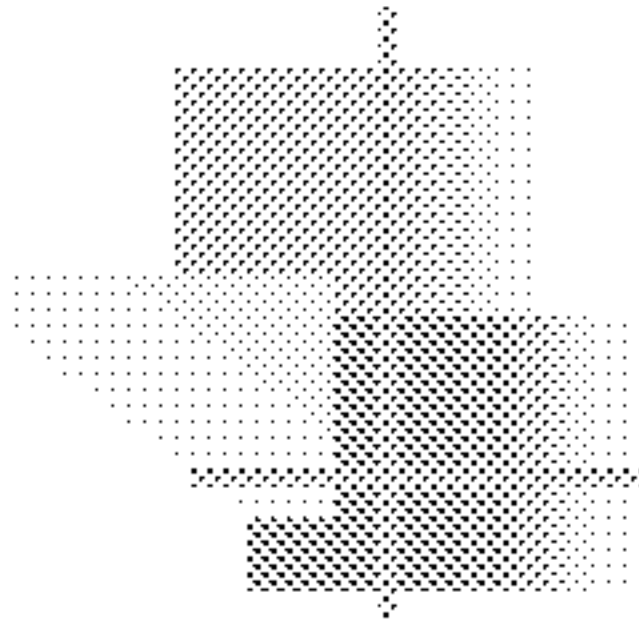


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1. Summary

2. Decision Required

3. National Bank offer

4. Why the National Bank?

Appendices



1. Summary

- The Corporation plans to monetize a portion of its Accounts Receivable from Stingray Digital Group Inc. (“Stingray”) related to the acquisition of Galaxie.
- This is part of the plan to raise \$125M to balance the 2009/10 budget approved by the Board of Directors.
- The Board was presented with a plan at its meeting March 17th, 2009 to monetize a portion of it Stingray receivable and authorized Management by resolution to enter into discussions with potential purchasers.

- The objective is to monetize only the \$21M receivable that relates to the 2010/2011 and 2011/2012 fiscal years.

s.18(a)

s.18(b)



1. Summary

- The National Bank of Canada was first approached to measure their interest in concluding a deal given they are the issuer of the letter of credit (representing \$14M of the \$21M) and are familiar with the Stingray-Galaxie transaction.
- A draft letter of offer has now been received by the National Bank. Net proceeds range from:
 - **\$19.592M, if funds are received on June 30th, 2009 to,**
 - **\$19.765M, if we elect to receive these funds on September 30th, 2009.**
- The Net Proceeds will be considered taxable income in the 2009 / 2010 fiscal year, however, there will not be any tax payable since these revenues will be offset by downsizing costs.
- Due to the time sensitive nature of this proposal and the complexity of the underlying deal between the CBC and Stingray, competitive bids have not been sought at this time.
- Management obtained external Financial advice from _____ that confirms the competitiveness of the offer received from the National Bank. As a result, Management believes that the **offer received represents good value for the Corporation.**

s.18(a)

s.18(b)



2. Decision Required

- **CBC Management is seeking approval from the Board of Directors to enter into a formal agreement with the National Bank of Canada for the monetization, on the terms and conditions outlined in this presentation, of the \$21M receivable from Stingray.**
 - This approval is conditional on reaching an agreement with the Treasury Board and the Department of Finance allowing the CBC to retain the cash realized as a result of the monetization.
 - This approval is also conditional to the receipt of an Order-in-Council pursuant to Section 48 (2)(a) of the Broadcasting Act.



3. National Bank Offer

■ Overview of main business terms:

- The overall agreement is structured similar, in form, to an Accounts Receivable factoring transaction, consisting of the purchase, at a discount, by National Bank of the \$21M Accounts Receivable.
 - In case of default by Stingray to make payments within 15 days of due dates, the Corporation agrees to repurchase the receivable from National Bank to the extent of any deficiency in the payment of their respective face amount.
- Timing of receipt of funds is at the discretion of CBC and can either be June 30th, 2009 or September 30th, 2009.
- Receivables are divided in two tranches, each tranche having a specific discount rate;
 - **First tranche for receivables due in 2010**
 - **Second tranche for receivables due in 2011**

s.18(a)
s.18(b)



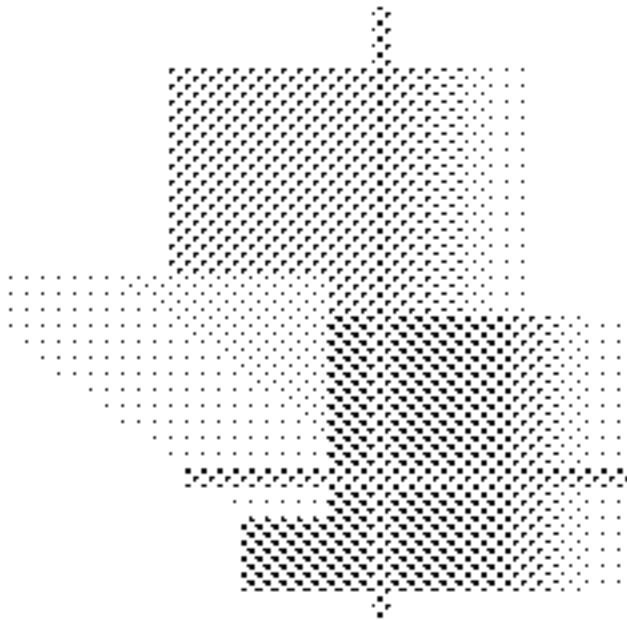
3. National Bank Offer

- **The Discount Rate used to calculate the Present Value of the Receivable is a combination of :**
 - Base Rate equal to National Bank's Cost of Funds, and
 - the Forward Premium to lock in the Base Rate

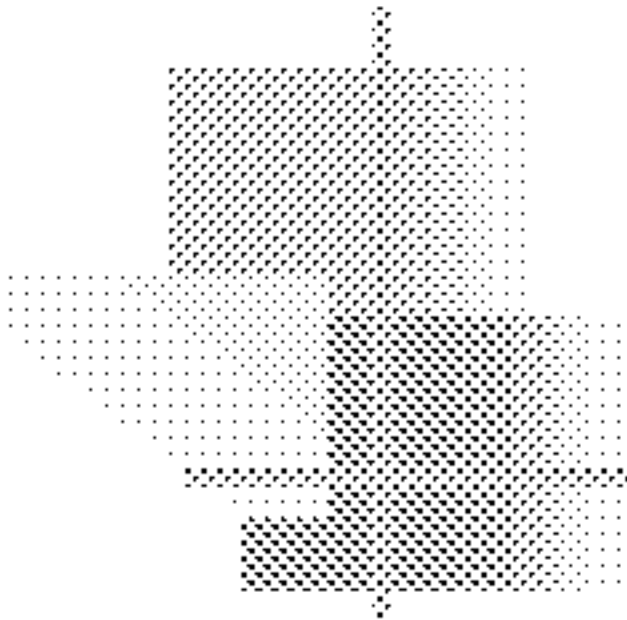
- **Base Rate equal to National Bank's Cost of Funds**
 - **Exact Base Rate can only be confirmed once Order-in-Council is received and the agreement with the bank is executed.**
 - **As of April 8th, the base rates are as follows;**
 - 2.188% for amounts due in 2010
 - 2.947% for amounts due in 2011

 - **Base Rates are expected to be lower following the April 21st, Bank of Canada 0.25% reduction.**

s.18(a)
s.18(b)



3. National Bank Offer



3. National Bank Offer

s.18(a)
s.18(b)

■ Anticipated proceeds from agreement

- Present Value based on execution of agreement on May 22nd 2009 and disbursement of funds on June 30th, 2009 or September 30th, 2009.

	Disbursement Date	
	June 30 th , 2009	September 30 th , 2009
Nomial Value of Receivable	\$ 21,000,000	\$ 21,000,000
Net Proceeds	\$ 19,591,922	\$ 19,764,612



4. Why the National Bank?

1. The National Bank of Canada was approached since they are already a party to the transaction between the CBC and Stingray.

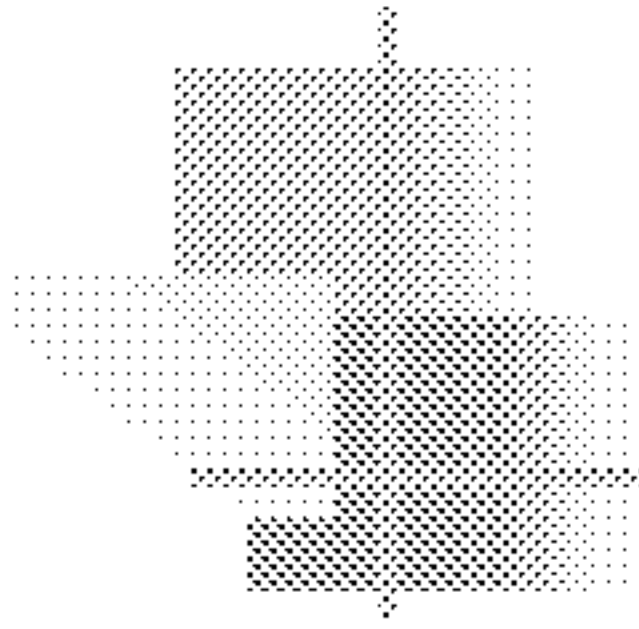
- Management felt that due to the National Bank's knowledge of the transaction between Stingray and the CBC, the Corporation would get a quicker proposal and a preferred rate.
- \$14M of the \$21M owing from Stingray in 2010 and 2011 is secured by an irrevocable letter of credit issued by the National Bank.

s.18(a)
s.18(b)



4. Why the National Bank?

- These underlying agreements and the Letter of Credit are not assignable, which make it difficult to solicit bids from traditional factoring agencies.
- Despite the National Bank's pre-existing knowledge of the transaction between CBC and Stingray, it still took over 5 weeks to educate them on the transaction in order to receive an offer.



4. Why the National Bank?

s.18(a)

s.18(b)

3. Management believes that the offer received from the National Bank is competitive and presents good value.



4. Why the National Bank?

■ **Current Cost of Capital to the National Bank**

- **In January 2009, National Bank issued preferred shares with a yield of 6.6%.**
- **As of April 8th, the National Bank bonds were trading at 2.28% yields.**

■ **Current Government of Canada bond yields**

(as of April 8th, 2009, weekly series)

- **18- month GC Bond Yields: 0.92%**
 - **3 year GC Bond Yields: 1.40%**
- ### ■ **LIBOR or CIBOR rates, which are traditionally used for benchmarking purposes, are not currently indicative due to the Liquidity Premium spreads demanded by the markets.**

**Pages 18 to / à 19
are withheld pursuant to sections
sont retenues en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

**MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
(Conference Call)
Monday, June 1, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. Report from the Strategic Planning Committee on the Strategic Review	10:00		YES	YES
Conclude	13:00			

**Dial in number/Numéro à composer
Conference ID/Numéro de la conference**

1-866-797-9098

s.16(2)

**RÉUNION DU CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
(Appel conférence)
Le lundi 1^{er} juin 2009**

POINT	DÉBUT	RESPONSIBLE	MOTION REQUISE	DOCUMENT
1. Rapport du Comité de planification stratégique sur l'Examen stratégique	10 h		OUI	OUI
Levée de la séance	13 h			

Strategic Review 2009

**Presented to the
Board of Directors
June 1, 2009**

31/05/2009 6:44 PM

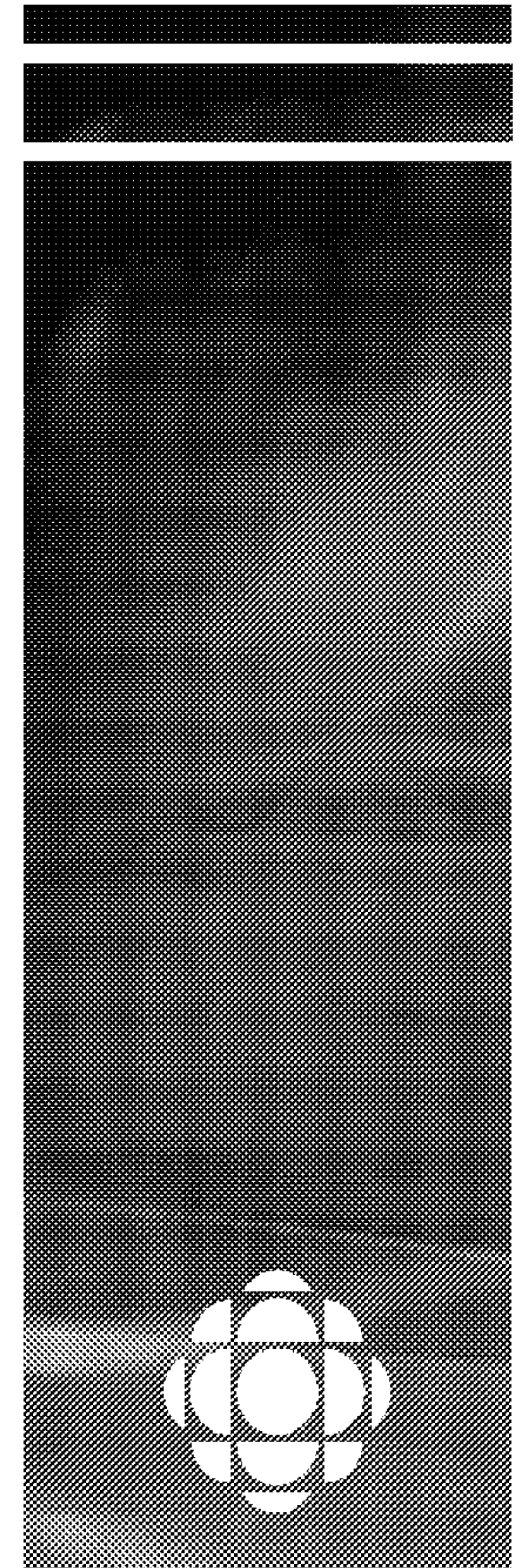


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1. The Strategic Review
 2. The Context
 3. Our Yardstick is the 1991 *Broadcasting Act*
 4. Our Approach to the Strategic Review
 5. We Have a Clear Plan to Meet the Needs of Canadians
 6. Canadians Are Responding Well to Our Program Offering:
 - Television
 - Radio
 - New Media
 7. Economic Crisis and CBC|Radio-Canada Recovery Plan
 8. Re-allocation Proposals
 9. Reinvestment Proposals
 10. Framework for Completing the Strategic Review
 11. Timeline
- Appendix A: Economic Environment and Recovery Plan
Appendix B: Recovery Plan Reductions – Programs
Appendix C: Treasury Board Document submission

1. The Strategic Review

- **Goal of the Strategic Review as stated by Treasury Board**

- **Management excellence**

Effective management of the government's resources to achieve results and drive excellence in program performance and services to Canadians.

- **Fiscal credibility**

Ensure that overall spending growth is controlled, consistent with the Government's commitment to keep the rate of spending growth, on average, below the rate of growth of the economy.

1. The Strategic Review – Goals

- **We have been asked to assess 100% of our spending and identify the lowest priority / lowest performing 5%.**
- **5% target is on appropriations = \$52.6 M**
- **Recommended reinvestment proposals also to be provided.**
- **Comes on the heels of dealing with:**
 - **Measures taken in 08/09 to address a \$65 M shortfall in advertising revenues**
 - **A \$171 M budget shortfall for 09/10; \$50 M in related downsizing costs; the loss of \$11.6 M in ongoing revenues resulting from asset sales**
 - **Lowest priority / lowest performing activities already targeted.**

Further cuts will unavoidably impact on the strategic priorities we tried to protect in 2009/10 budget exercise.

2. The Context – The Arm's Length Principle and Canada's Cultural Policy

- **Cultural policy in the arts sector is the responsibility of the Department of Canadian Heritage, the Canada Council for the Arts and the National Arts Centre.**
- **The Canada Council for the Arts and the National Arts Centre are arm's length cultural agencies**
 - Report to Parliament through the Minister.
 - Independence was reinforced when they were exempted from provisions in the *Financial Administration Act* enabling government to control the affairs of Crown corporations [section 85(1)].

The arm's length principle is one of Canada's cultural traditions; it lies at the very heart of artistic freedom and freedom of expression.

2. The Context - FAA Limitations

- **The Financial Administration Act recognizes the independence of the Canada Council for the Arts, the Canadian Broadcasting Corporation, the International Development Research Centre and the National Arts Centre when it states in section 85 (1.1), that Divisions I to IV, with certain exceptions do not apply to them. Generally, Divisions I to IV relate to corporate affairs, directors and officers, financial management and control as well as commercially detrimental information.**
- **These limitations grant these Crown Corporations the independence required to fulfill their mandate.**
- **One of the limitations is that the Government cannot give directives to these Crowns, in addition to not being able to interfere with their operations.**

2. The Context – The Arm’s Length Relationship

- **The arm’s length relationship is at the core of CBC/Radio-Canada’s relationship with the Government.**
 - The Government of the day cannot program the public broadcaster.

2. The Context - Democratic Value and Accountability

- **The public broadcaster's public service value depends upon it not carrying out the priorities of the government of the day, but rather in fulfilling the mandate set out for it in its governing legislation.**
 - CBC/Radio-Canada, while an instrument of public policy has intentionally been created at arms' length from any particular government in order to protect its freedom of expression. The law respects this freedom, not to protect the CBC, qua CBC, but to protect the public interest in freedom of expression in the interests of democracy.
- **The courts in Canada, the United States and Britain have recognized the independence of broadcasters, particularly public broadcasters, from government.**

3. Our Yardstick for the Strategic Review is the 1991 *Broadcasting Act*

- **Subsection 3(1) (l) & (m) of the *Broadcasting Act* provides the yardstick against which the relevance of our “programming” must be measured:**
 - Should provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains;
 - Be predominantly and distinctively Canadian,
 - Reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions,

3. Our Yardstick for the Strategic Review is the 1991 *Broadcasting Act (cont'd)*

- The *Broadcasting Act* provides the yardstick against which the relevance of our “programming” must be measured:
 - Actively contribute to the flow and exchange of cultural expression,
 - Be in English and in French, reflecting the different needs and circumstances of each official language community, including the particular needs and circumstances of English and French linguistic minorities,
 - Strive to be of equivalent quality in English and in French,
 - Contribute to shared national consciousness and identity,

3. Our Yardstick for the Strategic Review is the 1991 *Broadcasting Act* (cont'd)

- **Be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose, and**
- **Reflect the multicultural and multiracial nature of Canada**
- **In addition to subsection 3 (1) (l) & (m), the Corporation has a mandate that encompasses radio, television and since the 1999 CRTC decision which determined that new media (ie. Internet) included programs and broadcasting,**
- **The Corporation provides its programming pursuant to the conditions of licences established by the CRTC.**
- **CBC/Radio-Canada is also required to offer an international service pursuant to section 46 (2) of the *Broadcasting Act*. This service is the only in respect of which the Governor in Council may issue directions to the Corporation.**

3. Our Yardstick for the Strategic Review is the 1991 *Broadcasting Act* (cont'd)

- **The *Broadcasting Act* is very specific when it comes to the independence of the Corporation:**

Section 52 - "Independence of the Corporation":

- 52(1) Nothing in sections 53 to 70 shall be interpreted or applied so as to limit the freedom of expression or the journalistic, creative or programming independence enjoyed by the Corporation in the pursuit of its objects and in the exercise of its powers.
- 52(2) Without limiting the generality of subsection (1) and notwithstanding sections 53 to 70 or any regulation made under any of those sections, the Corporation is not required to
 - (a) Submit to the Treasury Board or to the Minister or the Minister of Finance any information the provision of which could reasonably be expected to compromise or constrain the journalistic, creative or programming independence of the Corporation;

4. Our Approach to the Strategic Review

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4. Our Approach to the Strategic Review (cont'd)

- In addition to the *Broadcasting Act*, our approach to the Strategic Review will be guided by the following key principles:
 - Protect our service excellence to Canadians.
 - Protect our ability to invest in new platforms.
 - Consistent with our overall strategy, to the extent possible protect:
 - Distinctive programming
 - Non-commercial nature of radio services
 - Regional services
 - New Media services
 - Cross-cultural funding
 - Respect of CRTC license conditions
 - Training funds to maintain a highly skilled work force

s.18(b)
s.21(1)(b)

5. We Have a Clear Plan to Meet the Needs of Canadians

New Corporate Priorities on People, Programs and Pushing Forward adopted in 2008-2009:

1. PEOPLE :

2. PROGRAMS :

s.18(b)
s.21(1)(b)

s.68.1

3. PUSHING FORWARD:

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6. Canadians are Responding Well to Our Program Offering – Television

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6. Canadians are Responding Well to Our Program Offering – Radio

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6. Canadians are Responding Well to Our Program Offering – New Media

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6. Canadians are Responding Well and Our Services Deliver Value for Money

- **Our services are delivered to Canadians in an efficient and effective manner and we compare very favourably to our international peers:**
 - Cost per Canadians per year of CBC/Radio-Canada Parliamentary appropriation: \$34
 - Average cost per citizen per year in 18 western industrial countries: \$76
- **CBC/Radio-Canada's spending growth is controlled and has consistently been below the rate of growth of the economy.**

Our Response

- We are dealing with a very volatile environment, similar to the private broadcasters.
- Revenue shortfalls (\$94 M), unavoidable costs (\$64 M) and unfunded strategic priorities (\$13 M) cause us to face \$171 M problem. (See Appendix A)
- Economic uncertainty will pose a challenge to our advertising revenues for at least 18 months.
- Our Response – The Recovery Plan, protects our most important priorities in a balanced approach:
 -
 -

There were no easy choices.

7. Economic Crisis and CBC|Radio-Canada Recovery Plan

s.18(b)
s.21(1)(b)

Criteria - Prioritization

- 1.
- 2.
- 3.
- 4.
- 5.

7. Economic Crisis and CBC|Radio-Canada Recovery Plan

s.18(a)
s.18(b)

Addressing a \$171 million shortfall

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7. Economic Crisis and CBC|Radio-Canada Recovery Plan

Public Reaction

- **There has been a strong reaction in those communities that are facing service reductions.**
- **Must recognize that through our recent recovery plan we have already identified and cut our lowest priority areas.**
- **Achieving a 5% or \$52.6 M reallocation will unavoidably have a deep impact on further service reductions.**

8. Re-allocation Proposals: Measures Considered Towards Achieving



9. Reinvestment Proposals

- **Our reinvestment proposals are directly linked to new initiatives which strengthen our mandate service delivery.**

9. Reinvestment Proposals

s.68.1



10. Framework for Completing the Strategic Review

- **We are drawing on the work already completed as part of our:**
 - Strategic planning and budgeting process, which involved the development of our new People, Programming and Pushing forward framework and three major phases:
 - Challenge Us – a major consultation of employees across the country
 - A comprehensive environmental scan and a SWOT analysis
 - Formulation of a new direction for the Corporate Plan as well as the budgeting and annual reporting processes
 - Ongoing program to generate cost savings and efficiencies, and
 - \$171 M Recovery Plan
- **A committee structure has been established with set meeting dates and deliverables:**
 - Board of Directors Strategic Committee
 - Steering Committee
 - Working Committee
 - Working Team

11. Timeline

<u>Activity</u>	<u>Date</u>
• Draft report to Heritage Minister	June 4th
• Feedback from Heritage Department	June 4th –14th
• Draft Report to the TBS	June 15th
• Feedback from the Central Agencies in early July (TBS, Finance, PCO).	Early to Mid-July
• Final report (approved by the Minister) to TBS	September 15th
• Presentations by the Minister and Crown head to TB Ministers.	Fall 2009
• Recommendations by Treasury Board to the Priorities & Planning Committee in early winter	Early Winter
• Decisions are announced in Budget 2010.	February 2010

Economic Environment and Recovery Plan

Appendix A

Economic Environment and Recovery Plan (cont'd)

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Appendix A

Economic Environment and Recovery Plan (cont'd)



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s.18(b)
s.68.1

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s.21(1)(a)

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Appendix B

French Services Recovery Plan Reductions – Programs

Appendix B

French Services Recovery Plan Reductions – Centers

Appendix B

English Services Recovery Plan Reductions – Regional Programming

Appendix B

English Services Recovery Plan Reductions – Network Programming

Treasury Board Submission Document

Treasury Board Submission Document

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s.68.1

Treasury Board Submission Document

Treasury Board Submission Document

Treasury Board Document submission

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 20, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Mr. Peter Charbonneau	
Mr. Peter Herrndorf	
Ms. Trina McQueen	
Mr. Rémi Racine	

ALSO ATTENDING:

Mr. George C B Smith, Senior Vice-President Corporate Priorities and Implementation
Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Ms Suzanne Morris, Vice-President and Chief Financial Officer;
Ms. Johanne Charbonneau, Vice-President and Special Advisor to the President and CEO
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Mr. Jerry Zubryckj, Senior Director, Capital Process and Portfolio management;
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 20, 2009**

The Chair called the meeting to order at 8:00 a.m. (EDT).

STRATEGIC REVIEW

s.68.1

s.21(1)(b)

s.21(1)(a)

s.21(1)(a)

s.21(1)(b)

s.68.1

The Committee agreed to meet again to discuss the evolution of the deck on Tuesday morning 7:00 am to 8:30 am.

CONCLUDE

There being no further business, the meeting concluded at 9:50 a.m.

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 26, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Mr. Peter Charbonneau	
Mr. Peter Herrndorf	
Ms. Trina McQueen	
Mr. Rémi Racine	

ALSO ATTENDING:

Mr. George C B Smith, Senior Vice-President Corporate Priorities and Implementation
Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Ms Suzanne Morris, Vice-President and Chief Financial Officer;
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Mr. Jerry Zubryckj, Senior Director, Capital Process and Portfolio management;
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 26, 2009**

s.21(1)(a)

s.21(1)(b)

The Chair called the meeting to order at 7:00 a.m. (EDT).

STRATEGIC REVIEW

s.68.1

The Committee agreed to meet again to discuss the evolution of the deck on Friday afternoon from 3:00 pm to 5:00 pm.

CONCLUDE

There being no further business, the meeting concluded at 8:20 a.m.

**CONFERENCE CALL
MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Wednesday February 25, 2009
6:00 pm (Eastern time)**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. Waiver of Notice	18:00	Tim Casgrain	YES	YES
2. Update on Financial situation		Hubert T. Lacroix		
3. Miscellaneous				
4. Conclude	19:00			

Dial-in:
1-866-797-9098
Conference ID:

s.16(2)

**CONFÉRENCE TÉLÉPHONIQUE
CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
Mercredi 25 février 2009
18 :00 (heure de l'est)**

POINT	DÉBUT	RESPONSABLE	MOTION REQUISE	DOCUMENT
1. Avis de convocation	18 h	Tim Casgrain	OUI	OUI
2. Le point sur la situation financière		Hubert T. Lacroix		
3. Varia				
4. Conclusion	19 h			

Le numéro à composer :
1-866-797-9098
Conference ID

**Board of Directors
Human Resources & Compensation Committee
(November 18, 2008)**

Subject Matter

Corporate Executive Appointment

Background

With the upcoming retirement of our CFO, Johanne Charbonneau, an external search was initiated in the summer of 2008. A candidate, Suzanne Morris, currently Secretary/Treasurer of the CBC Pension Fund has been selected as Johanne Charbonneau's replacement. There is a planned overlap to ensure transition of files and a suitable integration period from March to July 2009.

Information on the matter

Compensation attached along with curriculum vitae of Suzanne Morris.

For decision



For information

**Prepared by**

Name: Katya Laviolette
Date: January 26, 2009

Management recommendation

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves the appointment of ***Suzanne Morris*** to the position of, ***Vice-President, Finance & CFO***, effective ***March 2, 2009***

MOTION CARRIED

Last Discussed at the Board

N/A

Next steps

Confirm official acceptance and communicate appointment.

Anticipated project completion date: March 15, 2009 To Complete Announcement

Appointment – Suzanne Morris

Suzanne has wide-ranging executive experience in financial management, business advisory, financial markets, pension administration and risk management. In her previous role as Secretary/Treasurer to the CBC Pension Board of Trustees, she was responsible for the CFO function at the Pension Fund, effectively managing operations through a period of credit and financial market turmoil.

Before joining CBC/Radio-Canada, Suzanne was Vice-President, Small Business Financial Services at Export Development Canada (EDC), where she ran the line of business serving small and mid-size companies across Canada through multiple delivery channels and was responsible for the oversight of operations and related strategy, business and product development, underwriting and stakeholder outreach functions. She has also held senior positions in risk management and internal audit at EDC and was previously a Senior Manager at Deloitte, providing audit and business advisory services to large corporate and public sector clients.

Suzanne holds a Bachelor of Commerce (Honours) from the University of Ottawa and is a Chartered Accountant. She is an Institute of Chartered Accountants of Ontario prize winner, served as a marker for the Institute's professional examinations and has lectured on accounting topics at the University of Ottawa. She is a past Board member of the Forum for International Trade Training and is an active member of the Financial Executives Institute, the Association of Financial Professionals and the Treasury Management Association of Canada. Suzanne is fluently bilingual.

Nomination – Suzanne Morris

Suzanne possède une expérience très étendue comme gestionnaire de haut niveau, allant de la gestion financière aux services conseils à l'entreprise, en passant par les marchés financiers, l'administration de fonds de retraite et la gestion de risques. À titre de secrétaire-trésorière du Conseil de fiducie de la Caisse de retraite de Radio-Canada, elle remplissait la fonction de chef des services financiers pour le Régime de retraite, responsabilité dont elle s'est acquittée avec succès malgré la crise du crédit et des marchés financiers.

Avant de se joindre à CBC/Radio-Canada, Suzanne occupait le poste de vice-présidente, Services financiers aux petites entreprises à Exportation et développement Canada (EDC), où elle dirigeait un groupe offrant des services aux PME de toutes les régions du pays grâce à une stratégie de prestation multicanal et elle assurait la surveillance des opérations et du développement des stratégies, des services et des produits connexes, de la souscription et des activités de sensibilisation des parties intéressées. Elle a également occupé des postes de cadre supérieur en gestion des risques et en vérification interne à EDC. Auparavant, elle était première directrice au cabinet Deloitte, où elle offrait des services de vérification et de conseils à de grandes sociétés et à des clients du secteur public.

Suzanne est titulaire d'un baccalauréat spécialisé en commerce de l'Université d'Ottawa et détient la désignation de comptable agréé. Elle a été lauréate d'un prix de l'Institut des comptables agréés de l'Ontario, a fait de la correction d'examens et a été chargée de cours en comptabilité à l'Université d'Ottawa. Elle a siégé au conseil d'administration du Forum pour la formation en commerce international et est membre du Financial Executives Institute, de l'Association of Financial Professionals et de l'Association de gestion de trésorerie du Canada. Suzanne est en outre parfaitement bilingue.

**367th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Montreal, Quebec – January 19 – 20, 2009**

Monday, January 19, 2009

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. In Camera with President and CEO s.21(1)(b)	9:30 (60 min)			
2. Financial update and proposed Corporate Priorities 2009-2011 <ul style="list-style-type: none"> • Managing to March 31st, 2009 • Economic update impact • Actions taken • Review of Priorities • Recommended strategies • Action Plans 	10 :30 (5 hrs)	Michel Tremblay Johanne Charbonneau Richard Stursberg Sylvain Lafrance Ray Carnovale		YES
3. Approval of Corporate Plan	15:30 (15 min)	Michel Tremblay	YES	YES
4. French Specialty Services	15:45 (45 min)	Sylvain Lafrance	YES	YES
5. Adjournment	17:00			

Tuesday, January 20, 2009

6. Approval of minutes of the November 18-19, 2008 meeting	9:30 (5 min)	Timothy Casgrain	YES	YES
7. Matters arising from previous meeting	9:35 (10 min)	All		
8. President's Report	9:45 (30 min)	Hubert T. Lacroix		
9. Chair's Report	10:15 (20 min)	Timothy Casgrain		
10. Approval of contracts: <ul style="list-style-type: none"> • Bell Canada – LAN switches • Bell Canada - Long Distance, Leased Services and Mobility Services 	10:35 (10 min)	Ray Carnovale	YES YES	YES YES
11. Nominating and Governance Committee Report <ul style="list-style-type: none"> • <u>Appointment to Committees</u> 	10:45 (10 min)	Peter Herrndorf		
12. Human Resources and Compensation Committee Report <ul style="list-style-type: none"> • Amendment to Pension Plan Trust Deed • Ratification of CMG and STARF mandate • <u>Approval of Corporate Executives Departure Policy and change to Terms of Reference</u> 	10:55 (15 min)	Edna Turpin	YES YES	YES YES
13. Health, Safety and Environmental Interim Report	11:10 (30 min)	George C.B. Smith		YES
Next meeting – March 16 –17, 2009 – Toronto				
Conclude	12:00			

**367th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Montreal, Quebec – January 19 – 20, 2009**

UPDATES/INFORMATION

- a) Summary of Government Funding (10 year operating & capital) – Johanne Charbonneau
- b) Labour Relations Update - George Smith
- c) Workforce Distribution – George Smith
- d) President's Signing Resolution – Pierre Nollet
- e) Litigation Report – Pierre Nollet

POLICY: CORPORATE EXECUTIVE DEPARTURE

s.18(b)

s.21(1)(a)

EFFECTIVE DATE: January 1, 2009

STATEMENT

In circumstances other than those contemplated in Departure Policy 2.2.12, it is the policy of CBC/Radio-Canada to assist and to treat fairly and reasonably Corporate Executives (as defined below) departing from the Corporation, by providing notice/severance compensation not to exceed revision per January 20th, 2009 Board of Directors Meeting in accordance with the procedures and guidelines below.

Corporate Executives:

- Report to the President and CEO of CBC/Radio-Canada; and
- Have policy-making responsibility for a major component/function; and
- Have joint responsibility for corporate direction/strategies; and
- Normally have a title of Vice-President.

APPLICATION

The terms and conditions of a Corporate Executive departure as a result of retirement, resignation, or cause are covered in Departure Policy 2.2.12. The present policy covers departures other than those contemplated above. A termination of employment pursuant to this policy is considered to be a voluntary departure for purposes of any program provided by the Corporation. Where termination/departure terms and conditions stipulated in an employment contract differ from this policy, such terms and conditions will supersede.

DESCRIPTION

There are circumstances that could result in the departure of a Corporate Executive from the Corporation. In order to ensure consistency and good governance, guidelines are established herein to facilitate this event.

RESPONSIBILITY

President and CEO, or delegate.

REFERENCES

- Human Resources Policy 2.2.10 - Discipline
- Human Resources Policy 2.2.12 - Departure
- Executive Incentive Plan ("Horizon")
- CBC/Radio-Canada Consolidated By-Laws

HISTORY

- none

PROCEDURES ON CORPORATE EXECUTIVE DEPARTURE POLICY

The departure of a Corporate Executive, for reasons other than those covered in the Departure Policy 2.2.12, shall observe the following guidelines:

Notice/Severance Payment:

- Taking into account considerations below, total of notice plus severance period not to exceed
- Considerations:
 - Reason for departure
 - Position hierarchy within the organization
 - Years of service
 - Age
 - Circumstances at time of hire (e.g. solicitation from previous employer)
 - Other factors per current employment standards

Executive Incentive Plan for Corporate Executives ("Horizon"):

- Guidelines as per the Board approved plan in force at the time.
-

Employee Status:

- Employment status will cease on the last day of active employment.

Company Property:

- To be returned no later than _____ er the last day of active employment.

Perquisites:

- Balance to be forfeited at the time of end of active employment.

Transition Counseling:

- To be offered for up to _____

Factors related to the departure, _____ may result in additional consideration on an exceptional basis. The Human Resources and Compensation Committee must approve all exceptions to the above guidelines.

Board of Directors

January 19, 2009

Subject matter

Summary of Government Funding (10 years – operating and capital).

Background

The attached provides a 10-year historical overview of the Corporation's parliamentary appropriations as at January 5, 2009. The approved reference levels for 2009-2010 and beyond are also provided.

Information on the matter

See attached.

For information



Prepared by

Name: Johanne Charbonneau

Date: January 5, 2009

Management recommendation

Not required.

Last discussed at the Board

Date: November 18, 2008

Decision made: N/A

Next steps

Not required.

Anticipated project completion date: _____

(If contract, indicate date of expiry): _____

CBC'S PARLIAMENTARY APPROPRIATIONS
(\$ Thousands)

										Current	Forecast		
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Operating Appropriation (Note 1)	750,067	789,666	852,821	861,744	862,460	914,197	955,410	955,722	955,731	1,029,319	1,042,880	1,114,810	1,019,419
One-time funding adjustments:													
Transfer from Capital appropriation	8,000	13,090			3,636	1,112	9,277	9,277	9,277	9,276	9,276	0	0
Transfer to Capital appropriation		(13,298)	(15,170)	(7,459)	(40,921)	(10,538)	(8,456)	(42,676)	(27,344)	(13,622)	(8,575)	(9,233)	(9,941)
Funding for PILT increases	306	300											
Program Integrity Funding - Asbestos		4,000											
Funding to strengthen & revitalize programs			60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			
Transfers from Cdn. Heritage (CCOL) (Note 2)			2,500	2,120	2,000	2,000	0	2,000	1,900	2,000			
Reprofiling			(60,000)	20,000	40,000	(20,000)	0			20,000			
Cost increases for 2002 Canada Day				1,027									
Funding for RCI (Note 3)					15,520								
Expenditure Review Reduction (Budget 2003)					(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Expenditure Review Reduction (Budget 2007)										(6,638)	(9,433)	(11,354)	(14,853)
Unavoidable new costs (Note 4)	6,342	300	253										
Total Operating Appropriation:	784,715	784,056	840,404	897,432	892,686	936,771	1,006,231	974,923	984,564	1,070,136	984,878	996,333	984,724
Capital Appropriation	101,364	101,809	100,311	97,631	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331
One-time funding adjustments:													
Transfer to Operating appropriation	(8,000)	(13,090)			(3,636)	(1,112)	(9,277)	(9,277)	(9,277)	(9,276)	(9,276)		
Transfer from Operating appropriation		13,298	15,170	7,459	40,921	10,538	8,456	42,676	27,344	13,622	8,575	9,233	9,941
Reprofiling of vote from 98/99 to 99/00	41,966												
Reprofiling of vote from 99/00 to 00/01	(25,000)	25,000											
Reprofiling of vote from 00/01 to 01/02		(23,000)	23,000										
Reprofiling of vote from 04/05 to 05/06						(6,000)	6,000						
Reprofiling of vote from 05/06 to 06/07							(10,000)	10,000					
Nunavut funding	142												
Total Capital Appropriation:	110,972	104,017	108,481	105,090	102,648	86,763	81,810	106,730	110,888	86,677	91,630	101,564	102,272
Working Capital Appropriation:	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL APPROPRIATION:	879,687	892,073	952,885	1,006,522	1,000,974	1,027,534	1,092,041	1,114,653	1,105,452	1,160,813	1,076,508	1,097,897	1,086,996
Less Reprofiling Decision (Capital)	(16,966)	(2,000)	(23,000)	(20,000)	(40,000)	6,000	4,000	(10,000)		(20,000)			
Less Reprofiling Decision (Operating)			60,000	(20,000)	(40,000)	20,000							
TOTAL APPROPRIATION AVAILABLE FOR REGULAR OPERATIONS:	862,721	890,073	1,019,885	1,006,522	1,000,974	1,062,028	1,092,041	1,104,653	1,105,452	1,160,813	1,076,508	1,097,897	1,086,996

Note 1 The operating appropriation includes retroactive and in-year salary funding adjustments up to and including 2010-11.

Note 2 Expected CCOL funding was not transferred from Canadian Heritage in 2005-06.

Note 3 Funding for RCI was previously provided through a contribution agreement with Canadian Heritage. Starting in 2003-04, funding forms part of CBC's appropriation and is shown in the base appropriation in 2004-05 and future years.

Note 4 Permanent funding adjustments for unavoidable new costs, merit and salary increases are reflected in the base operating appropriation.

Conseil d'administration
(les 19 et 20 janvier 2009)

Sujet

Le point sur les relations industrielles

Contexte

Cet item est à l'ordre du jour de la réunion du Conseil d'administration sur une base régulière. Il fournit le statut des conventions collectives de la Société.

Renseignements connexes

Sans objet.

Décision à prendre

À titre d'information



Préparé par

Nom : George C.B. Smith
Date : Le 6 janvier 2009

Recommandation de la direction

Sans objet.

Dernière discussion au Conseil

Date : novembre 2008
Décision prise à cette occasion :

Suivi

Date prévue de l'achèvement du projet : ___S/O___
(Indiquer la date de fin du contrat) : _____

s.21(1)(b)

s.21(1)(d)

**Le point sur les relations industrielles pour la réunion du Conseil d'administration
Les 19-20 janvier 2009**

CONVENTIONS EN COURS DE NÉGOCIATION

SYNDICAT	Date d'entrée en vigueur	Nombre de membres	Principaux enjeux
DOSSIER NATIONAL			
APS (Association des professionnels et des superviseurs)	1er juillet 2005– 30 juin 2008	646	<ul style="list-style-type: none"> Le protocole d'entente signée par les parties le 29 août dernier pour le renouvellement de la convention collective a été ratifié par les membres de l'APS à 96,2% le 29 septembre 2008. La signature officielle de la convention collective a eu lieu durant le Forum des Leaders qui s'est tenu à Toronto le 12 novembre 2008.
SCRC (Syndicat des communications de Radio-Canada)	27 mars 2006– 29 mars 2009	approx 1390	<ul style="list-style-type: none"> Bien que les négociations formelles et traditionnelles ne débuteront qu'en janvier 2009, les parties ont entrepris des discussions informelles à la demande de la Société sur certains litiges que les parties tenteront de résoudre à l'extérieur du processus d'arbitrage. Les premières journées de discussion ont eu lieu les 23 et 24 octobre dernier et furent marquées de discussions ouvertes et encourageantes quant à l'issue de ces litiges. Suite aux négociations informelles qui se sont tenues en octobre et novembre 2008, les parties ont signé des ententes au sujet de quatre (4) dossiers visés par les discussions
STARF (Syndicat des techniciens et artisans du réseau français)	3 avril 2006– 31 mars 2009	approx 1335	<ul style="list-style-type: none"> Les parties se sont mises d'accord pour procéder à un blitz de discussion afin de s'entendre sur l'application du processus d'évaluation des emplois entrepris par le passé. La fin de ce processus pourra faire place au début des négociations sur la base de discussion raisonnée en janvier 2009. Les parties se sont rencontrées afin d'arriver à une entente sur la valeur des emplois STARF. rapprochement remarquable, il reste encore une <p align="right">La première rencontre de négociation est prévue le 26 janvier 2009. Par la suite, les parties se rencontreront en raison de quatre (4) jours/semaine et ce, jusqu'au 28 février 2009.</p>
UDA (Union des artistes)	14 nov 2005 – 13 nov 2009	N/D	<ul style="list-style-type: none"> Bien que la convention collective entre la SRC et l'UDA ne vient à échéance qu'en novembre 2009,

<p>s.21(1)(b) s.21(1)(d)</p>			<p>Les négociations se poursuivent toujours en janvier 2009.</p>
DOSSIER ANGLAIS			
<p>GCM (Gilde canadienne des médias)</p>	<p>1^{er} avril 2004 au 31 mars 2009</p>	<p>5141</p>	<ul style="list-style-type: none"> • La convention entre CBC/Radio-Canada et la GCM expire en mars 2009. • Les parties ont conclu une entente pour renouveler la convention collective pour une période de cinq ans, soit jusqu'au 31 mars 2014. • Le renouvellement de la convention collective prévoit une augmentation des salaires de 1,5 % en 2009 et en 2010, ainsi que le réexamen des salaires pour les années suivantes. La nouvelle convention prévoit également une augmentation de la rémunération des pigistes. • Signalons que les parties ont été en mesure de négocier un nouveau libellé ou de modifier le libellé existant au chapitre de trois enjeux clés (emplois temporaires, emplois contractuels et réaménagement des effectifs) qui étaient au cœur des dissensions avec la convention collective précédente. • Le renouvellement de la convention collective est assujéti à la ratification des membres de la GCM. Le vote de ratification doit se tenir à la fin du mois de janvier 2009. • Les deux parties recommanderont à leur membres ou aux personnes qui les ont mandatées d'accepter la nouvelle convention collective.
<p>ACTRA (Alliance of Canadian Cinema, Television and Radio Artists) (artistes)</p>	<p>1^{er} juillet 2005 au 30 juin 2010</p>	<p>N/D</p>	<ul style="list-style-type: none"> • La dernière convention collective a été ratifiée par les membres. Les conditions du règlement sont conformes au mandat de négociation et portent sur l'utilisation du numérique et de l'Internet, sur Sirius et sur les droits de diffusion sur la chaîne spécialisée <i>bold</i>.

<p>WGC (Writers Guild of Canada)</p> <p><u>Convention pour la</u> <u>Télévision et la</u> <u>Radio</u></p>	<p>1^{er} sept. 1998 au 31 août 2000</p>	<p>N/D</p>	<ul style="list-style-type: none"> • La convention expirait le 31 août 2000. Les parties ont convenu de la prolonger jusqu'à nouvel ordre. • Aucune des deux parties n'a encore signalé son intention de négocier. • Toutefois, une entente a été conclue avec le WGC
DOSSIER ANGLAIS			
<p>IATSE (International Alliance of Theatrical, Stage Employees and Moving Picture Machine Operators of the United States and Canada) (machinistes)</p>	<p>Sans convention collective depuis 1994</p>	<p>3</p>	<ul style="list-style-type: none"> • L'IATSE a demandé à rencontrer la Société afin de renégocier la convention collective qui n'a pas été mise à jour depuis au moins 15 ans.

s.21(1)(b)

s.21(1)(d)

CONVENTIONS COLLECTIVES NÉGOCIÉES

SYNDICAT		Entrée en vigueur et expiration de la convention collective	Nombre de membres
DOSSIER NATIONAL			
APS	Association des professionnels et des superviseurs	1 ^{er} juillet 2008 – 30 juin 2013	646
AFM	The American Federation of Musicians of the United States and Canada (AFM)	1 ^{er} avril 2006 – 31 mars 2010	N/A
DOSSIER ANGLAIS			
CMG	Guilde canadienne des médias	1 ^{er} avril 2004 au 31 mars 2009	5,141
DOSSIER FRANÇAIS			
SCRC (unité 1)	Syndicat des communications de Radio-Canada	27 mars 2006 – 29 mars 2009	1 390
STARF (unité 2)	Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada	13 avril 2006 – 31 mars 2009	1 336
UDA	Union des artistes	14 novembre 2005 – 13 novembre 2009	N/D
SARTEC	Société des auteurs de la radio, de la télévision et du cinéma	10 juillet 2006 – 9 juillet 2010	N/D
SPACQ	Société professionnelle des auteurs et des compositeurs du Québec	8 janvier 2007 – 7 janvier 2011	N/D
AR	Association des réalisateurs	1 ^{er} oct. 2007 – 11 déc. 2011	380
SCFP	Syndicat canadien de la fonction publique	1 ^{er} octobre 2007 – 26 septembre 2010	662

Board of Directors

(January 19-20, 2008)

Subject matter

Workforce Information

Background

The attached documents present the total workforce in terms of full time equivalent (FTE) broken down by:

- media component with a comparison to beginning fiscal year;
- geographic location (map of Canada)

Information on the matter

Attached

For decision

For information

Prepared by

Name: G.C.B. Smith
Date: December 31, 2008

Management recommendation

N/A

Last discussed at the Board

Date:
Decision made:

Next steps

Anticipated project completion date: _____
(If contract, indicate date of expiry): _____

Conseil d'administration

(18 et 19 novembre 2008)

Sujet

Information sur la main-d'oeuvre

Contexte

Les documents en annexe présentent la main-d'œuvre totale exprimée en équivalent à temps plein (ETP) et ventilée par :

- composante média (avec une comparaison par rapport au début de l'exercice);
- lieu géographique (carte du Canada).

Renseignements connexes

Voir document joint

Décision à prendre **À titre d'information**

Préparé par

Nom : G.C.B. Smith

Date : le 31 déc. 08

Recommandation de la direction

N/A

Dernière discussion au Conseil

Date :

Décision prise à cette occasion :

Suivi

Date prévue de l'achèvement du projet : _____
(Indiquer la date de fin du contrat) : _____

TOTAL WORKFORCE / EFFECTIF TOTAL

Full Time Equivalent / Équivalent temps plein

Month / Mois : November / novembre 2008
(Dec 7, 2008 / Le 7 décembre 2008)

	Permanent (a,b)	Temporary Temporaire (a,b)	Contract Contractuel (a,b)	Short term Court terme (d)	TOTAL *	TOTAL Begin. FYR 2008/09 Début de l'exercice 2008/09 **	Variance Écart
English Services/ Services anglais	3,244	144	471	378	4,238	4,351	-113
French Services/ Services français	3,006	329	420	663	4,418	4,379	39
Corporate/ National	1,020	61	179	18	1,279	1,290	-12
TOTAL	7,271	535	1,071	1,059	9,935 *	10,020 **	-85

* 9,935 FTE/EPT = 10,788 head count / effectifs réels.

** March 30, 2008: 10,020 FTE/EPT = 10,913 head count / effectifs réels.

Notes:

(a) Employees on leave of absence are excluded. / Les employés en absence autorisée sont exclus.

(b) FTE is based on the full-time / part-time percentage of the employee's working schedule. /

L'EPT est basé sur le pourcentage temps plein / temps partiel de l'horaire de travail des employés.

(d) Includes casual + short term contract. FTE is based on the total days worked over a four week period. /

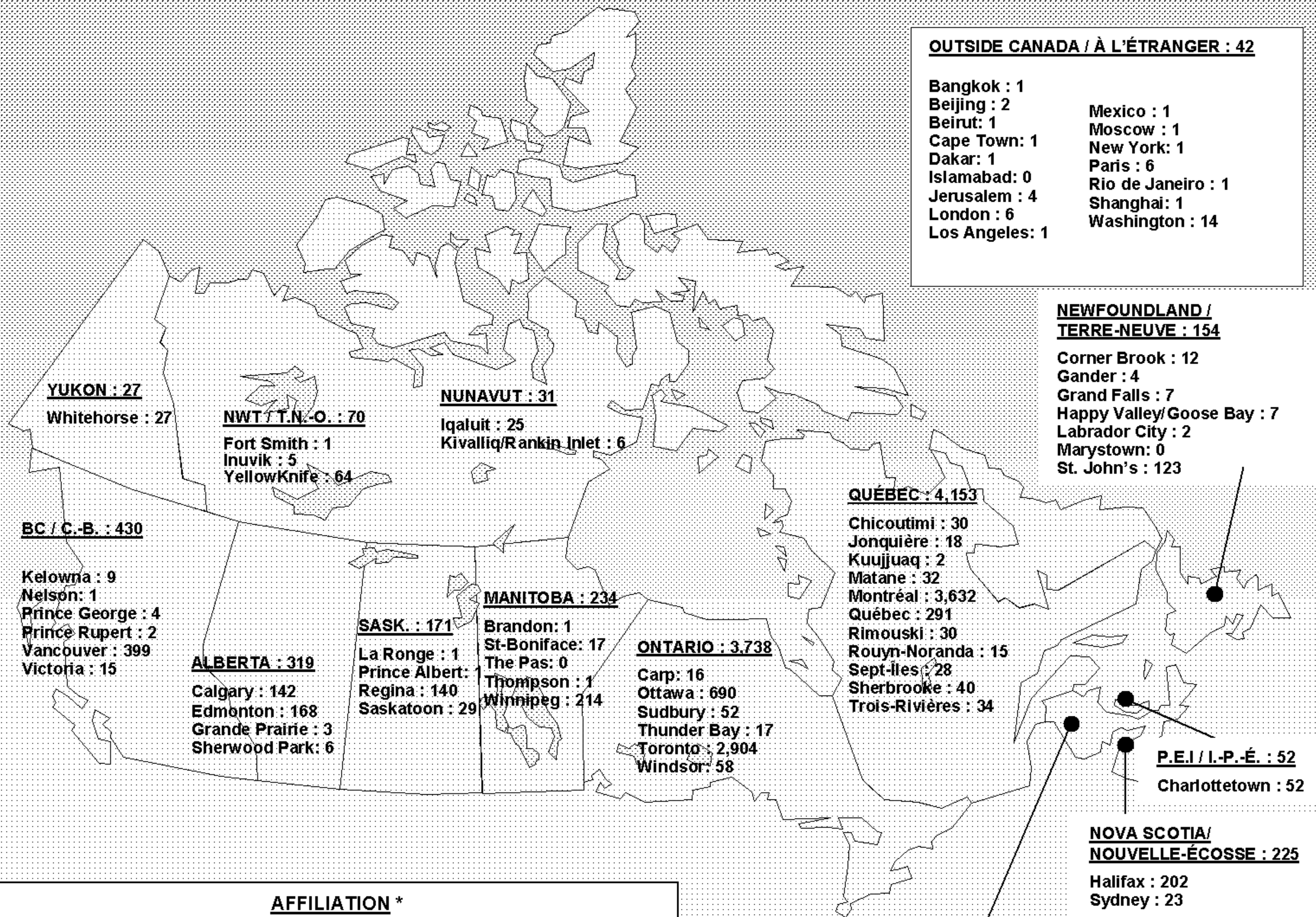
Comprend les occasionnels et les contractuels courte durée. L'EPT est basé sur le total des jours travaillés durant une période de quatre semaines.

The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

CBC Map / Carte de la SRC

Full Time Equivalent / Équivalent temps plein

November 2008 / novembre 2008



AFFILIATION *	
Non-unionized/non-syndiqué:	Unionized/syndiqué:
Unaffiliated: 24	APS: 693
Executives: 63	CMG: 4340
MS: 1065	SCRC: 1378
Confidential: 193	STARF: 1199
SUBTOTAL: 1,344 (14%)	SCFP: 613
	AR: 356
	SUBTOTAL 8,591 (86%)
GRAND TOTAL: 9,935	

Total FTE/ETP 9,935 = Head count / effectifs réels 10,788

* The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

Board of Directors
January 19-20, 2009

Subject matter

President and CEO's Signing Authority

Background

In June 2008 the Board approved the attached signing authority.

Information on the matter

At the request of Board members, we are attaching, as a standing item, the actual signing resolution for reference purposes.

For decision

For information

Prepared by

Name: Pierre Nollet
Date: January 7, 2009

Management recommendation

Last discussed at the Board

Next steps

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

On a motion duly moved and seconded

WHEREAS the President and CEO requires sufficient authority to carry out his/her functions; and

WHEREAS the Board reviews and approves the Capital and Operating budgets each and every year; and

WHEREAS the authority granted to the President and CEO shall be carried out within the limits of the approved budgets and in accordance with the provision of the Corporation's By-laws and the Broadcasting Act;

IT IS THEREFORE RESOLVED THAT the President and CEO directly or through his/her delegate be and is hereby authorized to decide, enter into or commit on behalf of the Corporation in respect of:

1. *(acquisition or disposition of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$4 million, when covered by Section 48(2) of the Broadcasting Act;
2. *(leasing of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$15 million, when covered by Section 48(2) (b) of the Broadcasting Act and Order in Council number P.C. 2002-1582 dated September 24, 2002;
3. *(programming)* any matter relating to the acquisition, production, co-production, distribution or financing of programs, or any media placement or advertising agreements that has a financial value* or consideration to the Corporation of up to \$10 million and that commits the Corporation for a period of 4 years or less;
4. *(revenue generating)* any matter where the main objective is to generate revenues and which requires the Corporation to invest up to \$15 million and commits the Corporation for a period of 4 years or less;
5. *(general)* any other matters which have a financial value or consideration to the Corporation of up to \$5 million save and except when Governor in Council approval or Minister of Finance approval is required, pursuant to Section 46 and 46.1 of the Broadcasting Act.

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

For greater certainty, the above authority does not include the authority to:

- a) agree to or enter into new business ventures on behalf of the Corporation;
- b) discontinue or cease the operations of a division or business unit; or
- c) dispose of a significant portion of the assets of a division or business unit.

IT IS FURTHER RESOLVED THAT the President directly or through his/her delegate be and is empowered and directed, in the name and on behalf of the Corporation to make, execute and deliver and to do all such acts and things as are necessary or appropriate to effect the foregoing resolution and to execute all agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Corporation in connection with the authority contemplated in the foregoing resolution and any acts or things heretofore done or made or documents heretofore executed and delivered which effect the foregoing resolution are in all respects approved, ratified and confirmed.

* Financial value includes the value of any option as if exercised.

Board of Directors
(January 20, 2009)

Subject matter

Litigation Report

Background

Semi annual Law Department report on most significant files.

Information on the matter

See attached report

For decision

For information

Prepared by

Name: Pierre Nollet
Date: December 31st, 2008

Management recommendation

N/A

Last discussed at the Board

Date: June 27, 2008
Decision made: N/A

Next steps

Update as necessary

Conseil d'administration

Le 20 janvier 2009

Sujet

Rapports de litiges

Contexte

Rapport semi-annuel, le département juridique produit un rapport sur les dossiers les plus importants.

Renseignements connexes

Voir le document ci-joint.

Décision à prendre

À titre d'information

Préparé par

Nom : Pierre Nollet

Date : 31 décembre 2008

Recommandation de la direction

S.O.

Dernière discussion au Conseil

Date : 27 juin 2008

Décision prise à cette occasion : S.O.

Suivi

Mise à jour, le cas échéant.

Pierre Nollet
Vice-President, Corporate Secretary and Chief Legal Officer
Vice-président, secrétaire général et chef de la direction juridique
Direct: (514) 597-6376
Facsimile: (514) 597-4087
Pierre.nollet@cbc.ca

Memorandum

Confidentiel et privilégié
Confidential and privileged

To/À: Board of Directors

From/De: Pierre Nollet

Date: December 31, 2008

Subject/Objet: Litigation Report – significant files

s.23

This report indicates to the Board of Directors certain important activities that took place in the litigation section recently :

**Pages 97 to / à 101
are withheld pursuant to section
sont retenues en vertu de l'article**

23

**of the Access to Information Act
de la Loi de l'accès à l'information**

Board of directors
January 19 – 20, 2009

Subject matter

Presentation on three Specialty Services for French Services.

Background

s.68.1

Information on the matter

For decision



For information



Prepared by :

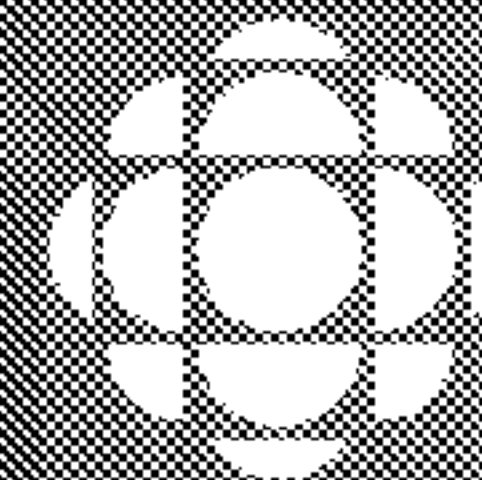
Name: Sylvain Lafrance
Date: January 12th, 2009

Recommendation

Next steps

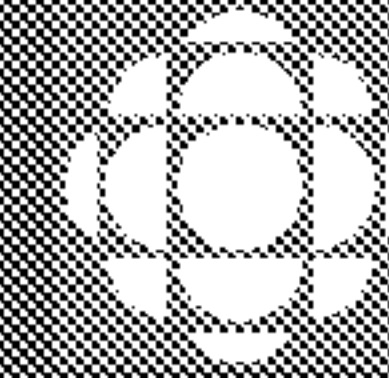
Specialty Services Initiatives

French Services Presentation to
Board of Directors
January 19–20, 2009



RADIO | TÉLÉVISION | INTERNET

Quebec Cable/DTH TV Market



RADIO | TELEVISION | INTERNET

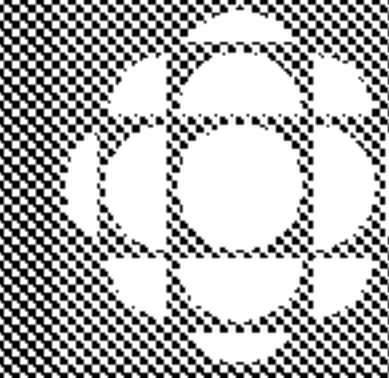
s.20(1)(b)

Subscribers in Quebec by BDU (June 2008)

BDU	Subscribers	Market Share
Vidéotron		
Cogeco		
Bell TV		
Star Choice		
Other		

Sources: Media Stats (Cable) and Boom Digg (DTH)

Overview of French Specialty Services



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Specialty services

- RDI
- ARTV



Specialty services

- Groupe TVA Inc.
 - LCN
 - Prise 2
 - Mystère
 - Argent
 - Les idées de ma maison
 - Canal Indigo
 - Canal Évasion

Not in operation

- Groupe TVA Inc.
 - Humour
 - Premières Loges
 - Star-Système



Specialty services

- Canal D
- Canal Vie
- Ztélé
- VRAK TV
- MusiquePlus
- MusiMax
- Séries+
- Historia
- Teletoon (
- Cinépop
- Super Écran

Not in operation

- Canal Justice
- Chez-moi
- Télé-Rêve
- Télé-Vitesse
- VRAK Junior



Specialty services

- RDS
- RIS Info Sports

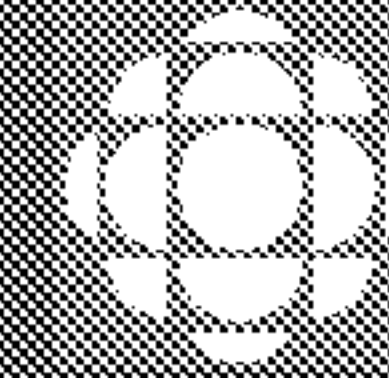
s.20(1)(b)



Specialty services

- Historià
- Séries+

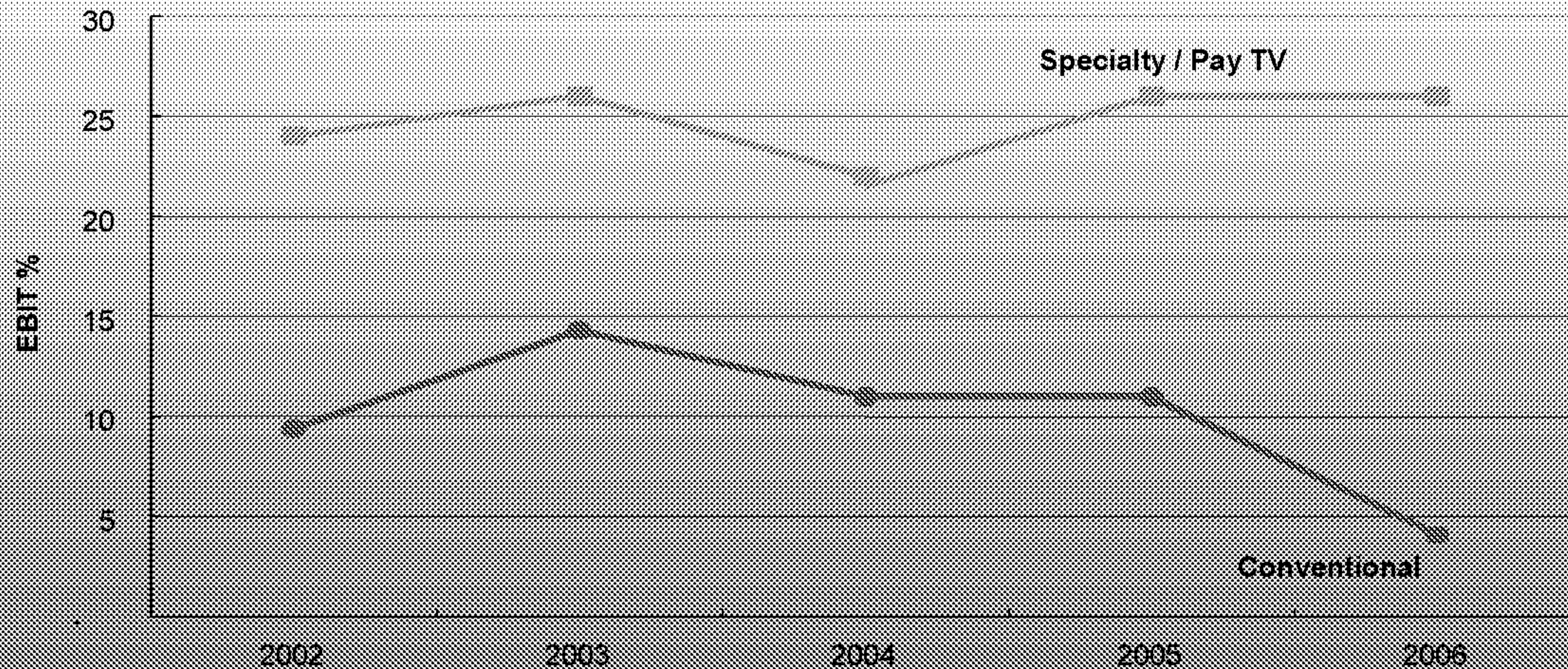
Specialty/Pay Services Are Profitable



RADIO | TELEVISION | INTERNET

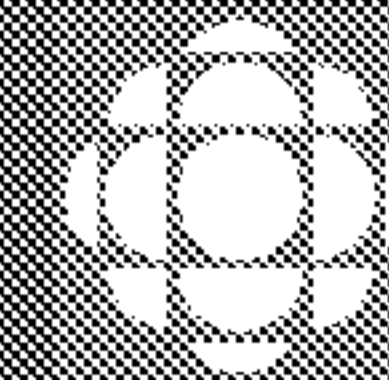
Comparison of earnings (EBIT) from conventional and specialty/pay services in Canada

2002-06



Source: Statistics Canada - Television (66-207)

Mandate of Services Proposed by Radio-Canada



RADIO | TELEVISION | INTERNET

SERVICES

DESCRIPTION / NATURE OF SERVICE

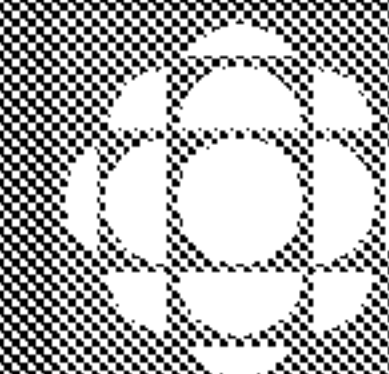
**Pages 108 to / à 114
are withheld pursuant to section
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68.1

**of the Access to Information Act
de la Loi de l'accès à l'information**

Sports plus

Comparative Analysis



RADIO | TELEVISION | INTERNET

Comparative analysis of French-language sports services

	Radio-Canada Sports Plus (Year 1)	RDS	RIS
Subscribers (000)		2 596	967
Average wholesale pass-through rate		\$1,55	\$0,47
Subscription revenue (\$000)		\$48 208	\$5 465
Advertising revenue (\$000)		\$46 400	\$1 115
Total revenue (\$000)		\$94 608	\$6 580
Expenditures (\$000)		\$70 319	\$4 495
Gross profit (gross loss) (\$000)		\$24 289	\$2 085

The comparative figures are based on data for the 2007 broadcast year.

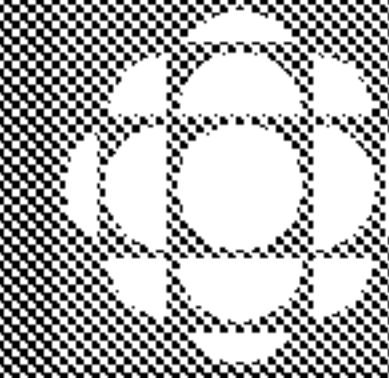
**Pages 116 to / à 120
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SENS (Science – Environment – Nature – Health)

Comparative Analysis



RADIO | TELEVISION | INTERNET

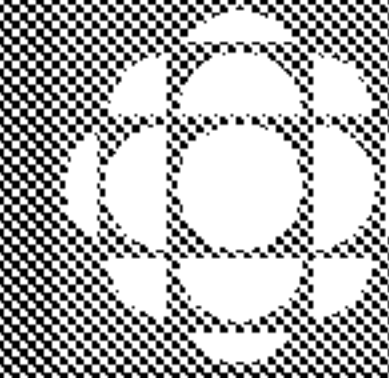
s.18(a)
s.18(b)

Comparative analysis with services similar in nature to SENS

	Radio-Canada SENS Year 1)	Canal Vie	Canal D
Subscribers (000)		2 113	2 437
Average wholesale pass-through rate		\$0,87	\$0,70
Subscription revenue (\$000)		\$22 031	\$20 515
Advertising revenue (\$000)		\$16 077	\$12 458
Total revenue (\$000)		\$38 108	\$32 973
Expenditure (\$000)		\$20 190	\$14 624
Gross profit (gross loss) (\$000)		\$17 918	\$18 349

The comparative figures are based on data for broadcast year 2007.

Archives (Drama)



RADIO TELEVISION INTERNET

Archives (Drama)

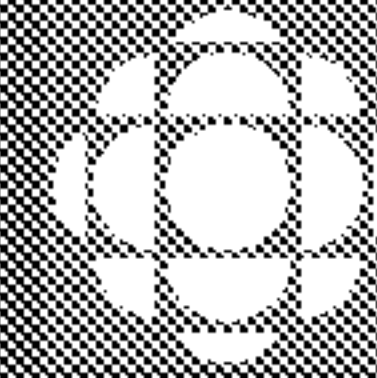
Strategic Opportunity



RADIO TELEVISION INTERNET

Archives (Drama)

Strategic Opportunity



RADIO TELEVISION INTERNET

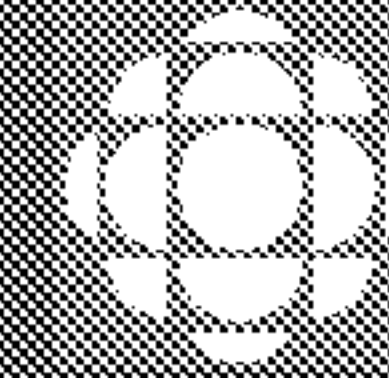
**Pages 125 to / à 126
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68.1

**of the Access to Information Act
de la Loi de l'accès à l'information**

Archives (Drama)

Comparative Analysis



RADIO | TÉLÉVISION | INTERNET

s.18(a)

s.18(b)

Comparative analysis with services similar to Archives (Drama)

	Radio-Canada Archives (Drama) (Year 1)	Historia	Série +	Prise 2	ARTV	Z Télé	Mystère
Subscribers (000)		1 771	1 769	308	1 975	1 765	316
Average wholesale pass-through rate		0,51 \$	0,48 \$	0,49 \$	0,54 \$	0,48 \$	0,49 \$
Subscription revenue (\$000)		10 836 \$	10 114 \$	1 809 \$	12 864 \$	10 153 \$	1 841 \$
Advertising revenue (\$000)		3 062 \$	12 931 \$	523 \$	1 302 \$	6 666 \$	233 \$
Total revenue (\$000)		13 898 \$	23 045 \$	2 332 \$	14 166 \$	16 819 \$	2 074 \$
Expenditures (\$000)		9 380 \$	11 026 \$	3 040 \$	13 438 \$	11 684 \$	3 463 \$
Gross profit (gross loss) (\$000)		4 518 \$	12 019 \$	-708 \$	728 \$	5 135 \$	-1 389 \$

The comparative figures are based on data for 2007 broadcast year.

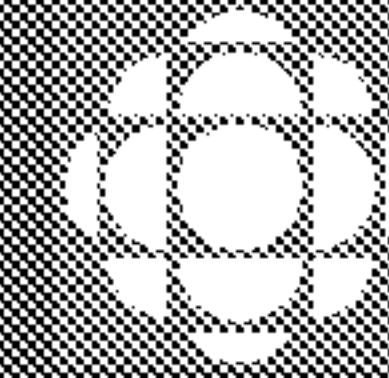
Next Steps

Assuming Licence Application Approvals



RADIO TELEVISION INTERNET

Impact on French Services Strategic Plan



RADIO | TÉLÉVISION | INTERNET



- Specialty services initiatives are prioritized as followed:

Page 130

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est retenue en vertu de l'article**

68.1

**of the Access to Information Act
de la Loi de l'accès à l'information**

Board of Directors

January 19, 2009

Subject Matter

Authorisation to initiate discussions to finalize a five (5)-year Agreement (three (3) years plus two (2) options of one-year period) with _____ the preferred supplier recommended for the purchase of LAN switches and related network equipment. Estimated annual expenses :
for a total value over 5 years of _____

Background

The actual Standing Offer _____ will expire on December 16, 2008 and a Request for Standing Offers (RFSO) was publicly issued on Merx on September 8, 2008 and closed on October 22, 2008.

Two (2) suppliers responded to the RFSO :

-
-

Following a thorough evaluation of the received Offers according to evaluation criteria set out in the RFSO, the Evaluation committee recommends that a five-year Standing Offer (hereafter the “Agreement”) be put in place with

	Criteria	%
s.18(a)	Quality of Offer and compliance to specifications	10%
s.18(b)	Financial value / cost of Offer	60%
s.20(1)(b)	Experience of Supplier in similar mandates	10%
	Expertise of Supplier in related business field	10%
	Financial strength	10%
	TOTAL	100%

Objective and Rationale

The Agreement would allow the increase of potential economies by :

- Benefiting from better preferred prices(on list prices),
- Improving delivery delays across Canada and hence increase our efficiency,

Type of Contract

The Agreement is a 5-year term Standing Offer with a preferred supplier that will allow for better preferred pricing. No minimal annual spend is specified in the Agreement.

Overview of Parties**Financial Terms**

The resulting Standing Offer will allow CBC/Radio-Canada to benefit from the following discounts on CISCO and other network related products:

- on Cisco products;
- on NetScout products;
- on McAfee products.

50 hours of professional consulting services are also included.

Start Date and Term

From December 17, 2008 until December 16, 2013.

Special Clauses

N/A

Authorized Signatories

VP and Chief Technology Officer: Ray Carnovale
 VP and Chief Financial Officer : Johanne Charbonneau

Proposition of Resolution by the Board to authorize recommended signatories attached.

Remark/Risk evaluation/Critical issues

If the acquisition contract is not renewed at due time, there will be substantial delay on all Corporate projects requiring Network equipments such as TBC Revitalization Project and Desktop TV Project. There will be set backs that might not be acceptable due to the criticality of the Core Business requirements.

CBC Policies applicable to this transaction

2.3.6 Procurement
2.3.8 Delegation of Financial Authority
2.9.3 Delegation of Signing Authority

For decision prior to negotiation



For decision after negotiation



Prepared by

Name: Loc Tran, Senior Manager, Enterprise LAN services,
Information Technology
Jeanne Buithieu,, Strategic Sourcing Manager
Date: October 28, 2008

Management recommendation

s.20(1)(b)

Marc Denoncourt, Executive Director Information Technology, recommends that the Audit Committee approve the selection of _____ as the preferred supplier for LAN switches and related network equipment and authorize management to proceed with the next steps to elaborate and sign a Standing Offer with said Supplier.

Last discussed at the Board

Date:
Decision made:

Next steps

Finalizing, Signing and Execution of the Standng Offer

Board of Directors
Recommendation on Award of Contracts for
CBC/Radio-Canada's Long Distance, Leased Services and Mobility
Services
January 19-20, 2009

Subject Matter

- Authorisation to initiate discussions to finalize five (5)-year Agreements with:
- the preferred service provider recommended for the provision of Long Distance and Leased Telephony Services to CBC/Radio-Canada. The estimated annual expenses are depending on consumption.
 - the preferred service provider recommended for the provision of Mobility Services to CBC/Radio-Canada. The estimated annual expenses are

Background

For Long Distance and Leased Telephony Services, the current three-year agreement (with two one (1)-year options) was signed with and was to initially terminate on May 31, 2007. CBC/Radio-Canada is currently in the second and last option year of the agreement.

The agreement for the provision of Mobility Services to CBC/Radio-Canada is with and is set to expire on May 31, 2009. As is the case with the Long Distance and Leased Telephony Services Agreement, CBC/Radio-Canada is in the second and last option year of this agreement.

CBC/Radio-Canada undertook a competitive RFP process for both categories of services, Long Distance and Leased Services and Mobility Services. An RFP was issued on MERX on June 20, 2008 and closed on September 19, 2008. Three Proponents responded to the RFP:

Following a thorough evaluation of the received Proponent Proposals according to evaluation criteria set out in the RFP, the Evaluation committee recommends that five-year agreements (collectively the "Agreements") be put in place with

The following is a summary of the evaluation results:

s.18(a)

s.18(b)

s.20(1)(b)

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est retenue en vertu des articles**

18(a), 18(b), 20(1)(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

Objective and Rationale

The proposed Long Distance and Leased Telephony Services Agreement with [redacted] would provide the following benefits to CBC/Radio-Canada:

s.20(1)(b)

- The domestic (Canada and USA) Long Distance rate would be [redacted] minute versus the current contracted rate of [redacted] minute, thus representing annual savings to CBC/Radio-Canada of approximately [redacted] k/year (based on CBC/Radio-Canada’s historical volume of 12,150,203 consumed Long Distance minutes in 2007).
- For voice conferencing, the Agreement includes a conference bridge rate of [redacted] and the new Long Distance rate of [redacted] minute. This would result in [redacted] k/year in annual savings to CBC/Radio-Canada.

s.18(a)
s.18(b)

The proposed Mobility Services Agreement with [redacted] would provide the following benefits to CBC/Radio-Canada:

- With a 5-year contract commitment, [redacted] will include in-building cellular coverage improvements in Vancouver, Calgary, [redacted] and Toronto at no cost to CBC/Radio-Canada – these are valued at \$ [redacted] k in one-time costs.
- By combining Long Distance and Leased Telephony Services with the Mobility Services, [redacted] will extend the offer on domestic Long Distance rates at [redacted] minute to Mobility Services, which will result in [redacted] k/year in annual savings to CBC/Radio-Canada (based upon 4,112,309 minutes used in 2007).

Type of Contract

The recommended Agreements are fixed 5-year term agreements.

Overview of Parties

Financial Terms

s.18(a)

s.18(b)

s.20(1)(b)

Start Date and Term

The start of the Agreements would be from June 1, 2009 until May 31, 2014, a five (5)-year term.

Special Clauses

Authorized Signatories

VP and Chief Technology Officer: Ray Carnovale
VP and Chief Financial Officer : Johanne Charbonneau

Proposition of Resolution by the Board to authorize recommended signatories attached.

Remark/Risk evaluation/Critical issues

There are no risks or critical issues associated with the proposed agreements.

CBC Policies applicable to this transaction

2.3.6 Procurement
2.3.8 Delegation of Financial Authority
2.9.3 Delegation of Signing Authority

For decision prior to negotiation



For decision after negotiation



Prepared by

s.20(1)(b)

Name: John C. Lee ing.,
Director, Broadcast and Telecom Networks, CBC Technology
Date: January 6, 2009

Management recommendation

s.18(a)
s.18(b)

Ray Carnovale, Vice-President and Chief Technology Officer recommends that the Audit Committee approve the selection of:

Last discussed at the Board

Date:
Decision made:

Next steps

Negotiate and sign Letter Agreements and subsequently Master Services Agreements with said Service Providers, as appropriate.

s.18(a)

s.18(b)

s.20(1)(b)

APPENDIX 1

SUPPLEMENTARY RESOLUTION

**LONG DISTANCE, LEASED SERVICES
AND MOBILITY SERVICES CONTRACTS**

WHEREAS CBC/Radio-Canada has conducted an RFP process to seek external suppliers of Long Distance, Leased Services and Mobility Services for the Corporation;

AND WHEREAS, following a thorough review of the submissions received in response to the RFP, the Corporation has selected [redacted] teaming up with [redacted]; the successful proponent;

AND WHEREAS management wish to negotiate the terms of a Letter Agreement under which [redacted] will provide the Long Distance and Leased Services and a separate Letter Agreement under which [redacted] will provide the Mobility services to the Corporation;

On a motion duly moved and seconded:

IT IS RESOLVED THAT the Corporation be and it is hereby authorized to enter into, to execute, whether under the corporate seal of the Corporation or otherwise, and to deliver agreements with [redacted] relating to the provision of Long Distance, Leased Services and Mobility Services for the Corporation each for a term of five (5) years on the terms and conditions negotiated (hereafter the "Agreements"). The term shall commence June 1, 2009 and end May 1, 2014. The Agreements shall include such other terms and conditions as determined by the President and CEO, the Vice President, Chief Financial Officer and the Vice President and Chief Technology Officer (hereafter the "officers").

IT IS FURTHER RESOLVED THAT the three officers or their respective delegates, be and they are hereby authorized and directed, for and on behalf of the Corporation, to execute, whether under the corporate seal of the Corporation or otherwise, and to deliver the Agreements and all such documents, instruments and agreements and to do all such acts and things as such officers or delegates may in their absolute discretion determine to be necessary or desirable to carry out the foregoing resolutions inclusive of this resolution, including without limitation all documents and actions necessary in connection with or in implementation of the transactions contemplated in the Agreements with such changes thereto as any two officers shall determine and otherwise in form and substance acceptable to such officers of the Corporation, the execution and delivery of any such Agreements in accordance with the provisions of this paragraph being conclusive evidence of such determination and acceptance.

MOTION CARRIED

Board of Directors
(January 20, 2009)

Subject matter

Amendment to the Pension Plan Trust Deed.

Background

The Pension Plan Trust Deed provides at section 3(3)(a) that the senior executive officer responsible for Human Resources and the senior executive officer responsible for finance of the Corporation shall be ex officio members of the Pension Plan Board of Trustees. Following the announcement of the reorganization of the Senior Executive Team, the position previously held by the senior executive responsible Human Resources was split in two. The announcement by the senior executive responsible for finance of her imminent retirement and replacement could bring about other changes.

The proposed changes will allow the President to designate other Corporate Executives should the circumstances warrant it subject to the approval of the Board of Directors of the Corporation. This will allow the Corporation to choose the most appropriate officer, taking into consideration skills and experience, to serve on the Pension Board of Trustees. This change would offer flexibility and retain the current numerical balance of the Pension Plan board of Trustees Board. Corporate Executive is a defined term in the by-laws of the Corporation and generally means a direct report to the President and CEO.

Information on the matter

As required by the Trust Deed, this proposed amendment to the Trust Deed was approved by the Pension Plan Board of Trustees at their December 8, 2008 meeting. It now requires the approval of the CBC Board of Directors.

For decision:

For information:

Prepared by

Name: Edith Cody-Rice, Senior Legal Counsel
Date: December 10, 2008.

Management recommendation

That section 3(3) of the Pension Plan Trust Deed be amended to state (changes underlined):

- 3 (3) The following officers of the Corporation shall be Trustees by virtue of their office with the Corporation.
 - (a) The senior executive officer of the Corporation responsible for Human Resources or such other Corporate Executive of the Corporation designated by the President and CEO of the Corporation and approved by the Board of Directors.
 - (b) The senior executive officer of the Corporation responsible for finance, or such other Corporate Executive of the Corporation designated by the President and CEO of the Corporation and approved by the Board of Directors of the Corporation.

Last discussed at the Board

Date
Decision made:

Next steps

Text of Trust Deed to Be Amended

Anticipated project completion date: _____
(If contract, indicate date of expiry): _____

Board of Directors
(January 19-20, 2009)

Subject Matter

CMG Ratification process

Background

CMG/CBC Memorandum of Agreement - Highlights

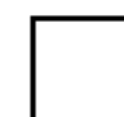
Information on the matter

Five year deal effective April 1, 2009 to March 31, 2014

For decision



For information

**Prepared by**

Name: Georges C.B. Smith

Date: January 7, 2009

Management recommendation

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves a mandate to conclude an agreement with the CMG for a 5-year term from April 1, 2009 to March 31, 2014. (1.5% - effective January 1, 2009; 1.5% - effective April 1, 2010; 1.5% - each year after with a wage re-opener in the event the Treasury Board amount is above or below 1.5%; Freelance rates to increase by 2.5% in each year, word rate for online submissions to increase to 40 cents as of January 1, 2009 and to 45 cents as of April 1, 2011)

Last discussed at the Board

Date: November 2008

Decision made:

Next steps

Anticipated project completion date: _____
(If contract, indicate date of expiry): _____

CMG/CBC Memorandum of Agreement – Highlights

Duration

Five year deal effective April 1, 2009 to March 31, 2014

Monetary

- 1.5% - effective January 1, 2009
- 1.5% - effective April 1, 2010
- 1.5% - each year after with a wage re-opener in the event the Treasury Board amount is above or below 1.5%
- Freelance rates to increase by 2.5% in each year, word rate for online submissions to increase to 40 cents as of January 1, 2009 and to 45 cents as of April 1, 2011

Maternity/Paternity Leave

- Improvement to Supplemental Employment Benefits Plan (SUB-plan) – increase of the co-parenting provisions (15 weeks) to 80% from 75%

Workforce Adjustment (WFA)

- Heavy emphasis placed on early and frequent communications between the Union and the CBC
- Three (3) weeks severance for every year of service – paid out half upon departure and remainder on exhaustion or relinquishing of recall rights – compared to two (2) weeks in the last collective agreement.
- Seniority based system with local and regional vacancy and displacement rights (Note: employee must have 6 years of service for regional rights)
- Regions defined as: Newfoundland, Maritimes, Ontario, Manitoba/Saskatchewan, Alberta, British Columbia and the North (north also to have access to work south at point of departure)
- National Recall but beginning with return of employees locally first, regionally second and nationally last.
- Rights for “Protected Status” employees maintained
- Expedited panel to rule on qualification disputes – expedited arbitration for other WFA disputes

Temporary Employees

- On-going review of temporary employees at the Local Joint Committee level
- Clarification re: reasons for engaging temporary employees and a commitment that ongoing work will be posted and filled on a permanent or contract basis
- Continuous service to include all authorized breaks, i.e. sick days, holidays, annual leave and other granted leaves

Highlights of CMG/CBC Memorandum of Agreement

Contract Employees

- 9.5% plus 80 remains in effect but more clarity provided. Current usage levels to determine future use, (e.g. 9.2% for jobs in the producer family in news and current affairs)
- Future contract hires will be for project work (in any classification) or based on set criteria in specific additional classifications (i.e., on-air with demonstrated popularity in a market, Expertise/specialty/ skills not available in-house, Key creative, Developmental – entry level positions)
- Blended temporary and contract roles for the calculation of conversion time, i.e., 2 years of temp and two years of contract allows for conversion as long as at least two years spent on contact – regardless of functions and departments

Temporary Upgrades

- Temporary promotions (work for longer than 4-weeks) to be compensated using the promotion formula, i.e. “at least one full step on the employees former salary band)
- Temporary upgrades will not normally exceed 12 months

Pay Equity

- Mandate of the committee extended to include “all” forms of pay not just additional remuneration

Community Talent Development Plan

- Establishes a new process for engaging and training on a limited basis individuals who do not have broadcast or journalistic skills in order to develop talent to be more reflective of unique communities

Workload/Work-Life Balance

- Recognition of role of employee and employer in managing problems
- Recognition for need to develop a culture that encourages meal and other breaks are taken
- Provisions for teams or units to establish workload meetings to examine problems and develop solutions

Performance Management and Staff Development (PMSD)

- Recognition that the process should be two-way, not top down
- Improved auditing processes to ensure the quality of the process is measured (did meaningful face-to-face discussions take place, were development opportunities canvassed and was workload taken into consideration)

Highlights of CMG/CBC Memorandum of Agreement

- Re-establishment of local PMSD committees to ensure objectives of process are honoured
- Strengthened role and participation in the national PMSD committee

Training

- Renewed national joint-training committee to make recommendations for current training needs and to be proactive in anticipating future needs as the result of technological and other changes in practices in the industry
- Employees who travel on a work day when they have put in a full shift will be given time off equal to all time traveled after one hour. This will be compensated on an hour for hour basis

Scheduling

- Clarification around weekly scheduled to ensure employee has control of setting hours and that weekly scheduled is not to be used to “avoid paying overtime.”
- Provision to ensure that changes in scheduling with the 72 hour change period are not the “norm”
- Where call-back is cancelled before an employee reports to work one (1) hour basic pay will be provided
- Bereavement Leave amended to provide for an additional day of leave to attend the funeral, if funeral falls outside of normal bereavement leave period

Vacation Purchase Plan

- As of April 1, 2009 an agreement to implement a “vacation purchase plan” to allow employees to purchase five (5) days of leave to be used in the following fiscal year. By agreement the plan can be extended to ten (10) days after a two year trial period of the plan as a whole

s.18(a)
s.18(b)
s.21(1)(c)
s.21(1)(d)

**Board of Directors
Human Resources & Compensation Committee
(January 20, 2009)**

Subject matter

Bargaining mandate with the Syndicat des technicien(ne)s et artisan(e)s du réseau français (STARF)

Background

The collective agreement between STARF and CBC/Radio-Canada expires March 31, 2009. However, the parties have stated the objective of renewing the agreement by February 28, 2009, and have agreed to follow a so-called interest-based approach to bargaining. To this end, STARF and CBC/Radio-Canada will hold meetings from January 26 to February 28, 2009.

Information on the matter

Document explaining the key issues

For decision:



For information:

Prepared by

Name: George C.B. Smith

Date: January 5, 2009

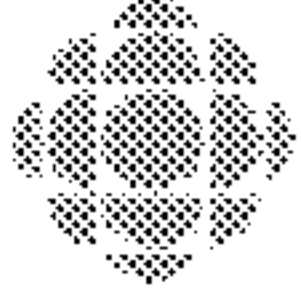
Management recommendation

Last discussed at the Board

Date:

Decision made:

Anticipated project completion date: **February 28, 2009**
(If contract, indicate date of expiry): _____



**LE SYNDICAT DES TECHNICIEN(NE)S ET ARTISAN(E)S
DU RÉSEAU FRANÇAIS DE RADIO-CANADA (STARF)**

STARF represents technical, production and trade employees in the province of Quebec and in Moncton, NB.

2006 NEGOTIATIONS

- Interest-based bargaining approach;
- Collective agreement renewed without dispute prior to expiry.

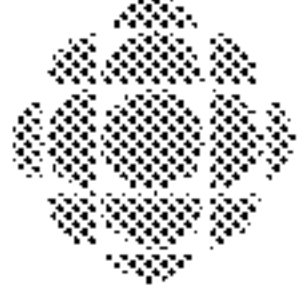
CURRENT BARGAINING CONTEXT

INDUSTRIAL RELATIONS

union locals in Montreal, Moncton and Quebec City over the past year, relations with STARF can be summarized as follows:

- s.18(b) - Friendly and civilized industrial relations;
- Cooperative approach to problem-solving;
- s.21(1)(c) - Mutual confidence;
- Respect for management at French Services.

Once again, this climate fosters an interest-based bargaining approach to renewing the Collective Agreement.



KEY MANAGEMENT ISSUES

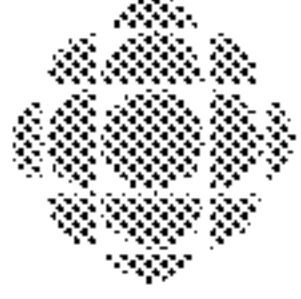
s.21(1)(c)

MANAGEMENT OF TEMPORARY EMPLOYEES

During the term of the previous Collective Agreement, an important arbitration decision on the management of temporary employees was handed down.

**APPLICATION OF LETTER OF UNDERSTANDING 13
IN RESPECT OF TEMPORARY EMPLOYEES**

The Collective Agreement provides for a limit to the hiring of temporary employees. The hiring of one temporary employee, or the combined outcome of hiring more than one in a given job or position, may not exceed 4,000 regular working hours over a maximum of twenty-four (24) months. When the outcome exceeds 4,000 hours in a 24-month period, the Corporation is required to post a regular position.



**OPERATIONAL CHANGES AND THEIR IMPACT ON STARF
/ INTERUNIT JURISDICTION**

s.21(1)(c)

KEY UNION ISSUES

Board of Directors

January 20, 2009

Subject matter

Annual Report – Organizational Health & Wellness
October 1, 2007 to September 30, 2008

Background

This report is presented on an annual basis, it gives an overview of disability management, health and safety, health and wellness and environment. For the first year, it also includes crisis management.

Information on the matter

Powerpoint presentation attached.

For decision

For information

X

Prepared by

Name: Michèle Parent & George Smith
date: December 2008

Management recommendation

Last discussed at the Board

Date: January 23, 2008
Decision made:

Next steps

Presentation/Update in June 2009 (and each June thereafter based on fiscal year information).

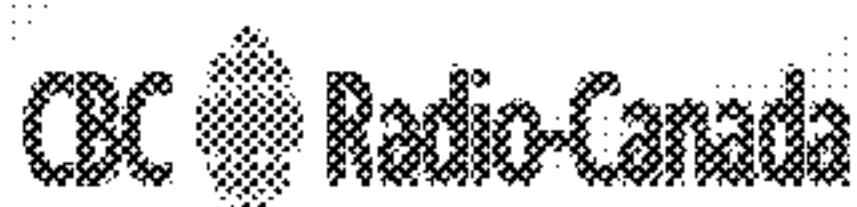


Annual Report Organizational Health and Wellness

October 1, 2007 to September 30, 2008

Michèle Parent
Executive Director, Organizational Health and
Wellness

January 20, 2009



Agenda

1. Disability Management, Health and Safety and Health and Wellness

- Overview of absenteeism at CBC/Radio-Canada
- Major accomplishments
- Plans for the future

2. Environment

- Review of Incidents
- Major Accomplishments
- Plans for the future

3. Crisis management

- Review of incidents
- Major Accomplishments
- Plans for the future

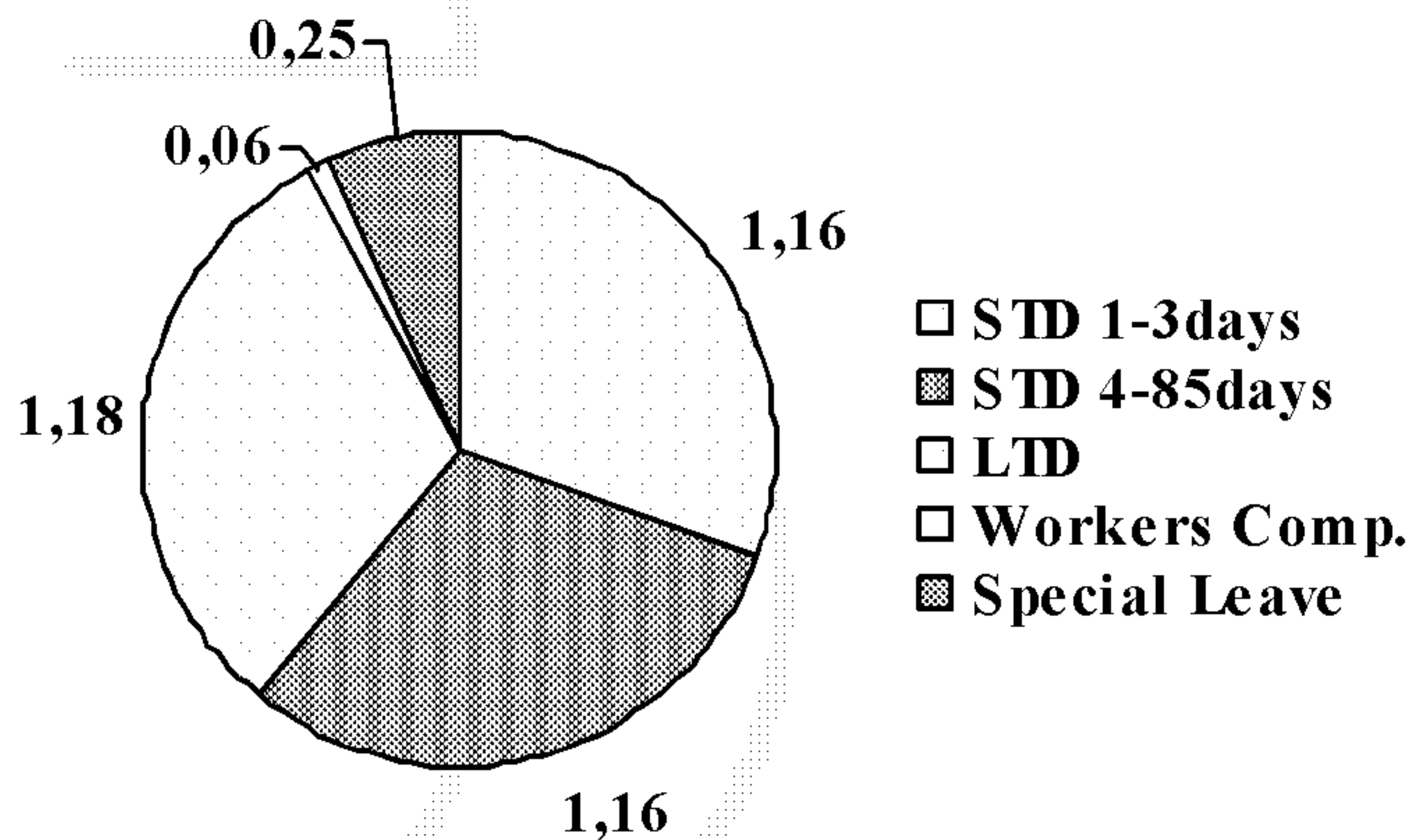
Overview of absenteeism - Costs

- Total cost of absenteeism in 2007-2008: \$26.4M* or 3.82% of payroll (slight decrease from last year at 3.99%)
 - **Short term disability (STD):**
 - 1-3 days : 1.16% of payroll
 - 4-85 days: 1.16% of payroll
 - **Long term disability (LTD):**
 - 1.18% of payroll
 - **Special leave** (ex: wedding, bereavement):
 - 0.25% of payroll
 - **Workers Compensation:**
 - 0.06% of payroll
- **Watson Wyatt benchmark** in 2007- **5.4% of payroll:**
 - **STD** 1.1% of payroll
 - **LTD** 1.8% of payroll
 - **Workers Compensation** 1.3% of payroll
 - **Personal leave** 1.2% of payroll

CBC-Radio-Canada higher than Watson Wyatt benchmark for STD and lower for LTD and significantly lower for workers compensation

* Total cost for CBC-Radio Canada is \$18.1M since LTD paid by employees

Overview of absenteeism % - of payroll

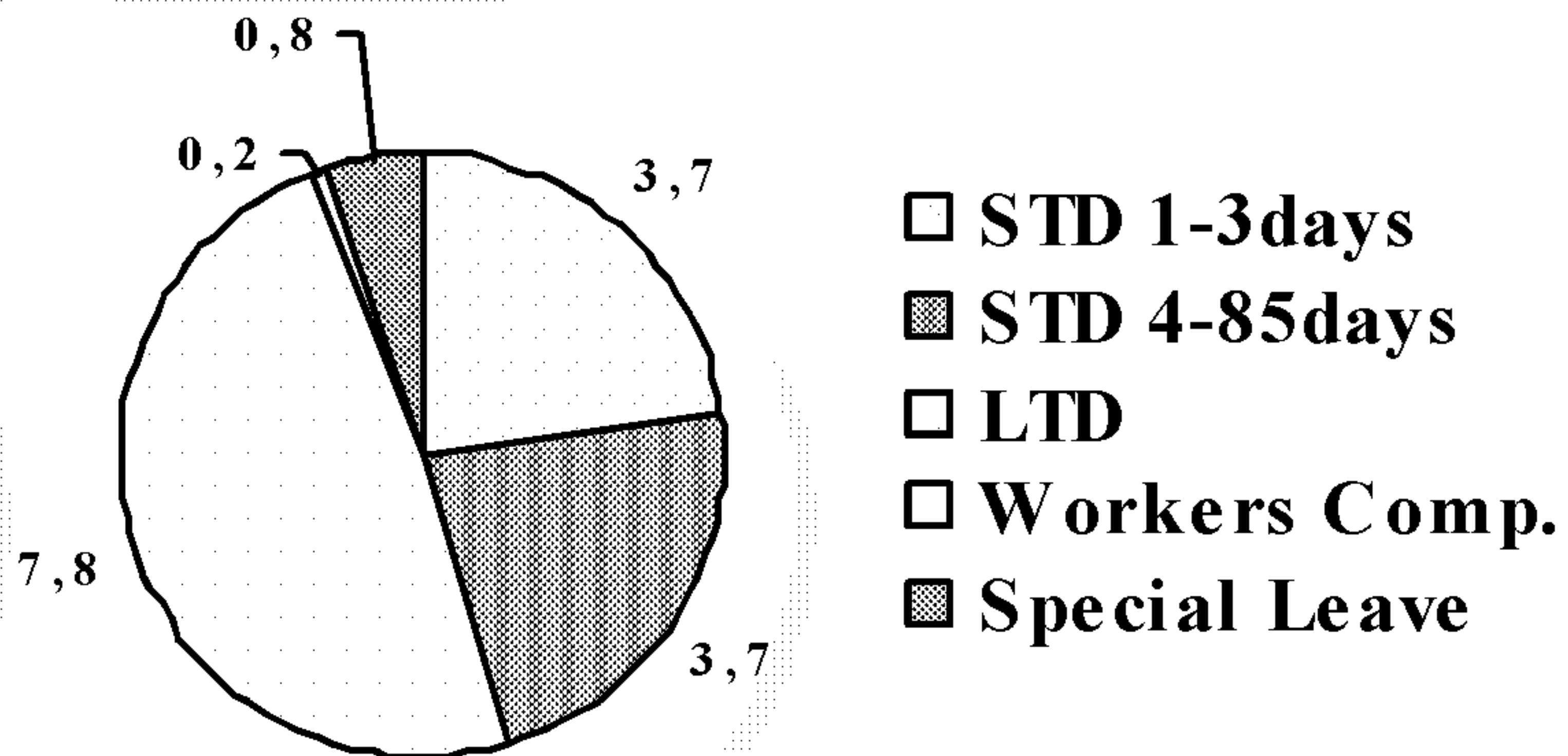


Overview of absenteeism - Days

- Total number of days of absence per employee in 2007-2008 at 16.2 (slight decrease from last year at 16.3)
 - **STD:** 7.4 days per employee
 - 1-3 days:** 3.7 days per employee
70% of employees had occurrence
 - 4-85 days:** 3.7 days per employee
15% of employees had one occurrence
 - **LTD:** 7.8 days per employee
4% of employees had one or more occurrence
 - **Workers compensation:** 0.2 day per employee
0.6% of employees had one or more occurrence
 - **Special Leave:** 0.8 day per employee
28% of employees had one or more occurrence
- **Statistics Canada 2007*** reports 10.2 days per employee (from 9.7 in 2006)
 - Unionized 14.0 days per employee (from 10.3 in 2006)
 - Non-unionized 8.4 days per employee (from 8.4 in 2006)

*From Household Survey – Questionable methodology used

Overview of absenteeism Days / Employee



Overview of absenteeism - Causes

- **The leading cause of disability is psychiatric conditions:**
 - For STD*: 27.6%
 - For LTD: 30.5% of all new claims, slight decrease from 32.8 last year

- **The second leading causes of disability are:**
 - For STD*:
 - **Musculoskeletal** problems at 17.8%
 - For LTD:
 - **Cancer** 12.1% of all claims, slight increase from 11.% last year

*STD causes only available for absences of 10 days and more

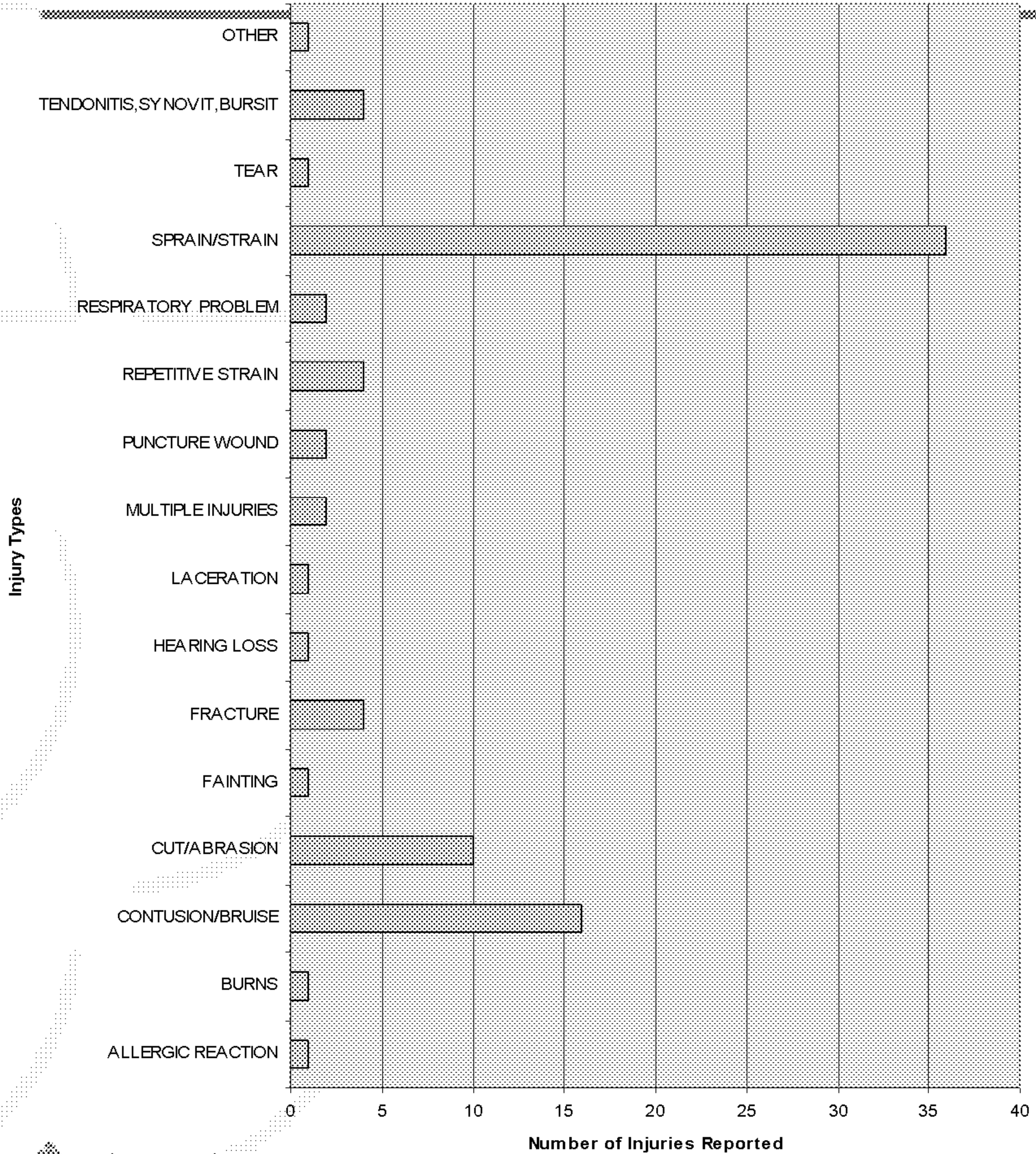
Overview of absenteeism – On-duty injuries

- **Total injuries: 87 cases** (from 117 last year)
- **Lost Time injuries: 49 cases** (from 60 last year)
 - Strains/Sprains and Contusion/Bruise most common type of injury – same as last year
 - The upper and lower limbs most common body parts injured
 - Overexertion/Strain and slips/falls the most common cause of injury
- Frequency is down at .54 (from 0.64) and Severity is up at 16.4 (from 11.5)
-

s.19(1)

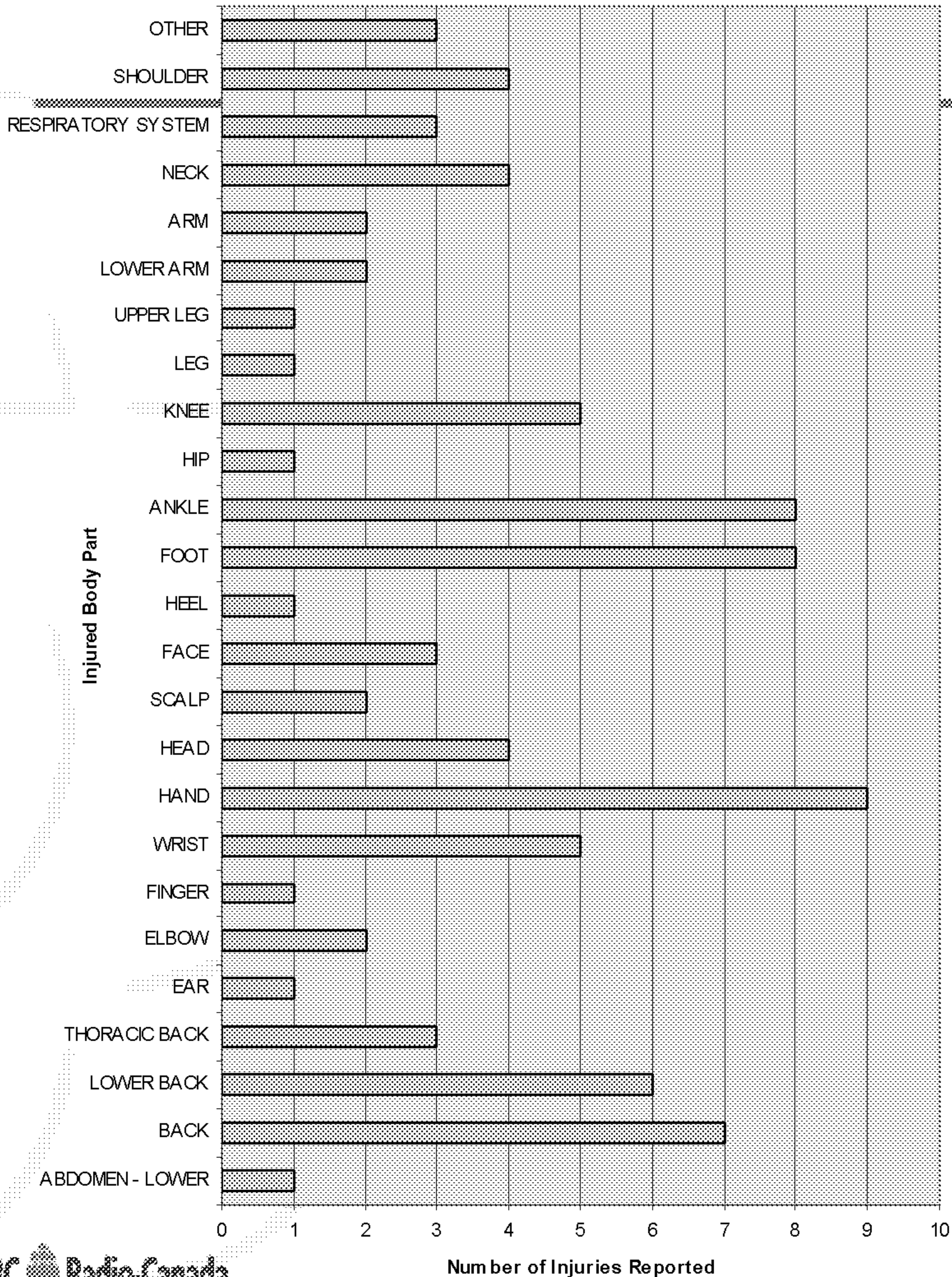
Types of Injury

Injury Types - Medical Aid and Days Lost Injuries between October 1st, 2007 and September 30th, 2008



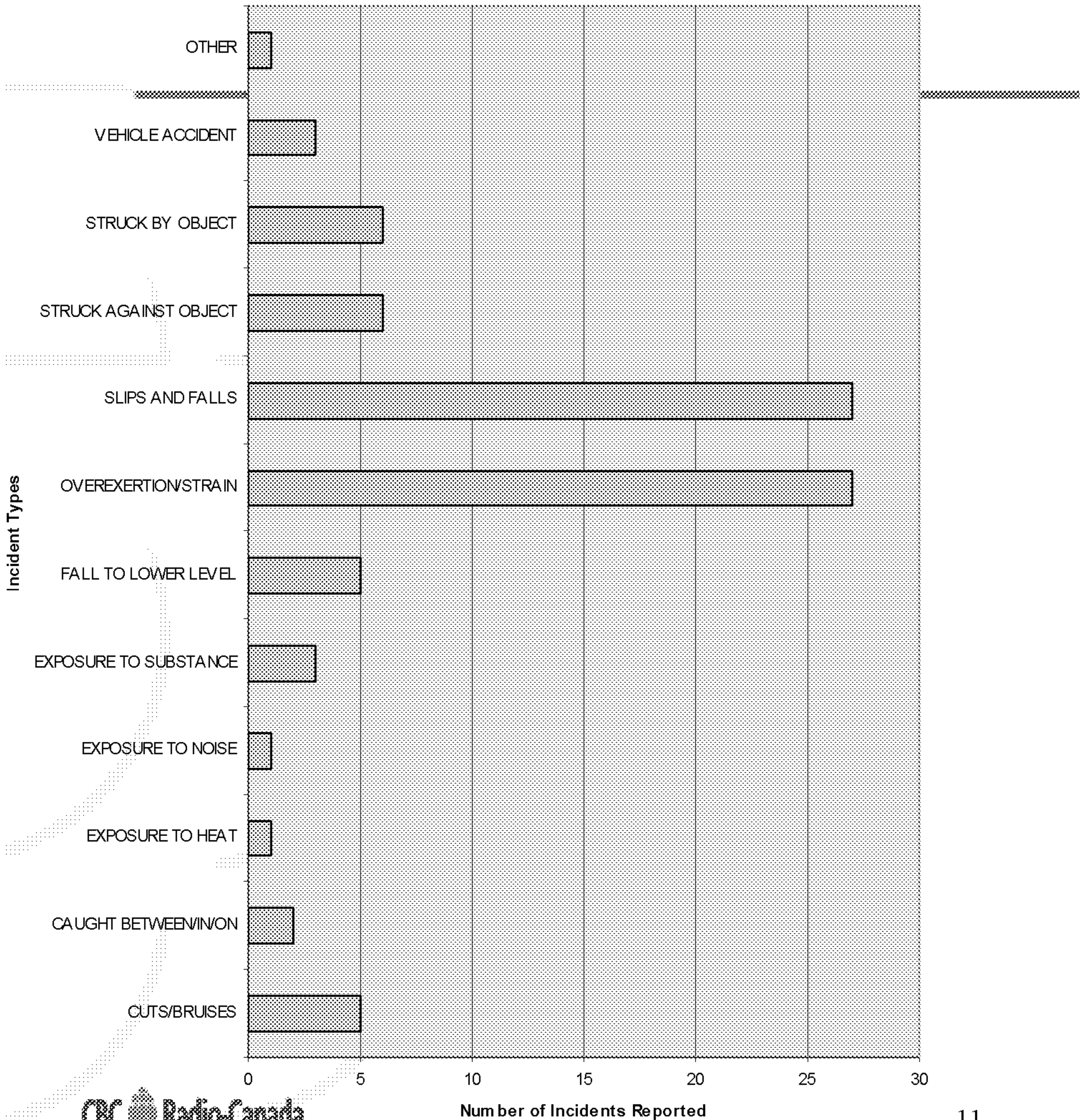
Body Part Injured

Body Part Injured - Medical Aid and Days Lost Injuries between October 1st, 2007 and September 30th, 2008



Cause of Injury

Incident Types - Medical Aid and Days Lost Injuries
between October 1st, 2007 and September 30th, 2008



Major accomplishments in 2008

- **Disability Management**

- Increase time spent for medical and technical evaluation of Workers Compensation cases to protect the Corporation's interests
 - Resulted in 18 claims not recognised as work related
- An Audit of the Disability claims management was conducted to assess against best practices
 - Resulted in an action plan to reengineer processes, practices and develop reporting tools as well as a comprehensive communication plan
- Attendance Management training program continued to be delivered to more than 75 managers

Major accomplishments in 2008 (Cont'd)

- **Health and Safety**

- Over 7,000 staff completed the Hazard Prevention Program e-learning course (new legal requirement)
- 1 Policy and 26 Workplace H&S Committees
 - 4 Policy committee and 208 Workplace committee meetings
- 213 ergonomic assessments conducted at the request of management
- Ergonomic support is now an integral part of the Real Estate and Broadcast Engineering planning stages
- Support provided in the planning of the Olympic coverage
- A safety audit was conducted in Charlottetown; no major findings and all issues are being addressed

Major accomplishments in 2008 (Cont'd)

- **Health and Wellness**

- **Flu Vaccination program** successfully delivered for the 6th year. Approximately 27% of the total work force has received the vaccine
- Respect workshops were completed for 93.5% of all employees

Major accomplishments in 2008 (Cont'd)

- **Health and Wellness (Cont'd)**

- **Employee Assistance Program (EAP):**

- Introduction of a new provider on April 1, 2008,

s.18(b)

s.20(1)(b)

- Standard statistical reports
 - Quality control: Consistent level of service applied nationally
 - Expansion of services to employees and organization
 - Resources redirected to individual wellness programs and promotion
 - Number of users after QI - QII in 2008-2009: 494
 - Consultations for psychological difficulties represents 30.0% of cases
 - Consultation for marital & family issues represent 25.5% of cases
 - Consultation for legal and financial difficulties represents _____ of cases
 - Over 200 employees volunteers in 30 local joint Committees

Plans for the future

- **Disability Management**

- **Attendance Management**

- Improve management information on attendance through:
 - Periodic Scorecard (as part of the HR scorecard)
 - Communication plan
 - Continued delivery of the Integrated Attendance Management Course for managers

- **Case management**

- Continue to implement action plan resulting from the audit and tighten the process to ensure all disability absences are medically justified

Plans for the future (Cont'd)

- **Health and Safety**

- Development and roll out of a **violence prevention training** course for domestic news crews (new legal requirement)
- Further roll-out of the **Surviving Hostile Environments** Refresher course to those who were trained in the basic course more than 3 years ago (new legal requirement). The previous guideline on refresher training was 5 years.
- Health & Safety audits will again be conducted at selected locations during 2009

2. Environment

Review of Incidents

- **Total incidents** 29 in 2007-2008 (from 33 last year)
- 5 Environmental **incidents required reporting to governmental authorities** (from 9 last year)
 - Halocarbons releases: 1
 - Spills: 4

Review of Incidents (Cont'd)

- **24 additional incidents** were reported internally
 - Halocarbons releases: 7
 - Fires: 7
 - Spills/Dispersions: 10

-

s.18(b)

Major Accomplishments

- First Annual **internal Environment Report for Employees** published on io!
- **Environment Lead Team (ELT)**
 - Performance reported quarterly and reviewed regularly with senior management at two (ELT) meetings with members from HR, Real Estate, Transmission, Legal, Risk Management, Fleet Management, Communications and Media Lines
 - Annual Environment Plan was reviewed and approved
 - Quarterly incident reporting to Senior Executive Team implemented
- 80% of space occupied by CBC/Radio-Canada is now certified **BOMA Go Green Plus**, 4% is certified Go Green
- 8 Categories of **Environmental training/awareness** provided to 205 employees
 - On-line Asbestos Awareness Launched

Pages 175 to / à 177
are withheld pursuant to sections
sont retenues en vertu des articles
20(1)(b), 20(1)(d), 21(1)(b), 21(1)(d)
of the Access to Information Act
de la Loi de l'accès à l'information

3. Crisis Management

The word “crisis” refers to a major occurrence that disrupts CBC/Radio-Canada operations in whole or in part, and is such that it jeopardizes:

- i. the safety of employees and/or the population; and/or
- ii. CBC/Radio-Canada's activities/services; and/or
- iii. CBC/Radio-Canada's image and/or reputation.

Review of incidents

- **Emergency Operations Planning & Response**

–

- **Toronto Broadcast Center chillers failure:**

- Water pump failure causing cooling system stoppage, quick intervention permitted to stay on air

s.18(b)

- **Halifax TV building fire:**

- Small fire rapidly controlled by firefighters, smoke damage only and no loss of service

- **Fredericton fire:**

- Overheating breaker caused burnt electrical equipment smell in radio studio, which led to the evacuation of employees and morning show transferred to St-John for one day

- **Saint-John, N.B. flood:**

- Water pipe burst on the third floor tenant's office; morning show was cancelled for one day. Return on air soon after with emergency equipment.

–

Review of incidents (Cont'd)

- **Corporate Security**

- **Uttering death threat against CBC/Radio-Canada at Toronto Broadcast Center :**
 - Individual at reception threatened to kill all CBC/Radio-Canada employees. Local Police involved and individual arrested
- **Life threatening against Peter Mansbridge:**
 - E-mail received threatening his life on CBC Kids website traced back to U.S.A.. Toronto Police investigated and referred the case back to local police in the U.S.A
- **Suspect package outside the Toronto Broadcast Center :**
 - Suspect package found in front of Glenn Gould Studio. Toronto Police involved and package neutralised and proved not dangerous.
- **Bomb threat via CBC.ca received in Toronto**
 - Traced e-mail coming from Calgary. Local Police involved and individual arrested

All these incidents led to an investigation

Major Accomplishments

- **Crisis Management**

- The National Crisis Management Team met 6 times to review programmes' development and implementation as well as special projects status
- Beijing 2008 Summer Olympics Crisis Management Plan Development and Coordination

- **Emergency Operations Planning & Response**

- Senior Managers Special Assistance Plan exercise in Toronto
- Post Action Review and Report of :
 -
 -
 -

s.18(b)

Major Accomplishments (Cont'd)

- **Corporate Security**

- 4 Security Audits conducted: Matane, Rimouski, Halifax Radio, Halifax Television and Action plans prepared in order to improve electronic security systems and limit usage of security guards only to where it is essential. Reports presented to Real Estate and Local Management.

- **Business Continuity Planning**

- National Pandemic Plan
 - Implementation of Pandemic preventive measures and guidelines
 - Support the development of Component individual plans
 - English Services and Shared Services Organization exercises

Plans for the Future

- **Crisis Management**

- Development of a Crisis Management course
 - To provide standardised Security and emergency operations planning tools and information to Managers and staff with Building emergency responsibilities based on the Canada Labour Code and Security best practices.

- **Emergency Operations Planning & Response**

- Revision of the :
 - Special Assistance Plan
 - Crisis Management Plan
 - Components Threats Risks Analysis
- Development and implementation of Building Emergency Management Standards

Plans for the Future (Cont'd)

- **Corporate Security**
 - Development and Implementation of Building Access Control standards and protocols
- **Business Continuity**
 - National Pandemic Plan
 - Organize Senior Executive Team Pandemic exercise

Future annual reports

- It is proposed that in the future, this annual presentation be made after the end of the fiscal year, to be able to report on regular quarters. This would reduce manual manipulation of the data and ease the preparation of the presentation.
- The revised reporting period for this report could start June 2009.

Appendix A Overview of absenteeism - Costs

s.18(a)

s.18(b)

Total costs of absences per type of absence and per employee

	2005		2005-2006		2006-2007		2007-2008	
	(January 1- December 31)		(October 1- September 30)		(October 1- September 30)		(October 1- September 30)	
	Total cost (\$)	Cost per employee (\$)	Total cost (\$)	Cost per employee (\$)	Total cost (\$)	Cost per employee (\$)	Total cost (\$)	Cost per employee (\$)
STD 1-85 days								
1-3 days *								
4-85 days *								
LTD (paid by employees)								
Special Leave								
Workers Compensation								
Total	25,067,579	2,863	25,675,822	2,776	25,845,624	2,510	26,377,443	2,571

% of costs of absences per type of absence and in % of payroll

	2005		2005-2006		2006-2007		2007-2008	
	(January 1- December 31)		(October 1- September 30)		(October 1- September 30)		(October 1- September 30)	
	% of All costs	% of payroll	% of All costs	% of payroll	% of All costs	% of payroll	% of All costs	% of payroll
STD 1-85 days								
1-3 days *								
4-85 days *								
LTD								
Special Leave								
Workers Compensation								
Total		4.34%		3.94%		3.99%		3.82%

Benchmark Watson Wyatt Staying at work Study % of payroll

	1997	2000	2002	2005	2007
STD	1.2%	1.3%	1.1%	1.4%	1.1%
LTD	2.0%	2.0%	1.9%	1.9%	1.8%
Workers Compensation	2.4%	1.6%	1.3%	1.2%	1.3%
Personal Leave					1.2%
Total	5.6%	4.9%	4.3%	4.5%	5.4%

Appendix B Overview of absenteeism – Days lost

Days lost per type of absence

	2005 (January 1- December 31)		2005-2006 (October 1- September 30)		2006-2007 (October 1- September 30)		2007-2008 (October 1- September 30)					
	Total days lost	Days per employee (FTE)	Total days lost	Days per employee (FTE)	Total days lost	Days per employee (FTE)	Total days lost			Days per employee (FTE)		
							All employees	Unionized employee	Non Unionized employee	Average - All employees	Unionized employee	Non Unionized employee
STD	66,871	7.7	68,841	7.5	68,215	7.4	68,763	62,613	6,150	7.4	7.9	4.6
1-3 days*							34,267	31,427	2,840	3.7	3.6	2.1
4-85 days*							34,500	31,186	3,320	3.7	3.6	2.5
LTD	78,868	9.0	76,140	8.3	73,886	8.0	72,809	66,922	5,887	7.8	8.4	4.4
Special Leave	6,520	0.7	7,007	0.8	7,041	0.8	7,344	6,457	887	0.8	0.8	0.7
Workers Compensation	1,180	0.1	1,568	0.2	1,033	0.1	1,491	1,491	0	0.2	0.1	0.0
Total	153,439	17.5	153,556	16.8	150,175	16.3	150,407	137,483	12,924	16.2	17.3	9.6

Canadian Benchmark

— Statistics Canada

	Days per employee		
	2005	2006	2007
Canadian average	9.6	9.7	10.2
Canadian unionised Employee		10.3	14.0
Canadian non-unionised Employee		7.2	8.4
Federal Administration	14.4	14.1	14.2
Public Sector in Canada	12.5	12	10.6
Information, Culture and Recreation	8.5	8.7	7.6
CBC/Radio-Canada	16.8	16.3	16.2



Appendix C

Overview of absenteeism – Causes of long-term disabilities

LTD Claims Distribution By Diagnosis - Trend (Great West)

s.18(a)

By Amount Charged to Plan

Diagnosis **	2005 (January 1- December 31)		2005-2006 (October 1- September 30)		2006-2007 (October 1- September 30)		2007-2008 (October 1- September 30)	
	Amount	%	Amount	%	Amount	%	Amount	%
	Back							
Cancer								
Circulatory System								
Musculoskeletal								
Nervous System								
Psychiatric								
Other								
Total	\$8,677,956	100.0%	\$8,373,914	100.0%	\$8,109,082	100.0%	\$8,171,133	100.0%

By Number Of Open Claims

Diagnosis	2005 (January 1- December 31)		2005-2006 (October 1- September 30)		2006-2007 (October 1- September 30)		2007-2008 (October 1- September 30)	
	Number	%	Number	%	Number	%	Number	%
	Back	21	4.8%	22	4.8%	24	5.2%	23
Cancer	46	10.5%	45	10.0%	50	11.0%	50	12.1%
Circulatory System	19	4.3%	22	4.8%	19	4.1%	19	4.6%
Musculoskeletal	34	7.8%	33	7.3%	38	8.3%	40	9.6%
Nervous System	31	7.1%	36	8.0%	34	7.4%	31	7.5%
Psychiatric	157	36.0%	159	35.4%	149	32.8%	126	30.5%
Other	127	29.1%	132	29.3%	140	30.8%	124	30.0%
Total	435	100.0%	449	100.0%	454	100.0%	413	100.0%

** If this report includes the diagnosis categories "Psychiatric" or "Musculoskeletal", then the following notes apply:

- Psychiatric excludes psychotic disorders
- Musculoskeletal excludes back disorders

++ Some diagnosis categories may have been combined to ensure employee rights to confidentiality



367th MEETING OF THE BOARD OF DIRECTORS

**January 19 - 20, 2009
Montreal, Quebec**

LOCATION

**Maison Radio-Canada
1400 René-Lévesque Blvd East
Montreal, Quebec
Tel: (514) 597-5215**

**Place d'Armes Hotel
55 Saint-Jacques Street West
(corner of Place d'Armes)
Phone: (514) 842-1887
Fax: (514) 842-6469**

367^e RÉUNION DU CONSEIL D'ADMINISTRATION

**Les 19 et 20 janvier 2009
Montréal (Québec)**

LIEU

**Maison Radio-Canada
1400, boul. René-Lévesque est
Montréal (Québec)
Tél.: (514) 597-5215**

**Hôtel Place d'Armes
55, rue Saint-Jacques ouest
(coin rue Place d'Armes)
Téléphone : (514) 842-1887
Télécopieur : (514) 842-6469**

Monday, January 19, 2009

08:30 Meeting of the Nominating and Governance Committee
(12th floor – room 1226)

09:30 Conclude

09:30 Meeting of the Board of Directors
(Jean-Després room)

17:00 Adjournment

19:00 Board Dinner
(In Camera session)
The Mount Royal Club
Lord Strathcona Room
1175 Sherbrooke Street West

Le lundi 19 janvier 2009

8 h 30 Réunion du Comité des nominations et de la gouvernance
(12^e étage – salle 1226)

9 h 30 Conclusion

9 h 30 Réunion du Conseil d'administration
(Salle Jean-Després)

17 h Levée de la séance

19 h Dîner du Conseil
(Session à huis clos)
Le Club Mont-Royal
Salon Lord Strathcona
1175 O. rue Sherbrooke

Tuesday, January 20, 2009

08:00 Meeting of the Human Resources and
Compensation Committee
(12th floor – room 1226)

09:30 Conclude

09:30 Meeting of the Board of Directors
resumes
(Jean-Després room)

13:00 Conclude

Le mardi 20 janvier 2009

8 h Réunion du Comité des Ressources
humaines et de la rémunération
(12^e étage – salle 1226)

9 h 30 Conclusion

9 h 30 Reprise de la réunion du Conseil
d'administration
(Salle Jean-Després)

13 h Conclusion

**MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
(Conference Call)
Tuesday, July 14, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. Update on Sale of Assets	14:00 (20 min)	Hubert T. Lacroix		
2. IN CAMERA Report from the Human Resources and Compensation Committee <ul style="list-style-type: none"> ▪ Appointment of Corporate Executive 	14:20 (10 min)	Edna Turpin Hubert T. Lacroix	YES	
3. Update list of Corporate Executive titles	14:30 (5 min)	Pierre Nollet	YES	
Conclude	14:35			

s.16(2)

Dial in number/Numéro à composer 1-866-797-9098
Conference ID/Numéro de la conférence

**RÉUNION DU CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
(Appel conférence)
Le mardi 14 juillet 2009**

POINT	DÉBUT	RESPONSIBLE	MOTION REQUISE	DOCUMENT
1. Le point sur la vente des actifs	14:00 (20 min)	Hubert T. Lacroix		
2. HUIS CLOS Rapport du Comité des Ressources humaines et de la rémunération <ul style="list-style-type: none"> ▪ Nomination d'un Haut Dirigeant 	14:20 (10 min)	Edna Turpin Hubert T Lacroix	OUI	
3. Mise à jour de la liste des titres des hauts dirigeants	14:30 (5 min)	Pierre Nollet	OUI	
Levée de la séance	14:35			

Page 192

**is withheld pursuant to sections
est retenue en vertu des articles**

18(b), 21(1)(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

**MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
(Conference Call)
Monday, June 1, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. Report from the Strategic Planning Committee on the Strategic Review	10:00		YES	YES
Conclude	13:00			

**Dial in number/Numéro à composer
Conference ID/Numéro de la conference**

1-866-797-9098

s.16(2)

**RÉUNION DU CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
(Appel conférence)
Le lundi 1^{er} juin 2009**

POINT	DÉBUT	RESPONSIBLE	MOTION REQUISE	DOCUMENT
1. Rapport du Comité de planification stratégique sur l'Examen stratégique	10 h		OUI	OUI
Levée de la séance	13 h			

**MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
(Conference Call)
Tuesday, June 9, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. Approval of the minutes of the conference call meetings of May 29, 2009 and June 1, 2009	12:30	Tim Casgrain	YES	YES
2. Update on Strategic Review		Hubert T. Lacroix		
Conclude	13:30			

FOR INFORMATION

- Minutes of the Strategic Planning Committee meeting of June 4, 2009

**Dial in number/Numéro à composer
Conference ID/Numéro de la conférence**

1-866-797-9098

s.16(2)

**RÉUNION DU CONSEIL D'ADMINISTRATION
SOCIÉTÉ RADIO-CANADA
(Appel conférence)
Le mardi 9 juin 2009**

POINT	DÉBUT	RESPONSIBLE	MOTION REQUISE	DOCUMENT
1. Approbation des procès-verbaux des réunions par conférence téléphonique des 29 mai 2009 et 1 ^{er} juin 2009	12 h 30	Tim Casgrain	OUI	OUI
2. Mise à jour sur la revue stratégique		Hubert T. Lacroix		
Levée de la séance	13 h 30			

POUR INFORMATION

- Procès-verbal de la réunion du Comité de planification stratégique du 4 juin 2009

DRAFT

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
June 1, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. George C B Smith, Senior Vice-President Corporate Priorities and Implementation
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Ms. Suzanne Morris, Vice-President and Chief Financial Officer
Ms. Johanne Charbonneau, Vice-President and Special Advisor to the President and CEO
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Mr. Shaun Poulter, Senior Director, Government Relations
Mr. Jerry Zubryckyj, Senior Director, Capital Process and Portfolio Management
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
June 1, 2009**

s.21(1)(a)
s.21(1)(b)

The Chair called the meeting to order at 10:00 a.m. (EDT).

STRATEGIC REVIEW

s.21(1)(a)

s.21(1)(b)

s.21(1)(a)
s.21(1)(b)

s.68.1

s.68.1

s.21(1)(a)

s.21(1)(b)

DRAFT

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 29, 2009**

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Mr. Brian Mitchell	
Ms. Edna Turpin	

REGRETS:

Ms. Linda Black
Ms. Trina McQueen
Mr. Rémi Racine

ALSO ATTENDING:

Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Ms. Suzanne Morris, Vice-President and CFO
Ms. Johanne Charbonneau, Vice-President and Special Advisor to the President and CEO
Mr. Bill Atkinson, Executive Director, Business Development, Strategy and Business Development
Mr. Shaun Poulter, Senior Director, Government Relations
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO
Mr. Francois Lachaine, Legal Counsel

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**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
MAY 29, 2009**

The Chair called the meeting to order at 2:30 p.m. (EDT).

SALE OF ONTREA ASSETS

The President and CEO summarized the recent meetings with various government agencies on the subject of the sale of assets by CBC/Radio-Canada to generate funds to meet the budgetary shortfall.

At the invitation of the President and CEO, Suzanne Morris and Shaun Poulter reported briefly on their meeting on May 28, 2009 with staff members from the offices of the Minister of Finance, the Minister of Canadian Heritage and the President of Treasury Board. Mr. Poulter summarized the nature and tone of the discussions, noting that, overall, this meeting, the first with the political staff, was positive.

Michel Tremblay presented an overview of the proposed sale of the Ontrea assets, confirming that it was in essence the same proposal as was presented to the May 12-13, 2009 Board meeting. Mr. Tremblay advised that the tax issue with respect to monetizing the bargain purchase option remained outstanding and outlined the implications for the transaction if a timely and favourable ruling were not obtained on this issue. He also drew the Board's attention to the changes in the schedule for completion of the transaction and responded to questions from Board members on: (i) the discount rates used; and (ii) the minimum proceeds dollar amount specified in the resolution.

After discussion, the Board approved the transaction as presented.

On a motion duly moved and seconded

IT IS RESOLVED THAT the Board of Directors hereby approves the entering into formal agreements to conclude a transaction for the monetization of the ONTREA receivables through a Trust on the terms and conditions outlined in the supplementary resolution, a copy of which shall remain attached to the original of these minutes as Appendix 1.

MOTION CARRIED

The President and CEO congratulated the management team on its excellent work with respect to this transaction.

CONCLUDE

There being no further business, the meeting concluded at 2:50 p.m.

MONETIZATION OF ONTREA RECEIVABLES

WHEREAS:

- A. Canadian Broadcasting Corporation (the "**Corporation**") is the owner of the multi-purpose broadcasting facility and related equipment and infrastructure at 250 Front Street West in Toronto, Ontario (the "**Canadian Broadcasting Centre**");
- B. In 2003, the Corporation sold and amended the leases in respect of certain lands adjoining the Canadian Broadcasting Centre to Ontrea Inc., The Cadillac Fairview Corporation Limited and others, and in respect of which the Corporation continues to receive periodic instalments of the purchase price and rent more particularly described in Schedule "A" annexed hereto (such revenue hereinafter referred to as the "**ONTREA Receivables**");
- C. Royal Bank of Canada – Capital Markets ("**RBC-Capital**") were chosen as financial advisors by management pursuant to a request for proposals to advise as to the value of the ONTREA Receivables, market and obtain offers to sell the ONTREA Receivables and, if the ONTREA Receivables are monetized by way of an Assignment Agreement and Concurrent Lease (as defined below), act as dealers or underwriters to assist with the offering referred to below;
- D. After evaluating three different structures for the disposition of the ONTREA Receivables, RBC-Capital proposed monetizing the ONTREA Receivables by way of a sale or other disposition pursuant to one or more assignment agreements (collectively, the "**Assignment Agreement**") and one or more concurrent leases (collectively, the "**Concurrent Lease**") with a newly-formed special purpose vehicle (the "**Purchaser**") that will issue the Notes referred to below (the "**Issuer**") (overall the "**Transaction**");
- E. In connection with the Assignment Agreement, the Concurrent Lease and the issuance of Notes referred to below, it is proposed that CBC give a guarantee (the "**Guarantee**") to the Issuer for the timely payment of the ONTREA Receivables for the case where the debtors would default under the ONTREA Receivables provided however that such default would not cause acceleration of the Notes or the Ontrea Receivables, if the default is cured by the Corporation;
- F. The Issuer and the Corporation will have to deliver an offering memorandum in the English and, if desirable, French language (the "**Offering Memorandum**") describing the securities to be offered by the

Issuer (the "Notes") and the Guarantee, which Offering Memorandum may be signed by directors or officers of the Issuer and the Corporation;

- G. In connection with the issuance of Notes, it may be necessary or desirable to (a) amend the Receivables pursuant to one or more amending or other agreements (the "**Amending Agreements**") so that the Issuer does not receive the portion of the Receivables that is considered for tax purposes as the consideration for the payment of the purchase price under the option to purchase at the end of the term of the Leases (the "**Bargain Purchase Option Payments**"); (b) make certain applications, approvals, requests, notices and/or filings with certain governmental and/or other authorities (including the Canada Revenue Agency) (collectively, the "**Applications**"); and (c) enter into certain other ancillary agreements, including, without limitation, a performance agreement with the manager of the Issuer, and a representation and indemnity agreement with the Issuer and its trustee (the "**Ancillary Agreements**");
- H. The Corporation may not be able to monetize the Bargain Purchase Option Payments portion of the rent, therefore reducing the present value of the ONTREA Receivables by approximately \$20 million; if such was the case, the Corporation would continue to receive \$1.7 million per year until 2027;
- I. Under the *Broadcasting Act*, the Governor in Council will have to authorize the Corporation to dispose of the ONTREA Receivables and to enter into the Concurrent Lease with the Issuer.
- J. This resolution supersedes all prior resolutions dealing with the sale or disposition of the ONTREA Receivables.

IT IS RESOLVED THAT:

(Approving Transaction) The Corporation be and is hereby authorized to (i) seek and obtain offers to monetize all or substantially all of the ONTREA Receivables, which monetization would involve a third party (including the Issuer) purchasing and/or leasing such ONTREA Receivables with a view to procure to the Corporation the highest possible proceeds of disposition of the ONTREA Receivables, (ii) give a guarantee to the Issuer for the payment of the ONTREA Receivables pursuant to the Guarantee, if the Corporation decides to pursue (i) above, the whole being subject to:

- i. the approval of the Governor in Council as required; and
- s.18(a) ii. the proceeds of the Transaction be no less than _____ if all of the
- s.18(b) ONTREA Receivables are monetized or otherwise disposed of or no less than _____ f the ONTREA Receivables are monetized without the Bargain Purchase Option Payments (collectively the "**Conditions**").

(Approving Hiring of Underwriter) The Corporation be and is hereby authorized to enter into an agency and/or underwriting agreement (collectively, the "**Agency and Underwriting Agreements**"), upon terms and conditions acceptable to the Corporation, with RBC-Capital and/or agents or underwriters for the Offering;

(Approving Maintenance of Trust Account) To the extent required, the Corporation be and is hereby authorized to create and maintain a bank account with a financial institution to which the Corporation would direct Ontrea Inc. and The Cadillac Fairview Corporation Limited to deposit payments from ONTREA Receivables and for the Corporation to remit same to Purchaser.

(Approving the Applications). The Corporation be and is hereby authorized to make or instruct counsel to make the Applications, and the Corporation be and is hereby authorized to take any and all action (including payment of all applicable filing fees) that would be necessary or desirable in connection with the making of the Applications.

(Approving the negotiation of the Transaction Documents) The Corporation be authorized to negotiate and eventually enter into all the documents that would be necessary or desirable in order to give effect to the Transaction (hereafter the "**Transaction Documents**"), including, for certainty and without limitation, the Guarantee, the Offering Memorandum (including the English and, if desirable, French version thereof), the Agency and Underwriting Agreements, the Assignment Agreement, the Concurrent Lease, the Amending Agreements and the Ancillary Agreements, subject only to the Conditions above and any other terms and conditions agreed to by the Corporation as evidenced by the signature of two of its officers designated hereafter.

(Approving the signing of Treasury Board Submission and Transaction Documents) Any one of the President and CEO, or the Senior Vice President, Corporate Strategy and Business Partnerships together with the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to (i) sign and execute on behalf of the Corporation the Transaction Documents (ii) sign and file the Treasury Board submission to obtain the required Order in Council.

(Further authority) Any one of the Senior Vice President, Corporate Strategy and Business Partnerships, the Vice President and Chief Financial Officer or the Vice-President, Chief Legal Officer or their respective delegates are hereby authorized for and on behalf of the Corporation to take any and all action, to do all things, to execute under the corporate seal of the Corporation or otherwise such other instruments and documents and to deliver all instruments, documents and materials as are necessary or desirable or convenient and proper to give effect to the foregoing resolutions.

SCHEDULE "A"

DESCRIPTION OF ONTREA RECEIVABLES

The ONTREA receivables consist of the following 2 leases and 2 promissory notes:

1. Phase I Retail Parcel Lease
 2. Phase I Front Street Tower Parcel Lease
 3. Phase II Commercial Note
 4. Phase III Commercial Note
- Phase I Retail Parcel Lease: Tenant is **Simcoe Front Developments Limited** and the annual rent is \$ 449,990.98 until May 1, 2027 including an option to purchase the underlying lands for \$ 100,000. The monthly lease payments are \$37,499.25
 - Phase I Front Street Tower Parcel Lease: Tenant is **WSIB Joint Venture** and the annual rent is \$ 5,599,819.44 with an option to purchase the underlying lands for \$ 2,000,000. The monthly lease payments are \$466,651.62
 - Phase II Commercial Note: Issued by **ONTREA Inc.** on December 1, 2003 for an original principal amount of \$ 51,386,951.82, bearing interest at 7.15% and maturing May 1, 2027 with monthly payments in the amount of \$ 420,462.80
 - Phase III Commercial Note: Issued by **ONTREA Inc.** on December 1, 2003 for an original principal amount of \$ 5,314,632.89, bearing interest at 7.15% and maturing May 1, 2027 with monthly payments of \$ 43,485.85
 - The outstanding principal on the Leases is \$62,853,944 on March 31, 2009.
 - The outstanding principal on the Notes is \$ 57,299,307 on March 31, 2009.

Notes on the debtors under the ONTREA receivables:

- **Simcoe Front Developments Limited** is a nominee of The Cadillac Fairview Corporation Limited.
- **WSIB Joint Venture** is a joint venture composed of: (i) The Cadillac Fairview Corporation Limited (through its nominee, Simcoe Front Developments Limited) as to 25%, and 799549 Ontario Inc., a wholly-owned subsidiary of the Workplace Safety and Insurance Board, as to 75%.
- **ONTREA Inc.** is a wholly owned subsidiary of the Ontario Teachers' Pension Plan Board (OTPP) and was established in 1991 to provide OTPP with a vehicle to invest in real estate. OTPP was created by the provincial government in 1990 as an independent corporation to assume the management of the defined benefit pension plan of teachers in Ontario. OTPP is governed by the Teachers' Pension Act, with the government of Ontario and the Ontario Teachers' Federation jointly responsible for setting plan benefit and contribution levels. .
- **The Cadillac Fairview Corporation Limited** is, since December 1999, also a wholly owned subsidiary of the Ontario Teachers' Pension Plan Board.

DRAFT

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
JUNE 4th, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Mr. Peter Charbonneau	
Mr. Peter Herrndorf	
Ms. Trina McQueen	
Mr. Rémi Racine	

s.19(1)

ALSO ATTENDING:

External Advisor
Mr. Pierre Nollet, Vice President, Corporate Secretary and Chief Legal Officer
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**MEETING OF THE STRATEGIC PLANNING COMMITTEE
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
JUNE 4th, 2009**

s.21(1)(b)

s.19(1)

The Chair called the meeting to order at 2:05 p.m. (EDT).

STRATEGIC REVIEW

The President and CEO introduced the External Advisor appointed by Government, _____ to the Committee members and vice versa.

The President and CEO summarized the all-day meeting held on June 3rd with the External Advisor and the Chair in Montreal, to review the process followed by the Corporation to meet the guidelines and spirit of the Government Strategic Review. A copy of the deck previously presented to the Board as well as the Reallocation Proposals and Reinvestment Proposals were distributed to the advisor. She was also provided with a document summarizing the other options considered by management and this Committee.

The President and CEO and the Chair also reviewed with the advisor the process and decisions taken by the Board of Directors to balance the 2010-2011 budget.

The President and CEO and the Chair informed the Committee that the issue surrounding the arm's length relationship with Government, and how to manage it in the context of the Strategic Review, was fully discussed with the advisor.

Each Committee member was then asked to provide its perspective on the process to date, the transparency of the organization in making the reallocation and reinvestment proposals, the quality of the information provided, the ability to challenge the proposals put forward by management, the access to management, the quantity and quality of meetings. Committee members noted that this process might have suffered only from the unrealistic timeframe provided to the Corporation to conduct such an exercise and of the unpleasant choices that resulted from it.

s.21(1)(b)

CONCLUDE

There being no further business, the meeting concluded at 2:50 p.m.

**370th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Ottawa, Ontario – June 22-23, 2009**

Tuesday, June 23, 2009

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
1. In Camera with President and CEO	08:00 (60 min)	ALL		
2. Approval of minutes of the May 12-13, 2009 meeting and of the conference call meeting June 9, 2009	09:00 (5 min)	Hubert T. Lacroix	YES	YES
3. Matters arising from previous meeting • Health and Safety update – Disability Statistics	09:05 (5 min)			YES
4. Chair's Report	09:10 (15 min)	Timothy Casgrain		
5. President's Report	09:25 (15 min)	Hubert T. Lacroix		
6. Recovery Plan Update	09:40 (45 min)	Hubert T. Lacroix Suzanne Morris Richard Stursberg Katya Laviolette		YES
7. Strategic Review	10:25 (15 min)	Hubert T. Lacroix		
8. SCRC Update	10:40 (10 min)	Katya Laviolette		
9. Post-Mortem of Previous Board Decisions: • International Sales • Coronation Street • Broadband Children services • Current International Partnership	10:50 (30 min)	Richard Stursberg		YES
LUNCH				
10. Audit Committee Report • Approval of the Financial Statements • Approval of Management Discussion & Analysis section of Annual Report • Pension Plan Actuarial Valuation	12:00 (60 min)	Peter Charbonneau	YES YES YES	YES YES YES
11. Annual Public Meeting	13:00 (10 min)	Timothy Casgrain Bill Chambers	YES	YES
12. Calendar of meetings for 2010	13:10 (5 min)	Timothy Casgrain	YES	YES
13. Committee Membership	13:15 (5 min)	Timothy Casgrain	YES	
14. In-Camera				


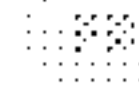
**370th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Ottawa, Ontario – June 22-23, 2009**

Next meeting – September 21 - 22, 2009 Ottawa, Ontario			
Conclude	14:00		

UPDATES/INFORMATION

- a) Summary of Government Funding (10 year operating & capital) – Suzanne Morris
- b) Labour Relations Update – Katya Laviolette
- c) Workforce Distribution – Michel Hamelin
- d) President and CEO's Signing Authority – Pierre Nollet
- e) 2008-2009 Quarterly Management Financial Report – 4th Quarter – Suzanne Morris

Policy 2.3.08: Delegation of Financial Authorities

Available In:  

Effective: April 1, 1998

Responsibility: Vice-President and Chief Financial Officer

- [Statement of Policy](#)
- [History](#)
- [References](#)
- [Person Responsible for Interpretation and Application](#)
- [Appendix A - Guidelines for Delegation of Financial Authorities](#)
- [Appendix B - Guidelines for functional financial authority](#)
- [Appendix C - Monitoring and Reporting – Checks and Controls](#)
- [Appendix D - Roles and Responsibilities](#)
- [Appendix E - Template for Delegation of financial and functional financial authorities](#)

STATEMENT OF POLICY

The **Delegation of Financial Authorities** (DFA) identifies the individuals who can exercise the authority to spend within an approved budget, in addition, when the signature of documents that commit the Corporation, undertakings, agreements, work orders, binding letters of intent, purchase orders, contracts and Corporate documents (hereinafter “Contracts”) is required, it remains subject to the [Delegation of Signing Authority](#) Corporate Policy # 2.9.3.

The **Delegation of Signing Authority** (DSA) prescribes the positions authorized to sign any contract on behalf of the Corporation. The principles applicable to DSA are set out in the Corporate Policy # 2.9.3 entitled [Delegation of Signing Authority](#). Before signing a Contract, the individual holding the signing authority has to ensure that DFA approval has been received and that the DFA principles are and will be respected.

The **functional financial authority** identifies the authority to approve disbursements and payments, as provided within this DFA Policy. This authority ensures appropriate control over the Corporation’s financial commitments and disbursements and the accounting entries in the books of account of the Corporation.

Purpose:

The DFA is based on the principles of Accountability, Responsibility, Honesty, Trust and Integrity. Its purpose is to ensure that adequate controls are in place for the proper authorization of all expenses and to safeguard the assets of the Corporation against loss, through fraud, theft and/or improper use and to produce reliable financial records for internal use and external reporting.

Individuals vested with a financial authority:

An individual vested with a financial authority may issue "Standing Delegation" to one alternate. Standing Delegation refers to a delegation to another employee, which provides full authority to act on behalf of the delegator who has been delegated initial authority, in his/her absence in order to ensure that financial authorities are exercised in a timely manner. An individual who has been granted a "Standing Delegation" will have the same authority as the regular delegate, unless specifically denied in the appointment process.

Delegation:

In approving the Operating Budget, the Board delegates the financial authority to the President subject to the other policies of the Corporation. In approving the Capital Budget, the Board delegates the financial authority to the President in respect of such Budget subject to the condition that- each individual capital project which exceeds \$5 million must also be individually approved by the Board prior to the President being authorized to act on such project. The Board's approval of any individual capital project shall include; the authority for the President to authorize additional spending in excess of the amount approved by the Board of- (i) up to \$1 million in the case of projects between \$5 million and \$10 million or (ii) up to \$2 million in the case of projects over \$10 million. The financial authority is delegated from the President to senior key positions following direct lines of authority within the Corporation. The functional financial authority may be delegated by the President or the Vice President and CFO to Senior Finance and Administration officers at the Corporate, Network and Regional levels who can re-delegate in direct lines to other Finance and Administration officers in order to meet internal control and operational requirements. Although delegation can only be made to direct reports, by exception, and for operational requirements, Network and Regional Directors of Finance and Administration may receive a financial and/or functional financial authority from the Vice President and CFO and proceed to additional delegation of same. The same exception is applicable for Foreign Offices, for any local officer outside Finance and Administration. In those two exceptions, the Network and Regional Directors of Finance and Administration and local officers of Foreign Offices are directly accountable to the Vice President and CFO for the performance of their obligations under this Policy.

All financial authority delegations and functional financial authority delegations must be done in the form attached as Appendix E, except for the functional financial authority of cheque signing & electronic funds transfers, as detailed in Appendix B.

Authority can only be delegated to employees of the Corporation. An individual who has been vested with a DFA may spend any amount for any type of expense up to his/her approved budgets and pertaining to the functions for which he/she is responsible, and subject to any restrictions identified in this Policy.

President's Authority:

The President is responsible for establishing the relevant DFA Policy and to approve the Appendices to this Policy. The President is empowered to delegate financial or functional financial authorities, as required, for the effective operation of business, except where an expense is governed by a by-law or a specific resolution of the Board of Directors or affects

his/her own level of authorization. In addition, a resolution of the Board of Directors may always supersede this Policy.

Vice President and CFO's Authority:

The President hereby delegates to the Vice President and CFO full functional financial authority (except the functional financial authority relating to cheque signing and electronic funds transfers for which the latter is already vested with pursuant to the Banking by-law 14).

Board of Directors

June 23, 2009

Subject matter

Summary of Government Funding (10 years – operating and capital).

Background

The attached provides a 10-year historical overview of the Corporation's parliamentary appropriations as at June 3, 2009. The approved reference levels for 2010-2011 and beyond are also provided.

Information on the matter

See attached.

For information



Prepared by

Name: Suzanne Morris

Date: June 3, 2009

Management recommendation

Not required.

Last discussed at the Board

Date: May 13, 2009

Decision made: N/A

Next steps

Not required.

Anticipated project completion date: _____

(If contract, indicate date of expiry): _____

CBC'S PARLIAMENTARY APPROPRIATIONS
(\$ Thousands)

										Current	Forecast		
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Operating Appropriation (Note 1)	789,666	852,821	861,744	862,460	914,197	955,410	955,722	955,731	1,009,121	1,002,661	1,016,415	1,016,415	1,016,415
One-time funding adjustments:													
Transfer from Capital appropriation	13,090			3,636	1,112	9,277	9,277	9,277	9,276	9,276	0	0	0
Transfer to Capital appropriation	(13,298)	(15,170)	(7,459)	(40,921)	(10,538)	(8,456)	(42,676)	(27,344)	(13,622)	(8,575)	(9,233)	(9,941)	(10,704)
Funding for PILT increases	300												
Program Integrity Funding - Asbestos	4,000												
Funding to strengthen & revitalize programs		60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			
Transfers from Cdn. Heritage (CCOL) (Note 2)		2,500	2,120	2,000	2,000	0	2,000	1,900	2,000				
Reprofiling		(60,000)	20,000	40,000	(20,000)	0			20,000				
Cost increases for 2002 Canada Day			1,027										
Funding for RCI (Note 3)				15,520									
Expenditure Review Reduction (Budget 2003)				(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Expenditure Review Reduction (Budget 2007)									(6,638)	(9,483)	(11,854)	(14,680)	(14,680)
Unavoidable new costs (Note 4)	300	253											
Total Operating Appropriation	794,068	840,404	907,432	906,695	906,774	1,006,233	974,026	988,564	1,070,107	1,043,879	996,309	981,794	991,031
Capital Appropriation	101,809	100,311	97,631	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331
One-time funding adjustments:													
Transfer to Operating appropriation	(13,090)			(3,636)	(1,112)	(9,277)	(9,277)	(9,277)	(9,276)	(9,276)			
Transfer from Operating appropriation	13,298	15,170	7,459	40,921	10,538	8,456	42,676	27,344	13,622	8,575	9,233	9,941	10,704
Reprofiling of vote from 99/00 to 00/01	25,000												
Reprofiling of vote from 00/01 to 01/02	(23,000)	23,000											
Reprofiling of vote from 04/05 to 05/06					(6,000)	6,000							
Reprofiling of vote from 05/06 to 06/07						(10,000)	10,000						
Total Capital Appropriation	104,017	138,481	105,090	128,616	96,767	87,610	135,730	140,398	96,677	81,630	101,864	102,272	103,036
Working Capital Appropriation	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL APPROPRIATION	902,075	982,986	1,048,522	1,066,311	1,038,324	1,097,743	1,114,056	1,103,962	1,170,814	1,134,509	1,099,992	1,088,066	1,098,066
Less Reprofiling Decision (Capital)	(2,000)	(23,000)			6,000	4,000	(10,000)						
Less Reprofiling Decision (Operating)		60,000	(20,000)	(40,000)	20,000				(20,000)				
TOTAL APPROPRIATION AVAILABLE FOR REGULAR OPERATIONS	900,075	1,019,986	1,028,522	1,026,311	1,062,324	1,101,743	1,104,056	1,103,962	1,150,814	1,134,509	1,099,992	1,088,066	1,098,066

Note 1 The operating appropriation includes retroactive and in-year salary funding adjustments up to and including 2010-11.

Note 2 Expected CCOL funding was not transferred from Canadian Heritage in 2005-06.

Note 3 Funding for RCI was previously provided through a contribution agreement with Canadian Heritage. Starting in 2003-04, funding forms part of CBC's appropriation and is shown in the base appropriation in 2004-05 and future years.

Note 4 Permanent funding adjustments for unavoidable new costs, merit and salary increases are reflected in the base operating appropriation.

Board of Directors
(June 22 & 23, 2009)

Subject matter

Labour Relations Update

Background

This is a standing item on the Board of Directors' agenda which provides the status of CBC's collective agreements.

Information on the matter

Not applicable.

For decision

For information

Prepared by

Name: **Michel Hamelin**

Date: **June 8th, 2009**

Management recommendation

Not applicable.

Last discussed at the Board

Date: **May 13, 2009**

Decision made:

Next steps

Anticipated project completion date: N/A

(If contract, indicate date of expiry) :

Industrial Relations Update for the Board of Directors' Meeting
June 22, 23, 2009

AGREEMENTS PRESENTLY BEING NEGOTIATED

SYNDICAT	Effective Date	# of Members	Central Issues
FRENCH FILE			
<p align="center">SCRC (Syndicat des communications de Radio-Canada)</p>	<p align="center">Mar. 27, 2006– Mar. 29, 2009</p>	<p align="center">approx 1,390</p>	
<p align="center">UDA (Union des artistes)</p>	<p align="center">Nov. 14, 2005– Nov. 13, 2009</p>	<p align="center">N/A</p>	
ENGLISH FILE			
<p align="center">WGC (Writers Guild of Canada)</p> <p align="center"><u>Television and Radio Agreement</u></p>	<p align="center">Sept. 1, 1998– August 31, 2000</p>	<p align="center">N/A</p>	<p>Agreements were to expire August 31, 2000. Parties agreed to extend until further notice. Notice to bargain has not been given by either side.</p> <p>An agreement was reached with the WGC for material created under the WGC/CBC Radio Agreement to include digital and internet rights within agreed</p> <p>In addition, rights for use of material created under the WGC Radio for distribution on Sirius satellite radio has been agreed to within mandate.</p> <p>Since the above agreement was reached, the WGC also agreed that content created under the WGC/CBC Television Agreement will now include digital and internet rights.</p>

s.18(b)

s.21(1)(c)

ENGLISH FILE

<p>IATSE (International Alliance of Theatrical, Stage Employees and Moving Picture Machine Operators of the United States and Canada) (Stagehands)</p>	<p>No agreement since 1994</p>	<p>3</p>	
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s.18(b)
s.21(1)(c)

NEGOCIATED COLLECTIVE AGREEMENTS

UNION	Effective Dates of Collective Agreement	Number of Members
NATIONAL FILE		
APS	Association of Professionals and Supervisors July 1, 2008– June 30, 2013	646
AFM	The American Federation of Musicians of the United States and Canada (AFM) April 1, 2006 – March 31, 2010	N/A
ENGLISH FILE		
CMG	Canadian Media Guild April 1, 2009– March 31, 2014	5,141
ACTRA	Alliance of Canadian Cinema, Television and Radio Artists (Performers) July 1, 2005– June 30, 2010	N/A
FRENCH FILE		
SCRC (Unit 1)	Syndicat des communications de Radio-Canada March 27, 2006 – March 29, 2009	1,390
STARF (Unit 2)	Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada April 1, 2009 – March 31, 2012	1,335
UDA	Union des artistes November 14, 2005 – November 13, 2009	N/A
SARTEC	Société des auteurs de la radio, de la télévision et du cinéma July 10, 2006 – July 9, 2010	N/A
SPACQ	Société professionnelle des auteurs et des compositeurs du Québec January 8, 2007 – January 7, 2011	N/A
AR	Association des réalisateurs October 1, 2007 – December 11, 2011	380
SCFP	Canadian Union of Public Employees October 1, 2007 – September 26, 2010	662

Board of Directors

(June 22-23, 2009)

Subject matter

Workforce Information

Background

The attached documents present the total workforce in terms of full time equivalent (FTE) broken down by:

- media component with a comparison to beginning fiscal year;
- geographic location (map of Canada)

Information on the matter

Attached

For decision

For information

Prepared by

Name: Katya Laviolette
Date: June 4, 2009

Management recommendation

N/A

Last discussed at the Board

Date:
Decision made:

Next steps

Anticipated project completion date:

(If contract, indicate date of expiry):

Conseil d'administration

(22 et 23 juin 2009)

Sujet

Information sur la main-d'oeuvre

Contexte

Les documents en annexe présentent la main-d'œuvre totale exprimée en équivalent à temps plein (ETP) et ventilée par :

- composante média (avec une comparaison par rapport au début de l'exercice);
- lieu géographique (carte du Canada).

Renseignements connexes

Voir document joint

Décision à prendre **À titre d'information**

Préparé par

Nom : Katya Laviolette

Date : le 4 juin 09

Recommandation de la direction

N/A

Dernière discussion au Conseil

Date :

Décision prise à cette occasion :

Suivi

Date prévue de l'achèvement du projet : _____
(Indiquer la date de fin du contrat) : _____

TOTAL WORKFORCE / EFFECTIF TOTAL

Full Time Equivalent / Équivalent temps plein

Month / Mois : March / mars 2009 (April 26, 2009 / Le 26 avril 2009)						
	Permanent (a,b)	Temporary Temporaire (a,b)	Contract Contractuel (a,b)	Short term Court terme (d)	TOTAL *	
English Services/ Services anglais	3 301	107	390	271	4 069	4 224 -155
French Services/ Services français	3 027	324	383	529	4 264	4 443 -179
Corporate/ National	1 004	52	170	12	1 238	1 263 -25
TOTAL	7 333	482	943	813	9 571 *	9 930 ** -359

* 9,571 FTE/EPT = 10,436 head count / effectifs réels.

** March 29, 2009: 9,930 FTE/EPT = 10,722 head count / effectifs réels.

Notes:

(a) Employees on leave of absence are excluded. / Les employés en absence autorisée sont exclus.

(b) FTE is based on the full-time / part-time percentage of the employee's working schedule. /

L'EPT est basé sur le pourcentage temps plein / temps partiel de l'horaire de travail des employés.

(d) Includes casual + short term contract. FTE is based on the total days worked over a four week period. /

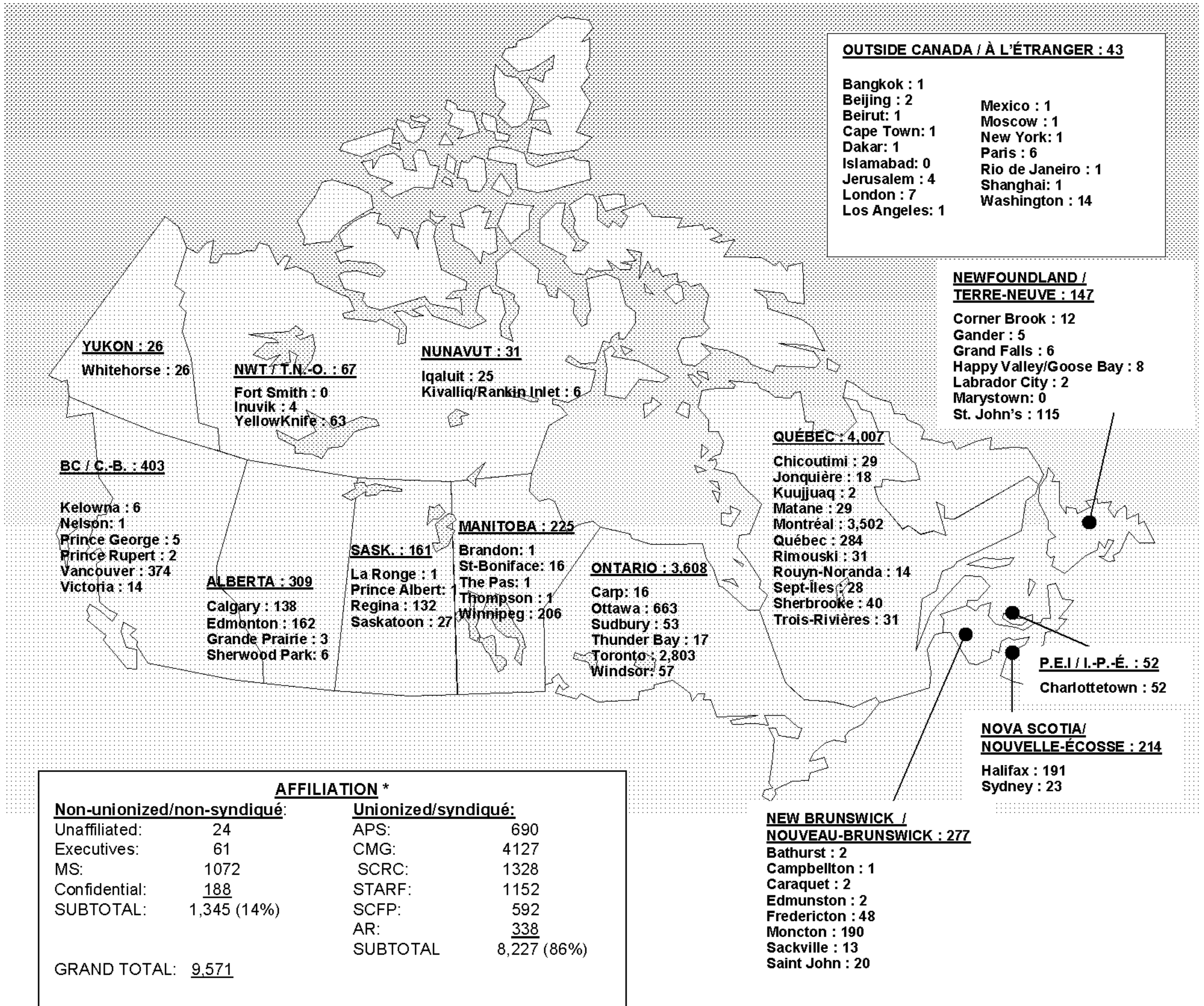
Comprend les occasionnels et les contractuels courte durée. L'EPT est basé sur le total des jours travaillés durant une période de quatre semaines.

The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

CBC Map / Carte de la SRC

Full Time Equivalent / Équivalent temps plein

April 2009 / avril 2009



Total FTE/ETP 9,571 = Head count / effectifs réels 10,436

* The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

Board of Directors

June 22 - 23, 2009

Subject matter

President and CEO's Signing Authority

Background

In June 2008 the Board approved the attached signing authority.

Information on the matter

At the request of Board members, we are attaching, as a standing item, the actual signing resolution for reference purposes.

For decision

For information

Prepared by

Name: Pierre Nollet
Date: June 5, 2009

Management recommendation

Last discussed at the Board

Next steps

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

On a motion duly moved and seconded

WHEREAS the President and CEO requires sufficient authority to carry out his/her functions; and

WHEREAS the Board reviews and approves the Capital and Operating budgets each and every year; and

WHEREAS the authority granted to the President and CEO shall be carried out within the limits of the approved budgets and in accordance with the provision of the Corporation's By-laws and the Broadcasting Act;

IT IS THEREFORE RESOLVED THAT the President and CEO directly or through his/her delegate be and is hereby authorized to decide, enter into or commit on behalf of the Corporation in respect of:

1. *(acquisition or disposition of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$4 million, when covered by Section 48(2) of the Broadcasting Act;
2. *(leasing of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$15 million, when covered by Section 48(2) (b) of the Broadcasting Act and Order in Council number P.C. 2002-1582 dated September 24, 2002;
3. *(programming)* any matter relating to the acquisition, production, co-production, distribution or financing of programs, or any media placement or advertising agreements that has a financial value* or consideration to the Corporation of up to \$10 million and that commits the Corporation for a period of 4 years or less;
4. *(revenue generating)* any matter where the main objective is to generate revenues and which requires the Corporation to invest up to \$15 million and commits the Corporation for a period of 4 years or less;
5. *(general)* any other matters which have a financial value or consideration to the Corporation of up to \$5 million save and except when Governor in Council approval or Minister of Finance approval is required, pursuant to Section 46 and 46.1 of the Broadcasting Act.

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

For greater certainty, the above authority does not include the authority to:

- a) agree to or enter into new business ventures on behalf of the Corporation;
- b) discontinue or cease the operations of a division or business unit; or
- c) dispose of a significant portion of the assets of a division or business unit.

IT IS FURTHER RESOLVED THAT the President directly or through his/her delegate be and is empowered and directed, in the name and on behalf of the Corporation to make, execute and deliver and to do all such acts and things as are necessary or appropriate to effect the foregoing resolution and to execute all agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Corporation in connection with the authority contemplated in the foregoing resolution and any acts or things heretofore done or made or documents heretofore executed and delivered which effect the foregoing resolution are in all respects approved, ratified and confirmed.

* Financial value includes the value of any option as if exercised.

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2008/2009
QUARTERLY FINANCIAL MANAGEMENT REPORT
4th quarter, ended March 31, 2009
(UNAUDITED)

June 22, 2009

Confidential

A0023377_3-000233

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal years ended March 31, 2009 and 2008

Financial Reporting Basis

CBC/Radio-Canada prepares its financial results using two different accounting approaches.

The Broadcasting Act requires CBC/Radio-Canada to submit Annual Reports to the Minister of Canadian Heritage containing audited consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

In addition, CBC/Radio-Canada is a Parliamentary appropriation dependent Crown corporation that is accountable to a Government for financial results on a government-funding basis, which differs from GAAP. Non-cash items such as accrued pension plan expenses and other employee future benefits, amortisation, and depreciation are not recognised on a government-funding basis until they become payable within a year.

A reconciliation between the financial results prepared in accordance with GAAP to operating and capital financial results prepared on a government-funding basis is provided in the notes to CBC/Radio-Canada's annual audited financial statements.

Financial Review and Analysis Content

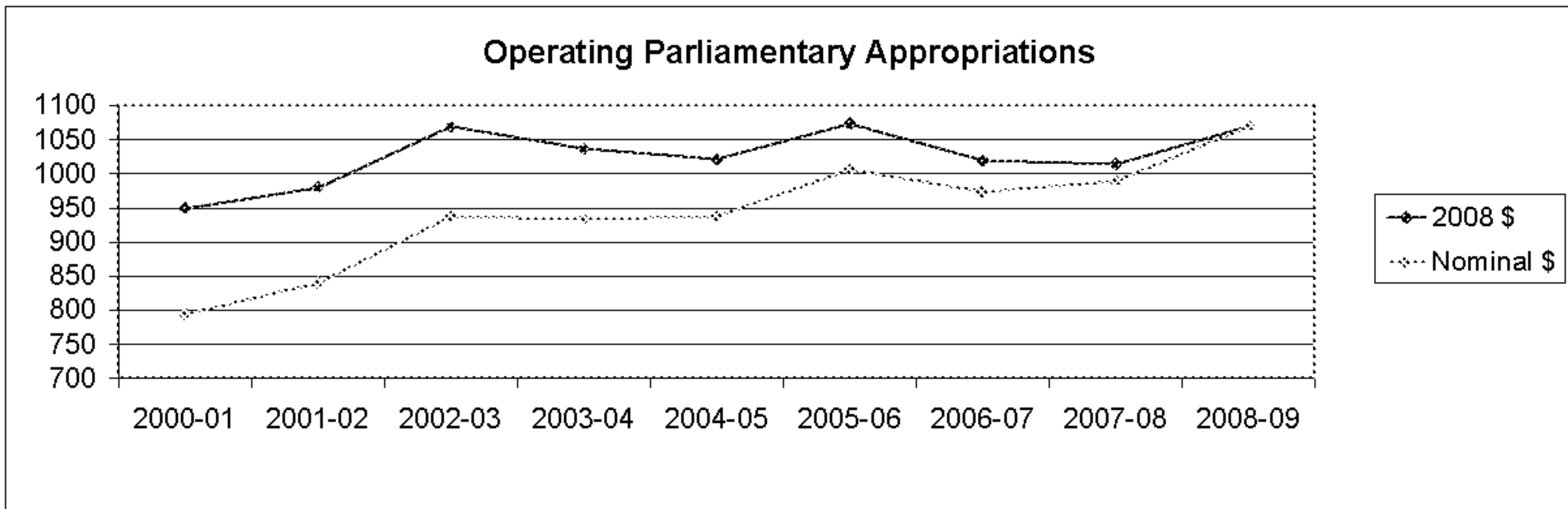
The review and analysis of CBC/Radio-Canada's financial results for the fiscal years ended March 31, 2009 and 2008 is presented on both a government-funding basis and in accordance with GAAP.

This report presents and analyses results of operations for the fiscal year months ended March 31, 2009, compared to the year-to-date budget, and the year-to-date results for the same period in 2007/2008 on government-funding basis. Segmented results are presented for English and French media services and other operations.

The Financial statements prepared on a GAAP basis for the period ended March 31, 2009 and compared with the results for the same period in 2007/2008 will be presented separately from this report.

s.18(a)
s.21(1)(b)

Financial Highlights for the fiscal year ended March 31, 2009



s.18(a)

s.18(b)

s.18(a)

s.18(b)

Overall Expenditures

**Overview of the fiscal year ended March 31, 2009
(In \$000's)**

	2008/2009		2007/2008	
	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS				
Parliamentary Appropriation				
Prior Year Carryover				
Government Funding and Carryover				
Revenues				
Commercial Revenues:				
English Television				
French Television				
Olympics				
Commercial Revenues				
Miscellaneous Revenues				
Revenues-Specialty Services:				
Newsworld				
bold				
Réseau de l'information				
Galaxie				
Revenues-Specialty Services				
SOURCE OF FUNDS				
APPLICATION OF FUNDS				
Expenditures:				
English Television				
French Television				
English Radio				
French Radio				
Radio Canada International				
Olympics				
Downsizing				
Others				
Expenditures				
Expenditures - Specialty Services:				
Newsworld				
bold				
Réseau de l'information				
Galaxie				
Expenditures - Specialty Services				
APPLICATION OF FUNDS				
NET POSITION				

s.18(a)

s.18(b)

s.68.1

s.18(a)

s.18(b)

Segmented Results

**Consolidated English Services
For the fiscal year ended March 31
(In \$000's)**

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Prior Year Carryover					
Total Government Funding and Carryover					
Revenues					
English Television - Commercial					
English Television - Miscellaneous					
Newsworld					
bold					
English Radio - Miscellaneous					
Total Revenues					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
English Television					
Newsworld					
bold					
English Radio					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

s.18(a)

s.18(b)

s.18(a)

s.18(b)

s.18(a)

s.18(b)

s.68.1

**Consolidated French Services
For the fiscal year ended March 31
(In \$000's)**

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Prior Year Carryover					
Total Government Funding and Carryover					
Revenues					
French Television-Commercial Revenues					
French Television -Miscellaneous Revenues					
Réseau de l'information					
French Radio					
Radio Canada International					
Total Revenues					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
French Television					
Réseau de l'information					
French Radio					
Radio Canada International					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

s.18(a)

s.18(b)

s.18(a)

s.18(b)

s.68.1

Other Services
For the fiscal year ended March 31
(In \$000's)

s.18(a)
s.18(b)

	2006/2007		2007/2008	
	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS				
Parliamentary Appropriation				
Prior Year Carryover				
Government Funding and Carryover				
Revenues				
CBC Transmission and Distribution				
Real Estate Division				
Mobile Division-External Rentals				
Merchandising Division				
Corporate Management and Support Services				
Revenues				
SOURCE OF FUNDS				
APPLICATION OF FUNDS				
CBC Technology				
CBC Transmission and Distribution				
Real Estate Division				
Mobile Division				
Mobile Division-Recoveries from medias				
Merchandising Division				
Corporate Management and Support Services				
Downsizing				
APPLICATION OF FUNDS				
NET POSITION				

s.18(a)

s.18(b)

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Detailed Tables of Operations

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Financial Management Report
 Corporate Summary
 For the fiscal year ended March 31
 (\$000's)

s.18(a)

s.18(b)

	2007/2008			2007/2009	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Total Government Funding and Carryovers					
Commercial Revenues - Regular Operations					
Commercial Revenues - Olympics					
Total Commercial Revenues					
Miscellaneous Revenues - Regular Operations					
Miscellaneous Revenues - Olympics					
Total Miscellaneous Revenues					
Total Commercial and Miscellaneous Revenues					
TOTAL SOURCE OF FUNDS - MAIN SERVICE					
TOTAL SOURCE OF FUNDS - SPECIALTY SERVICES					
TOTAL SOURCE OF FUNDS FOR CBC					
APPLICATION OF FUNDS					
Expenditures - Regular Operations					
Expenditures - Olympics					
TOTAL APPLICATION OF FUNDS - MAIN SERVICE					
TOTAL APPLICATION OF FUNDS - SPECIALTY SERVICES					
TOTAL APPLICATION OF FUNDS FOR CBC					
NET POSITION FOR CBC OPERATIONS					

s.18(a)

s.18(b)

**Financial Management Report
Source of Funds
For the fiscal year ended March 31
(\$000's)**

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Prior Year Carryover					
Total Government Funding and Carryovers					
Commercial Revenues					
Commercial Revenues - Regular Operations:					
English Television					
French Television					
Total for Regular Operations					
Commercial Revenues - Olympics					
Beijing Olympics					
Total Olympics Revenues					
Total Commercial Revenues					
Miscellaneous Revenues					
Miscellaneous Revenues - Regular Operations:					
English Television					
French Television					
English Radio					
French Radio					
Sirius					
Mobile Division					
Merchandising Division					
Corporate Activities					
CBC Transmission and Distribution					
Real Estate Division					
Radio Canada International					
TBC land interest					
Total for Regular Operations					
Miscellaneous Revenues - Olympics					
Beijing Olympics					
Total for Olympics					
Total Miscellaneous Revenues					
Total Commercial and Miscellaneous Revenues					
TOTAL SOURCE OF FUNDS - MAIN SERVICE					
Specialty Services Revenues:					
Newsworld					
bold					
Réseau de l'information					
Galaxie					
TOTAL SOURCE OF FUNDS - SPECIALTY SERVICES					
TOTAL SOURCE OF FUNDS FOR CBC					

s.18(a)

s.18(b)

s.68.1

Financial Management Report
Application (use) of Funds
For the fiscal year ended March 31
(\$000's)

	2007/2008			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
APPLICATION OF FUNDS					
Expenditures - Regular Operations:					
English Television					
French Television					
English Radio					
French Radio					
Mobile Division					
Ottawa Production Centre					
Merchandising Division					
Corporate Activities					
CBC Technologies					
CBC Transmission & Distribution					
Real Estate Division					
Radio Canada International					
Downsizing					
Corporate Reserve					
Total Expenditures - Regular Operations	—	—	—		
Expenditures - Olympics:					
Beijing Olympics					
Total Expenditures - Olympics	—	—	—		
TOTAL APPLICATION OF FUNDS - MAIN SERVICE					
Expenditures - Specialty Services:					
Newsworld					
bold					
Réseau de l'information					
Galaxie					
TOTAL APPLICATION OF FUNDS - SPECIALTY SERVICES					
TOTAL APPLICATION OF FUNDS - ALL SERVICES					

s.68.1

s.18(a)

CORPORATE SUMMARY - VARIANCE OVERVIEW
(\$000's)

s.18(b)

	2001/2000 Actuals as at March 31		
	Revenue Variances	Expenditure Variances	Net Variance
Main Service:			
English Television			
French Television			
English Radio			
French Radio			
Mobile Division			
Ottawa Production Center			
Merchandising Division			
Corporate Activities			
CBC Technologies			
CBC Transmission and Distribution			
Real Estate Division			
RCI			
Total - Components	—		
Downsizing			
Corporate Reserve			
Total - Corporate Reserve	—		
TOTAL - MAIN SERVICE			
Specialty Services:			
Newsworld			
bold			
RDI			
Galaxie			
TOTAL - SPECIALTY SERVICES			
NET POSITION			

Note - negative variances are indicated by brackets

**Financial Management Report
Consolidated English Services
For the fiscal year ended March 31
(\$000's)**

s.18(a)

s.18(b)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Prior Year Carryover					
Total Government Funding and Carryover					
<u>Revenues</u>					
English Television - Commercial					
English Television - Miscellaneous					
Newsworld					
bold					
English Radio - Miscellaneous					
Total Revenues					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
English Television					
Newsworld					
bold					
English Radio					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

s.18(a)

s.18(b)

s.68.1

Financial Management Report
English Television
For the fiscal year ended March 31
(\$000's)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Surplus Carryover					
Commercial Revenue - Television					
Commercial Revenue - Internet					
Business Development Revenue					
Miscellaneous Revenue					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
<u>Costs related to Revenue-generating Services *</u>					
Media Marketing and Sales					
Business Development					
CBC.ca					
Subtotal - Revenue-generating Services					
<u>Programming and Production</u>					
Sports					
Network Programming					
News and Current Affairs					
Communications					
Production and Resources					
Regional Operations					
Network Reserve					
Subtotal - Programming and Production					
<u>Technical</u>					
Toronto Production Services					
News Production Services					
Affiliates					
Plant - Broadcast Services - Master Control					
Subtotal - Technical					
<u>General Administration</u>					
Management					
Training					
Support Services (Network and Regional)					
Business Rights and Content Management					
Subtotal - General Administration					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

*Please note that other areas may also generate revenues. These are only the services whose main function is revenue-generation.

s.18(a)

s.18(b)

Newsworld
Schedule of Incremental Revenues and Costs
For the fiscal year ended March 31
(\$000's)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues					
Commercial Revenue					
Cable Subscriptions					
Program Sales	—				
Total Incremental Revenues	—				
Incremental Costs					
Programming					
Distribution					
Management and Services					
Selling					
Promotion & Marketing	—				
Total Incremental Costs	—				
Excess of Revenues over Costs					
Repayments to the Main Service					
Capital Expenditures	—				
Total Repayments to the Main Service	—				
Excess Revenues/(Costs)					

Financial Management Report
English Radio
For the fiscal year ended March 31
(\$000's)

	2008/2009			2007/2008		
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals	
SOURCE OF FUNDS						
Parliamentary Appropriation						s.18(a)
Surplus Carryover						s.18(b)
Miscellaneous Revenue						
TOTAL SOURCE OF FUNDS						
APPLICATION OF FUNDS						
<u>Costs related to Revenue-generating Services</u>						
Entrepreneurial Activities						
Subtotal - Revenue-generating Services						
<u>Programming and Production</u>						
Arts & Entertainment						
Music Department						
Radio 3						
Sirius						
News & Current Affairs						
Network Services						
Production and Resources						
Network Reserves						
<u>Regional Operations</u>						
<i>CBC North</i>						s.68.1
<i>British Columbia</i>						
<i>Alberta-Calgary</i>						
<i>Alberta-Edmonton</i>						
<i>Saskatchewan</i>						
<i>Manitoba</i>						
<i>CBL-Toronto</i>						
<i>Ottawa</i>						
<i>Ontario</i>						
<i>Quebec</i>						
<i>Maritimes</i>						
<i>Newfoundland</i>						
Subtotal - Regional Operations						
Subtotal - Programming and Production						
<u>Technical</u>						
Distribution						
Radio Production Centre						s.18(a)
Subtotal - Technical						s.18(b)
<u>General Administration</u>						
Management						
Subtotal - General Administration						
TOTAL APPLICATION OF FUNDS						
NET POSITION						

**Financial Management Report
Consolidated French Services
For the fiscal year ended March 31
(\$000's)**

s.18(a)

s.18(b)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Prior Year Carryover					
Total Government Funding and Carryover					
Revenues					
French Television-Commercial Revenues					
French Television -Miscellaneous Revenues					
Réseau de l'information					
French Radio					
Radio Canada International					
Total Revenues					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
French Television					
Réseau de l'information					
French Radio					
Radio Canada International					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

s.18(a)

s.18(b)

s.68.1

Financial Management Report
 French Television
 For the fiscal year ended March 31
 (\$000's)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Surplus Carryover					
Commercial Revenue - Television					
Commercial Revenue - Internet					
Miscellaneous Revenue					
TOTAL SOURCE OF FUNDS	---	---			
APPLICATION OF FUNDS					
<u>Costs related to Revenue-generating Services</u>					
Marketing and Sales (incl. Internet)					
Commercial Production					
Program Sales to Other Broadcasters					
Production Services and Others					
Costs - Contra Agreements					
Subtotal - Revenue-generating Services	---	---			
<u>Programming and Production</u>					
Sports					
Arts & Entertainment					
News and Current Affairs					
Media Operations					
Internet and Digital Services					
Communications					
Regional Operations					
Network Reserve					
Subtotal - Programming and Production	---	---			
<u>Technical</u>					
Affiliates					
Plant - Production Services					
Plant - Broadcast Services - Master Control					
Subtotal - Technical	---	---			
<u>General Administration</u>					
Management					
Training					
Support Services (Network and Regional)					
Subtotal - General Administration	---	---			
TOTAL APPLICATION OF FUNDS	---	---			
NET POSITION					

Le Réseau de l'information
 Schedule of Incremental Revenues and Costs
 For the fiscal year ended March 31
 (\$000's)

s.18(a)

s.18(b)

	2006/2007			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues					
Commercial Revenue					
Cable Subscriptions					
Program Sales					
Others					
Surplus Carryover	—				
Total Incremental Revenues	—				
Incremental Costs					
Programming					
Technical Services					
Sales & Marketing/Promotion					
Management and Services					
Total Incremental Costs	—				
Excess of Revenues over Costs					
Repayments to the Main Service					
Capital Expenditures					
Total Repayments to the Main Service	—				
Excess Revenues/(Costs)					

s.18(a)
s.18(b)
s.68.1

Financial Management Report
French Radio
For the fiscal year ended March 31
(\$000's)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Parliamentary Appropriation					
Surplus Carryover					
Miscellaneous Revenue	---				
TOTAL SOURCE OF FUNDS	---				
APPLICATION OF FUNDS					
<u>Costs related to Revenue-generating Services</u>					
Production Services and Others					
Costs - Contra Agreements					
Subtotal - Revenue-generating Services	---				
<u>Programming and Production</u>					
<i>Première Chaîne</i> Programs					
<i>Espace Musique</i>					
Sirius					
Information Programming					
Promotion and Advertising					
Network Reserve					
<u>Regional Operations</u>					
Programming Management					
Atlantic					
Quebec					
Ontario/ Outaouais					
West					
Subtotal - Regional Operations					
Subtotal - Programming and Production					
<u>Technical</u>					
Production Services					
Broadcast Services					
Subtotal - Technical	---				
<u>General Administration</u>					
Management					
Subtotal - General Administration	---				
TOTAL APPLICATION OF FUNDS	---				
NET POSITION					

s.18(a)

s.18(b)

**Financial Management Report
Corporate Activities
For the fiscal year ended March 31
(\$000's)**

	2008/2009			2007/2008	
	Budget	Actuals	Variance	Actuals	Variance in Actuals
SOURCES OF FUNDS					
Net Parliamentary Subsidy					
Surplus Carryover					
Miscellaneous Revenues					
Strategy and Business Partnerships					
General Counsel					
Interest and Capital Recoveries					
Shared Services					
Corporate New Media					
Total Miscellaneous Revenues	—				
TOTAL SOURCE OF FUNDS	—				
APPLICATION OF FUNDS					
Office of the President					
Office of the Chairperson and Board of Directors					
Branding, Communications and Corporate Affairs					
Internal Audit					
Priorities and Implementation					
Training and Development					
People and Culture					
Severance Pay and Other Personnel Costs					
Dental Plan, EAP and Crisis Management					
Content Management					
Strategy and Business Partnerships					
General Counsel and Corporate Secretariat					
Corporate Finance and Administration					
Insurance, Corporate Forms, Taxes, etc.					
Shared Services					
International Relations					
Ombudsman - Toronto					
Ombudsman - Montreal					
Corporate New Media					
TOTAL APPLICATION OF FUNDS	—				
NET POSITION	—				

s.18(a)

s.18(b)

Merchandising Division
Schedule of Incremental Revenues and Costs
For the fiscal year ended March 31
(\$000's)

	2006/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS					
Deficit Carryover					
Sales of Products:					
Retail Operations					
Distribution					
Educational					
Licensing					
TOTAL SOURCE OF FUNDS					
APPLICATION OF FUNDS					
Administration					
Sales of Products:					
Retail Operations					
Warehouse Operations					
Distribution					
Educational					
Licensing					
Sub-total Application of Funds					
Reduction Required to Offset					
Previous Year's Deficit					
TOTAL APPLICATION OF FUNDS					
NET POSITION					

s.18(a)

s.18(b)

Financial Management Report
Mobile Division
For the fiscal year ended March 31
(\$000's)

	2006/2007			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
REVENUES/ FUNDING					
Revenues:					
Revenues from External Mobile Rentals					
Internal Chargebacks from Media for Planned Internal Usage					
Total Revenues					
Other Sources/Reductions of Funds:					
Funding Received from Media for EIC's					
Deficit Carryover					
Total - Other Sources/Reductions of Funds:					
TOTAL FUNDING AVAILABLE					
EXPENDITURES					
Direct Costs Relating to External Mobile Rentals					
General Management					
General Operations					
Total Expenditures					
OPERATING RESULTS BEFORE TRANSFERS TO MEDIA FOR PLANNED USAGE					
Funding Given to Media for Planned Internal Usage					
NET POSITION					

s.18(a)

s.18(b)

Galaxie
Schedule of Incremental Revenues and Costs
For the fiscal year ended March 31
(\$000's)

	2008/2009			2007/2008	
	Budget	Actuals	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues					
Satellite					
Cable					
Music for Business					
Internet					
Other					
Surplus Carryover					
Total Incremental Revenues					
Incremental Costs					
Rights					
Internet					
Administration					
Programming					
Distribution					
Marketing					
Rising Star Program					
Total Incremental Costs					
Capital expenditures					
Total Incremental Costs - including Capital expenditures					
Excess Revenues/(Costs)					
Impact of Agreement with Stingray Digital Group Inc					
Stingray Affiliate Agreement					
Max Trax Deal					
Overhead / Additionnal Revenues					
Satellite/Cable Revenue - CBC/Galaxie					
Stingray Agency Fee					
Write-offs, Legal Fees, etc.					
Excess Revenues/(Costs) - Stingray Agreement					
Excess Revenues/(Costs) - including Stingray Digital Group Inc Agreement					

Capital

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2008/09 Capital Budget Overview as at March 31, 2009

(\$000's)

<u>Investment Class</u>	<u>s.18(a)</u> <u>s.18(b)</u>	<u>Capital Plan</u>	<u>Actual Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>As % of Capital Plan</u>
Legal and regulatory					
Mission critical					
Payback initiatives					
Growing the business					
Transmission strategy					
Efficiency projects					
Minor capital					
Contingency					
Impact of approved plan being higher than available capital (1)					
Total Surplus/(Deficit) Forecast		—		—	

<u>Component</u>	<u>Capital Plan</u>	<u>Actual Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>As % of Capital Plan</u>
English Television (ETN)				
French Television (FTN)				
English Radio (ERN)				
French Radio (FRN)				
English New Media (ENM)				
French New Media (FNM)				
Information Technology (IT)				
Real Estate (RE)				
Toronto Broadcast Centre (TBC)				
Broadcast & Telecom Networks (BTN)				
Transmission Division (T&D)				
Human Resources (HR)				
Corporate Components				
Fleet Management				
Mobile Division				
Minor Capital				
Enterprise Wide (EW):				
<i>Vision/Sintec</i>				
<i>Vision/Sintec - phase 1 - change request</i>				
<i>Vancouver Redevelopment</i>				
<i>Ottawa Content Management</i>				
<i>Quebec Consolidation</i>				
<i>Edmonton Consolidation</i>				
<i>Newsroom System Project - iNews</i>				
<i>Desktop Radio - Permanent Solution</i>				
<i>Yellowknife Consolidation</i>				
<i>Other</i>				
Corporate Contingency				
Committed Corporate Contingency				
Impact of approved plan being higher than available capital (1)			24%	
TOTAL SURPLUS/(DEFICIT) FORECAST				
<i>% of Available Capital</i>				

* includes repayment of bonds payable for TBC lease

s.18(a)

s.18(b)

2008/2009 Capital Budget Overview as at March 31, 2009 - Notes

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 7

Note 8

2008/2009 Capital Budget Overview as at March 31, 2009 - Notes

Note 9

Note 10

Note 11

s.18(a)

s.18(b)

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**is withheld pursuant to sections
est retenue en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

s.18(a)
s.18(b)
s.20(1)(b)

2008/2009 to 2010/2011 CAPITAL INVESTMENT PLAN
Board of Directors Approved Projects > \$5 million - Notes
Forecasted Expenditures to Project Completion

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 7

2008/2009 to 2010/2011 CAPITAL INVESTMENT PLAN
Board of Directors Approved Projects > \$5 million - Notes
Forecasted Expenditures to Project Completion

Note 8

Note 9

Note 10

s.18(a)

s.18(b)

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
June 9, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. George Cooper	
Hon. Joseph Handley	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Ms. Edna Turpin	

REGRETS:

Mr. Peter Charbonneau
Mr. Peter Herrndorf
Ms. Patricia McIver
Mr. Rémi Racine

ALSO ATTENDING:

Ms. Suzanne Morris, Vice-President and Chief Financial Officer
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
June 9, 2009**

The Chair called the meeting to order at 12:30 p.m. (EDT).

APPROVAL OF THE MINUTES

On a motion duly moved and seconded,

IT IS RESOLVED THAT the minutes of the Board of Directors conference call meetings of May 29, 2009 and June 1, 2009 and the minutes of the Strategic Planning Committee meeting of June 4, 2009 be and are hereby approved, with one amendment as proposed to the minutes of the June 1, 2009 meeting.

MOTION CARRIED

s.21(1)(a)

s.21(1)(b)

STRATEGIC REVIEW

The President and CEO congratulated the team on its spectacular achievement in completing the work associated with the preparation of the submission and the Chair and Board members echoed his comments.

CONCLUDE

There being no further business, the meeting concluded at 12:55 p.m.

**369th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
OTTAWA, ONTARIO
MAY 12 – 13, 2009**

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Ms. Suzanne Morris, Vice-President and CFO
Ms. Johanne Charbonneau, Vice-President and Special Advisor to the President and CEO
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Ms. Katya Laviolette, Vice-President, People and Culture
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Mr. Jacques Gaboury, Associate General Counsel and Executive Director, Business Rights and Content Management
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

Other participants as identified in the minutes.

**369th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
OTTAWA, ONTARIO
MAY 12 – 13, 2009**

Tuesday, May 12, 2009

The Chair called the meeting to order at 2:00 p.m.

IN CAMERA WITH PRESIDENT AND CEO

The Board met in camera with the President and CEO to discuss several topics. No matters were reported to the Corporate Secretary for inclusion in the minutes.

The in camera session concluded and members of management joined the meeting.

APPROVAL OF THE MINUTES

On a motion duly moved and seconded,

IT IS RESOLVED THAT the minutes of the Board of Directors meeting held on March 16-17 and of the conference calls of March 20th, April 1st and April 23rd, 2009 be and are hereby approved as circulated.

MOTION CARRIED

MATTERS ARISING FROM PREVIOUS MEETINGS

There were no matters to report.

REPORT ON IMPLEMENTATION OF BUDGET AND RECOVERY PLAN

The President and CEO introduced this item and invited Suzanne Morris to present the financial update on the recovery plan.

Written material was distributed in advance, covering:

Preliminary Year End Results
Comparison with Forecast and Analysis of Variance
Recovery Plan Update – English Services and French Services
Commercial Revenues
Asset Sales
2009-2010 Cash Flows, Financial Pressures and Solutions
Recovery Plan Oversight Process

Ms. Morris reported that the preliminary year-end results were more positive than the January forecast and she outlined the factors contributing to the improved results, with accompanying analysis of the variance in English Services, French Services, and other areas of the Corporation. She also indicated how the surplus would be utilized to reduce some of the planned cuts and to replenish reserves.

Ms. Morris then presented the update on the recovery plan, highlighting, with assistance from Richard Stursberg and Sylvain Lafrance, the changes in the plan vis-à-vis English Services and French Services.

Ms. Morris also reviewed the commercial revenue situation for 2009-2010, reporting on the performance indicators for sales performance and adding that sales performance would continue to be closely monitored going forward. She then turned to the subject of the progress made with respect to the asset sales, reporting on the meeting earlier that day with representatives from Treasury Board, the Privy Council Office, and the Departments of Heritage and Finance on the proposed transactions. She advised that a key issue was the guarantee by CBC/Radio-Canada and she outlined the next steps in the process prior to the final submission to Treasury Board targeted for June 4th or June 11th.

s.21(1)(a)
s.21(1)(b)

In addition Ms. Morris provided a brief update on the downsizing cost estimate and the 2009-2010 cash flows.

The President and CEO outlined the oversight process for the recovery plan and described the tracking in place for key elements and indicators, including revenues, costs, and the Corporation's cash position.

Katya Laviolette presented an update on the reduction in the workforce, addressing the following topics in the written materials:

- Reduction Impact Assessment
- Voluntary Retirement Incentive Plan
- Status of Union Discussions
- Status of Workforce Adjustment Process

Ms. Laviolette noted that there had been a higher take-up rate with respect to the Voluntary Retirement Incentive Plan (VRIP) than anticipated, adding that the process was underway to review the applications submitted and select those to be accepted. She described the steps involved as the workforce adjustment process moved ahead, identifying the time frames and underscoring the

s.21(1)(a)
s.21(1)(b)

importance of a strong communications plan to support this process. Ms. Laviolette added that she, the President and CEO, and Ms. Morris were closely monitoring the process to track savings and ensure that overtime and the use of temporary employees did not increase as a consequence of the workforce reductions.

Bill Chambers outlined the business impact and communications activities related to the recovery plan, covering the following topics in the written materials:

- Business Impact and Communications Activities – French Services and English Services
- Corporate Communications Activities
- Political Reaction and Government Relations Activities

The Chair thanked the President and CEO, Ms. Morris, Ms. Laviolette and Mr. Chambers for their comprehensive update.

NEWS REORGANIZATION AT CBC/RADIO-CANADA

Richard Stursberg provided an update on the news renewal underway in English Services. He reported that the reorganization was announced to all news staff on April 16, 2009 and highlighted the specifics of the plan, as presented in the material circulated to the Board in advance. His comments addressed the following topics:

- Chronology of the renewal
- Two key elements – “Live Now” and “Depth and Context”
- Financial challenge
- Multi-platform assignment desk – the “Hub”
- Renewal and reductions – criteria for decisions
- Strategy – programming content and schedules
- Summary – jobs and budget
- Next steps

Mr. Stursberg indicated that the reorganization was proceeding well, with strong motivation and support within the News group to make it happen. He added that there was on going and significant participation by News employees in the design details, to ensure a substantial degree of ownership in the final result.

During the presentation, Mr. Stursberg and Mr. Lafrance responded to questions and comments from Board members about: (i) measures used to determine the effectiveness and performance of news reporting; (ii) integration with the News component of French Services; (iii) the significance of the three capital projects (reviewed by the Audit Committee and presented to the Board for approval at this meeting) on the News reorganization; (iv) the strategy within French Services as it relates to News; and (v) the strategy within French Services as it relates to News; and

s.68.1

The Chair thanked Mr. Stursberg and Mr. Lafrance for their comments.

IN CAMERA

The Board met in camera with the President and CEO and all members of management withdrew, with the exception of Pierre Nollet, Bill Chambers, Shaun Poulter, Meg Angevine and Francine Letourneau. There were no matters to report.

ADJOURN

The meeting adjourned at 6:30 p.m.

The meeting resumed at 8:00 a.m. on May 13, 2009.

IN-CAMERA

The Board met in camera with the President and CEO to discuss certain matters and to deal with the report of the Human Resources and Compensation Committee. The following matters were reported to the Secretary for inclusion in the minutes.

HUMAN RESOURCES AND COMPENSATION COMMITTEE (IN CAMERA)

Edna Turpin, Chair of the Committee, presented the report.

s.21(1)(b)

President and CEO's Performance Assessment

On a motion duly moved and seconded,

MOTION CARRIED

President and CEO's Objectives

On a motion duly moved and seconded,

IT IS RESOLVED that on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves the proposed objectives for the President and CEO for the 2009/2010 Fiscal year, a copy of which shall be filed with the original of these minutes as Exhibit 1.

MOTION CARRIED

Approval of 2008-09 Performance Review Results for Corporate Executives

On a motion duly moved and seconded

s.21(1)(a)

s.21(1)(b)

AND IT IS FURTHER RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the performance and compensation recommended for the Corporate Executives pursuant to the details provided to the Committee, a copy of which shall be filed with the original of these minutes as Exhibit 2.

MOTION CARRIED

On a motion duly moved and seconded

MOTION CARRIED

Approval of Overall Results of Incentive Plan for Senior Management

On a motion duly moved and seconded

s.21(1)(a)

s.21(1)(b)

MOTION CARRIED

Changes to Corporate Executive Functions

The Committee considered the circumstances of several executives and after discussion, recommended the Board approve the following.

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the retirement for Ray Carnovale, Vice-President and Chief Technology Officer the details of which have been filed with the original of the May 12, 2009 minutes of the Human Resources and Compensation Committee.

MOTION CARRIED

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves that George Smith, Senior Vice-President, Corporate Priorities and Implementation, will assume immediate responsibility for the Real Estate and Chief Technology Officer portfolios, the details of which have been filed with the original of the May 12, 2009 minutes of the Human Resources and Compensation Committee.

MOTION CARRIED

The Committee was also informed of the retirement of Mr. Pierre Nollet, Vice President, Corporate Secretary and Chief Legal Officer, the start of a search process and the planned transition.

The Chair thanked Ms. Turpin for her report

CHAIR'S REPORT

The Chair delivered his report to the Board during the in camera session. No matters were reported to the Corporate Secretary for inclusion in the minutes.

The in camera session concluded and members of management rejoined the meeting.

CHANGES TO RADIO ONE AND RADIO 2

Richard Stursberg briefed the Board on the up-coming changes to Radio One and Radio 2. He distributed copies of the revised schedules at the meeting, and explained the rationale for the changes in the context of both the overall strategy for each service and the impact of the cuts imposed in the 2009-2010 budget process.

s.68.1

During his briefing, Mr. Stursberg responded to questions and comments from Board members on: (i) the optimal mix of classical and other music genres; and (ii) the recent ratings results.

REVIEW OF JOURNALISTIC STANDARDS AND PRACTICES AND UPDATE ON FAIRNESS AND BALANCE STUDY

Richard Stursberg presented an overview of the material circulated on the Journalistic Policy revision being undertaken jointly for the first time by English and French Services. He reviewed the background and context for this initiative, noting that given the changing media landscape, this review is not only timely but also essential. It offers an excellent complement to the Balance and Fairness study and reinforces the commitment of CBC/Radio-Canada, as the national public broadcaster, to the highest principles of journalistic standards and practice.

Mr. Stursberg highlighted the possible changes this effort might produce, while underscoring that the fundamental values of balance, fairness and integrity would remain intact and that there would be complete congruence between English and French. He then reviewed the process and framework for completion of the work, together with the budget, deliverables and timeline. Lastly, he added that the final product would be submitted to the Board for review.

s.20(1)(b)

During the discussion, Mr. Stursberg responded to comments from the Board on:

s.21(1)(b)

The Chair thanked Mr. Stursberg for his report.

UPDATE ON MONETIZATION OF ONTREA ASSETS

Michel Tremblay presented a further update with respect to this transaction, summarizing the progress made since the March 16-17, 2009 Board meeting and subsequent conference call of April 23, 2009. He reviewed the specific options under consideration and outlined the range of consequences to the Corporation depending upon the terms of the approval received from Treasury Board. He also briefed the Board on the discussions to date with government representatives on the transaction, adding that a number of issues still required resolution before a definitive proposal could be submitted to the Board for approval.

The Board confirmed that it would not approve the transaction for proceeds less than the full value of the assets offered for sale. Mr. Tremblay stated that management would continue to work towards a favourable conclusion and would return to the Board at such time as it had an acceptable proposal to put forward for consideration.

The Chair thanked Mr. Tremblay for his update.

REVISED CALENDAR OF MEETINGS – 2009 AND 2010

At its March 2009 meeting, the Board endorsed a proposal to hold all Board meetings during the remainder of 2009 and throughout 2010 in Ottawa as a cost saving measure. A revised calendar of meetings was presented for approval to give effect to the proposal. The Board approved the revised calendar.

On a motion moved and seconded

IT IS RESOLVED THAT the Board of Directors hereby approves the revised calendar of meetings for 2009 and 2010 as presented.

MOTION CARRIED

STRATEGIC REVIEW

Shaun Poulter, Senior Director, Government Relations, joined the meeting.

Suzanne Morris briefed the Board on the up-coming strategic review, covering the following topics in her presentation:

- Context of the review
- Scope of the review
- Timeline
- Structure and Team
- Guiding Principles

The Chair thanked Ms. Morris and Mr. Poulter for their comments.

Mr. Poulter withdrew from the meeting.

AUDIT COMMITTEE REPORT

Mr. Peter Charbonneau, Chair of the Committee, presented the report.

CFO Report

Suzanne Morris presented her report to the Committee highlighting the following: (i) CFO transition plan progress and key 2009-2010 Finance priorities; (ii) recent economic highlights; (iii) recovery plan process and update; (iv) funding issues; (v) staffing issues within the Finance function; (vi) the Government-initiated Strategic Review and (vii) the proposed review of the CBC/Radio-Canada procurement process.

Report on Pension Plan

Debra Alves, Managing Director/CEO of the Pension Fund, presented the 2008 Annual Report on the Fund to the Committee.

A detailed report was circulated to the Committee in advance and has also been distributed to all Directors of CBC/Radio-Canada. Ms. Alves provided highlights of the report, confirming that the Plan is performing well in the current environment and overall, is in a healthy condition.

Capital Projects – English Services

The Committee reviewed the specifics of three capital projects for English Services and recommended the Board approve them. The Board adopted the Committee's recommendation.

1. Television Network Operation Centre Project

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Audit Committee, the Board of Directors hereby approves the Television Network Operation Centre Project in accordance with the terms and conditions set out in the Supplementary Resolution, a copy of which shall remain attached to the original of these minutes as Appendix 1.

MOTION CARRIED

2. Radio Central Presentation and Satellite Distribution Project

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Audit Committee, the Board of Directors hereby approves the Radio Central Presentation and Satellite Distribution Project in accordance with the terms and conditions set out in the Supplementary Resolution, a copy of which shall remain attached to the original of these minutes as Appendix 2.

MOTION CARRIED

3. Television DTV Outputs Project

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Audit Committee, the Board of Directors hereby approves the Television DTV Outputs Project in accordance with the terms and conditions set out in the Supplementary Resolution, a copy of which shall remain attached to the original of these minutes as Appendix 3.

s.18(a)

MOTION CARRIED

s.18(b)

Vancouver Project

The Committee received an update on the status of the Vancouver project together with a request for additional funding in the amount of \$10 million to complete the project. After discussion, the Committee recommended the Board approve the additional funding, subject to certain terms and conditions. The Board accepted the Committee's recommendation.

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Audit Committee, the Board of Directors hereby approves the additional funding for the Vancouver Project in the amount of _____ in accordance with the terms and conditions set out in the Supplementary Resolution, a copy of which shall remain attached to the original of these minutes as Appendix 4.

MOTION CARRIED

Other Reports and Presentations

In addition, the Committee received the following reports/presentations: (i) Update on Annual Attest Audit; (ii) Risk Management Update; (iii) Update on International Financial Reporting Standards Project; and (iv) Update on the Vision Project.

Lastly, Mr. Charbonneau reported that the Audit Committee met in camera with each of the Internal Auditor, the Office of the Auditor General, and the CFO.

The Chair thanked Mr. Charbonneau for his report.

NOMINATING AND GOVERNANCE COMMITTEE REPORT

George Cooper presented the report on behalf of the Chair of the Committee.

Board Performance Evaluation

The Committee was advised that funding for this initiative had been eliminated as part of the cost reduction efforts in the budget process. The Committee expressed the view that Board performance evaluations are an important element of good governance practices and concluded that the Chair of the Board and the Chair of the Committee would, in consultation with management, develop a proposal for proceeding with an evaluation at a fairly modest cost. This proposal will be considered at the June 2009 meeting.

Amendments to the By-Laws of the Corporation

The Committee considered a number of amendments that have been proposed to the Corporation's by-laws to accomplish the following:

- (i) to effect the changes necessary to comply with the provisions of the Budget Implementation Act that affect Crown Corporations – these relate to two topics – first, the requirement to hold an annual public meeting and second, certain provisions with respect to indemnification of Directors and Officers;
- (ii) to include certain housekeeping provisions, namely (a) to provide for written resolutions signed by all Directors, (b) to provide for waiver of notice and (c) to clarify those matters that may **not** be delegated to a committee;

- (iii) to provide for a supplemental indemnity for matters not covered by the indemnity contemplated by s.119 of the Financial Administration Act – the intent here is to ensure our Board members are in the same position as if they were still relying solely on the indemnity from CBC/Radio-Canada; and
- (iv) lastly, to clarify that the indemnity provided by CBC/Radio-Canada will include indemnification with respect to personal liability imposed by statute on Directors of a corporation

The Committee recommended that the Board approve the proposed changes. The Board accepted the Committee's recommendation.

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Nominating and Governance Committee, the amendments to the By-laws of the Corporation be and are hereby approved as presented, a copy of which shall remain filed with the original of these minutes as Exhibit 5.

MOTION CARRIED

Creation of Strategic Planning Committee

The Committee reviewed the proposed Terms of Reference and after discussion, recommended that the Board approve them. The Committee noted that this new Committee will fulfill a dual role, the first in relation to the strategic review and the second as proposed by the Board in its in camera discussion at the March Board meeting. A copy of the final Terms of Reference was circulated to all Board members. The Board adopted the Committee's recommendation.

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Nominating and Governance Committee, the Terms of Reference of the Strategic Planning Committee be and are hereby approved as presented, a copy of which shall remain filed with the original of these minutes as Exhibit 6.

MOTION CARRIED

Membership of Strategic Planning Committee

The Chair of the Board led a discussion about the proposed membership of the newly-created Committee, after which, it was recommended that the Board appoint the following Board members to the Strategic Planning Committee:

Chair	Tim Casgrain
Members	Peter Charbonneau
	Peter Herrndorf
	Trina McQueen
	Remi Racine

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Chair of the Board, the Board of Directors hereby approves the appointment of Tim Casgrain as Chair, and Peter Charbonneau, Peter Herrndorf, Trina McQueen and Rémi Racine, as members, of the Strategic Planning Committee, effective immediately, to serve until the next annual meeting of the Corporation (June 2009) or until replacements are appointed.

MOTION CARRIED

Annual Public Meeting

Bill Chambers outlined a proposal for the first annual public meeting of the Corporation to be held in the fall of 2009. The Committee discussed several alternate approaches and deferred its decision to permit further consultation with all Board members. The Chair of the Board reported briefly on that consultation to the Board, indicating that he would formulate a more specific plan for consideration at the June Board meeting.

Update on Programming Policies

The Committee was advised that a comprehensive review of the Journalistic Standards and Practices has been undertaken that is targeted for completion in 2010. While this is a major component of the Programming Policies, it does not address the entire programming policy area. The Committee inquired whether the issue of balance in coverage (from a holistic perspective) would be part of this review. The Committee's question was addressed in the course of the presentation on the Journalistic Standards review at the Board meeting.

The Chair thanked Mr. Cooper for his report.

IN CAMERA

The Board met in camera with the President and CEO. No matters were reported to the Corporate Secretary for inclusion in the minutes.

CONCLUDE

There being no further business to discuss, the meeting concluded at 12:10 p.m.

**Pages 292 to / à 295
are withheld pursuant to sections
sont retenues en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

DIGITAL TELEVISION (DTV) OUTPUT

WHEREAS:

- M. the CRTC has mandated August 31, 2011 as the date by which NTSC transmission in Canada must cease and broadcasters must adopt the ATSC standard for high definition ("HD") transmission;
- N. the Corporation must produce HD signals to feed both its transmission footprint as well as the BDU community; and
- O. the Corporation must upgrade its output and branding infrastructure to provide the capability for branding and formatting of HD program streams and to eliminate the need for programs to supply separate HD and standard definition content when programs air on conventional and specialty channels (the "DTV Output Project").

s.18(a)

WHEREAS,

BE IT RESOLVED THAT:

(**approving project**) the Corporation be and it is hereby authorized to proceed with the DTV Output Project for an approximate cost of _____ to purchase equipment and upgrade its infrastructure to provide the capability for branding and formatting of HD program streams.

FURTHER RESOLVED THAT the Executive Vice President, English Services, or the Vice President, Chief Financial Officer or their respective delegates (the "Officers"), are hereby authorized for and on behalf of the Corporation to take any and all action, to do all things, to execute under the corporate seal of the Corporation or otherwise such instruments and documents and to deliver all instruments, documents and materials as are necessary or desirable or convenient and proper to give effect to the foregoing resolutions, and the taking by the Officers of any such action, the doing by the Officers of any such thing, the execution by the Officers of any such instrument or document or the delivery by the Officers of any such instrument, document or material shall conclusively establish their authority therefore from the Corporation and the approval and confirmation by the Corporation of the actions so taken, the things so done, the instruments or documents so executed and the instruments, documents or materials so delivered.

VANCOUVER REDEVELOPMENT PROJECT

Approval of additional funding

WHEREAS:

- A. Canadian Broadcasting Corporation (the "Corporation"), at its Board of Directors meeting of May 5, 2005 approved the redevelopment of the existing CBC/Radio-Canada facilities located in the City of Vancouver at a total net cost of _____ to the Corporation;
- B. The Corporation, at its Board of Directors meeting of November 21, 2007 approved additional funding for the Vancouver Redevelopment Project in an amount of _____ bringing the total approved funding for the Vancouver Redevelopment Project to _____;
- C. Management actually reduced that amount to _____ in fall of 2007, as expenses for legal costs were offset against the sale price, reducing the budget by a similar amount;
- D. The Corporation, at its Board of Directors meeting of September 24, 2008 approved additional funding for the Vancouver Redevelopment Project in an amount of \$ _____ bringing the total approved funding for the Vancouver Redevelopment Project to _____;
- E. Additional funding of up to _____ (including a _____ contingency) is required to cover anticipated cost overruns in the completion of the Vancouver Redevelopment Project; and
- F. In response to the Audit Committee's expressed concerns about the cost overruns on this project, management, in conjunction with Internal Audit, will provide the Chair of the Audit Committee with regular monthly updates on the project status until completion.

On a motion duly moved and seconded:

IT IS RESOLVED THAT the Audit Committee hereby recommends that the Board of Directors of the Corporation approve additional funding for the Vancouver Redevelopment Project in the amount of _____ bringing the total approved funding for the Vancouver Redevelopment Project to _____.

Board of Directors

June 2009

Subject matter

Annual Report – Organizational Health & Wellness
 April 1, 2008 to March 31, 2009

Background

This report is presented on an annual basis, it gives an overview of disability management, health and safety, health and wellness, environment and crisis management.

As agreed at the January 2009 Board meeting, in order to ease the production of the information, this report will, from now on, be presented with data based on a fiscal year basis.

This report includes the two follow up discussed at the January 2009 board meeting:

- Additional absenteeism data per component and per province
- Security benchmarking

Information on the matter

Powerpoint presentation attached.

For decision**For information****X****Prepared by**

Name: Michèle Parent & Katya Laviolette
 date: June 2009

Management recommendation**Last discussed at the Board**

Date: January 2009
 Decision made:

Next steps

Annual Report
Organizational Health and Wellness
April 1, 2008 to March 31, 2009

Michèle Parent
Executive Director, Organizational Health and Wellness
June 2009

New period for this annual report

- This annual report contains information relating to the period of April 1, 2008 to March 31, 2009
- At the meeting of the Board in January 2009, it was decided that from now on, this report would be provided at a different date in order for the reporting period to be consistent with the fiscal year, which eases data extractions
- Some elements of this report may therefore seem redundant with previous submission which included information from October 1, 2007 to September 31, 2008
- In the future, such redundancy will not be present

Agenda

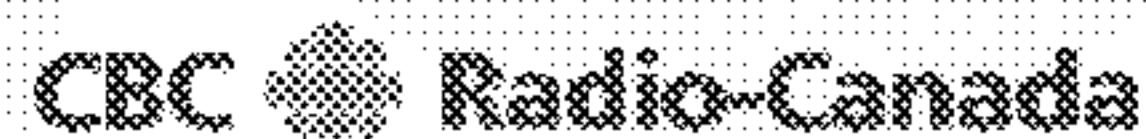
1. Disability Management, Health and Safety and Health and Wellness
 - Overview of absenteeism at CBC/Radio-Canada per province and job category
 - Major accomplishments
 - Plans for the future
2. Environment
 - Review of Incidents
 - Major Accomplishments
 - Plans for the future
3. Crisis management
 - Review of incidents
 - Major Accomplishments
 - Plans for the future

Overview of absenteeism - Costs

- Total cost of absenteeism in 2008-2009: \$27.5* or 4.6% of payroll (slight increase from last year at 4.4%)
 - **Short term disability (STD):**
 - 1-3 days : 0.95% of payroll
 - 4-85 days: 1.75% of payroll
 - **Long term disability (LTD):**
 - 1.46% of payroll
 - **Special leave** (ex: wedding, bereavement):
 - 0.31% of payroll
 - **Workers Compensation:**
 - 0.16% of payroll
- **Watson Wyatt benchmark in 2008- 5.40% of payroll:**
 - **STD** 1.10% of payroll
 - **LTD** 1.80% of payroll
 - **Workers Compensation** 1.30% of payroll
 - **Personal leave** 1.20% of payroll

CBC-Radio-Canada lower than Watson Wyatt benchmark for STD and LTD and significantly lower for workers compensation

* Total cost for CBC-Radio Canada is \$18.8M since LTD paid by employees



RH - Santé & mieux-être organisationnels
HR - Organizational Health & Wellness

Overview of absenteeism - Days

- Total number of days of absence per employee in 2008-2009 at 16.1 (slight increase from last year at 15.8)
 - **STD:** 7.2 days per employee
 - 1-3 days:**
2.5 days per employee
67% of employees had one occurrence
 - 4-85 days:**
4.7 days per employee
21% of employees had one occurrence
 - **LTD:**
7.9 days per employee
2.9% of employees had one or more occurrence
 - **Special Leave:**
0.8 day per employee
25% of employees had one or more occurrence
 - **Workers compensation:**
0.2 day per employee
0.2% of employees had one or more occurrence
- **Statistics Canada 2008*** reports 10.0 days per employee (from 10.2 in 2007)
 - Unionized 13.9 days per employee (from 14.0 in 2007)
 - Non-unionized 8.2 days per employee (from 8.4 in 2007)

*From Household Survey – Questionable methodology used

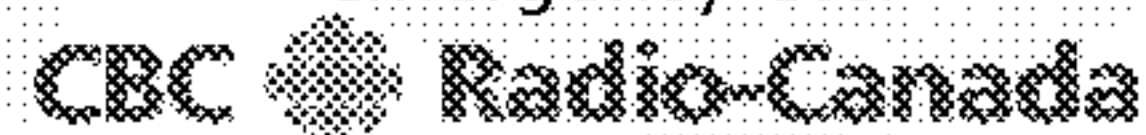
Overview of absenteeism per Component

Days / Employee

	STD	LTD	Workers Comp.	Special Leave **	TOTAL
	Days per employee (FTE)	Days per employee (FTE)	Days per employee (FTE)	Days per employee (FTE)	
Corporate Services	6.4	5.5	0.0	0.9	12.8
English Services	6.1	6.1	0.1	0.8	13.1
French Services	8.7	7.8	0.4	0.8	17.7
Ees on LTD not part of a component *	-	235.1	-	-	235.1
TOTAL	7.2	7.9	0.2	0.8	16.1

* Employees on LTD not part of a component: 18 Employees on permanent disability (LTD) with low return to work potential and not part of a component because of for example outsourcing of security function.

** Special leave can include: Bereavement, Marriage, Divorce, Parental leave, Jury duty, Moving, Domestic emergency etc.



RH - Santé & mieux-être organisationnels
HR - Organizational Health & Wellness

Overview of absenteeism per Province

Days / Employee

	STD	LTD	WORKERS COMP.	SPECIAL LEAVE	TOTAL
	Days per employee (FTE)	Days per employee (FTE)	Days per employee (FTE)	Days per employee (FTE)	
Alberta	7.2	9.4		0.8	17.4
British Columbia	5.3	5.5	0.4	0.6	11.8
Manitoba	6.8	13.7	0.1	0.7	21.3
New Brunswick	9.2	6.1	0.0	0.5	15.8
Newfoundland	7.6	12.5	1.0	1.0	22.1
Nova Scotia	7.7	7.6		0.8	16.1
North West Territories	8.0	3.8		1.2	13.0
Nunavut	9.4	7.7		5.8	22.9
Ontario	6.2	8.1	0.1	0.7	15.1
Prince Edward Island	4.1	10.0		0.9	15.0
Quebec	8.4	7.7	0.3	0.9	17.3
Saskatchewan	6.9	7.2	0.2	1.1	15.4
Yukon	7.8			2.2	10.0
Out of country	1.5			0.1	1.6
TOTAL	7.2	7.9	0.2	0.8	16.1

Observations on data per Component and Province

Per Component

- Higher number of days per employee in French Services (17.7) vs English Services (13.1). It is to be noted that Statistics Canada benchmark for 2008 is 2 days/employee higher in Québec vs Ontario.

Per Province

- The number of days per employee is higher in Québec (17.3) vs Ontario (15.1). The 2 days difference between the provinces is similar to the difference seen in the Statistics Canada benchmark for 2008 with Québec at 11.6 and Ontario at 9.5. However the CBC/Radio-Canada figures are higher.

Overview of absenteeism – Causes

- **The leading cause of disability is psychiatric conditions:**
 - For STD*: 24.9%
 - For LTD: 36.0% of all new claims, slight decrease from 34.9 last year

- **The second leading causes of disability are:**
 - For STD*:
 - **Musculoskeletal** problems at 13.5%
 - For LTD:
 - **Cancer** 10.5% of all claims, slight increase from 9.9% last year

*STD causes only available for absences of 10 days and more

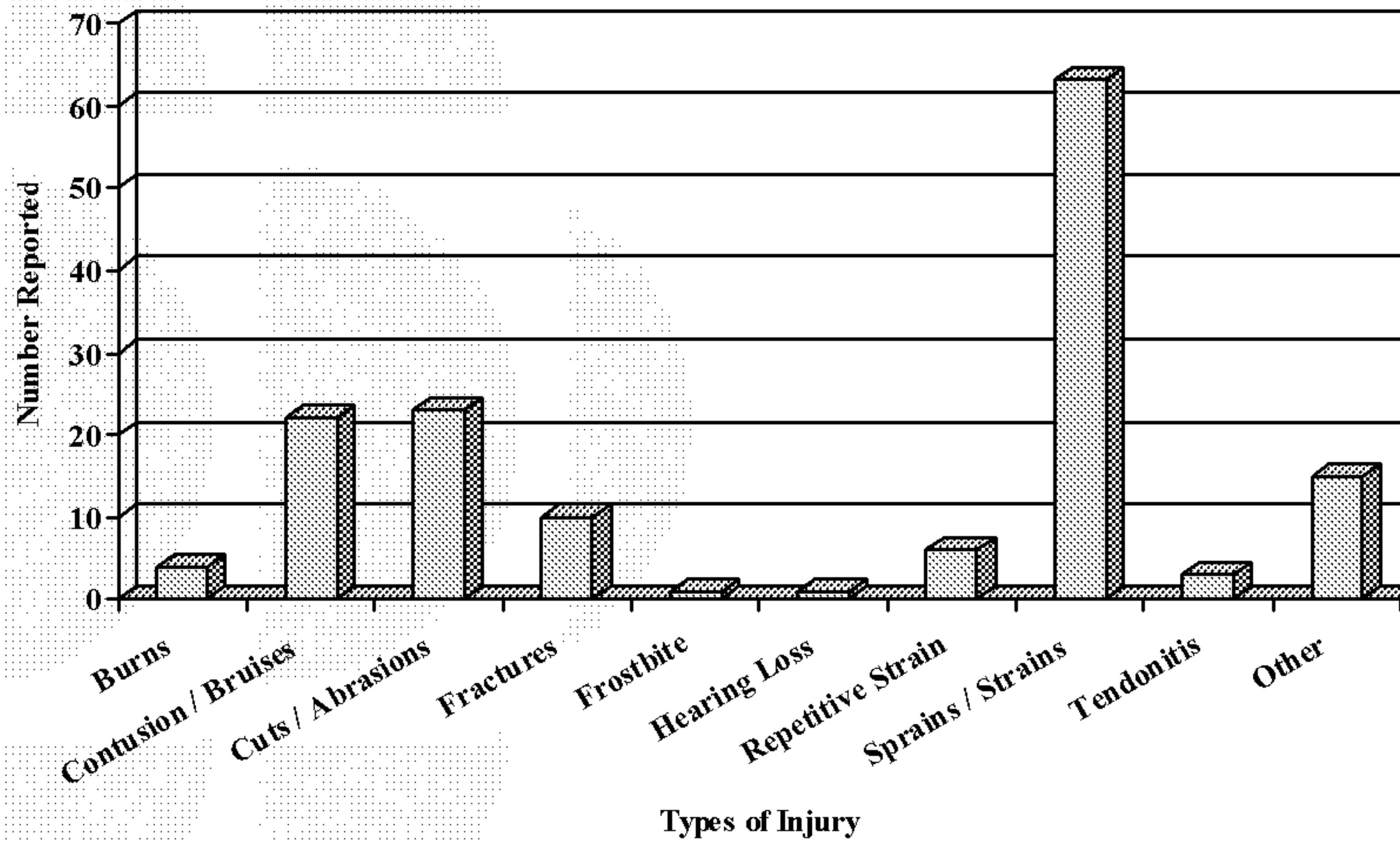
Overview of absenteeism – On-duty injuries

- **Total injuries: 172 cases** (from 122 last year)
- **Lost Time injuries: 32 cases** (from 61 last year)
- **Frequency** is down at 0.33 (from 0.62)
 - This is due to a better claims management whereby several cases have been contested with the Workers Compensation Board and subsequently not recognized as on-duty injuries
- **Severity** is up at 18.47 (from 9.34)
 - A few lost time cases have resulted in extended absences:

s.19(1)

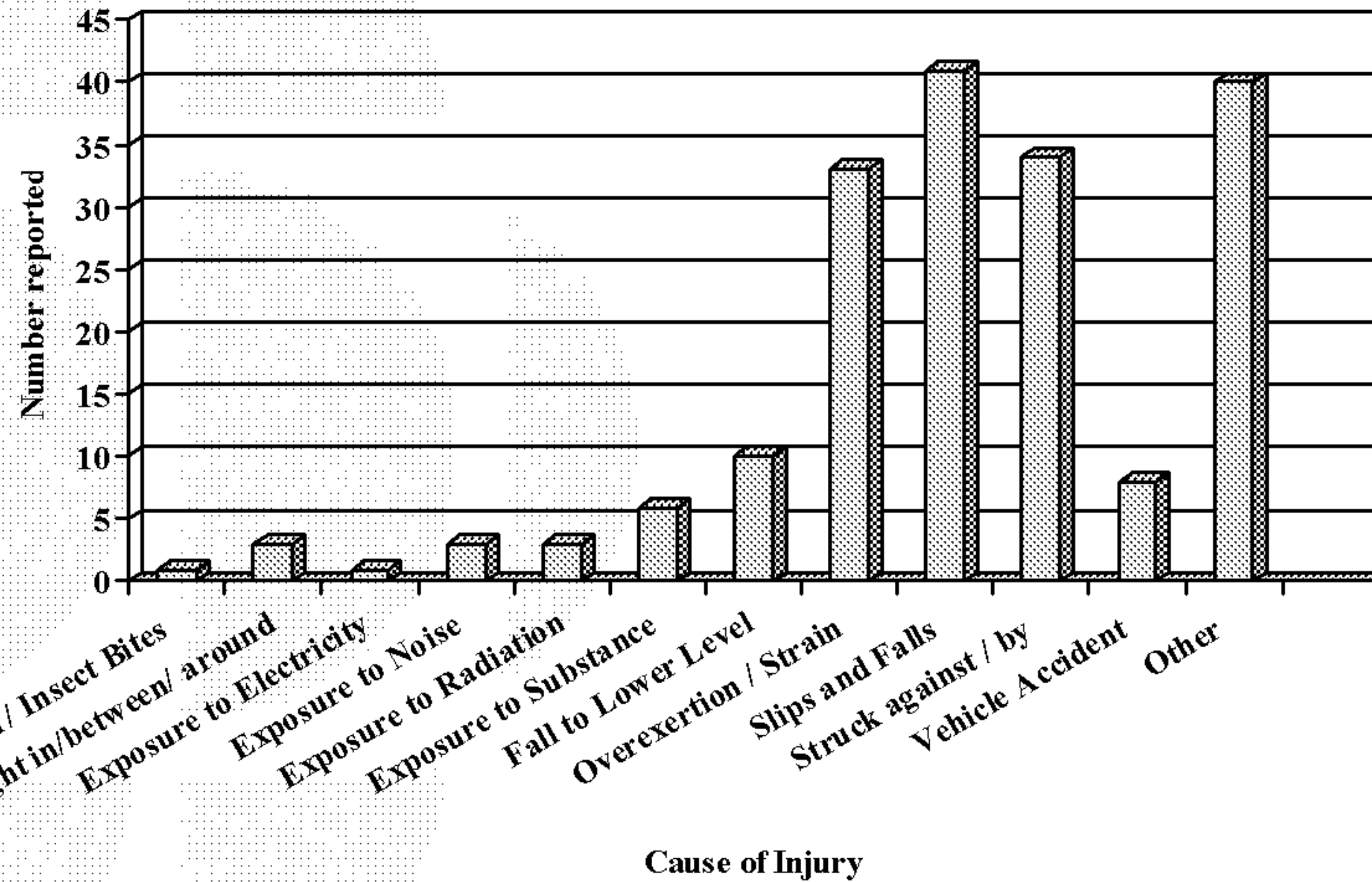
Types of Injury

Types of Injury: Lost Time and Medical Aid Claims: FY 2008-09



Cause of Injury

Cause of Injury: Lost Time and Medical Aid claims: FY 2008-09



Major accomplishments in 2008

- **Disability Management**

- Increase time spent for medical and technical evaluation of Workers Compensation cases to protect the Corporation's interests
 - Resulted in 34 claims not recognized as work related
- An Audit of the Disability claims management was conducted to assess against best practices
 - Resulted in an action plan to reengineer processes, practices and develop reporting tools as well as a comprehensive communication plan
- Attendance Management training program continued to be delivered to more than 75 managers

Major accomplishments in 2008 (Cont'd)

• Health and Safety

- Over 7,000 staff completed the Hazard Prevention Program e-learning course (new legal requirement)
- 1 Policy and 26 Workplace H&S Committees
 - 4 Policy committee and 208 Workplace committee meetings
- 183 ergonomic assessments conducted at the request of management
- Ergonomic support is now an integral part of the Real Estate and Broadcast Engineering planning stages
- Support provided in the planning of the Olympic coverage
- Safety audits were conducted in Charlottetown, Sydney and Sept-Iles; no major issues identified

Major accomplishments in 2008 (Cont'd)

- **Health and Wellness**

- **Flu Vaccination program** successfully delivered for the 6th year. Approximately 27% of the total work force has received the vaccine
- Respect workshops were completed for 96% of all employees
- Healthy Workplace Month promotion with weekly articles on iO! in October 2008 which generated 11,200 hits:
 - Week 1 - Launch and Healthy Habits;
 - Week 2 - Mental Illness Awareness Week;
 - Week 3 - Ergonomics at work;
 - Week 4 - National Waste Reduction Week

Major accomplishments in 2008 (Cont'd)

- **Health and Wellness (Cont'd)**

- **Employee Assistance Program (EAP):**

- Successful implementation of single new provider (

s.18(b)

- Quality control: Consistent level of service applied nationally

s.20(1)(b)

- 2008-2009 Utilization : 11.0%

- Number of cases - 1045

- » Consultation for psychological difficulties represents 27% of cases

- » Consultation for marital & family issues represent 20% of cases

- » Consultation for legal and financial difficulties represent 25% of cases

- Individual Wellness Outreach

- Stress busting podcasts launched prior to workforce adjustment (2100 audio and 9200 paged viewed on iO!)

- 21 workshops delivered nationally

Plans for the future

- **Disability Management**
 - **Attendance Management**
 - Improve management information on attendance through:
 - Periodic Scorecard (as part of the HR scorecard)
 - Communication plan
 - Continued delivery of the Integrated Attendance Management Course for managers
 - **Case management**
 - Continue to implement action plan resulting from the audit and tighten the process to ensure all disability absences are medically justified

Plans for the future (Cont'd)

- **Health and Safety**

- Development and roll out of a **violence prevention training** course for domestic news crews (new legal requirement)
- Further roll-out of the **Surviving Hostile Environments** Refresher course to those who were trained in the basic course more than 3 years ago (new legal requirement). The previous guideline on refresher training was 5 years.
- Health & Safety audits will again be conducted at selected locations over 2009

Plans for the future


- **Health and Wellness**

- **Employee Assistance Program (EAP):**

- Support employees in the Workforce Adjustment Process by communicating service offer and increase delivery of Lunch n' Learn Workshops
 - Leverage iO! Portal to deliver additional on-line wellness tools, services and content



2. Environment

CBC  **Radio-Canada**

RH - Santé & mieux-être organisationnels
HR - Organizational Health & Wellness

Review of Incidents

- **Total incidents:** 27 in 2008-2009 (down from 29 last year)
- **4 Environmental incidents required reporting to governmental authorities** (from 5 last year)
 - Halocarbon releases: 2
 - Spills: 1
 - Fire/Explosion: 1
- **23 additional incidents** were reported internally
 - Halocarbons releases: 7
 - Fires/Explosions: 3
 - Spills/Leaks: 4
 - Floods: 9

Major accomplishments

- First Annual **Internal Environment Report for Employees** published on iO!
- **Environment Lead Team (ELT)**
 - Performance reported quarterly and reviewed regularly with senior management at two (ELT) meetings with members from HR, Real Estate, Transmission, Legal, Risk Management, Fleet Management, Communications and Media Lines
 - Environmental Lead Team Working Group implemented
- 82% of space occupied by CBC/Radio-Canada is now certified **BOMA BEST**
- 18 Categories of **Environmental training/awareness** provided to 333 employees

Major accomplishments (Cont'd)

- **E-Waste Recycling** diverted a total of 59,294 kg from landfill – Toronto (40,914 kg), Montreal (16,760 kg) and Edmonton (1620 kg)
 - National Cell Phone Take Back Recycling Program developed and implemented at no cost to CBC/Radio-Canada
 - E-Waste Working Group with cross corporate representation (HR, Real Estate, Transmission, I.T. Media Lines, and Strategic Sourcing) established to develop solutions for management of e-waste on a national basis
- **20 Asbestos site reassessments** conducted, 11 sites require abatement
- **6 fuel storage tanks replaced**, 5 above ground, 1 under ground storage tank
- **2 Environmental Assessments** were conducted under Canadian Environmental Assessment Act for the installation of 2 FST noted above, no mitigation measures required
- **Species at risk study** completed for owned transmitter sites, species which may be present and affected by Transmission activities have been identified

Plans for the future

- **Audit on sustainable development by internal audit**
- **Corporate (HR Organizational Health & Wellness–Environment)**
 - Continue to develop an employee awareness campaign to inform on CBC/Radio-Canada initiatives and to sensitize employees on their potential contribution
 - Paperless Pay Stub Campaign
 - Electronic Billing for AMEX card holders
 - Alternate transportation to work - SMART Commute Pilot Survey – Toronto Employees
 - Implementation of On-line spills training (for targeted production, Mobile Division, Transmission and National Alarm Centre employees)
- **Real Estate**
 - Pursue BOMA BEST for Moncton, St. John's, Halifax (Radio & TV)
- **Transmission**
 - Review Biocide Survey Results, develop action plan for the reduction of Biocide use

Plans for the future (Cont'd)

- **Joint Initiatives**

- Implementation of recommendations from gap analysis/review of new Fuel Storage Tank Regulations (Transmission/Real Estate)
- Implementation of action plan for Asbestos Reassessment results (Real Estate/Transmission)
- Update of National PCB Inventory on Environment Canada's new on-line PCB reporting system (Transmission/Real Estate/Corporate HR)
- Continue to Introduce of Greening of Operations/Sustainable Consumption Principles (Corporate HR/Real Estate/Transmission)
- Completion of action plan for Species At Risk Results (Transmission/Corporate HR)

- **Legal**

- Finalization of review of environmental legislation applicable to CBC/Radio-Canada and regular review of upcoming legislation

3. Crisis Management

The word “crisis” refers to a major occurrence that disrupts CBC/Radio-Canada operations in whole or in part, and is such that it jeopardizes:

- i. the safety of employees and/or the population; and/or
- ii. CBC/Radio-Canada's activities/services; and/or
- iii. CBC/Radio-Canada's image and/or reputation

The National Crisis Management Team met 4 times in 2008

Review of incidents

s.18(b)

- **Emergency Management**

- - Toronto Broadcast Center chillers failure - July 2008:
 - Water pump failure causing cooling system stoppage, quick intervention permitted to stay on air
 - St-John, N.B. flood - July 2008:
 - Water pipe burst on the third floor tenant's office; morning show was cancelled for one day. Return on air soon after with emergency equipment

Review of incidents (Cont'd)

- **Emergency Management**

- Toronto Flood - March 2009

- Sprinkler system pipe burst on the 4th floor of the TBC early in the morning of Friday March 6th, 2009;
 - Part of the 3rd and 4th floor were flooded, affecting more than 100 employees;
 - Real Estate Division and ProFac reacted promptly and all employees were relocated by Monday morning March 9 , including all telecom and IT services

Review of incidents (Cont'd)

- **Corporate Security**

- Uttering death threat against CBC/Radio-Canada at Toronto Broadcast Center - May 2008:
 - Individual at reception threatened to kill all CBC/Radio-Canada employees. Local Police involved and individual arrested
- Life threat against Peter Mansbridge June 2008:
 - E-mail received threatening his life on CBC Kids website traced back to U.S.A.. Toronto Police investigated and referred the case back to local police in the U.S.A.
- Bomb threat via CBC.ca received in Toronto July 2008:
 - Traced e-mail coming from Calgary. Local Police involved and individual arrested

Review of incidents (Cont'd)

- **Corporate Security**

- CBC Journalist Abduction:

- Mellissa Fung (MF), was kidnapped in Kabul on October 12th, 2008 and safely released on November 8th, 2008
 - An Incident and a Crisis Management Team were set up in Kabul and Toronto to work on MF's safe release
 - 3 Post Action Review meetings took place in December 2008
 - Post Action Review and Action Plan Report are being finalized
 - A good relationship with government security specialists has been established; we have now access to up to date security information and enhanced security measures in place

Major accomplishments

- **Corporate Security**

Following the January 2009 Board meeting, a security benchmarking has been conducted

- 6 organizations were approached, 5 agreed to participate
- The survey included security related questions on:
 - Policy & Procedures
 - Resources
 - Physical Security (Facilities access control)
 - Hostile Environment Countries
 - Awareness & Training
- CBC/Radio-Canada security measures for its main buildings such as Toronto Broadcast Center and La Maison Radio-Canada are very similar with the organizations surveyed.
- maintain public access to general areas and controlled access to offices and studios.

s.18(b)

Security benchmarking results

• Corporate Security

Facility Access Control

- Main entrance(s) control by security guards ?
- Perimeter & parking area security patrol ?
- Facility electronic access control ?
- Facility electronic surveillance systems ?
- Sections of your facilities opened to public ?
- If so, any Special security measures ?
(security patrol, electronic surveillance)
- Do visitors & guest have to register ?
- Do visitors & guests have to wear a badge ?
- Any special security majors for shows with attendance ?
- Are visitors & guests escorted within building ?
- Do you require employees to wear photo ID card ?

5 Participants		CBC/R-C
Y/N	N/A	Y/N
4 / 1		Y
5		Y
5		Y
5		Y
3 / 2		Y
4	1	Y
4 / 1		Y
4 / 1		N, Only in Toronto
4	1	Y
4 / 1		Only if not pre-reg.
3 / 2		Y

Plans for the future

- **Emergency Management**
 - Development and implementation of Building Emergency Management Standards
 - Development of an Emergency Management Course :
 - Inform Managers and staff with Building emergency responsibilities as per *Canada Labour Code* and *National Fire Code*
 - Provide standardised emergency and security operations planning tools

Plans for the future (Cont'd)

- **Corporate Security**

- Implementing and following up on MF Incident Action Plan
- Updating the Special Assistance Plan as per MF incident Post Action Reviews recommendations
- Planning an exercise to test the new version of the Special Assistance Plan
- Performing security audit in Yellowknife, Grand Falls and Gander

- **Business Continuity**

- Finalizing the National and Components pandemic plans before the next flu season this Fall

Board of Directors

June 23, 2009

Subject matter

Recovery Plan - Update

Background

The Board of Directors approved the 2009-2010 Business Plans and Operating and Capital Budgets at the March 20, 2009 meeting.

Information on the matter

The attached presentation provides the Board of Directors with an update on the status of the Recovery Plan implementation.

For decision

For information

Prepared by

Name: S. Morris/K. Laviolette
Date: June 15, 2009

Management recommendation

Last discussed at the Board

Date: May 12-13, 2009
Decision made: N/A

Next steps

Keep Board of Directors informed on progress.

Recovery Plan - Update

Board of Directors
June 23, 2009

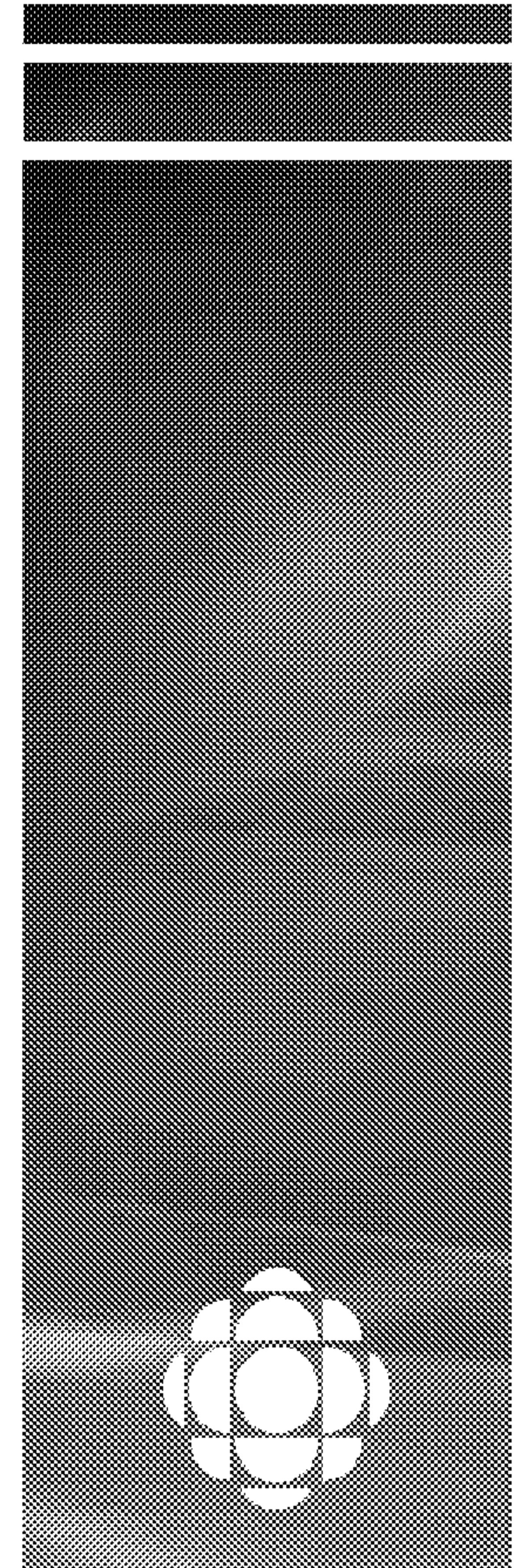


Table of Contents

- **Summary**
- **Workforce Adjustment Process and Tracking**
- **Update on 2009/10 Commercial Revenues**
- **2009/10 Cash Flow Forecast**

Summary

- Detailed budgets were rolled out to components in early June and tracking of actuals to budget is commencing. The tracking is therefore not included in these slides but will be reported to the Board for Q1 2009/10.

Workforce Adjustment Process - Status

Dates	Process
Week of May 4 through to May 18	Final review of numbers and affected employees based on the results of the VRIP
May 4 to May 18	Training and preparation of Managers who handed out layoff notices
Week of May 25	Layoff notices went out
Week of May 25	Local/Regional/National Workforce Joint Committees began
June – July – August – September	Retirements from VRIP Redeployments and displacements (bumping) of affected employees Career transition sessions organized for affected employees

Workforce Adjustment Tracking

Estimated savings and severance costs are on track and within budget. Project plan is on time.

ACTION	# OF STAFF	ESTIMATED SAVINGS (\$000's)	ESTIMATED SEVERANCE (\$000's)

s.18(a)
s.18(b)
s.21(1)(b)

Update on 2009-2010 Commercial Revenues

*

*

2009-2010 Cash Flow Forecast

2009-2010 Cash Flows

s.18(a)
s.18(b)
s.21(1)(b)



Audit Committee

June 22, 2009

Subject matter**2008-2009 Financial Statements****Background**

Each year, at the June meeting of the Audit Committee the financial statements of the Corporation and the financial disclosures and reporting in the Annual Report are provided for recommendation to the Board of Directors for approval.

Information on the matter

Although the Audit Committee's recommendation is for the approval of the Management Discussion and Analysis and the financial statements only, the entire 2008-2009 Annual Report is being provided for information.

For decision**For information****Prepared by**

Name: Suzanne Morris
Date: June 17, 2009

Management recommendation

IT IS RESOLVED THAT the Audit Committee recommends to the Board of Directors approval of the Consolidated Financial Statements of the Corporation comprising the Consolidated Balance Sheet, the Consolidated Statement of Operations, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flow, the Consolidated Statement of Comprehensive Income (Loss) and the notes to the consolidated financial statements as presented by management for the year ended March 31st, 2009.

IT IS ALSO RESOLVED THAT the Audit Committee recommends approval by the Board of Directors of the Management Discussion and Analysis section of the Annual Report as presented for the year ended March 31st, 2009.

Last discussed at the Board

Date:
Decision made:

Next steps

DRAFT

Annual Report 2008-2009



CBC/Radio-Canada

DRAFT

June 2009

DRAFT

CBC/RADIO-CANADA
ANNUAL REPORT
2008-2009

OUR SUCCESS
OUR CHALLENGES

THIS YEAR WAS A
PARADOX.

OUR CHILDREN ARE
THEIR OWN PEOPLE
AND WE ARE THEIR
PARENTS.

This year was a paradox. CBC | Radio-Canada achieved unprecedented success with audiences across all of our services. Yet we also faced unprecedented financial challenges that forced us to make substantial cuts to staff and programming.

Our challenge now is to adapt to the new fiscal realities facing all broadcasters while protecting the investment Canadians have made in a strong, vibrant national public broadcaster. The difficult choices we have made are guided by a vision of what we need to be to remain relevant and indeed essential to our audiences. In 2008–2009, we made substantial progress in our goal of becoming an organisation offering the Canadian content audiences want, however and whenever they want it, while deepening our roots in the regions.

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Message from the President and CEO

Every time I speak to groups or to individual Canadians, I realise that there are three key facts about CBC/Radio-Canada that should be common knowledge, but are not.

Firstly, today's CBC/Radio-Canada is far more than television and radio. We now offer audiences a comprehensive range of services, from television and radio to the Internet and satellite radio, from digital audio to streaming video on mobile device, and more. We have been pioneers in new services and platforms because we are committed to giving audiences the Canadian programming they want, wherever, whenever and how they want it. In a time of thousands of channels, stations and sites, it is critical for Canadians to have access to their own culture on all the media platforms they use.

Then, the per capita cost to Canadians of funding all of our services is less than 10 cents per day, or approximately \$34 annually. Think about the yearly cost of your cable service or your newspaper subscription. I know these are much more than \$34 a year.

And what do Canadians get for their \$34 a year? They get a national public broadcaster that helps bring an increasingly diverse nation together. The unique role of CBC/Radio-Canada is to reflect the nation's diversity of voices and perspectives and to help people across the country learn from and about one another. This in turn helps Canadians form their individual, social and political identities. In this regard, CBC/Radio-Canada helps counter the risk of social diversity becoming fragmentation and isolation.

Other Western countries invest much more in public broadcasting than Canada. In a 2009 study, the Nordicity Group Ltd. found that among 18 major Western nations, the average annual per capita funding for the national public broadcaster was \$76. Canada ranked 15th out of the 18 countries, even though CBC/Radio-Canada broadcasts in two official languages and across six time zones. Compared to CBC/Radio-Canada's \$34 per capita annually, the BBC receives \$124 per Briton, and funding in France is \$65 (and soon to be \$77) per capita.

Unprecedented success and financial crisis: a year of paradox

And, here's the third largely unknown CBC/Radio-Canada fact: our business model — the way in which we are financed — is broken and can no longer provide Canadians with adequate resources to deliver all of the services required from a public broadcaster.

This despite the unprecedented success of our programming. Other conventional broadcasters are facing stagnant or shrinking audiences, yet CBC Television in its regular season this year achieved an 8.6 per cent share in prime time, up from 6.7 per cent three years ago, beating a competitor's predominantly American prime-time schedule. CBC Television is now the second-most-watched network in Canada. Télévision de Radio-Canada has maintained its prime-time market share of 19.1 per cent for the television season, despite competitors' many reality shows and the plethora of specialty channels. Our radio services have never had better ratings: a combined share of 14.1 per cent for CBC Radio and of 19.4 per cent for Radio de Radio-Canada. This strength carries over into our non-conventional services; for example, in 2008-2009, *CBC.ca* alone had an average of 4.3 million unique visitors monthly, and by the end of the year its audiences were downloading over two million of our podcasts every month.

So, then, why are we facing a financial crisis? We and other Canadian conventional television broadcasters depend on advertising revenues that were steadily declining even before the global economic downturn hit in mid-2008. The current economic crisis has only accelerated this decline — it did not cause it.

This year our shortfall in advertising revenues was \$65 million. We were not alone in being affected — Canada's main private television networks all announced major layoffs and service cuts.

By freezing spending and slashing costs, we were able to balance our books for 2008-2009. But we anticipate that our advertising revenues will continue to be weak in 2009-2010, despite our increased market share in both English and French television. Together with reductions in Government funding and lower commercial revenue from sources other than advertising, it is anticipated that the total revenue shortfall will grow to \$94 million in 2009-2010. At the same time, increasing costs for items such as property taxes, utilities and contract escalations, all of which are unavoidable, add an additional shortfall of \$64 million. Strategic programming investments in online services and specialty channels — essential to serving Canadians in a changing broadcasting environment — require a further \$13 million.

So, at the start of the 2009-2010 fiscal year, we faced a total estimated shortfall of \$171 million. Our only option was to undertake a substantial reduction in our staffing levels as well as reducing our level of programming. The savings from these cost reductions will be gradual as there is a one-time payment for severances and retirements that cannot be funded by CBC/Radio-Canada because of the laws governing Crown corporations that limit our borrowing capacity. It has been necessary to undertake the sale of \$125 million of corporate assets to cover the shortfall in funding in fiscal 2009-2010. Thereafter, the full savings from all of the restructuring undertaken by the Corporation will be in place.

Cuts guided by key priorities

Our choices were very difficult. We had to eliminate 800 positions, reducing staff at many stations across the country. Some programs had to be cancelled; others were scaled back; and there will be more repeat broadcasts.

Although painful, the cuts we made were guided by the three key priorities we identified this year: People, Programming, and Pushing Forward.

To protect our people, we have tried to contain the number of layoffs as much as possible. Yet 60 per cent of our overall budget goes to salaries, so some cuts were unavoidable. We are still working closely with our unions to find creative ways to reduce the number of job cuts required to meet our budgetary target.

The need to cut positions was particularly discouraging because this year we made excellent progress on what has been for me a personal priority — building stronger and more collaborative relationships with our employees and with our unions, to which some 87 per cent of our employees belong. Three significant negotiations were successfully concluded this year: first, through interest-based bargaining, we reached a five-year agreement with the Association of Professionals and Supervisors (APS) that was approved by more than 96 per cent of APS membership, The APS president noted that the process had been “a great step towards mutual understanding.” Second, before the contract expiry date, we signed with the Canadian Media Guild a new agreement that its president said “changed the perception each had of the other as the enemy.” And third, through interest-based bargaining for the fourth time in a row, we reached a three-year agreement with the Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada (STARF).

We are listening to each other in a constructive way, acknowledging that although we have different perspectives, we have the same objective — to make CBC/Radio-Canada as successful as it can be for Canadians. I am grateful to everyone who has been willing to put aside past perceptions and commit to forging new relationships based on mutual trust and respect. This new way of talking to each other is essential to getting us through the challenges we now face, and we will continue to work on these relationships.

We protected our programming in two ways.

First, we limited the effect of the cuts on our regional broadcasting by targeting 82 per cent of the cuts to our English and French national networks and corporate services. This allowed us to keep our regional footprint intact across the country.

Will the regional cuts affect our audiences? Absolutely. When you take dedicated, creative and passionate people out of a regional station, you affect the services that audiences in that region receive. When you change the nature of your regional noon radio show and reduce it to one hour, audiences notice the difference. I understand why many Canadians are worried about how the cuts will affect services in their communities.

Second, we reaffirmed our commitments to keeping our English and French radio services commercial-free and to preserving CBC Television's virtually all-Canadian series and news line-up in the 8:00-11:00 p.m. portion of prime time, and Télévision de Radio-Canada's 95 per cent Canadian line-up in prime time every day of the week. To do otherwise would be to weaken essential elements of our mandate and identity.

To ensure we continue to push forward, we committed to maintaining our strategic investments in new platforms and services. Canadians have come to expect their national public broadcaster to lead the evolution of Canadian broadcasting. To stay relevant, we must continue to make those investments.

Maintaining our strategic direction

The cuts we have been forced to make will slow but will not stop our progress towards becoming an even more relevant and dynamic national public broadcaster. This strategic direction has three components.

First, rather than being a broadcaster with separate and discrete media lines, we are becoming a content company in which everyone collaborates and shares resources to generate deeper, richer content that we make available to audiences whenever, wherever and however they want it.

An example of this was our multiplatform coverage of the 2008 Federal Election. On radio and television we broadcast Election analysis, profiles and reports; but on the Internet, Canadians could get much more, from streaming video and audio to in-depth riding-level profiles and results from an interactive map. A *Reality Check* site put the candidates' promises and statements to the test. A *Voter Toolkit* provided specific information as to where and how Canadians could vote. Through our websites, we acted as the nation's public forum: thousands debated local issues in fora created for every riding — in fact, there were over 10,000 comments posted in these areas of the site alone. *En ligne, Citoyens* linked francophones across the country in a discussion about the issues. Canadians asked questions directly to political candidates and they posted thousands of their own photos and videos. We had over a quarter of a million postings to our sites. This is how we foster citizen participation today.

The second component of our strategic direction is to continue to be the most important creator and distributor of Canadian content across all media platforms. Despite having almost unlimited choices, audiences are choosing our many services for one reason: our Canadian content. Audiences recognise that CBC/Radio-Canada is the home of Canadian content.

The third component is our ongoing commitment to remain deeply rooted in Canada's regions. Our connection to the regions is an essential part of our mandate. If we receive more resources, or if our commercial revenues bounce back and hold, we will put people and dollars back into the regions. It is where our service is most intimately engaged in the lives of Canadians. In these tight economic times we will look for new ways, using new media, to enhance our presence.

Towards a sustainable future

We have achieved remarkable success with our programming, increasing audiences across all of our services despite a very challenging and constantly changing broadcasting environment, particularly due to failing advertising revenues. And we are implementing a strategy that will lead to greater success in the future. Yet I am compelled to report that, unless we are able to develop a sustainable revenue model in the near future, CBC/Radio-Canada's ability to fulfil its mandate will be seriously at risk.

Recent initiatives from the CRTC and the Government will help address some of the challenges that all conventional broadcasters face. The new Canadian Media Fund, for example, should offer increased support for first-run, prime-time Canadian programming that is original, of high quality, and broadcast on a host of platforms. And the CRTC's Local Programming Improvement Fund (LPIF) will mean better local services, if it focuses on smaller markets and is based on each broadcaster's track record in investing in specific communities.

Another part of the solution will fall into place when the CRTC proceeds with its proposal to permit conventional television broadcasters to negotiate compensation from cable and satellite companies for the value of their signals — revenues that specialty channels have received for years. We feel that it is in the interest of Canadian audiences that value-for-signal financing be tied to specific priorities, like increased Canadian programming, that would be included in our and other broadcasters' conditions of license.

Citing "the current period of economic uncertainty", the CRTC announced in May 2009 that it would grant one-year license terms to the large private English-language conventional television broadcasters, and a two-year license term for the television stations and discretionary services operated by one of the French-language broadcasters, to take effect September 1, 2009. CBC/Radio-Canada's television, radio, specialty, and pay audio licenses were recently administratively renewed for one year, until August 31, 2010.

The Commission will be launching a follow-up proceeding culminating in fall 2009 to review and implement a number of policy matters, including value-for-signal negotiations, group-based licensing and the digital transition.

With the CRTC now evaluating value-for-signal financing and other potential remedies to address the advertising revenue crisis facing all conventional broadcasters, including CBC/Radio-Canada, the Corporation believes that the time is right for the CRTC and the Government to also consider a further initiative for the national public broadcaster.

A new era for public broadcasting

For several years, we have been making the case for the Government to commit to negotiating a new contract with Canadians for CBC/Radio-Canada. This contract would be similar to the multiyear arrangements that define service expectations and commit matching funding levels for the BBC, as well as for national public broadcasters in Ireland, South Africa and other countries. The contract would be developed after extensive consultations with Canadians to answer two fundamental questions: What do Canadians want from their national public broadcaster in the 21st century, and how will these services be paid for?

This contract with Canadians would give CBC/Radio-Canada the financial certainty needed to continue to meet our mandate requirements and to plan effectively for the future. And it would make us even more accountable to Government and to Canadians.

To think of what CBC/Radio-Canada could achieve with adequate, stable and long-term funding is very exciting. Driven by the creativity and passion of our people for public broadcasting, we would lead the Canadian broadcasting industry into a future of virtually unlimited opportunity. I believe that this is what Canadians expect and indeed deserve from their national public broadcaster.

Message from the Chair

This has been a particularly challenging year for CBC/Radio-Canada, as it has been for all broadcasters and indeed for all Canadians. Despite ongoing success with audiences across all our services, at the end of the fiscal year we had to make some very difficult decisions.

The departure of up to 800 valued colleagues will be felt by everyone at CBC/Radio-Canada. Similarly, our audiences will be affected by cuts to programs and services that they cherish. At this difficult time, everyone at CBC/Radio-Canada appreciates Canadians' strong support for public broadcasting, expressed in many ways across the country.

Serious financial challenges are the reality for CBC/Radio-Canada, as they are for our competitors and for our advertisers, and we have no choice but to adapt. Our President and Senior Executive Team have developed, with input from our Board of Directors, a strategy that preserves as far as possible the Corporation's capability to serve Canadians now and into the future.

For the Board of Directors, this was a year of change and renewal as the terms of several Board members concluded and new members were selected. Our new Board members gained insight about the Corporation and its challenges from senior managers who provided a comprehensive and cost-effective in-house briefing program. At our regular meetings, the Board offered its guidance and oversight to senior management on the Corporation's priorities and operations. I wish to extend my thanks to all Board members for their support and time, and for their ongoing commitment to public broadcasting.

During difficult economic times, the critical role of CBC/Radio-Canada as a reliable and trusted source of information increases. The national public broadcaster acts as a unifying force by offering in-depth analysis of the stories and issues that matter to Canadians, reaffirming our shared values and identity. Through its programming, services and diverse personnel, CBC/Radio-Canada also reaches out to new Canadians, helping them better to understand and to integrate into their adopted country. We are also increasingly giving viewers and listeners access to our content through a more robust Internet offering to meet their changing needs and preferences.

Reaching more Canadians in more ways than ever before with the content they want and indeed need is the foundation of the Corporation's success today and into the future.

Board of Directors

In accordance with the *Broadcasting Act*, the Board of Directors is responsible for the management of the Corporation. The Board is made up of 12 members, including the Chair and the President and CEO, who are appointed by the Government.

Tim W. Casgrain
Chair
Toronto, Ontario

Hubert T. Lacroix
President and CEO
Montréal, Québec

Linda Black
Law Enforcement Review Board of Alberta
Calgary, Alberta

Peter D. Charbonneau
General Partner
Skypoint Capital Corporation
Ottawa, Ontario
(since December 2008)

George Cooper
Senior Partner
McInnes Cooper
Halifax, Nova Scotia
(since May 2008)

Hélène F. Fortin
Partner
Demers Beaulne, S.E.N.C.R.L.
Montréal, Québec
(until September 2008)

The Honourable Joseph Handley
Former Premier of the Northwest Territories
Yellowknife, Northwest Territories
(since May 2008)

Peter Herrndorf
President and CEO
National Arts Centre
Ottawa, Ontario

Patricia A. McIver
Chartered Accountant
Richardson Partners Financial Limited
Vancouver, British Columbia
(since June 2008)

Trina McQueen
President
Hutton-Belleville Inc.
Toronto, Ontario

Brian R. Mitchell
Managing Partner
Mitchell Gattuso
Montréal, Québec

Rémi Racine
CEO and Executive Producer
Artificial Mind & Movement
Montréal, Québec

K. (Rai) Sahi
Chairman and CEO
Morguard Corporation
Toronto, Ontario
(until May 2008)

Dr. Edna Turpin
Executive Consultant
St. John's, Newfoundland and Labrador

Board of Directors Yearly Attendance

April 2008-March 2009

Board Member	Board (6 meetings; 5 conference calls)	Nominating and Governance (3 meetings)	Human Resources and Compensation (6 meetings; 3 conference calls)	Audit (5 meetings)	Standing (3 meetings)	Special Committee on Real Estate (1 meeting)
Tim W. Casgrain	11/11	N/A	9/9	4/4	3/3	1/1
Hubert T. Lacroix	11/11	N/A	9/9	N/A	2/3	1/1
Linda Black	10/10	3/3	N/A	N/A	3/3	1/1
Peter Charbonneau ¹⁾	4/4	N/A	N/A	1/1	N/A	N/A
George Cooper ²⁾	8/9	2/3	N/A	N/A	2/3	1/1
Hélène Fortin ³⁾	4/4	N/A	N/A	2/2	1/1	1/1
Joseph Handley ⁴⁾	9/9	3/3	N/A	N/A	3/3	1/1
Peter Herrndorf	11/11	3/3	N/A	N/A	1/3	1/1
Patricia McIver ⁵⁾	6/7	N/A	N/A	2/3	1/2	N/A
Trina McQueen	11/11	N/A	N/A	4/4	2/3	1/1
Brian Mitchell	10/10	N/A	N/A	5/5	3/3	1/1
Rémi Racine	11/11	N/A	8/9	N/A	3/3	1/1
Edna Turpin	11/11	N/A	9/9	5/5	3/3	1/1

This report lists attendance from April 1, 2008 to March 31, 2009.

- 1) Peter Charbonneau was appointed December 19, 2008.
- 2) George Cooper was appointed May 9, 2008.
- 3) Hélène Fortin resigned September 5, 2008.
- 4) Joseph Handley was appointed May 9, 2008.
- 5) Patricia McIver was appointed June 18, 2008.

Governance

Highlights

Appointment of New Board Members

The Board of Directors of CBC/Radio-Canada underwent a significant transition in 2008-2009 with six new Directors joining during the year. This was a 50 per cent turnover in Board membership and, as such, posed challenges to ensure that new members were properly equipped within a relatively short timeframe to assume the stewardship of the Corporation. To accomplish this, the Corporation offered a series of comprehensive briefings on a range of topics, including: key aspects of the broadcasting industry in Canada; the Canadian regulatory environment; and, CBC/Radio-Canada operations.

During the year:

Linda Black, of Calgary, Alberta, was appointed to replace Yasmin Jivraj.

Brian Mitchell, of Montréal, Québec, was appointed to replace Johanne Brunet.

George Cooper, of Halifax, Nova Scotia, was appointed to replace Bernd Christmas.

Hon. Joseph Handley, of Yellowknife, Northwest Territories, was appointed to replace K. (Rai) Sahi.

Patricia McIver, of Vancouver, British Columbia, was appointed to replace Mary McNeil.

Peter Charbonneau, of Ottawa, Ontario, was appointed to replace Hélène Fortin.

Board Committees

Standing Committees on English- and French-language Broadcasting

These Committees are established pursuant to Section 45 of the *Broadcasting Act*. Their mandate is directed to monitoring the fulfilment by the Corporation of its French- and English-language broadcasting responsibilities and its overall mandate, as set out in the *Act*.

Audit Committee

The Audit Committee mandate includes oversight of the integrity of the Corporation's financial information and reporting, the framework of internal controls and risk management, and the audit process.

Nominating and Governance Committee

The Nominating and Governance Committee mandate centres on the Board's governance framework, supporting guidelines and processes. Topics covered include: Terms of Reference for the Board, the Board Chair, the President and CEO, individual Directors, and Board Committees; the process for Board assessment; Board succession; Board orientation and training; and Code of Conduct and Conflict of Interest rules for Directors.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee has oversight responsibility with respect to all aspects of the Corporation's Human Resources strategies, including Human Resources policies, executive compensation, succession planning, industrial relations, health and safety, and the environment.

Special Committee on Real Estate Projects

The Special Committee on Real Estate Projects was established in June 2008 and given responsibility for monitoring the Corporation's major real estate projects in Montréal, Toronto and Vancouver.

Director Compensation

The current rules for Director Compensation are as follows:

The Chair of the Board is compensated in accordance with the terms of the Order –in Council appointing him/her.

Directors (excluding the Chair of the Board and the President and CEO) receive meeting fees for attendance (in person) at Board and Committee meetings in accordance with the following fee schedule:

Board	\$2,000 per meeting (to a maximum of six meetings per year)
Audit Committee	\$1,300 per meeting (to a maximum of six meetings per year)
All other Committees	\$1,000 per meeting (to a maximum of four meetings per year)

For additional meetings of the Board or a Committee, the meeting fee is \$625 per meeting.

DRAFT

For conference call meetings of the Board or a Committee, the meeting fee is \$250.

Directors are entitled to receive only one meeting fee for each day (24 hours) even if they attend more than one meeting during that period.

Directors do not receive an annual retainer for serving as a Board member of CBC/Radio-Canada.

For meetings held in 2008-2009, the total amount paid in Director compensation was \$158,412.50.

Public Accountability

CBC/Radio-Canada has an obligation to report to Canadians on the fulfilment of its commitments. This is accomplished using a variety of communications channels and vehicles.

Open and Transparent

For example, CBC/Radio-Canada accounts for its activities through the Minister of Canadian Heritage to Parliament, through its Annual Report and Corporate Plan Summary, to the Canadian Radio-television and Telecommunications Commission (CRTC) through year-end reports and annual financial returns, and to stakeholders through ongoing dialogue and interaction and CBC/Radio-Canada websites.

Here are examples of reporting instruments:

- Annual Report of CBC/Radio-Canada to the Canadian Radio-television and Telecommunications Commission (CRTC)
- Annual Reporting to Parliamentary Committees (Canadian Heritage, Official Languages, Public Accounts, Senate Committees)
- CBC/Radio-Canada Corporate Plan and Corporate Plan Summary
- CBC/Radio-Canada Annual Report
- Auditor General Special Examination Report
- Auditor General Annual Attest Audit
- Annual Report to the Department of Human Resources and Skills Development Canada (HRSDC) Employment Equity
- Implementation of Section 41 of the *Official Languages Act* Report
- Public Accounts of Canada
- Posting of business travel and hospitality expenses of Chair, President and Vice-Presidents on corporate website

Journalistic Standards and Practices

CBC/Radio-Canada has an extensive code of Journalistic Standards and Practices and solid editorial control mechanisms to guide its employees and to ensure that those working on its programming remain balanced and accurate in their on-air perspectives and reporting. Complaints from the public that are not resolved at the program level to the satisfaction of the complainants are examined and dealt with by the Corporation's two independent Ombudsmen. The Ombudsmen are completely independent of CBC/Radio-Canada programming staff and programming management and report directly to the President of the Corporation and, through the President, to the Corporation's Board of Directors. The role of the Ombudsman is pivotal in strengthening the

national public broadcaster's accountability and transparency to Canadians. The Ombudsmen can be reached at:

The Ombudsman, English Networks, CBC/Radio-Canada, PO Box 500, Station A, Toronto ON M5W 1E6 (ombudsman@cbc.ca); and,

Bureau de l'ombudsman, Services français, CBC/Radio-Canada, CP 6000, Montréal QC H3C 3A8 (ombudsman@radio-canada.ca).

Codes of Conduct

CBC/Radio-Canada employees at all levels and across the Corporation are expected to adhere to the Code of Conduct and policies governing their behaviour in such areas as: conflict of interest and ethics; disclosure of wrongdoing; official languages; harassment; and political activity. The Corporation's Human Resources policies are available for viewing online at: <http://www.cbc.radio-canada.ca/docs/policies/index.shtml>.

Access to Information

CBC/Radio-Canada became subject to the *Access to Information Act* on September 1, 2007. Section 68.1 of the legislation contains specific safeguards to protect the journalistic, creative and programming independence that is fundamental to a successful national public broadcaster. Similar protection has been afforded to other public broadcasters, such as the British Broadcasting Corporation and the Australian Broadcasting Corporation, under comparable legislation in those jurisdictions.

Since September 1, 2007, CBC/Radio-Canada has received in excess of 750 requests for records relating to a wide range of subjects. This is well beyond the volume of requests anticipated, based upon benchmarking of other comparable organisations. Responding to this volume of requests has posed a significant challenge for the Corporation. To address the situation, a number of steps have been taken to position the Corporation to meet its obligations under the legislation, efficiently and effectively.

CBC/Radio-Canada Services

CBC/Radio-Canada is the only Canadian broadcaster delivering a comprehensive range of radio, television, Internet, and satellite-based services to Canadians, in English, French and eight Aboriginal languages. The Corporation's broadcasting reach extends across Canada and around the world, offering high-quality distinctive content by, for and about Canadians, however and wherever they want it.

TELEVISION

CBC TELEVISION Canada's leading 24-hour English-language network of ground-breaking news, information, sports, and entertainment programming produced by, for and about Canadians, for more than 55 years.

CBC NEWSWORLD The country's first and most-respected 24-hour all-news and information English-language television service. Live news updates throughout the day keep Canadians informed about the world, while award-winning documentaries delve even deeper into it. By subscription.

BOLD Be daring. Be **bold**. Canada's 24-hour English-language digital television service pushes the boundaries with innovative drama and comedy, the world's best performing arts and exclusive coverage of sporting events. By subscription.

DOCUMENTARY Provocative and compelling, *documentary* is the première English-language digital television service delivering the best in Canadian and international docs, films and series – 24 hours a day. By subscription.

TÉLÉVISION DE RADIO-CANADA The pre-eminent cross-country French-language television network connecting Canadians with popular and high-quality original programming, including news, current affairs, arts and culture, and programs for children and youth.

RÉSEAU DE L'INFORMATION DE RADIO-CANADA (RDI) The leader in French-language 24-hour news and information for Canadians, RDI links francophones across the country with in-depth reporting and top-notch current affairs programming, including documentaries and interviews. By subscription.

CBC NORTH | RADIO-CANADA NORD Bringing together, via the airwaves, the diverse communities that make up Canada's vast North, and broadcasting award-winning radio and television services in English, French and eight Aboriginal languages.

ARTV A rich blend of arts and culture, showcasing the best in film, theatre, music, dance, visual arts, and more, all brought together on one vibrant French-language television channel. By subscription.

TV5MONDE The première worldwide French-language television network, TV5MONDE encompasses 10 broadcast partners across the globe and creates a space dedicated to public expression. It airs programming that increases awareness of the diversity of cultures and points of view.

RADIO AND SATELLITE

CBC RADIO ONE Canada's English-language information service, where the country turns for its local, national and international news, current affairs, documentaries, arts and culture, on radio and Sirius Satellite Radio Channel 137. Commercial-free and reflecting the true lives of Canadians, no matter where they live.

CBC RADIO 2 Music music music. Commercial-free and ready to transport listeners with a mix you won't hear anywhere else. Classical, jazz, world beat, pop, and much more. An English-language network, with music that speaks to all.

CBC RADIO 3 If it's new, you'll find it here. Catch the next big thing on this showcase of emerging, commercial-free Canadian music via the Internet at radio3.cbc.ca, podcast and Sirius Satellite Radio Channel 86. English-language.

PREMIÈRE CHAÎNE From one end of the country to the other, Première Chaîne is Canada's commercial-free French-language radio network, offering listeners a truly diverse mix of information and cultural programming. Engaged in its environment while being open to the world, it enlightens and entertains.

ESPACE MUSIQUE French-language musical radio that accompanies you night and day with a multitude of diverse styles and rhythms – classical, jazz, vocal, world music, and emerging artists. Commercial-free and always engaging.

BANDE À PART Rock, pop, hip hop, alternative, punk, electronica – the explosion of French-language music is at the heart of this commercial-free, 24-hour network, where Canadian artists are front and centre. Find it on Radio at Espace musique, on the Internet at bandeapart.fm, via podcast, and Sirius Satellite Radio Channel 87.

PREMIÈRE PLUS Listen in on original French-language programming and the best of Première Chaîne's news, current affairs and cultural broadcasts – with the luxury of no commercials. In partnership with Radio Canada International and Radio France International, across North America on Sirius Satellite Radio Channel 94.

SPORTS EXTRA The only French-language sports service on satellite radio. Get the real scoop from expert hosts and analysts from the Radio-Canada sports team. Amateur and pro – everything is fair game on Sirius Satellite Radio Channel 96.

RADIO CANADA INTERNATIONAL (RCI) Canadian voices have been extending across the planet since 1945 with this commercial-free international radio service, now broadcasting information and cultural programs in seven languages via the Internet, digital and analogue shortwave, satellite, and hundreds of partner stations worldwide.

RCI PLUS Reflecting Canada and its vibrant multicultural population in seven languages on Sirius Satellite Radio Channel 95. Try out a new language thanks to programming from Radio Canada International, as well as from national and international partners.

CBC NORTH | RADIO-CANADA NORD Bringing together, via the airwaves, the diverse communities that make up Canada's vast North, and broadcasting award-winning radio and television services in English, French and eight Aboriginal languages.

INTERNET

CBC.ca One of Canada's most popular and comprehensive English-language media websites, with up-to-the-minute news and information, streaming audio and video, sports highlights, Web-only interactive features, multimedia archives, and much more.

Radio-Canada.ca Don't miss a minute of Canada's favourite French-language radio and television content from Radio-Canada – all online. Constantly updated news and information, and unique new media and Web features ensure that each visit is dynamic and different.

CBC RADIO 3 If it's new, you'll find it here. Catch the next big thing on this showcase of emerging, commercial-free Canadian music via the Internet at radio3.cbc.ca, podcast and Sirius Satellite Radio Channel 86. English-language.

BANDE À PART Rock, pop, hip hop, alternative, punk, electronica – the explosion of French-language music is at the heart of this commercial-free, 24-hour network, where Canadian artists are front and centre. Find it on radio at Espace musique, on the Internet at *bandeapart.fm*, via podcast, and Sirius Satellite Radio Channel 87.

RCI VIVA Giving the world a window on Canada, Radio Canada International's commercial-free Web radio service broadcasts in seven languages at *rciviva.ca*. It's a true gateway to this country for new and aspiring immigrants, with information to help them discover Canada.

ESPACE CLASSIQUE The sweet sounds of continuous classical music, commercial-free, and customised just for you. This Web radio service at *radio-canada.ca/espaceclassique* introduces you to new talent, even as it shines the spotlight on timeless favourites.

ESPACE JAZZ Web radio just became jazzier on Espace musique. For continuous jazz, customise your listening by genre, instrument or mood.

EXTENDING OUR REACH

GALAXIE Tune in on your television to 45 channels of continuous music, talk-free and commercial-free. No musical stone is left unturned for the pop star, jazz hound or classical buff in your household. More than seven million subscribers are already part of the Galaxie family.

CBC NEWS / RDI EXPRESS is a bilingual news and information service delivered to the Ottawa, Toronto and Vancouver airports. Soon to be launched in Winnipeg and Edmonton, it will serve over 62 million travellers annually.

CBC RECORDS | LES DISQUES SRC This in-house recording label partners with Canada's pre-eminent musicians, releasing about eight new homegrown CDs annually. With 29 Junos and one Grammy Award to its credit, CBC Records is one of the most recognised independent labels in the country.

MOBILE SERVICES | SERVICES MOBILES

For those who prefer the small screen... the *really* small screen, CBC/Radio-Canada offers an expanding range of mobile services for the growing Canadian mobile audience, including mobile sites, iPhone sites, SMS alert services, as well as CBC Newsworld and RDI as live streams and on-demand videos.

2008-2009 Highlights

CBC Radio

- CBC Radio One and CBC Radio 2 achieved an all-time combined record audience share — 14.1 per cent — up from last year's record combined share of 13.4 per cent. Numerous programs are at historic highs.
- All local CBC Radio One morning shows in major English-speaking markets were ranked either first (Calgary, Halifax, Ottawa, Toronto) or second (Winnipeg, Vancouver), with 20 of the 22 shows ranked in the top three in their respective markets.
- CBC Radio recorded and broadcast more live music than ever before — over 1,000 hours and 725 acts, from classical to popular, including aboriginal and diverse.
- CBC Radio 2 launched four online streams of continuous music — classical, jazz, Canadian composers, and Canadian songwriters.
- CBC Radio's commitment to program review and development produced 200 program pitches, 20 pilots and 12 broadcast shows or series.
- CBC Radio helped raise donations of over four million dollars for charity and 15,000 turkeys for underprivileged families during December alone.
- CBC Radio 2's Obama Playlist, inviting audiences to recommend Canadian music selections for the new President, received worldwide coverage — 131 international newspaper and television stories in Britain and the US reached 41 million people.
- Canada Reads again helped raise the winner to first place on the Canadian bestsellers list, and significantly promoted the four runners-up. Media coverage — 200 stories read by 50 million people.
- 120 national and international awards.

CBC Television

- CBC Television achieved its highest 2+ regular season prime-time audience share since 1999-2000 — 8.6 per cent — up almost a full percentage point from a high of 7.8 per cent last year.
- The network increased its 2+ regular season (weeks 5-29) prime-time audience share by almost two full percentage points since 2004-2005 and its share now exceeds that of Global Television with its predominantly American prime-time schedule.
- *CBC News: The National* (news portion) increased its audience by 19 per cent over 2007-2008, with the full-hour program up by 18 per cent over last year.
- Major audiences increases over the previous year: *Dragon's Den* (up 55 per cent and 103 per cent over its première season); *The Nature of Things* (up 37 per cent); *Doc Zone* (up 16 per cent); and *Marketplace* (up 21 per cent).
- *Rick Mercer Report* — averaged a 2+ audience of over one million this season.
- CBC's Hockey Night in Canada Anthem Challenge truly engaged Canadians who submitted 14,685 entries.
- 198 national and international awards.

CBC.ca

- Canada's most popular English-language news and media site again — 4.8 million unique visitors per month (comScore).
- Averaged approximately 750,000 weekly streams — 575,000 video and 175,000 audio.
- Over 280,000 registered members posted a total of over 1.9 million comments — a monthly average of 260,000 with a single-day record of 16,000 posts. On an average workday, 4,800 individual users participated.
- Over 2.1 million “recommends” related to posted comments.

CBC Radio and CBC Television

- CBC Radio and CBC Television co-productions again increased audiences on both platforms, with CBC Radio programs *Q* and *Canada Reads* developed for television audiences on **bold**.

Radio de Radio-Canada

- * Radio de Radio-Canada maintained last year's performance levels — its strongest since 1984.
- * In fall 2008, Radio de Radio-Canada had 1,434,000 listeners, the biggest reach in its history. It captured a 19.4 per cent share of French-language radio listening in markets served.
- In fall 2008, a number of Première Chaîne's regional morning shows increased their audience share: Québec City (+5 per cent), Rouyn (+4 per cent) and Matane (+3 per cent). In Montréal, the morning program tied for highest ratings, obtaining an audience share of 21 per cent (BBM Fall).
- Espace musique launched the Web radio site *Espace jazz*.
- Visitor traffic to the Espace classique site doubled, with a monthly average of 60,000 visits.
- Over 80 films from 22 countries were submitted to RCI's *Migr@tions* competition.

Télévision de Radio-Canada

- Strong results achieved in recent years were maintained during this year's regular season, with a 14 per cent audience share over the programming day and a 19.1 per cent share during prime time (7:00-11:00 p.m.).
- Radio-Canada remained the network to watch for major cultural events, broadcasting the Géméaux awards (average of 1.4 million viewers), the ADISQ gala (average of 1.7 million viewers), the Jutra awards (average of 655,000 viewers), and Les Oliviers (average of 1.4 million viewers).
- The new series, *Les Parent*, was a big hit, with an average viewership of 1,068,000 (29 per cent average audience share). The popularity of current affairs programs did not diminish: *L'épicerie*, *La facture* and *Découverte* reached audiences of 677,000, 735,000 and 694,000, respectively.
- In fall 2008, regional editions of the 6:00 p.m. *Téléjournal* saw their audience share increase: Ottawa-Gatineau (+4.3 per cent), Québec City (+2.6 per cent), Trois-Rivières (+4.4 per cent), and Moncton (+9.3 per cent).

Internet and Digital Services

- *Radio-Canada.ca* is the second most-visited French-language media site, drawing a monthly average of 968,000 francophone visitors (comScore). Demand for the site's audio/video content grew substantially in 2008-2009, with total visits rising by approximately 35 per cent in one year.
- Radio-Canada revamped its mobile news offering by launching a site tailored to cell phone users, with headlines sent by SMS, as well as live and on-demand RDI content, 24 hours a day.

Radio-Canada (all services)

- On all of its platforms, Radio-Canada followed the events and festivities marking the 400th anniversary of the founding of Québec City.
- Radio-Canada Musique, the biggest integrated music initiative in the public broadcaster's history, was launched in October 2008.
- Radio-Canada provided distinctive coverage of the Beijing Olympics. On average, our Olympic coverage drew a daily television audience share of 28 per cent over the entire programming day. The opening ceremony was watched by over a million viewers (average share of 45 per cent). The Beijing 2008 site had 56 per cent more traffic than the Athens 2004 site.

People and Culture: Building and Strengthening Our Team

- The People and Culture portfolio was created, and Katya Laviolette named Vice-President to oversee the human resources function for the Corporation. Future strategies include improving the internal culture, ensuring that employees' contributions are valued, fostering leadership development and talent management, and ensuring a diverse talent pool.
- The President and CEO regularly met with employees and the unions, strengthening working relationships for the advancement of the Corporation's strategic and operational performance.
- Employees from different regions and segments helped refine the Corporation's vision and strategy at the May 2008 forum, *Challenge Us!* The emerging theme, "accelerated change," will call upon employees' creativity and competence.
- Leaders' Forum, November 2008, engaged senior executives and managers in the strategic planning process, with results informing the Corporation's Strategic Plan.

- Collective agreements were reached with the Association of Professionals and Supervisors (APS), the Canadian Media Guild (CMG) and the Syndicat des technicien(ne)s et artisan(e)s du réseau français (STARF).

Organisational Health and Wellness

- Minimising the impact of our operations on the environment, engaging employees in this effort and environmental performance review were again activities monitored by the Environmental Lead Team. Achievements this year included our first annual internal environment report, continued recycling of e-waste and the introduction of a cell phone take back program. Next year's initiatives will focus on paper reduction.
- During Healthy Workplace Month, waste reduction, healthy habits, mental health, and sound workstation ergonomics were promoted.
- Nearly 183 ergonomic assessments were conducted and 40 workshops held on topics such as office or camera operator ergonomics and safe lifting techniques.
- The two-year Respect in the Workplace project concluded, with 96 per cent of employees attending one of the 600 workshops jointly facilitated by managers and unionised employees.
- The sixth annual corporate influenza vaccination program reached 27 per cent of our employees in 26 cities.
- The National Crisis Management Team continued to develop programs for emergency preparedness, corporate security and business continuity planning, to ensure employee's protection at home and abroad. Special projects included an employee emergency information line, Olympics and pandemic preparedness.

Merchandising

- The Merchandising Division brought in nearly \$10 million again this year from national and international sales related to content licensing, CD and DVD sales and distribution, digital downloads, books, clothing, and authorised merchandise. These revenues fund services for our audiences.

Real Estate

- BOMA BEST certification has been achieved in 88 per cent of CBC/Radio-Canada-occupied space.
- The Canadian Broadcasting Centre in Toronto was awarded a Silver Waste Minimization Award this year by the Recycling Council of Ontario for increasing its diversion rate from 55 per cent to 70 per cent.
- Maison de Radio-Canada in Montréal is increasing its waste diversion to a level of 65 per cent in the short term.
- Self-funded energy-savings initiatives were carried out in Vancouver, Charlottetown, Fredericton, Winnipeg, Calgary, Yellowknife, Windsor, and St. John's for reduced operating costs and systems less taxing on the environment.
- Vancouver redevelopment: funded through a combination of the proceeds from the sale of development rights on adjoining lands, long-term leasing revenues from freed-up spaces within the building and capital funds. This project, which is 80 per cent completed, will provide integrated newsroom/digital content management, stronger community connection and enhanced production and work facilities.

Key Performance Indicators

Measuring Performance

CBC/Radio-Canada introduced a new performance measurement system in 2006 which linked measures of performance to each corporate priority. The usage of these performance indicators means that it is now possible for the Government and Canadians to examine CBC/Radio-Canada's annual performance results, its performance against targets, as well as performance trends.

All of our corporate performance indicators reported in the following pages are linked to our eight corporate priorities which were first developed in 2002. In addition to these indicators, CBC Radio-Canada's main television and radio networks use programming indicators to assess performance against targets.

New Corporate Priorities: People, Programs and Pushing Forward

CBC/Radio-Canada introduced a new strategic framework in 2008-2009, arrived at through extensive consultation with employees and the Senior Executive Team, and through consideration of the findings from an in-depth review of the environment in which the Corporation operates. This input clearly pointed to the need to focus on three key issues: people — our key asset; programs — our core competency; and pushing forward — to meet current challenges and exploit opportunities.

Next year, all of the Corporation's performance indicators will be linked to the new corporate priorities (the 3Ps) and published in the 2009-2010 Annual Report.

Corporate Measures of Performance

Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results	
CONTENT	CANADIAN CONTENT				
	• CBC Television ¹	Broadcast day	80%	75%	80%
		Prime time (Monday-Sunday, 7:00-11:00 p.m.)	81%	80%	85%
	• Télévision de Radio-Canada ¹	Broadcast day	79%	79%	80%
		Prime time (Monday-Sunday, 7:00-11:00 p.m.)	89%	89%	90%
	• CBC Radio ²	Broadcast day	99%	99%	99%
		Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%	100%	100%
	• Radio de Radio-Canada ³	Broadcast day	100%	100%	100%
		Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%	100%	100%
	NUMBER OF AWARDS				
		CBC Television	220	190	198
		Télévision de Radio-Canada ⁴	29	30	31
		CBC Radio	140	100	120
		Radio de Radio-Canada	6	6	10
DISTINCTIVENESS					
	• Main television and radio networks	89%	90%	89%	

¹ Based on the most recently completed broadcast year.

² CBC Radio One and CBC Radio 2 combined.

³ Première Chaîne and Espace musique combined.

⁴ Internal productions only.

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Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results
REGIONAL REFLECTION AND THE CHANGING FACE OF CANADA	Programs produced in regions for regions	86,200 hours	83,700 hours	87,200 hours
	Programs produced in regions for networks	11,000 hours	12,600 hours	10,100 hours
	CBC/Radio-Canada usage by visible minority (18+) ⁵	82%	87%	83%
	Visible minority staff CBC/Radio-Canada ⁶	Number of staff 544	Number of staff 560	Number of staff 556
SUSTAINABILITY OF CANADIAN SCHEDULES	Television advertising revenue ⁷	\$310 million	\$348 million	\$302 million
	Expenditures on Canadian programming	95% of programming budget	95% of programming budget	93% of programming budget
EFFICIENCY	Self-generated revenues ⁸	\$131 million	\$123 million	\$147 million
	Programming expenditures	82% of total budget	82% of total budget	79% of total budget
CREATIVE HUMAN RESOURCES	Commitment to training and development CBC/Radio-Canada	\$ per employee 1,005	\$ per employee 1,005	\$ per employee 1,015
	Employee satisfaction (periodic) CBC/Radio-Canada	n/a	78%	80% ⁹

⁵ As of 2007-2008, the Corporation has adopted the definition used by Statistics Canada.

⁶ Excludes short-term employees.

⁷ Only the main networks, excluding Internet revenues.

⁸ Includes primarily Galaxie, **bold**, Internet advertising revenues, and program sales, but not advertising revenues.

⁹ The last employee survey was conducted by HayGroup in 2004. This figure is drawn from Hubert T. Lacroix's 2008 *Challenge Us!* initiative. Employees rated CBC/Radio-Canada as a national public broadcaster, not as an employer.

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Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results
STRATEGIC PARTNERSHIPS	Number of joint ventures/partnerships CBC/Radio-Canada	15	17	19
COLLABORATION	Expenditures on cross-media programming	\$9.7 million	\$10 million	\$10.1 million
STRONG STAKEHOLDER RELATIONSHIPS	Opinion leaders' overall impression of CBC/Radio-Canada	77% favourable ⁹	n/a ¹⁰	n/a ¹⁰
	Opinion leaders' general impression of CBC/Radio-Canada as being an essential service	87% agreement ⁹	n/a ¹⁰	n/a ¹⁰
	Canadians' satisfaction levels with main television and radio networks	89%	89%	89%
	Relevance to stakeholders ¹¹	Percentage of Canadians using our services 86%	Percentage of Canadians using our services 86%	Percentage of Canadians using our services 87%

⁹ *CBC/Radio-Canada Opinion Leader Survey*, March 2008, conducted by Phoenix Strategic Perspectives Inc.

¹⁰ This survey is conducted every second year and was not conducted in 2008-2009.

¹¹ Percentage of Canadians using main CBC/Radio-Canada television, radio and websites.

Media Lines' Targets and Results

English Services

CBC/Radio-Canada's English Services comprise CBC Television, CBC Newsworld, **bold**, *documentary* (majority controlled), CBC Radio One, CBC Radio 2, CBC Radio 3, and multiple digital platforms including *CBC.ca*. All of these services report to the Executive Vice-President for English Services, allowing an integrated approach for better planning and sharing of resources and programming across the media lines, and the achievement of savings and synergies.

The year 2008-2009 was tremendously successful for English Services, with the achievement of unprecedented audience numbers and growth on all platforms.

CBC Radio's Strategic Objectives

In order to best serve Canadians, CBC Radio established four strategic priorities for 2008-2009: continue the ongoing renewal of CBC Radio One; continue the repositioning of CBC Radio 2; create and pursue new platform opportunities; and, extend local service to underserved communities.

These priorities were designed to increase listener satisfaction, particularly with CBC Radio One and CBC Radio 2 (measured under Mandate/Listener Satisfaction below); serve the public (measured under National Reach and Share, indicating the extent of usage by the Canadian public); fulfil important mandate goals (measured under Mandate below); and, maintain and improve the quality of CBC Radio's services (assessed by the continuous process of program review).

CBC Radio – Performance Indicators

	CBC Radio 2008-2009 Targets	CBC Radio 2008-2009 Results
Cost		
• Cost of programming ¹	• \$119 million	• \$117 million
Audience²		
• CBC Radio One and CBC Radio 2 Combined reach	• 3.8 million	• 4.1 million
• CBC Radio One and CBC Radio 2 Combined share	• 12.2%	• 14.1%
Mandate CBC Radio One		
• Satisfaction ³	• 62%	• 59%
• Essential ³	• 84%	• 78%
• Regionally reflective ³	• 70%	• 66%
• Relevance: Has programs I want to listen to ³	• 60%	• 60%
Program Review		
• Pitches received and processed	• 150	• 200
• Pilots made	• 15	• 20
• New shows or new series debuted	• 5	• 12

1. Programming & production basis.

2. BBM Fall Survey.

3. FIATS Fall Survey, Core Listeners, Top 3 box score (October 2008-March 2009).

CBC Television's Strategic Objectives

CBC Television focused on its core strategies in 2008-2009, which have yielded significant success since being introduced in 2004-2005, in order to continue to provide Canadians with high-quality programming. Specifically, CBC Television targeted four strategic priorities this year: sustain the commitment to Canadian entertainment; strengthen the news offer; build on great sport franchises; and, deepen the relationship with Canadians where they live.

To measure its success in achieving its objectives, CBC Television set out four main performance indicators with targets, as shown in the following table. Among the results was an increase in the viewing share of CBC Television, particularly in prime time when television is primarily consumed. The network also worked to preserve its distinctive place in Canadian broadcasting through increased audience usage (measured under Audience below); the maintenance of an offering of diverse programming (measured under Public Value/Differentiation) as well as high-quality programming as judged by viewers (measured under Public Value/Public Perception). To successfully pursue its priorities, the network needed to manage its financial situation, including pursuing self-generated revenues and managing its financial resources effectively (measured under Revenue and Cost).

CBC Television – Performance Indicators

	CBC Television 2008-2009 Targets	CBC Television 2008-2009 Results
Public Value		
• Differentiation ¹	• Maintain ratio	• Achieved
• Public Perception	• Each program to achieve >60% (top 3 box score)	• Achieved
Audience		
• CBC Television prime-time share regular season	• 8.0%	• 8.6%
Revenue		
• Advertising and other miscellaneous revenues	• \$258 million	• \$222 million ²
Cost		
• Cost of programming ³	• \$484 million	• \$461 million

1. Based on percentage of titles.

2. As a result of a downturn in the economy generally and a precipitous decline in the media advertising market specifically, CBC Television's self-generated revenues (comprising advertising, subscription and other revenues) fell short of targeted goals by \$36 million, or 14%.

3. Programming and production basis.

CBC.ca's Strategic Objectives

CBC.ca, as part of CBC Digital Programming & Business Development area, continues to play a key role in the development of a secondary commercial market and distribution network for CBC programming. In 2008-2009, *CBC.ca*'s strategic priorities were: continue to increase traffic by concentrating on new content offers and site-wide use of Web 2.0 and social media features; increase revenues through the introduction of new digital revenue sources; continue multiplatform content development, focusing on further integration with CBC programming and Media Sales; further enhance site reliability and stability.

Performance against each of these objectives is noted in the following table.

CBC.ca – Performance Indicators

CBC.ca 2008-2009 Targets	CBC.ca 2008-2009 Results
Increase Traffic	<ul style="list-style-type: none"> • Most recent unique visitors of 4.8 million is 14.5% up from <i>CBC.ca</i> twelve-month average of 4.2 million. • Most recent page views count of 89.3 million is 22.9% up from <i>CBC.ca</i> twelve-month average of 72.6 million. • Second place Canadian online sports publisher* behind <i>TSN.ca</i>. <i>* Excluding foreign content providers and any content aggregators.</i> • Averaging approximately 750,000 weekly streams experienced (575,000 weekly video streams and 175,000 audio streams).
Implement Web 2.0 and social media features	<ul style="list-style-type: none"> • <i>CBC.ca</i> drew over 280,000 registered members who posted over 1.9 million comments. <i>CBC.ca</i> had over 2.1 million “recommends” related to posted comments. • On an average workday 4,800 individual users actively participated in our online community.
Increase revenues	<ul style="list-style-type: none"> • Increased syndication revenues from launch of Apple iTunes Canada, Olympics and wireless.
Enhance reliability and stability of CBC's online presence	<ul style="list-style-type: none"> • Digital Programming & Business Development continued development of a universal media player, offering an improved user experience for both audio and video, shared Web distribution platform with Radio-Canada, and initial phase of a content creation tool for digital publishing.
Support the development and implementation of a multiplatform strategy	<ul style="list-style-type: none"> • Four new CBC Radio 2 online streams launched in September. • Initial phase development of mobile and “widget” syndication of <i>CBC.ca</i> content. • Created new Director of Platform Strategy role responsible for common <i>CBC.ca</i>-Radio Canada vendor solutions and negotiations, including bandwidth, social media, digital publishing, and Web metrics.

English Services' Future Directions

Continue to Grow CBC Television Audience Share

- Protect CBC Television's audience share by targeting 8.5 per cent for 2009-2010.
- Maintain commitment to Canadian entertainment programming.
- Continue to build sports programming strength.

Maintain CBC Radio One and Grow CBC Radio 2 Audience Share

- Maintain leadership in local morning and afternoon programs.
- Continue to be rooted in local and regional community life.
- Continue CBC Radio 2 relaunch with distinctive and diverse Canadian musical genres.
- Investigate a new small stations staffing model for future growth.

Continue CBC News Renewal

- Continue the renewal of an integrated multiplatform and continuous service offering news and analysis to Canadians when and where they want it.
- Continue to build on recent audience success with supper hour local news programming.
- Renew national and local news as well as CBC Newsworld.

Strengthen Position in the Regions

- Organise resources to locally serve the greatest number of Canadians as possible, given current financial circumstances.
- Enhance local news service on all three media platforms.

Invest in New Platforms

- Launch more specialty channels, such as Current TV.
- Invest in Web infrastructure.
- Enhance *CBC.ca*'s reliability and functionality through the development of new platform features.
- * Offer content on new platforms, such as mobile devices, streaming and podcasts.

French Services

CBC/Radio-Canada's French Services comprise Télévision de Radio-Canada, Réseau de l'information de Radio-Canada (RDI), Première Chaîne, Espace musique, Espace jazz, Espace classique, Bande à part, Radio Canada International (RCI), RCI viva, and *Radio-Canada.ca*. All of these services report to the Executive Vice-President for French Services. This integrated approach facilitates the development of a global vision of French Services that recognises the individual strengths and distinctive character of each media line while promoting the overarching goal of improving the quality of the democratic and cultural life of Canadians. The Corporation is also a partner in ARTV and TV5Monde.

Radio de Radio-Canada's Strategic Objectives

Over the past five years, Radio de Radio-Canada's Première Chaîne and Espace musique have continued to expand their listenership, as demonstrated by the dramatic increase in the services' audience share. In 2008-2009, both networks maintained their strong results compared to the previous two years. Also in 2008-2009, Espace musique achieved its objective of supporting the Canadian music industry by investing \$5.5 million in the production of concerts to be aired on its network. French Services had the overall objective of consolidating its regional roots: for Radio de Radio-Canada, this translated into maintaining a high level of investment in the regions.

Radio de Radio-Canada – Performance Indicators

	Radio de Radio-Canada 2008-2009 Targets	Radio de Radio-Canada 2008-2009 Results
Maintain an optimal listenership <ul style="list-style-type: none">• Combined audience shares of Première Chaîne and Espace musique	<ul style="list-style-type: none">• Between 14% and 16%	<ul style="list-style-type: none">• 19.4%
Continue our commitment to Canadian musicians <ul style="list-style-type: none">• Budget invested in musical production for Espace musique	<ul style="list-style-type: none">• \$5.5 million	<ul style="list-style-type: none">• \$5.6 million
Invest in the regions <ul style="list-style-type: none">• Maintain our level of investment in regional production	<ul style="list-style-type: none">• 45%	<ul style="list-style-type: none">• 47%
Evaluate the performance of all employees in relation to objectives	<ul style="list-style-type: none">• Between 90% and 100%	<ul style="list-style-type: none">• Between 90% and 100%

Télévision de Radio-Canada's Strategic Objectives

In 2008-2009, Télévision de Radio-Canada focused on objectives whose performance is measured in four indicator categories: Audience, Financial, Reflecting the Diversity of Contemporary Canada, and Human Resources.

Under the first indicator, the shares and overall satisfaction index show that Télévision de Radio-Canada achieved its audience growth objective, while maintaining a high-quality and distinctive offering. Our financial indicators reflect the effectiveness of business objectives aimed primarily at optimising resources: we invested the bulk of funds in programming, while maximising all available financial leverage, public revenues and outside funding sources. The reflection and diversity indicators are linked to the objective of consolidating regional roots, represented here by an increase in the average number of regionally produced programming hours broadcast nationally, as well as a better reflection of cultural diversity through a more representative workforce.

Télévision de Radio-Canada – Performance Indicators

	Télévision de Radio-Canada 2008-2009 Targets	Télévision de Radio-Canada 2008-2009 Results
Audience		
<ul style="list-style-type: none"> Overall audience appreciation with programming (“On a scale of 0 to 10, how would you rate Radio-Canada programming?”) 	<ul style="list-style-type: none"> 7.0% 	<ul style="list-style-type: none"> 6.8¹
<ul style="list-style-type: none"> Combined audience shares for Télévision de Radio-Canada and RDI 	<ul style="list-style-type: none"> Between 15% and 20% At least 13% for Télévision de Radio-Canada 	<ul style="list-style-type: none"> Total of 17.2% 14.2% Télévision de Radio-Canada 2.9% RDI
Financial		
<ul style="list-style-type: none"> Percentage of financial resources invested in programming 	<ul style="list-style-type: none"> 80% 	<ul style="list-style-type: none"> 79%
<ul style="list-style-type: none"> Achievement of advertising revenues, main network only 	<ul style="list-style-type: none"> \$112.7 million 	<ul style="list-style-type: none"> \$105.2 million
<ul style="list-style-type: none"> Maintain Canadian Television Fund funding at previous years’ levels for independent productions broadcast on Télévision de Radio-Canada 	<ul style="list-style-type: none"> \$27.5 million 	<ul style="list-style-type: none"> \$30.6 million²
Reflection of Diversity		
<ul style="list-style-type: none"> Annual weekly average for regional programs on the network 	<ul style="list-style-type: none"> 7 hours 	<ul style="list-style-type: none"> 8 hours³
<ul style="list-style-type: none"> Increase in the percentage of employees considering themselves to be part of a visible minority (network and regions) 	<ul style="list-style-type: none"> 3.7% 	<ul style="list-style-type: none"> 2.3%
Human Resources		
<ul style="list-style-type: none"> Evaluation of the performance of all employees in relation to objectives 	<ul style="list-style-type: none"> Between 90% and 100% 	<ul style="list-style-type: none"> 100%

¹ There is no statistically significant difference between these two average ratings.

² The budget earmarked for productions outside Quebec needs to be added: \$3.3 million and \$259,000 for producers outside Montréal, for a total of \$34.2 million.

³ For the period of September 1, 2008, to August 31, 2009

Radio-Canada.ca's Strategic Objective

In 2008-2009, Radio-Canada made it a top priority to become a leader in digital platforms. *Radio-Canada.ca's* action plan, whose results are described in the table below, allowed Radio-Canada to offer digital content in a spirit of innovation while maintaining its core values as a public broadcaster.

Radio-Canada.ca – Performance Indicators

Radio-Canada.ca 2008-2009 Targets	Radio-Canada.ca 2008-2009 Results
<ul style="list-style-type: none">• Make Radio-Canada a leader on digital platforms.	<ul style="list-style-type: none">• Audio and video streams on <i>Radio-Canada.ca</i> increased dramatically in 2008-2009. The number of visits rose by 35% compared to 2007-2008, with increases of over 90% in certain months.• Over the year, Radio-Canada substantially enriched its live and on-demand audio and video offerings by increasing the number of radio and television rebroadcasts, adding webcasts of sports events and presenting novel content like the Web series, <i>Mère indigne</i>.• During the 2008 Olympic Games in Beijing, <i>Radio-Canada.ca</i> listed results in real time and, for the first time, offered a live simulcast of Olympic television programming and the option of following 12 competitions (live or on-demand) via the Audio/Video console. The Beijing 2008 site had a 56% increase in traffic compared to the Athens 2004 site.• Radio-Canada continued its strategy to increase its visibility, rolling out content on an unprecedented number of platforms (YouTube, Twitter, Dailymotion, Facebook, Sympatico, Telus and, soon, iTunes).• The average monthly number of unique Canadian visitors viewing the site from home rose to 1,135,000 in 2008-2009.

French Services' Future Directions

Radio-Canada has developed a three-year strategic plan with the following priorities:

- Deliver multiplatform programming grounded in 21st-century realities and help redefine the brand.
 - Create a centralised news desk.
 - Set up an integrated business and consumer news unit.
 - Enhance our online audio and video offering.
 - Develop new specialty channel initiatives.
 - Strengthen the on-air impact of integrated sports and music strategies.
 - Consolidate our regional roots.
 - Increase public participation and interactivity in all of our programming on all platforms.
- Put in place a profitable, sustainable and efficient economic model.
 - Centralise revenue generation and management.
 - Develop a business plan for programming based on the 360° strategy.
- Strengthen our organisational capabilities.
 - Implement a diversity action plan
 - Create multidisciplinary, multiplatform production teams.
 - Rethink our relationship with Canadians.
 - Improve the organisation's overall efficiency.

This plan reflects Radio-Canada's vision to become a total media organisation – one that is a leading creator and broadcaster of multimedia content in the French-speaking world.

Galaxie's Strategic Objectives

Galaxie is a commercial-free digital pay audio service offering 45 channels of continuous music without talk. The network has built an enviable reputation as a source of high-quality music programming for the more than 7.3 million households that subscribe to it in Canada. In December 2007, CBC/Radio-Canada named Stingray Digital Group as its Affiliate Relations Agent for the Galaxie service and granted an option to Stingray for the purchase of certain assets related to Galaxie. In February 2009, Stingray exercised its option to purchase certain Galaxie assets and as of March 31, 2009, a number of distribution agreements with Canadian Broadcast Distribution Undertakings (BDUs) were transferred to Stingray.

Galaxie – Performance Indicators

Galaxie 2008-2009 Targets	Galaxie 2008-2009 Results
<ul style="list-style-type: none">Secure the profitability of the Galaxie service.	<ul style="list-style-type: none">Implement and manage the affiliate relations agency agreement with Stingray Digital Media Group to help Galaxie grow its business in Canada and provide growth opportunities in other markets, including the United States and Europe.Now reaching more than 7.3 million subscribers in Canada.Developed service enhancements including an updated television onscreen presentation.Jointly with Stingray Digital, developed a Music Video on Demand service offering for Canadian BDUs.Continued to focus on the commercial background music business with new partners identified in Canada and the United States.Exploring additional distribution platforms such as the Apple iPhone.

Galaxie's Future Directions

For 2009-2010, the CBC will continue working with Stingray Digital Group following the exercise of its option to acquire Galaxie assets and to service distributors whose distribution agreements remain with CBC/Radio-Canada.

Radio Canada International (RCI)

Radio Canada International (RCI), CBC/Radio-Canada's international radio service, broadcasts in [nine] languages via the Internet, digital and analogue shortwave, satellite, and some 400 partner stations worldwide.

RCI's Strategic Objectives

In 2008-2009, RCI's two priority objectives were to pursue its mission worldwide and to help its RCI viva Web service to take root in Canada's cultural communities. To this end, RCI implemented an action plan; its results appear in the following table.

RCI – Performance Indicators

	RCI 2008-2009 Targets	RCI 2008-2009 Results
Continue RCI's shift to a multimedia and multiplatform model	<ul style="list-style-type: none"> Projects completed 	<p>The national and international <u>Migr@tions</u> competition:</p> <ul style="list-style-type: none"> Over 200 films submitted from 22 countries, across five continents. Creation of a spinoff product — <i>Migrations 14-17</i> — with the support of Québec's education and immigration departments. <p>Production of new online series:</p> <ul style="list-style-type: none"> <i>A New Face for Beijing / Le Nouveau visage de Pékin.</i> <i>Seeing Double / Voir Double</i> (simulcast on RDI). <i>L'Érable à Palabres</i> and <i>MLMB Road Show.</i> <p>Broadcast of <i>Tam-tam Canada</i>, <i>Tam-tam weekend</i> and <i>Courrier mondial</i> on Première Chaîne.</p> <p>Launch of the weekly radio program <i>Masala Canada</i> for a South Asian audience (in English).</p> <p>Production of <i>Diversity Makers</i>, co-produced by member countries of the Asia-Pacific Institute for Broadcasting Development (AIBD).</p>
Expand RCI's rollout by continuing multiplatform productions	<ul style="list-style-type: none"> Distribution and broadcast of RCI's multiplatform products, at home and abroad 	<ul style="list-style-type: none"> Greater use of partner sites and virtual communities (iTunes, YouTube, Facebook). Development of a new, more interactive site, <i>RCIviva.ca</i>, where various linguistic communities can come together.

RCI's Future Directions

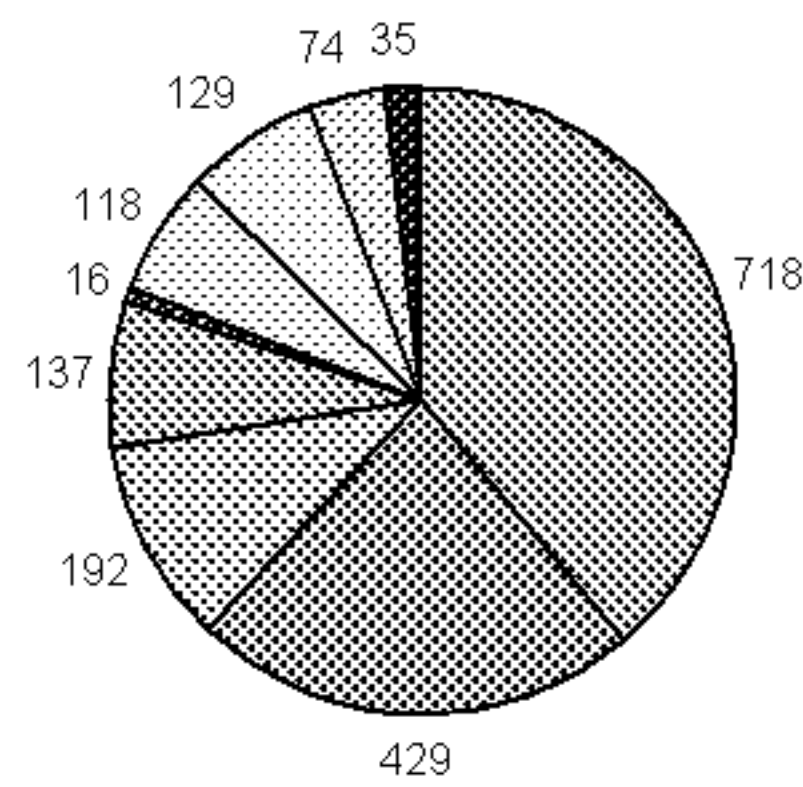
- Incorporate RCI operations more organically into the larger CBC/Radio-Canada group.
- Continue to develop media platforms.

FINANCIALS

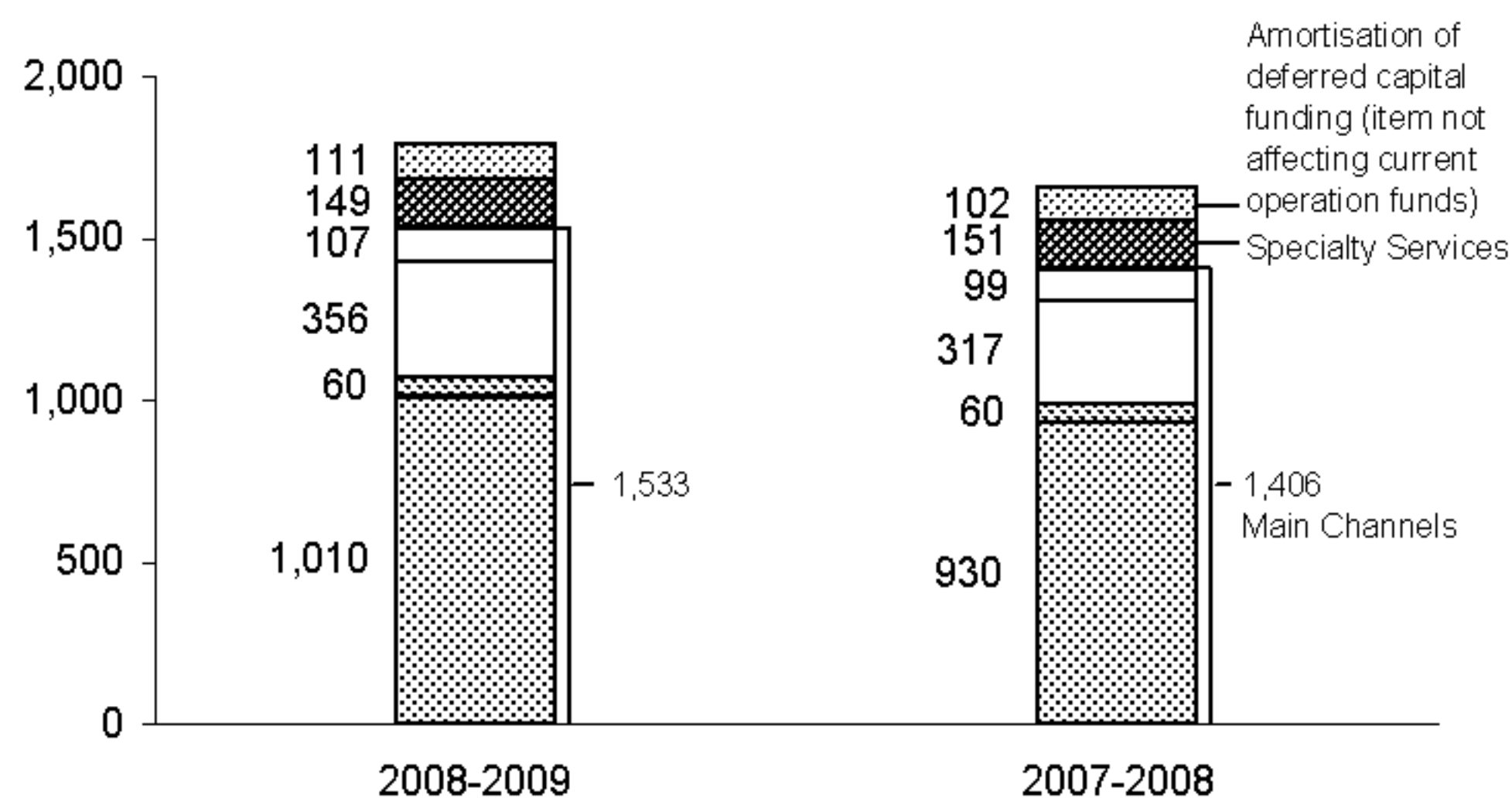
FINANCIAL OVERVIEW

2008-2009 OPERATING EXPENDITURES \$1,848 million

(millions of dollars)



- ▣ CBC Television \$718 (39%)
- ▣ Télévision de Radio-Canada \$429 (23%)
- ▣ CBC Radio \$192 (10%)
- ▣ Radio de Radio-Canada \$137 (7%)
- ▣ Corporate management \$16 (1%)
- ▣ Amortisation of property and equipment \$118 (7%)
- ▣ Specialty Services \$129 (7%)
- ▣ Distribution and affiliates \$74 (4%)
- ▣ Workforce Adjustment \$35 (2%)



REVENUES AND OPERATING SOURCES OF FUNDS - CBC / RADIO-CANADA

(millions of dollars)

- ▣ Amortisation of deferred capital funding (item not affecting current operating funds)
- ▣ CBC Newsworld, RDI, Galaxie and bold
- ▣ Other and financing income
- ▣ Advertising
- ▣ Additional non-recurring funding
- ▣ Parliamentary appropriation for operations

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis section of the Annual Report expands on the information contained in the audited consolidated financial statements. This section provides additional information to assist the reader in better understanding the financial results of the past fiscal year and highlights the financial challenges and opportunities for future years.

The Broadcasting Act requires CBC/Radio-Canada to submit Annual Reports to the Minister of Canadian Heritage containing audited consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The Corporation's significant accounting policies are presented in Note 2 to the Consolidated Financial Statements.

In addition, CBC/Radio-Canada is a Parliamentary appropriation dependent Crown corporation that is accountable to Government for financial results on a government funding basis, which differs from GAAP. Non-cash items such as accrued pension plan expenses and other long-term employee future benefits, and amortisation are not recognised on a government funding basis until they become payable in the short-term.

2008-2009 YEAR IN REVIEW

For the year ended March 31 (GAAP basis)	2009	2008
	(thousands of dollars)	
Government funding and revenues		
Parliamentary appropriation for operating expenditures	1,070,137	989,564
Amortisation of deferred capital funding and working capital	115,355	106,472
Advertising revenues	356,248	317,230
Other income, financing income and specialty services	255,904	245,737
Total	1,797,644	1,659,003
Expenses		
Television and Radio services costs	1,475,919	1,409,034
Other	371,795	322,210
Total	1,847,714	1,731,244
Non-operating revenues	34,374	38,424
Net results for the year	(15,696)	(33,817)

Highlights

CBC/Radio-Canada's year-end financial position on a GAAP basis was a net loss of \$16 million, primarily due to an increase in long-term employee future benefits and accrued severance costs. On a government funding basis, CBC/Radio-Canada ended the year with a 1.9% surplus of \$33 million on total revenues and government funding of \$1.7 billion. In 2007-2008 the surplus on a government funding basis was \$44 million. A full reconciliation from GAAP results to the year-end position on a government basis is provided in Note 20 of CBC/Radio-Canada's audited consolidated financial statements.

Due to the economic crisis, the advertising market in Canada began to rapidly deteriorate in September 2008. CBC/Radio-Canada, similar to other broadcasters, experienced a sharp decline in advertising revenues and by March 31, 2009, commercial revenues were down \$65 million from target.

The revenue shortfall was managed with aggressive cost reductions. The Corporation introduced temporary measures including a hiring freeze, significant restrictions on discretionary spending and delaying projects to balance its budget in 2008-2009. CBC/Radio-Canada also developed a recovery plan to balance its budget in 2009-2010 and subsequent years, which was approved by the Board of Directors in March 2009. The recovery plan will be discussed in more detail later in this section.

Government Funding

Total funds available to CBC/Radio-Canada for operations in 2008-2009 amounted to \$1.7 billion of which \$1.1 billion came from the Parliamentary operating appropriation.

CBC/Radio-Canada's approved annual funding included an amount of **\$60 million** for programming initiatives. The \$60 million in incremental funding has been provided each year since 2001-2002 but has not been confirmed beyond 2009-2010.

The Corporation receives annual **salary inflation funding** based on the weighted average of Government collective agreement settlements. Government collective agreement negotiations were not concluded in 2007-2008; therefore, salary inflation funding for 2007-2008 and 2008-2009 was only received in 2008-2009. Salary inflation funding was provided at 2.3% for 2007-2008 and has been capped at 1.5% for three years from 2008-2009 to 2010-2011. CBC/Radio-Canada does not receive inflation funding on the goods and services portion of its budget.

Included in the 2008-2009 operating appropriation was \$20 million reprofiled from the appropriation of 2004-2005 to help fund the cost of covering the Beijing Olympics.

In March 2008, the **Standing Committee on Canadian Heritage** released its report on the role of the public broadcaster in the 21st century. Entitled, *CBC/Radio-Canada: Defining Distinctiveness in the Changing Media Landscape*, the cornerstone of the report is the call to establish a seven-year Memorandum of Understanding– which would be an agreement between CBC/Radio-Canada and Canadians that would clearly set out expectations for the national public broadcaster and Government funding commitments to support them.

The Committee also found that additional funding is critical to CBC/Radio-Canada going forward. It recommended an increase in the per capita funding from \$34 to \$40 and that funding be fully indexed, in addition to making permanent, the annual \$60 million top-up the Corporation has received since 2001-2002. With Canada's population of 33.5 million, this would amount to \$200 million more annually from the Federal Government. Another key recommendation from the report is that CBC/Radio-Canada continues to have access to various sources of television production funding.

On June 19, 2008, the Government announced that it did not endorse the Committee's report. Given its current resources, the Corporation is facing some critical choices about its future directions. CBC/Radio-Canada believes that it is important that these choices, and the establishment of a Memorandum of Understanding, be discussed with Government.

2008-2009 Operating Highlights

In addition to the business highlights covered in the earlier sections of this Annual Report, the following provides highlights of operations including significant transactions that occurred during the year.

CBC/Radio-Canada was the exclusive broadcast home for Canadians for the **Beijing 2008** Summer Olympics Games in Canada. In August 2008, CBC/Radio-Canada provided comprehensive, daily live Olympic Games coverage on CBC Television, CBC Newsworld, Télévision de Radio-Canada, **bold**, the Première Chaîne, CBC Radio, *Radio-Canada.ca*, and *cbsports.ca*.

The CRTC approved the plan to establish bona fide **Radio-Canada television stations in Sherbrooke, Trois-Rivières and Saguenay**. The Superior Court approved a transaction between Radio-Canada and Télévision Quatre Saisons (TQS) that allows TV, radio and Web services to be consolidated in these regions. Starting in September 2008, Radio-Canada assumed responsibility for broadcasting its programs and content in Sherbrooke, Trois-Rivières and Saguenay, following the acquisition of TQS transmitters. These transmitters had been used to air Radio-Canada programming in these markets for many years under an affiliation agreement.

The Corporation has an interest in **Sirius Canada Inc.**, a satellite radio service provider. In March 2008, the US Justice Department approved Sirius Satellite Radio Inc.'s \$5 billion buyout of rival XM Satellite Radio Holdings Inc. Since then, the US companies have begun to merge operations. In Canada, the two enterprises continue to function separately. At this point, impacts of the merger are undetermined and the Corporation, as a shareholder in Sirius Canada Inc., will continue to monitor the situation.

The CRTC approved the transfer of 15.57 per cent of the voting shares of **ARTV** inc. from CTVglobemedia Inc. (CTV) to CBC/Radio-Canada on July 23, 2008. ARTV inc. is the licensee of the French-language specialty programming undertaking, ARTV. CBC/Radio-Canada and CTV respectively held 45.09 per cent and 15.57 per cent of the voting shares in ARTV inc. As a result of the transaction, CBC/Radio-Canada increased its ownership to 60.66 per cent. The other shareholders are Télé-Québec (24.34 per cent) and ARTE France (15 per cent).

The modernisation project of CBC/Radio-Canada's second largest English-language production centre in **Vancouver** continued during the year and is expected to be completed in the Fall of 2009. To create more synergy between the various media lines, the main floor will be expanded for News integration of New Media and all four media lines — CBC Television, CBC Radio, Télévision de Radio-Canada, and Radio de Radio-Canada. A significant portion of the funding for the rejuvenation initiative was generated from the sale of development rights for a 380,000 square-foot adjacent site to Concord Pacific Group Inc.

Undertaken in 2002, the **Vision Project** is a major IT initiative that is bringing significant improvements to the way CBC/Radio-Canada does business and to the quality of information on which key decisions are based. Vision replaces 45 legacy systems. It is an important step in the overall rationalisation of our business systems and provides a single, integrated way to manage contracts and content, program inventory and schedules, broadcast and media management, revenue management, marketing and sales, promotions, and air-time analysis. The Vision Project required a substantial investment of resources and, at the end of March 2008, Télévision de Radio-Canada, the Réseau de l'information de Radio-Canada (RDI), and CBC Newsworld, were using the new technology. CBC Television successfully went live on January 26, 2009 and the project is substantially complete.

In November 2007, CBC/Radio-Canada and Stingray Digital Group Inc. (Stingray) entered into an Affiliate Relations Agency Agreement and an Option and Asset Purchase Agreement related to CBC/Radio-Canada's pay audio service, **Galaxie**. Under the terms of the agreements, CBC/Radio-Canada granted Stingray an exclusive option to purchase the assets of Galaxie and also appointed Stingray as its affiliate relations agent for Galaxie, pending Stingray's purchase of the Galaxie assets.

Stingray was granted a National Pay Audio license from the Canadian Radio-television and Telecommunications Commission (CRTC) in December 2008 and subsequently exercised its option to purchase the Galaxie assets in January 2009. As of March 31, 2009, CBC/Radio-Canada continued to operate Galaxie under a service agreement with Stingray. CBC/Radio-Canada will cease operating Galaxie and surrender its Pay Audio license to the CRTC the earlier of the date CBC/Radio-Canada transfers to Stingray all the remaining Broadcast Distribution Undertaking agreements and December 31, 2010.

CBC/Radio-Canada Pension Plan

The CBC Pension Plan return for its calendar year 2008 was –7.9 per cent in a turbulent economic environment where the Canadian equity market ended the year down 33.0 per cent. The CBC Pension Plan Annual Report, which is available at www.cbc.ca and www.radio-canada.ca, indicated that while not immune to the financial crisis, its return strongly outperformed that of the Canadian pension sector and it remains in a solid position to meet all of its obligations.

CBC/Radio-Canada's defined benefit pension plan actuarial valuation in December 2006 indicated a **pension plan surplus** on a going concern basis of \$433 million and a surplus on a solvency basis of \$131 million. Under federal income tax legislation, because the going concern funding ratio was greater than 110 per cent, the plan sponsor could not contribute to the plan until the surplus was reduced by \$77 million. The funds that CBC/Radio-Canada would have contributed towards the pension plan in 2007-2008 were redirected to programming and other corporate priorities. Employer contributions to the pension plan resumed in October 2008. The CBC Pension Board of Trustees is currently undertaking a pension plan actuarial valuation as at December 31, 2008. Despite the economic slowdown, preliminary indications are that the plan will remain in a surplus position for funding purposes as of that date.

Risk Management and Internal Controls

CBC/Radio-Canada's **Risk Management Program** is based on an enterprise-wide approach and a framework to the management of risks that is integrated into business processes. The responsibility for risk management is shared between the CBC/Radio-Canada's Board of Directors, Audit Committee, Senior Management, Internal Audit, and operational units.

The Board oversees CBC/Radio-Canada's key risks at a governing level, approves major policies and ensures that required processes and systems are in place to effectively manage risks.

The Audit Committee of the Board has been delegated the responsibility for monitoring the risk management function and fulfils that responsibility by

monitoring the key risks identified, by discussing with Management the status of these key risks on a quarterly basis at Audit Committee meetings and by ensuring that Management has programs in place to evaluate and test the effectiveness of internal controls.

Senior Management identifies and manages risks and reports on CBC/Radio-Canada's key risks to the Audit Committee and to the Board, recommends policies, and oversees financial reporting and internal control systems.

Internal Audit plans its audits in accordance with the results of the risk assessment process, ensuring that major risks are covered by the annual audit plan.

Media and support components identify and assess risks through the annual business plan process, and develop detailed action plans to manage key risks and to ensure that these are carried out. Standard risk definitions and evaluation criteria are used to prioritise risks on the basis of inherent risk scores, which are a function of impact and likelihood.

Key Risks and Opportunities

CBC/Radio-Canada's risk management program determines the risks and opportunities that the Corporation must effectively manage in order to achieve business objectives, successfully execute strategies, and meet performance goals. The risk assessment considers all forms of risk, including business environment, process, strategic, and financial risk.

As Canada's national public broadcaster, CBC/Radio-Canada occupies a special place in the Canadian broadcasting system and faces a unique set of risks to its plans and operations. Like all broadcasters, the Corporation must recognise and adapt to technological changes, shifts in demographics, evolving consumer demands, as well as structural changes in the industry. However, as a public broadcaster with a statutory mandate to serve all Canadians, CBC/Radio-Canada also faces a unique set of political and financial risks.

In 2008-2009, the key significant risks included the softening advertising market due to general economic conditions, funding pressures related to the elimination of analogue over-the-air television transmission and transition to digital television by 2011, industry consolidation, decreased revenues due to fragmentation, erosion of conventional broadcasting audience share to emerging platforms, challenges to the Canadian Television Fund and regulatory decisions such as value for signal financing.

In 2009-2010, key significant risks include:

- The continued soft advertising market and the decline of conventional television advertising revenue,
- Government funding concerns including the outcome of the Strategic Review and the continuation of the \$60 million funding beyond 2009-2010,
- The lack of financial flexibility and access to capital in light of the economic reality,
- Funding pressures related to the elimination of analogue over-the-air television transmission and transition to high definition television by 2011,
- Erosion of conventional broadcasting audience share to emerging platforms,
- Regulatory decisions such as value for signal financing, and
- The yet to be determined funding rules for the newly created Canada Media Fund may impact CBC/Radio-Canada's access to the Fund.

Internal Control

The Corporation built on the success of certification work accomplished in previous years and implemented a risk based certification process, using the Committee of Sponsoring Organizations (COSO) framework, by which the Corporation reviews and assesses yearly its key internal controls. This process follows the best practices requirements from the Proposed Certification Regime for Crown Corporations of the Treasury Board Secretariat (TBS) as well as National Instrument 52-109 of the Canadian Securities Administration (CSA) even if the Corporation is not subject to the requirements of the CSA.

In 2008-2009, the design and effectiveness of internal controls over financial reporting were reviewed and assessed and, although some opportunities for improvement were identified for which the Corporation is implementing remediation on a priority basis, overall, internal controls over financial reporting are in a good state as at March 31, 2009, and no material weaknesses were identified. The assessment does not apply to internal controls related to disclosure controls and procedures, nor to the Vision Project within English Services for processes pertaining to program contracts, rights management, commercial revenue, programming and scheduling, as these current controls and procedures were not documented and evaluated under the scope this year's certification process.

ANALYSIS OF THE 2008-2009 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

ASSETS

	2009	2008	Variance	%
	(thousands of dollars)			
Cash, cash equivalents and short-term investments	33,160	65,003	(31,843)	(49.0%)

Cash, cash equivalents and short-term investments decreased from last year by \$31.8 million, mainly due to higher disbursements due to the Beijing Olympics and higher programming rights costs. A decrease in advertising revenues related to regular operations (excluding Beijing Olympics) also explained the decrease. This is offset by a higher Parliamentary operating appropriation in 2008-2009 mainly due to the receipt of retroactive salary inflation funding for 2007-2008 in 2008-2009.

	2009	2008	Variance	%
	(thousands of dollars)			
Accounts receivable	153,012	160,387	(7,375)	(4.6%)

Accounts receivable decreased by \$7.4 million mainly due to a lower level of advertising sales.

	2009	2008	Variance	%
	(thousands of dollars)			
Inventory	208,634	204,214	4,420	2.2%

Inventory increased by \$4.4 million in 2008-2009 mainly due to a change in the Corporation's accounting estimates relative to the amortisation rates for movies, resulting in an increase to inventory of \$9.6 million. The estimates are based on the Corporation's periodic analysis of historical experience and extended use of movies. The increase is offset by a higher level of license agreements recorded as prepaid expenses as they do not meet the criteria to be presented as program inventory. The criteria are that cost can be determined, material is accepted and the program is available for broadcast.

	2009	2008	Variance	%
	(thousands of dollars)			
Prepaid expenses	57,905	36,225	21,680	59.8%

Prepaid expenses increased by \$21.7 million as a result of higher sports programming rights paid in advance in 2008-2009 due to a change in the payment terms as compared to 2007-2008. An increase in the level of program rights not meeting the criteria to be recorded as program inventory (as described in the paragraph above) also explains some of the variance.

	2009	2008	Variance	%
	(thousands of dollars)			
Long-term receivables	86,844	94,586	(7,742)	(8.2%)

A portion of **the long-term receivables** relating to the Affiliate Relations Agreement between Galaxie and Stingray Digital Group inc. has been reclassified to accounts receivable. This reclassification largely explains the decrease of \$7.7 million in **long-term receivables**. More information about this agreement is provided in notes 9 and 10 to the Consolidated Financial Statements.

	2009	2008	Variance	%
	(thousands of dollars)			
Deferred charges	12,514	7,064	5,450	77.2%

Deferred charges increased by \$5.5 million mainly due to license agreements for programming material paid in advance which will meet the criteria to be recorded as program inventory only after March 31, 2010.

	2009	2008	Variance	%
	(thousands of dollars)			
Long-term investments	6,565	4,686	1,879	40.1%

CBC/Radio-Canada acquired from CTV Globemedia 1,760,000 shares in ARTV for an amount of \$1.76 million. The Corporation also acquired additional shares issued by ARTV for an amount of \$255,000. These additional investments mainly explain the increase of \$1.9 million in **long-term investments**.

LIABILITIES

	2009	2008	Variance	%
	(thousands of dollars)			
Employee related liabilities (current)	167,078	140,893	26,185	18.6%

On March 25, 2009, the Corporation announced a workforce reduction plan as part of its recovery plan to address increased financial pressures. As of March 31, 2009, **employee-related liabilities (current)** include an accrual of \$35 million for contractual termination benefits relating to this workforce reduction plan. This increase in employee-related liabilities is offset by a decrease in payroll accruals due to the timing of pay periods and payments in 2008-2009.

	2009	2008	Variance	%
	(thousands of dollars)			
Financial instruments (liabilities)	-	7,873	(7,873)	(100%)

In 2007-2008, the Corporation held foreign currency forward contracts to cover the Beijing Olympic games rights payments. The net change in the fair value of these contracts designated as cash flow hedges represented a loss of \$7.9 million as of March 31, 2008 and was presented as **Financial Instruments liabilities**. These contracts matured in 2008-2009 and the loss is presented in the Consolidated Statement of Operations. The Corporation has no foreign currency forward contracts designated as cash flow hedges as of March 31, 2009.

	2009	2008	Variance	%
	(thousands of dollars)			
Deferred revenues (long-term)	10,483	41,632	(31,149)	(74.8%)

The decrease of \$31.1 million in **Deferred revenues (long-term)** is mainly due to the Affiliate Agency Agreement and the Asset Purchase agreement between CBC/Radio-Canada and Stingray Digital Group Inc (Acquirer). As of March 31, 2009, the Corporation transferred Galaxie's assets, including all of the physical assets and some of the intangible assets, but excluding certain Galaxie Broadcast Distribution Undertaking (BDU) contracts that have not yet been assigned to the Acquirer. To the extent that the revenue contracts have not been assigned to the Acquirer, the Corporation continues to bear the contractual risk and accordingly, the associated revenues continue to be deferred using the unit-of-revenue method (as described in note 2 to the Consolidated Financial Statements). For the year-ended March 31, 2009, revenues representing \$34.4 million were recognised and presented as Non-operating revenues in the

Consolidated Statement of Operations. The Corporation also reclassified \$8.1 million to deferred revenues short-term.

CONSOLIDATED STATEMENT OF OPERATIONS

REVENUES

	2009	2008	Variance	%
	(thousands of dollars)			
Advertising revenues	356,248	317,230	39,018	12.3%

Total **advertising revenues** were higher by \$39 million compared to 2007-2008 fiscal year mainly due to the Beijing Olympic games held in 2008-2009. Advertising revenues relating to regular operations (excluding Olympic games revenues) were lower by \$8.9 million compared to 2007-2008.

	2009	2008	Variance	%
	(thousands of dollars)			
Other income	95,375	83,565	11,810	14.1%

Other income increased by \$11.8 million mainly due to higher transmitter site and mobile rental revenues, an increase in the net gain from the fair value of financial instruments and an increase in the consolidated revenues of the Documentary Channel (only 7 months of operations were consolidated in the Corporation's financial statements in 2007-2008). Higher host broadcasting revenues generated during the Beijing Olympics and higher gains on foreign exchange rates also contributed to the increase.

	2009	2008	Variance	%
	(thousands of dollars)			
Financing income	11,752	15,745	(3,993)	(25.4%)

The decrease in **financing income** is mainly due to lower interest revenues as a result of lower interest rates.

EXPENSES

	2009	2008	Variance	%
	(thousands of dollars)			
Television and Radio service costs	1,475,919	1,409,034	66,885	4.7%

The increase of \$66.9 million in **Television and Radio service costs** is explained mainly by the increased costs of the 2008 Beijing Summer Olympics, the end of the pension plan contribution holiday in October 2008, more sport events aired in 2008-2009, additional investments in marketing and sales for the newly acquired stations in Jonquière, Sherbrooke and Trois-Rivières and an increase in consolidated expenses of the Documentary Channel (only 7 months of operations were consolidated in 2007-2008) also contributed to the increase. Television and Radio service costs are partially offset by the change in the amortisation rates for movies.

NON-OPERATING REVENUES

Galaxie non-operating revenues represent a portion of the revenues recognised from the sale of Galaxie based on the units-of-revenue method as described in note 9 to the Consolidated Financial Statements.

2009-2010 AND SUBSEQUENT YEARS

Recovery Plan

As outlined in the Message from the President and CEO, the effects of the global economic downturn affected CBC/Radio-Canada in 2008-2009, when advertising revenues fell against plan by approximately \$65 million. In response, CBC/Radio-Canada significantly scaled back spending. The Corporation introduced temporary measures including a hiring freeze, significant restrictions on discretionary spending and delaying projects to balance its budget in 2008-2009.

2009-2010 Financial Pressures

	<u>\$ millions</u>
Revenue shortfall (advertising, funding and miscellaneous)	94
Cost increases (fixed expenses and programming)	64
Strategic investments	<u>13</u>
Total Financial Pressures	<u>171</u>

CBC/Radio-Canada's business plan predicts the advertising market will continue to be weak in 2009-2010 and forecasts a total revenue shortfall of approximately \$94 million in 2009-2010. Combined with increasing costs for unavoidable items such as property taxes, utilities and contract escalations of \$64 million, the budget shortfall problem for 2009-2010 grows to \$158 million.

As part of its strategic planning process, CBC/Radio-Canada determined that a further \$13 million was needed to fund strategically imperative programming investments – relatively modest investments in online services and specialty channels that are required in order to maintain CBC/Radio-Canada's relevance in a changing market, protect audience share and ensure that revenues will not be further eroded.

This brings the total budget shortfall to \$171 million of which \$123 million is related to items of a permanent nature and \$48 million is expected to be non-recurring.

To address this significant shortfall, CBC/Radio Canada developed a financial recovery plan to deal with these financial pressures in 2009-2010 and subsequent years, which was approved by the Board of Directors in March 2009.

The plan includes the elimination of up to 800 full time equivalent positions in CBC/Radio-Canada, program reductions and cancellations, permanent reductions in discretionary spending, and salary freezes for certain groups of employees. Personnel reductions will be mostly complete by the fall of 2009 and the full-year savings from these cuts will not be realized until 2010-2011.

The sale of certain assets is also anticipated to fund severance costs and support programming activities until the savings from the budget reductions begin to materialize. The annual income stream of \$12 million that was previously received from the assets expected to be sold increase the permanent pressures from \$123 million to \$135 million and was considered as part of the recovery plan approved by the Board of Directors in March 2009.

The recovery plan is designed to protect the non-commercial nature of CBC/Radio-Canada's radio services, new media services, training funds to maintain a highly skilled workforce, respect the conditions of CRTC licenses, maintain distinctive programming and also seeks to protect cross-cultural programming and regional services to the greatest extent possible. The recovery plan also seeks to protect our footprint as no regional stations have been closed.

Staff reductions have commenced, with voluntary departures beginning in May. Staff departures are expected to be completed by the end of September 2009 and programming changes will be phased in over the fiscal year.

Capital Investment

Over the next three years, the Corporation plans to spend approximately 42 per cent of its capital budget on production infrastructure and 29 per cent on presentation, collection, distribution and delivery. The remaining 29 per cent will be invested in capital maintenance, and enterprise systems and technology infrastructure. Major initiatives include replacing failing obsolete equipment, modernising radio production facilities, upgrading the Centre de l'information (CDI) complex in Montréal, New Media infrastructure investments and some High Definition Television (HDTV) production investments to replace existing assets which have reached their end-of-useful-life.

CRTC Licence Renewals

In May, 2009, the CRTC approved CBC/Radio-Canada's request and renewed all of the Corporation's licences until 31 August 2010, subject to the same terms and conditions as those contained in the current licences. This administrative renewal covers the network licences for CBC Television, Radio-Canada Television, Radio One, Radio Two, Première Chaîne, Espace Musique, all of the licences for the originating stations and the associated retransmitters, the specialty TV licences of ARTV, **bold**, *documentary*, Newsworld and RDI and the pay audio programming undertaking Galaxie.

Revenue Support for Conventional Television Broadcasters

In addition to the current economic crisis, conventional broadcast television advertising revenues are under pressure from increased fragmentation arising from pay and specialty service cable and satellite television channels and advertising on electronic platforms such as the Internet and mobile devices.

The CRTC will hold a policy proceeding in the fall of 2009. The scope of this proceeding will include revenue support for conventional broadcasters by:

- investigating alternative support mechanisms for local programming;
- protecting the integrity of Canadian broadcaster signals; and
- exploring a mechanism for establishing, through negotiation, fair market value for the signals of the conventional television stations distributed by broadcasting distribution undertakings.

Canada Media Fund

On March 9, 2009, the Minister of Canadian Heritage and Official Languages announced the consolidation of the Canadian Television Fund (CTF) and the Canada New Media Fund to finance original Canadian productions on a variety of platforms. The government pledged \$134.7 million annually over two years for the Canada Media Fund (CMF), which will begin April 1, 2010. Projects will need to be made available across a minimum of two distribution platforms, including television. A smaller, fully independent board will manage the CMF, representing all funding bodies.

Under the CTF, a 37 per cent share of the fund was dedicated to CBC/Radio-Canada, which enabled the Corporation to address a critical shortage of first-run Canadian programming in prime time. It allowed the Corporation to commit over \$100 million annually to the production of original drama and comedy – which is approximately 50 percent more than the commitment of the entire private conventional broadcasting industry combined.

Strategic Review

CBC/Radio-Canada has decided to participate in this year's strategic review, part of the Government's expenditure management system. The objective of the strategic review is to evaluate all programs and spending activities to identify the lowest priorities in terms of carrying out CBC/Radio-Canada's mandate (a 5 per cent target of CBC/Radio-Canada's Parliamentary appropriations was identified) as well as proposals on how the Corporation could reinvest the spending in higher priority activities, again in response to the mandate. The terms of CBC/Radio-Canada's mandate, set out in both the *Broadcasting Act* and CRTC conditions of licence, will guide this review.

The strategic review process forms part of the annual Federal budget planning process and in this context, results will not be known until the Government's budget for 2010-2011 is released.

International Financial Reporting Standards (IFRS)

In April 2006, the Accounting Standards Board (AcSB) announced a plan to replace Canadian GAAP with International Financial Accounting Standards (IFRS) for publicly accountable enterprises (PAE). In February 2008, the AcSB confirmed PAE's will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011. Meeting the definition of a PAE under the guidelines of the AcSB, CBC/Radio-Canada will adopt IFRS as the basis for the preparation of consolidated financial statements commencing April 1, 2011.

To meet the IFRS transition requirements, CBC/Radio-Canada has established an enterprise-wide multi-disciplinary IFRS project team governed by a Steering Committee. As part of the IFRS changeover plan and governance model, the project provides regular progress reporting to the Audit Committee of the Board of Directors.

The transition plan is comprised of three phases: (i) IFRS diagnostic assessment and planning; (ii) detailed evaluation and implementation; and (iii) completion and integration of all system and process changes. The first phase was completed during 2008-09 and the detailed evaluation for the implementation of the new standards is currently underway.

The anticipated impacts due to the transition to IFRS on CBC/Radio-Canada's financial results have not yet been determined.

FINANCIAL HIGHLIGHTS FROM THE PAST FIVE YEARS

For the year ended March 31	2009	2008	2007	2006	2005
	(millions of dollars)				
Government Funding					
Parliamentary appropriations	1,010	930	914	946	877
Non-recurring funding for programming initiatives	60	60	60	60	60
Revenue					
Advertising	356	317	329	315	322
Other income	95	84	64	70	73
Specialty Services	149	146	150	144	138
Expenses					
Television and Radio services costs	1,476	1,409	1,377	1,367	1,383
Specialty Services	129	126	127	126	121

FINANCIAL RATIOS

Liquidity Ratios					
For the year ended March 31	2009	2008	2007	2006	2005
Current ratio ¹	1.37	1.47	1.30	1.46	1.36
Quick ratio ²	0.75	0.83	0.88	1.02	0.92

¹ Current assets / current liabilities

² (Current assets-inventory) / current liabilities

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements and all other information presented in this Annual Report are the responsibility of management and have been reviewed and approved by the Board of Directors of the Corporation. These consolidated financial statements, which include amounts based on management's best estimates as determined through experience and judgement, have been properly prepared within reasonable limits of materiality and are in accordance with Canadian generally accepted accounting principles.

Management of the Corporation maintains books of account, records, financial and management controls, and information systems, which are designed to provide reliable and accurate financial information on a timely basis. The controls provide reasonable assurance that assets are safeguarded, that resources are managed economically and efficiently in the attainment of corporate objectives, that the operations of the Corporation are carried out effectively and that transactions are in accordance with the applicable provisions of part X of the *Financial Administration Act*, part III of the *Broadcasting Act* and the by-laws of the Corporation.

The Corporation's Internal Auditor has the responsibility for assessing the Corporation's systems, procedures and practices. The Auditor General of Canada conducts an independent audit of the annual consolidated financial statements and reports on her audit to the Minister of Canadian Heritage and Official Languages.

The Board of Directors' Audit Committee, which consists of five members, none of whom is an officer of the Corporation, reviews and advises the Board on the consolidated financial statements and the Auditor General's report thereto. The Audit Committee oversees the activities of Internal Audit and meets with management, the Internal Auditor and the Auditor General on a regular basis to discuss the financial reporting process as well as auditing, accounting and reporting issues.

Ottawa, Canada
May 22, 2009

President and Chief Executive Officer

Vice-President and Chief Financial Officer

CONSOLIDATED BALANCE SHEET

As at March 31

(thousands of dollars)

	2009	2008
ASSETS		
Current		
Cash and cash equivalents	33,160	58,004
Short-term investments (Note 5)	-	6,999
Accounts receivable	153,012	160,387
Inventory (Note 6)	208,634	204,214
Prepaid expenses	57,905	36,225
Net investment in sales-type leases (Note 7)	2,068	1,962
Derivative financial instruments (Note 24)	4,559	1,351
	459,338	469,142
Long-term		
Property and equipment (Note 8)	989,717	1,008,886
Long-term receivables (Note 10)	86,844	94,586
Net investment in sales-type leases (Note 7)	60,786	62,487
Deferred charges	12,514	7,064
Long-term investments (Note 11)	6,565	4,686
	1,615,764	1,646,851
LIABILITIES		
Current		
Accounts payable and accrued liabilities	141,041	140,669
Employee-related liabilities (Note 12)	167,078	140,893
Bonds payable (Note 14)	18,834	18,473
Deferred revenues	8,625	10,738
Derivative financial instruments (Note 24)	-	7,873
	335,578	318,646
Long-term		
Long-term investments (Note 11)	1,417	1,417
Deferred revenues	10,483	41,632
Employee-related liabilities (Note 12)	393,974	379,760
Bonds payable (Note 14)	318,412	326,987
Deferred capital funding (Note 15)	635,378	650,056
	1,359,664	1,399,852
Minority interests	279	287
EQUITY		
Retained earnings (deficit) (Note 16)	(79,757)	(64,061)
Accumulated other comprehensive income (loss)	-	(7,873)
	(79,757)	(71,934)
	1,615,764	1,646,851

Commitments and contingencies (Notes 17 and 18)

The accompanying notes form an integral part of the consolidated financial statements.

APPROVED BY THE BOARD OF DIRECTORS:

DIRECTOR

DIRECTOR

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31

(thousands of dollars)

	2009	2008
Revenues		
Advertising	356,248	317,230
Specialty Services (Note 19)	148,777	146,427
Other income (Note 9)	95,375	83,565
Financing income	11,752	15,745
	612,152	562,967
Expenses		
Television and Radio service costs	1,475,919	1,409,034
Specialty Services (Note 19)	129,375	125,573
Amortisation of property and equipment	117,923	110,041
Transmission, distribution and collection	63,653	63,353
Corporate management	15,721	15,998
Payments to private stations	10,002	7,213
Workforce adjustments (Note 12)	34,993	-
Loss from investments in entities subject to significant influence	136	17
	1,847,722	1,731,229
Operating loss before Government funding, non-operating revenues, taxes, and minority interests	(1,235,570)	(1,168,262)
Government funding		
Parliamentary appropriation for operating expenditures (Note 20)	1,070,137	989,564
Parliamentary appropriation for working capital (Note 20)	4,000	4,000
Amortisation of deferred capital funding (Note 15)	111,355	102,472
	1,185,492	1,096,036
Net results before non-operating revenues, taxes and minority interests	(50,078)	(72,226)
Non-operating revenues		
Gain on disposal of property	-	34,160
Galaxie non-operating revenues (Note 9)	34,374	4,264
	34,374	38,424
Net results before taxes and minority interests	(15,704)	(33,802)
Taxes and minority interests		
Provision of income and large corporations taxes (Note 21)	-	(48)
Minority interests	8	33
	8	(15)
Net results for the year	(15,696)	(33,817)

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

<i>For the year ended March 31</i>	<i>(thousands of dollars)</i>	
	2009	2008
Net results for the year	(15,696)	(33,817)
Other Comprehensive Income (Loss)		
Net changes in cash flow hedges:		
Losses on derivatives designated as cash flow hedges (net of income tax of \$0)	-	(4,044)
Reclassification of losses on derivatives designated as cash flow hedges to the net results	7,873	-
Total Other Comprehensive Income (Loss)	7,873	(4,044)
Total Comprehensive Income (Loss) for the year	(7,823)	(37,861)

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>For the year ended March 31</i>	<i>(thousands of dollars)</i>	
	2009	2008
Retained Earnings (Deficit)		
Balance, beginning of the year	(64,061)	(30,244)
Net results for the year	(15,696)	(33,817)
Retained Earnings (Deficit), end of the year	(79,757)	(64,061)
Accumulated Other Comprehensive Income (Loss)		
Accumulated other comprehensive income (loss), beginning of the year	(7,873)	-
Transitional adjustment on adopting new financial instrument standards (net of income tax of 0\$)	-	(3,829)
Other comprehensive income (loss) for the year	7,873	(4,044)
Accumulated Other Comprehensive Income (Loss), end of the year	-	(7,873)
Total Equity	(79,757)	(71,934)

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31

(thousands of dollars)

	2009	2008
Cash flows from (used in)		
Operating Activities		
Net results for the year	(15,696)	(33,817)
Items not involving cash:		
Loss (gain) on disposal of equipment	71	(508)
Gain on disposal of property	-	(34,160)
Gain from fair value of financial instruments	(3,208)	(1,351)
Amortisation of property and equipment	117,923	110,041
Impairment of property and equipment	1,517	-
Loss from investments in entities subject to significant influence	136	17
Change in deferred charges	4,361	16,238
Amortisation of deferred capital funding	(111,355)	(102,472)
Change in deferred revenues [long-term]	(31,149)	39,095
Change in long-term receivables	(3,964)	(26,491)
Change in employee-related liabilities [current]	(1,304)	2,436
Change in employee-related liabilities [long-term]	14,214	64,799
Change in minority interests	(8)	287
Net change in non-cash working capital balances (Note 22)	14,089	(52,673)
	(14,373)	(18,559)
Financing Activities		
Parliamentary appropriations (Note 20) :		
Capital funding	96,677	110,398
Repayment of bonds payable	(7,964)	(7,397)
	88,713	103,001
Investing Activities		
Acquisition of property and equipment	(102,507)	(111,671)
Purchase of long-term investments	(2,015)	(1,025)
Recovery from salary advances	601	846
Capital recovery from notes receivable	1,496	1,395
Capital recovery from net investment in sales-type leases	1,586	1,478
Capital recovery from affiliate relations agreement - Galaxie	9,500	-
Deferred charges	(9,811)	(2,834)
Proceeds from disposal of equipment	1,966	2,277
Proceeds from disposal of property	-	35,441
	(99,184)	(74,093)
Increase (Decrease) in cash and cash equivalents	(24,844)	10,349
Cash and cash equivalents, beginning of year	58,004	47,655
Cash and cash equivalents, end of year	33,160	58,004
Consist of:		
Cash	33,160	57,670
Cash equivalents	-	334
	33,160	58,004
Supplementary information:		
Interest paid	25,075	25,642
Income tax paid	2	50

The accompanying notes form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2009

1. AUTHORITY AND OBJECTIVE

CBC/Radio-Canada (the Corporation) was first established by the 1936 *Canadian Broadcasting Act* and continued by the 1958, 1968 and 1991 *Broadcasting Acts*. The Corporation is an agent of Her Majesty and all assets and liabilities are those of the government.

As the national public broadcaster, CBC/Radio-Canada provides Radio, Television and New Media services in both official languages incorporating predominantly and distinctively Canadian programs to reflect Canada and its regions to national and regional audiences.

In accordance with section 85(1) of the *Financial Administration Act*, the Corporation is exempt from Divisions I to IV of Part X of this Act, except for sections 131 to 148 and 154.01, and is accountable for its affairs to Parliament through the Minister of Canadian Heritage and Official Languages.

CBC/Radio-Canada is a federal Crown corporation subject to federal corporate income tax by virtue of the *Income Tax Act* (Canada) and the Regulations thereto. CBC/Radio-Canada is not subject to any provincial corporate income taxes but is subject to sales taxes at both the federal and provincial levels.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and include the following significant accounting policies.

A. Basis of Consolidation

The consolidated financial statements include the accounts of the Corporation and of the two variable interest entities (VIE's) for which the Corporation is the primary beneficiary; the Broadcast Centre Trust and The Documentary Channel.

B. Parliamentary Appropriations

The Corporation receives a substantial portion of its funding from the Government of Canada. Parliamentary appropriations for operating expenditures and Parliamentary appropriations for working capital are recognised in the *Consolidated Statement of Operations* in the fiscal year for which the appropriations were approved. Parliamentary appropriations for property and equipment subject to amortisation are recorded as deferred capital funding on the *Consolidated Balance Sheet*, and are amortised on the same basis and over the same periods as the related property and equipment. The Parliamentary appropriation for the purchase of land is recorded in the *Consolidated Statement of Changes in Equity*.

C. Cash and Cash Equivalents

Cash and cash equivalents, which are carried at fair value as they are intended to be held for trading (HFT), are comprised of cash and marketable securities with original maturity dates of less than 90 days. Unrealised gains or losses are recorded in the *Consolidated Statement of Operations* as other income (net gain or loss from fair value of financial instruments).

D. Short-term Investments

Short-term investments, which are carried at amortised cost using the effective interest rate method as they are intended to be held to maturity, consist of marketable securities with original maturity dates in excess of three months and current maturities of less than 12 months from the balance sheet date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the exchange rates in effect at the balance sheet date and non-monetary items are translated at rates in effect when the assets were acquired or obligations incurred unless such items are carried at market, in which case they are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at average exchange rates during the year. All exchange gains or losses are included in determining net results for the year.

F. Financial Instruments

(i) Financial instruments- recognition and measurement

On April 1, 2007, the Corporation adopted the new accounting standards on financial instruments: Section 1530 Comprehensive Income; Section 3855 Financial Instruments – Recognition and Measurement; Section 3865 Hedges and Section 3251 Equity. Financial assets are classified either as held to maturity, held for trading, available for sale or loans and receivables while financial liabilities are classified as either held for trading or other financial liabilities.

Held to maturity (HTM) – Financial assets classified as HTM are measured at amortised cost using the effective interest rate method. Interest income, calculated using the effective interest method, is recorded in financing income.

Held for Trading (HFT) – Financial assets and financial liabilities classified as HFT are measured at fair value, with gains or losses and transaction costs recorded in the net results in the year in which they arise.

Available for sale (AFS) – Financial assets classified as AFS are measured at fair value, except for investments in equity instruments classified as AFS that do not have a quoted market price in an active market, which are measured at cost. Unrealised gains or losses are recognised in Other Comprehensive Income (OCI), except for other than temporary impairment losses, which are recognised in net results. Upon derecognition of a financial asset or when other than temporary loss is incurred, the cumulative gains or losses, previously recognised in Accumulated Other Comprehensive Income (Loss) (AOCI) are reclassified to net results.

Loans and receivables (L&R) – Financial assets classified as L&R are measured at fair value upon initial recognition and are subsequently measured at amortised cost using the effective interest rate method. Interest income, calculated using the effective interest rate method, is recorded in financing income.

Other financial liabilities (OFL) – Financial liabilities classified as OFL are measured at amortised cost using the effective interest rate method. Interest expenses, calculated using the effective interest rate method, are recorded in expenses.

The Corporation's financial assets and financial liabilities are classified and measured as follows:

Asset/Liability	Classification	Measurement
Cash and cash equivalents	Held for trading	Fair Value
Short-term investments	Held to maturity	Amortised cost
Accounts receivable	Loans and receivables	Amortised cost
Long-term investments ¹	Available for sale	Amortised cost
Long-term receivables ²	Loans and receivables	Amortised cost
Accounts payable and accrued liabilities	Other liabilities	Amortised cost
Employee-related liabilities (current)	Other liabilities	Amortised cost
Bonds payable	Other liabilities	Amortised cost
Derivatives	Held for trading	Fair Value

¹ Only investments in which the Corporation does not exercise significant influence.

² Excluding salary advances (Note 10).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Financial Instruments (continued)

(ii) Derivatives - Forward contracts designated as hedges

The Corporation uses derivative financial instruments to manage the risk of loss due to movements in foreign exchange rates. The Corporation's policy is not to utilise derivative financial instruments for speculative purposes.

Forward exchange contracts are contractual obligations in which two counterparties agree to exchange one currency for another at a specified price for settlement at a predetermined future date. Forward exchange contracts are used by the Corporation to manage the risk of loss due to movements in foreign exchange rates, relating to future contractual payments. Since these payments are denominated in foreign currency, the Corporation is exposed to fluctuation in cash flows resulting from changes in exchange rate.

A derivative must be designated in a hedging relationship and be effective to be accounted for as a hedge. Effectiveness is achieved if the cash flows or fair values of the derivative substantially offset changes in cash flow or fair value of the hedged position and the timing is similar.

The Corporation formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives to specific firm commitments. The Corporation also formally assesses, both at the hedge's inception and on a quarterly basis, whether the forward exchange contracts that are used in hedging transactions are highly effective in offsetting changes in cash flows of assets acquired or liabilities incurred.

The fair values of forward contracts that are eligible hedges are presented in the *Consolidated Balance Sheet*; the positive fair value is reported as derivative financial instruments as a component of total assets and derivatives with a negative fair value are reported as a component of total liabilities. The change in the fair value is charged or credited in the *Consolidated Statement of Comprehensive Income (Loss)* until the asset is acquired or the liability is incurred; the hedging relationship ceases to be effective; the hedging relationship designation is terminated, in which case, the unrealised gains or losses are removed from the Other Comprehensive Income (Loss) to net results of the year. Any derivative financial instrument held by the Corporation that is not or no longer designated as an eligible hedge is carried at fair value on the *Consolidated Balance Sheet*, and any change in the fair value is recorded to the *Consolidated Statement of Operations*, as other income (net gain or loss from fair value of financial instruments).

(iii) Derivatives - Other forward contracts

The Corporation does not apply hedge accounting for forward exchange contracts purchased to minimise the currency risk related to its foreign bureau operations.

The fair values of these forward exchange contracts are presented in the *Consolidated Balance Sheet*; the positive fair values are reported as derivative financial instruments as a component of total assets and the negative fair values are reported as a component of total liabilities. The change in the fair value is recorded in the *Consolidated Statement of Operations* as other income (net gain or loss from fair value of financial instruments).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Inventory

(i) Program Inventory

Programs completed and in process of production (which comprise of internal productions and external productions which require the Corporation's involvement during the production) are recorded at cost, on an individual basis. Cost includes the cost of materials and services, labour and overhead expenses applicable to programs. Program costs are charged to operations in accordance with the amortisation basis described below, or when deemed unusable, or when sold.

The Corporation enters also into contracts to acquire license agreements for programming material. The payments made under the terms of each contract are recorded as prepaid expenses and recorded as program inventory when the following criteria are met: cost is determined, material is accepted and the program is available for broadcast. Costs are charged to operations in accordance with the amortisation basis described below, or when deemed unusable or when sold.

The amortisation of programs is based on the telecast plan. For programs with multiple telecasts, management uses the following amortisation basis:

Category	Amortisation
Program with multiple telecasts ¹	70%/30% on first/second showing respectively
Movies	50%/30%/20%
Children's programming	evenly over each telecast (up to a maximum of 5 telecasts)
Shorts and fills with multiple telecasts	amortised over contract period
Program strips	evenly over each telecast
bold programming	evenly over term of contracts
The Documentary Channel programming	evenly over term of contracts, for a period not exceeding three years

¹ With the exception of movies, children's programming, shorts and fills and program strips.

In 2008-2009, the Corporation changed its estimate for the amortisation of movies from 70%/30% to 50%/30%/20% based on the Corporation's periodic analysis of historical experience and extended use of the programs. These changes in the amortisation expense are recorded in the current year when the change is identified. The impact of this change resulted in a decrease in the television and radio service cost expense of \$9.6 million with a corresponding increase to inventory.

(ii) Impairment

Inventory is reviewed for impairment on an annual basis. When the inventory is deemed unusable, the unamortised cost is charged to operations.

(iii) Other Inventory

Various inventory from the Merchandising Division stated at the lower of cost and the net realisable value, are presented as other inventory.

H. Property and Equipment

Property and equipment are recorded at cost less accumulated amortisation and accumulated impairment losses. The cost of assets constructed by the Corporation includes material, direct labour and related overhead. Amounts included in uncompleted capital projects are transferred to the appropriate property and equipment classification upon completion, and are amortised once available for production or service.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Property and Equipment (continued)

Amortisation is calculated on the straight-line method using rates based on the estimated useful life of the property and equipment, as follows:

• Buildings	33 years
• Technical equipment	
Transmitters and towers	20 years
Electrical equipment	16 years
Other	8 years
• Furnishings and office equipment	10 years
• Computers	
Servers (hardware and software)	5 years
Microcomputers (hardware and software)	3 years
• Automotive	
Specialised vehicles	20 years
Television and Radio News trucks, 5-ton and 10-ton heavy trucks	12 years
Snowmobiles, all-terrain vehicles	10 years
Utility vehicles, vans	8 years
Automobiles and minivans	5 years

Leasehold improvements are capitalised and amortised over the shorter of the lease term or the asset's useful economic life.

I. Net Investment in Sales-type Leases

Assets leased under terms that transfer substantially all of the benefits and risks of ownership to the lessee are accounted for as sales-type leases.

Financing income from sales-type leases is recognised in a manner that produces a constant rate of return on the investment in the leases. The investment in the leases for purposes of income recognition is composed of net aggregate minimum lease payments and unearned financing income.

J. Deferred Charges

Most deferred charges are amortised over the period of their respective agreements. Other deferred charges are comprised of initial costs incurred as a result of an operating lease and are amortised over the period of the lease in proportion to the recognition of rental income.

K. Long-term Investments

Investments in entities over which the Corporation does not exercise significant influence are classified as available for sale. They are recorded at cost since there is no quoted market price for these types of investments. Investments in entities over which the Corporation exercises significant influence are accounted for using the equity method. Under this method, the Corporation's investment is initially recorded at cost and adjusted thereafter to include the Corporation's pro-rata share of earnings of the investee. Gains from investments in entities subject to significant influence are recorded in other income, while losses are recorded as loss from investments in entities subject to significant influence. When net losses from an equity accounted for investment exceed its carrying amount, the investment balance is reduced to zero and additional losses are not provided for unless the Corporation is committed to provide financial support to the investee.

Investments are reviewed for impairment when events or changes in circumstances indicate that there is a loss in value. If there is evidence that the loss is due to circumstances other than a temporary decline, the investment will be written down to recognise the loss which is recorded as a loss from investments in entities subject to significant influence in the Consolidated Statement of Operations.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Pension Cost and Obligation

The Corporation provides pensions based on length of service and final average earnings as classified under defined benefit retirement pension arrangements.

The cost of pension benefits earned by employees is determined on an actuarial basis using the projected benefit method pro-rated on service and management's best assumptions such as the expected long-term rate of return on plan assets, rate of compensation, inflation, retirement ages of employees, and mortality of members.

The pension costs are determined using the cost of employee pension benefits for the current year's service, the interest cost on the accrued benefit obligation, the expected investment return on the actuarial value of plan assets, the amortisation of the transitional asset, the amortisation of net actuarial gains and losses, and the amortisation of past service costs. The market-related value of plan assets is used for the purpose of calculating the expected return on plan assets. The method used to determine the market-related value consists of spreading a given year's realised and unrealised capital gains and losses uniformly over that year and the three subsequent years.

The discount rate used to determine the accrued benefit obligation is based on the interest rate inherent in the amount at which the accrued benefit obligation could be settled.

Actuarial gains (losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains (losses) are amortised over the average remaining service period of active employees. The average remaining service period of the active employees covered by the pension plans is between 6.0 and 13.5 years (2008 – between 6.0 and 13.5 years).

On April 1, 2000, the Corporation adopted the new accounting standard on employee future benefits using the prospective application method. The Corporation is amortising the transitional pension asset on a straight-line basis over 13.5 years, which was the average remaining service period of the active employees expected to receive benefits under the Pension Plan as of April 1, 2000.

Past service costs arising from plan amendments are deferred and amortised on a straight-line basis over the average remaining service period of employees active at the date of amendment.

M. Employee Future Benefits Other than Pensions

The Corporation provides employee future benefits such as termination benefits and other benefits including continuation of benefits coverage for employees on long-term disability, post-retirement life insurance, health and dental benefits and workers' compensation.

The cost of these benefits is determined on an actuarial basis using the projected benefit method pro-rated on service and management's best assumptions such as salary increases, inflation, retirement ages of employees, mortality of members, and expected health care costs.

For employee termination benefits and post-retirement life insurance, the transitional obligation and the net actuarial gains or losses are amortised over the average remaining service period of the employee group. The transitional obligation and the net actuarial gains or losses for continuation of benefits for employees on long-term disability and workers' compensation are amortised over the expected average remaining duration of payments. The amortisation periods used for these plans are between 7.0 and 15.7 years (2008 – between 7.0 and 15.7 years).

Since a major portion of the liabilities for these items represents costs which will be funded mainly from appropriations received from the Government of Canada in the future, these items do not have an impact on the Corporation's current net results of operations on a government funding basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Income Taxes

The Corporation follows the asset and liability method of accounting for income taxes. Future income tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The rates used to calculate the future income tax assets and liabilities are the enacted or substantively enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. If realization of future income tax assets is considered more unlikely than likely, a valuation allowance is provided.

O. Revenue Recognition

(i) Advertising Revenues

Revenues from the sale of advertising airtime are recognised when the advertisement has been broadcast, the Corporation has no remaining obligations, and collectability is reasonably assured.

(ii) Specialty Services

Revenues from Specialty Services include the sale of advertising airtime, subscriber revenues, and the sale of programs by the Specialty channels to third-party broadcasters. Revenues from the sale of advertising airtime are recognised when the advertisement has been broadcast. Revenues from program sales and subscriber fees are recognised when the delivery has occurred or when services have been provided and the Corporation has no remaining obligations, and collectability is reasonably assured.

(iii) Other Income

Other income includes revenues from the leasing of space, facilities and services; program sales; commercial production sales; host broadcaster's activities and net gains from disposal of equipment. These are recognised when the delivery has occurred or when services have been provided and the Corporation has no remaining obligations, and collectability is reasonably assured.

Other income also includes net gains from derivatives not designated as hedges, unrealised gains from other financial instruments measured at fair value, gains from ineffective hedges and gains from effective hedges once the asset has been acquired, the liability has been incurred, or the hedging relationship designation is terminated.

(iv) Financing Income

Financing income includes interest revenues from bank accounts, short-term investments, investments in sales-type leases and notes receivable. Interest is recognised in the year it is earned.

P. Deferred Revenues

Deferred revenues relating to the sale of Galaxie are amortised under the units-of-revenue method. Under the units-of-revenue method, amortisation for a year is calculated by computing a ratio of the proceeds received from the investor to the total payments expected to be made to the investor over the term of the agreement and then applying that ratio to the year's projected cash payment. Other deferred revenues are recognised as revenue when the services are provided.

Q. Television and Radio service costs

Television and Radio services costs include all costs related to the production of programs including direct out of pocket expenditures, departmental and administration expenses and the cost of activities related to technical manpower and facilities. A portion of the costs of operational support provided by services such as Human Resources, Finance and Administration, Building Management and other shared services are also included in the related costs. Television and Radio services costs also include programming related activities such as Marketing and Sales, Merchandising, New Media and Communications.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Measurement Uncertainty

The preparation of consolidated financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses for the year. Employee-related liabilities, estimated useful lives of property and equipment, estimated useful lives of program inventory, contingent liabilities and fair value measurement of derivatives are the most significant items where estimates are used. Actual results could significantly differ from those estimated.

3. CHANGES IN ACCOUNTING STANDARDS

Effective April 1, 2008, the Corporation adopted the Canadian Institute Chartered Accountants (CICA), Section 3031 Inventories, which replaced Section 3030 Inventories. It provides the Canadian equivalent to International Financial Reporting Standard (IFRS) IAS 2 Inventories. Section 3031 prescribes measurement of inventories at the lower of cost and net realisable value. It provides guidance on the determination of cost, including allocation of overheads and other costs to inventories and requires the reversal of a previous write-down when there is a subsequent increase in the value of inventories. The adoption of this new section did not have a significant effect on the Corporation's consolidated financial statements.

Effective April 1, 2008, the Corporation also adopted the CICA Section 3862 Financial Instruments – Disclosures and Section 3863 Financial instruments – Presentation, which replaced Section 3861 Financial Instruments – Disclosure and Presentation. These standards also harmonise disclosures with International Financial Reporting Standards. The presentation requirements prescribed by Section 3863 are consistent with those of Section 3861. The adoption of Section 3862 resulted in additional disclosures with respect to risk management policies and the nature and extent of risks arising from financial instruments. The disclosures required by this new standard are presented in Note 24.

In October 2008, the CICA issued amendments to Section 3855 Financial Instruments – Recognition and Measurement, and Section 3862 Financial Instruments – Disclosure. These amendments permit the reclassification of non-derivative financial assets out of the held-for trading and available-for-sale categories under specified circumstances. The Corporation did not reclassify any of its non-derivative financial assets, and therefore, there is no impact on the consolidated financial statements from these amendments.

Also effective January 1, 2008, the Corporation adopted the CICA Section 1535, Capital Disclosures. This section establishes standards for disclosing information about a corporation's capital and how it is managed in order that a user of the financial statements may evaluate the corporation's objectives, policies, and processes for managing capital. This new accounting standard did not have any impact on the Corporation's consolidated financial statements. However, as a result of the adoption of this new section, the Corporation has increased disclosures on the management of its capital. The Corporation has provided this disclosure in Note 25.

4. FUTURE ACCOUNTING CHANGES

The Canadian Accounting Standards Board has announced that all publicly-accountable Canadian reporting entities will adopt International Financial Reporting Standards (IFRS) as Canadian generally accepted principles for years beginning on or after January 1, 2011. The changeover date for full adoption of IFRS will be effective April 1, 2011 for the Corporation. The Corporation's 2011-2012 consolidated financial statements have to comply with IFRS standards. The standards also require that the Corporation present complete comparative figures based on IFRS standards in the 2011-2012 consolidated financial statements. The Corporation is in the process of assessing the differences between current Canadian GAAP and IFRS and the impact on the Corporation's consolidated financial statements.

In 2008-2009, the Corporation completed a high-level diagnostic during which each standard was considered and given a ranking based on its potential impact to the financial results and the level of implementation difficulty that could be expected.

Based on the diagnostic described above, a drafted project plan was developed to implement IFRS by April 1, 2011, including an IFRS opening balance sheet as at April 1, 2010 as well as 2010-2011 IFRS comparatives. The Corporation has put in place a project steering committee responsible for oversight of the progress against the plan. The Corporation has also retained an independent national accounting firm to provide technical interpretation.

In February 2008, the CICA issued section 3064, Goodwill and Intangible Assets which provides guidance on the recognition, measurement, presentation and disclosure for goodwill and intangible assets, other than the initial recognition of goodwill or intangible assets acquired in a business combination. The standard is effective for fiscal years beginning on or after October 1, 2008, and requires retrospective application to prior period financial statements. The Corporation is in the process of evaluating the impact of this new standard for adoption on April 1, 2009.

5. SHORT-TERM INVESTMENTS

The Corporation did not invest in any new short-term securities during fiscal year 2008-2009. The average yield to maturity of the portfolio held as at March 31, 2008 was 4.31 per cent and the average term to maturity was 17 days, which relates to short-term securities that matured early in the fiscal year. The interest revenue generated from these short-term investments represents \$13,243 in 2008-2009 and \$1.7 million in 2007-2008.

The Corporation invests in short-term securities which are 100 per cent guaranteed by the Government of Canada.

6. INVENTORY

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Programs completed	122,106	124,831
Programs in process of production	37,293	41,101
Broadcast rights available for broadcast	43,488	34,824
Merchandising	5,747	3,458
	208,634	204,214

There has been no write-down in the value of the program inventory or reversal of previous years write-downs of inventory in 2009 (nil in 2008).

7. NET INVESTMENT IN SALES-TYPE LEASES

The net investments in sales-type leases relates to rental of parcels of land in Toronto.

The Corporation's net investment in sales-type leases includes the following:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Total minimum lease payments receivable	112,006	118,055
Unearned financing income	(49,152)	(53,606)
	62,854	64,449
Current portion	(2,068)	(1,962)
Long-term portion	60,786	62,487

Future minimum lease payments receivable under the sales-type leases are as follows:

	<i>(thousands of dollars)</i>
2010	6,050
2011	6,050
2012	6,050
2013	6,050
2014	6,050
2015 to 2027	81,756
Total future minimum lease payments receivable	112,006

These sales-type leases bear a fixed interest rate of 7.15 per cent annually. The interest revenues generated from these sales-type leases represent \$4.5 million in 2009 (2008 – \$4.6 million).

Note 27 – Subsequent Event indicates that the net investment in sales-type leases is expected to be sold as part of the recovery plan approved by the Corporation's Board of Directors.

8. PROPERTY AND EQUIPMENT

A. Cost and accumulated depreciation

	<u>2009</u>		<u>2008</u>	
	Cost	Accumulated amortisation	Net book value	
	<i>(thousands of dollars)</i>			
Land	20,467	-	20,467	20,516
Buildings	906,639	(506,880)	399,759	416,234
Technical equipment	1,318,715	(956,280)	362,435	376,806
Computers, furnishings and office equipment	217,374	(133,846)	83,528	72,335
Automotive	47,629	(36,715)	10,914	12,717
Leasehold improvements	51,144	(17,597)	33,547	34,824
Uncompleted capital projects	79,067	-	79,067	75,454
	2,641,035	(1,651,318)	989,717	1,008,886

¹ Costs and accumulated amortisation of property and equipment as at March 31, 2008, amounted to \$2,607 million and \$1,598.1 million respectively.

8. PROPERTY AND EQUIPMENT (continued)

B. Impairment

On June 26, 2008, the Corporation acquired the transmission assets and programming assets of the French-language television programming undertakings of CKSH-TV Sherbrooke, CKTM-TV Trois-Rivières and CKTV-TV Saguenay and the transmitter CKTV-TV-1 Saint-Fulgence, Quebec, from TQS inc. for a total consideration of \$2.5 million.

As of March 31, 2009, based on an evaluation model using the cost of similar equipment adjusted for the age and the quality of the equipment, the Corporation determined that the net costs of the acquired assets exceed their fair value. The Corporation recognised an impairment loss of \$1.5 million in 2009 which is recorded in the Consolidated Statement of Operations as transmission, distribution and collection expenses.

9. OTHER INCOME AND NON-OPERATING REVENUES

A. Other income

Other income consists of:

	<u>2009</u>	<u>2008</u>
	<i>(in thousands of dollars)</i>	
Revenue type		
Building, tower, facility and service rentals	46,861	43,453
Program sales, commercial sales and merchandising	17,462	20,078
Retransmission rights	4,888	5,278
Documentary Channel (VIE) revenues	3,453	1,804
Net gain from fair value of financial instruments	3,208	1,351
Net gain (loss) on disposal of equipment	(71)	508
Other	19,574	11,093
	95,375	83,565

B. Non-operating revenues – Sale of Galaxie

On December 7, 2007, the Corporation provided a privately held company, Stingray Digital Group inc. (“Acquirer”), with an option to cause the Corporation to sell certain of the Galaxie pay audio assets (“Option Asset Purchase Agreement”) for \$52.5 million and a warrant to acquire 1,120,513 common shares of the Acquirer for \$1 (“Warrant”). The Corporation appointed the Acquirer as its affiliate relations agent for the Galaxie pay audio services for an annual service fee until the earlier of December 31, 2017, and the date Galaxie’s assets are transferred to Acquirer pursuant to the Option Asset Purchase Agreement. Additional consideration was payable to the Corporation, contingent upon a subsequent acquisition by the Acquirer of an unrelated third party (“Earn-out”).

The Option Asset Purchase Agreement provided that the Corporation continues to operate the Galaxie pay audio programming service under the license issued by the CRTC until the exercise of the option which itself could not be exercised until the Acquirer obtained its CRTC license, and that the Corporation would continue to operate the service thereafter in respect of those Broadcast distribution undertaking (BDU) revenue contracts that are not assigned to the Acquirer. The transaction was accounted for as a sale of a future revenue stream (“Revenue Stream”) using the units-of-revenue method of accounting. For the year ended March 31, 2008, the Corporation recognised \$4.7 million as revenues based on the proportionate share of the cash payments made by the Corporation relative to the total expected cash outflows as a percentage of the discounted total consideration.

On December 23, 2008, the CRTC approved the Acquirer’s application for a license, and on January 12, 2009, the option to purchase Galaxie’s assets was exercised. On January 30, 2009, the Option Asset Purchase Agreement was amended to reflect a \$4.8 million increase in the purchase price associated with the Earn-out and an indemnification to the Acquirer. The Corporation has accounted for the increase in consideration as a multiple element arrangement with the proceeds allocated between the elements based on their respective fair values including a \$1 million settlement of the contingent Earn-out recorded and a \$2.7 million consideration related to the indemnification of the acquirer, which were both recorded as non-operating revenues, and the remaining \$1.1 million as a liability.

As of March 31, 2009, the Corporation has transferred Galaxie assets, including all of the physical assets and some of the intangible assets, but excluding certain Galaxie BDU contracts that have not been assigned to the Acquirer.

9. OTHER INCOME AND NON-OPERATING REVENUES (continued)

The Corporation has entered into an affiliate relations agency agreement with the Acquirer to provide Galaxie services to support those contracts that have not yet been assigned by the Corporation. To the extent that revenue contracts have not been assigned to the Acquirer, the Corporation continues to bear the contractual risk and accordingly, the associated revenues continue to be deferred using the method applied in the prior year, as described above. For the year ended March 31, 2009, the Corporation has recognised \$34.4 million as revenues. The deferred revenues as of March 31, 2009 represent \$16.2 million (of the \$16.2 million, \$8.1 million is presented as short-term deferred revenues).

The Corporation has treated the unpaid consideration as receivables discounted at a rate of 2.85% based on the expected timing of the associated future payments. As the Warrant consideration is a right to purchase an equity instrument in a privately held company, the Corporation concluded that the fair value cannot be reliably measured, and has accordingly accounted for the derivative at cost, \$1.

10. LONG-TERM RECEIVABLES

A. Notes Receivable

The Corporation has two long-term notes receivable following the sale of Toronto land. These notes bear a fixed interest rate of 7.15 per cent annually. The interest revenues generated from these notes receivable represent \$4.1 million in 2009 (2008 – \$4.2 million).

Future minimum payments receivable under the term of the notes are as follows:

	<i>(thousands of dollars)</i>
2010	5,567
2011	5,567
2012	5,567
2013	5,567
2014	5,567
2015 to 2027	73,304
Total future minimum payments receivable	101,139
Deduct: imputed interest	(43,841)
Notes receivable	57,298
Less: current portion (included in accounts receivable)	(1,940)
Notes receivable long-term	55,358

B. Sale of Option and Affiliate Relations Agreement - Galaxie

As described in Note 9B above, the Corporation recognised the sale of certain Galaxie pay audio assets to Stingray Digital Group inc. ("the Acquirer") in 2008-2009. The terms of the agreement include letters of credit and a promissory note due from the Acquirer after March 31, 2010. Receivables are recorded at a discounted rate of 2.85% based on the expected timing of the associated future payments.

Note 27 – Subsequent Event indicates that the notes receivable and the long-term receivable relating to the Option and Affiliate Relations Agreement - Galaxie are expected to be sold as part of the recovery plan approved by the Corporation's Board of Directors.

C. Salary Advances – Change in Payroll and Other

The implementation of a new payroll system in fiscal year 1998-1999 required a change in the payroll schedule of the Corporation. To adjust to this schedule without compromising the bi-weekly payments to employees, the Corporation issued a salary advance to be recovered upon termination of employment. This salary advance represents \$9.9 million in 2009 (2008 – \$10.5 million). The Corporation has other long-term receivables of \$1.7 million in 2009 (2008- \$0.6 million).

11. LONG-TERM INVESTMENTS

	<u>2009</u>			<u>2008</u>	
	Significant influence	Other	Total	Significant influence	Other
	(thousands of dollars)				
ARTV – participation at 61% ¹	6,548	-	6,548	4,669	-
Portfolio investments	-	17	17	-	17
Sub-total	6,548	17	6,565	4,669	17
<i>Sirius Canada Inc.</i>	(13,417)	12,000	(1,417)	(13,417)	12,000
Total	(6,869)	12,017	5,148	(8,748)	12,017

¹ ARTV inc. is a French-language arts-and-entertainment specialty channel. On July 23, 2008, the Corporation acquired an additional 15.59 per cent share in ARTV inc. (shares previously owned by CTVGlobemedia), for a total amount of \$1.76 million. The Corporation acquired additional shares issued by ARTV for an amount of \$255,000 (0.63 per cent). With the additional acquisitions in 2008-2009, the Corporation owns 61% of ARTV but does not control its activities as 66 2/3% of the voting shares are required to assume control.

² The Corporation has invested \$25.05 in class A shares of Sirius Canada Inc., which represents a 40.0 per cent voting interest and a 25.05 per cent participation. These shares are entitled to receive dividends equal to their participation rate.

³ The Corporation committed to invest an additional \$1.4 million in class C shares of Sirius Canada Inc. The Corporation has not committed to assume any additional financial risk. The Corporation's proportionate share of the unrecognised loss is \$18.1 million (2008 - \$15.9 million).

⁴ The Corporation invested \$12 million in class C shares, which are entitled to a preferential cumulative dividend of 8 per cent per annum on the redemption price. These shares may be redeemed at any time by Sirius Canada Inc.

12. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES

Employee-related liabilities are as follows:

	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	Current		Long-term	
	(thousands of dollars)			
Accrued pension benefit liability	-	-	232,767	223,307
Employee future benefits other than pensions	-	-	160,999	156,229
Vacation pay	61,960	60,181	-	-
Workforce reduction	39,593	8,496	-	-
Salary-related liabilities	65,525	72,216	208	224
	167,078	140,893	393,974	379,760

12. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES (continued)

A. CBC/Radio-Canada Pension Plans and Other Employee Future Benefits

The Corporation maintains a contributory defined benefit pension plan, the CBC/Radio-Canada Pension Plan, covering substantially all employees of the Corporation. Retirement benefits are based on the length of pensionable service and on the average of the best five consecutive years of pensionable salary in the last ten years of employment. Employees are required to contribute a percentage of their pensionable salary to the plan, with the Corporation providing the balance of the funding, as required, based on actuarial valuations. The Corporation also maintains unfunded non-contributory defined benefit pension arrangements. All plans are subject to an actuarial valuation, which is made at least on a triennial basis. The latest valuation available as of March 31, 2009 was made in December 2006. A valuation as of December 2008 is currently under way and the next valuation would be required no later than December 2011.

The Corporation also provides employee future benefits such as termination benefits and other benefits including continuation of benefits coverage for employees on long-term disability, post-retirement life insurance, health and dental benefits and workers' compensation. The last actuarial valuations for employee termination benefits and for post-retirement life insurance benefits were made in March 2006 and December 2005 respectively.

The measurement date for the pension plan assets and the accrued benefit obligation is March 31.

Assumptions – annual rates

	<u>2009</u>	<u>2008</u>
Expected long-term rate of return on plan assets	6.25%	6.25%
Discount rate used for the calculation of the benefit costs	5.25%	5.00%
Discount rate used for the calculation of the obligation	5.75%	5.25%
Long-term rate of compensation increase, excluding merit and promotion	3.25%	3.25%
Health care cost trend rate	8.5% for 5 years; 4.5% thereafter	8.5% for 5 years; 4.5% thereafter
Indexation of pensions in payment	1.9%	2.5%

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Annual amount		
Employee contributions – pension plans	33,407	40,619
Benefit payments for the year – pension plans	213,890	208,186
Benefit payments for the year – other employee future benefits	13,822	12,974

12. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES (continued)

	<u>2009</u>		<u>2008</u>	
	CBC/Radio- Canada pension plans	Other employee future benefits	CBC/Radio- Canada pension plans	Other employee future benefits
	<i>(thousands of dollars)</i>			
Fair value of plan assets, end of year	3,750,644	-	4,280,079	-
Accrued benefit obligation, end of year	(4,085,585)	(159,075)	(4,244,543)	(162,841)
Surplus (deficit), end of year	(334,941)	(159,075)	35,536	(162,841)
Unamortised past service costs	43,789	(2,930)	53,537	(3,349)
Unamortised net actuarial losses (gains)	477,661	(11,293)	199,892	(4,995)
Unamortised transitional (asset) obligation	(419,276)	12,299	(512,272)	14,956
Accrued benefit liability, end of year	(232,767)	(160,999)	(223,307)	(156,229)
Accrued benefit liability, beginning of year	(223,307)	(156,229)	(164,551)	(150,170)
Employee future benefits costs				
Current service cost	(76,720)	(7,650)	(87,937)	(7,559)
Interest on accrued benefit obligation	(220,115)	(8,585)	(210,909)	(8,230)
Expected return on actuarial value of assets	254,445	-	246,961	-
Amortisation of past service costs	(9,748)	419	(9,748)	419
Amortisation of transitional asset (obligation)	92,996	(2,657)	92,996	(3,187)
Amortisation of actuarial losses	(78,110)	(119)	(93,527)	(476)
Employee future benefits costs for the year	(37,252)	(18,592)	(62,164)	(19,033)
Corporation pension plan contributions	26,306	-	1,952	-
Benefit payments for unfunded plans	1,486	13,822	1,456	12,974
Total cash payments	27,792	13,822	3,408	12,974
Accrued benefit liability, end of year	(232,767)	(160,999)	(223,307)	(156,229)

As at March 31, 2009, the accrued benefit obligation for the CBC/Radio-Canada Pension Plan and for the unfunded benefit pension arrangements represented respectively \$4,029.8 million (2008– \$4,189 million) and \$55.8 million (2008 – \$55.5 million).

Asset category	<u>2009</u>	<u>2008</u>
	Percentage of plan assets (based on fair values)	
Fixed income	61%	56%
Canadian equities	8%	13%
Global equities	16%	19%
Strategic ¹	14%	12%
Bond overlay	1%	-
	100%	100%

¹ Strategic investments include real estate, private placements, hedge funds and infrastructure funds.

12. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES (continued)

B. Workforce Reduction plan

On March 25, 2009, CBC/Radio-Canada announced a workforce reduction plan to deal with the financial pressures the Corporation is facing. A reduction of approximately 800 positions will result from this plan. The plan is divided in two steps:

As a first step, the Corporation is offering a voluntary retirement incentive program (VRIP) to eligible employees. As a second step, and depending on the number of departures resulting from the VRIP, the Corporation will announce involuntary departures.

As of March 31, 2009 the Corporation estimates the costs relating to contractual termination benefits at \$35 million. As for the costs of special termination benefits which will be paid under the VRIP, these will be recognised only when eligible employees accept the offer and their departure is confirmed, which will occur in 2009-2010. As of May 22, 2009, 303 agreements were reached between the Corporation and some of its employees relating to the VRIP, which will result in additional benefits to be paid of \$3.9 million in 2009-2010.

13. VARIABLE INTEREST ENTITIES

Under the Canadian Institute of Chartered Accountants' Accounting Guideline 15 (AcG-15), Variable Interest Entities (VIE) are defined as entities that do not have sufficient equity at risk to finance their activities without additional subordinated financial support, or where the equity holders lack the overall characteristics of a controlling financial interest. The guideline requires that a VIE be consolidated with the financial results of the entity deemed to be the primary beneficiary of the majority of the VIEs' expected losses and its expected residual returns, or both.

A. Broadcast Centre Trust

The Broadcast Centre Trust (the Trust) is a charitable trust that is a lessee under a long-term lease with the Corporation for the land on which the Canadian Broadcasting Centre (the building) is located in Toronto. The rent during the term is the sum of one dollar, paid on October 1, 1988. The Trust is also a lessor under a long-term sub-lease with the Corporation for the Canadian Broadcasting Centre. In order to finance the construction of the building, the Trust issued \$400 million of bonds on January 30, 1997, which are guaranteed by the rent payments for the premises occupied by the Corporation. The rent payable by the Corporation to the Trust covers all interest and principal on the bonds, all other payments on the bonds and all operating expenses and liabilities of the Trust. The Corporation is deemed to be the primary beneficiary of the Trust and accordingly, the financial results of the Trust are consolidated in the Corporation's books.

B. The Documentary Channel

The Documentary Channel was formed on June 29, 2001. On this date, CBC/Radio-Canada purchased a 29 % interest in The Documentary Channel at a cost of 29 dollars, representing the fair value. On June 22, 2007, the Canadian Radio-Television Telecommunications Commission (CRTC) approved the Corporation's request to acquire an additional 53% interest in The Documentary Channel Limited Partnership, a specialty service broadcasting documentaries. The purchase price of the additional 53% interest was \$1 million. With this transaction, the Corporation owns an 82% partnership interest in The Documentary Channel. Following the approval of the CRTC, the Corporation re-evaluated the status of this investment to determine if its additional investment in the Partnership would result in the Corporation becoming the primary beneficiary. The Corporation concluded that, following the acquisition of the additional partnership interest, it became the primary beneficiary since it holds variable interest that would cause the Corporation to absorb a majority of the expected losses or residual returns of the partnership. Accordingly, The Documentary Channel financial results are consolidated in the Corporation's books.

C. Sirius

The Corporation holds a variable interest in Sirius Canada Inc., a provider of satellite radio in Canada, offering over 160 satellite radio channels. The Company broadcasts its signal through proprietary satellite network and uplink, and subscribers receive a radio signal through satellite radios which are sold at consumer retailers. The Corporation's maximum exposure to losses includes its investment of \$12 million plus a commitment to invest an additional \$1.4 million; and an amount of \$2.1 million of licensing revenues annually. The Corporation is not deemed to be the primary beneficiary of Sirius Canada Inc. This investment is accounted for using the equity method for class A shares and the cost method for class C shares (Note 11).

14. BONDS PAYABLE

The Corporation, through its relationship with the Broadcast Centre Trust (Note 13), guarantees the bonds payable with its rent payments for the premises occupied by the Corporation in Toronto. The Trust issued \$400 million in secured bonds on January 30, 1997. These bonds bear a fixed interest rate of 7.53 per cent annually and require blended semi-annual payments of \$16,519,398, which will retire the following principal amounts:

	<i>(thousands of dollars)</i>
2010 (including accrued interest of \$10.3 million)	18,834
2011	9,233
2012	9,941
2013	10,704
2014	11,525
2015 to 2027	277,009
	337,246
Less: current portion	(18,834)
	318,412

Interest expense included in current year's expenses is \$24.8 million (2008 – \$25.4 million).

15. DEFERRED CAPITAL FUNDING

	2009	2008
	<i>(thousands of dollars)</i>	
Balance, beginning of year	650,056	642,130
Government funding for capital expenditures (Note 20A)	96,677	110,398
Amortisation of deferred capital funding	(111,355)	(102,472)
Balance, end of year	635,378	650,056

16. RETAINED EARNINGS (DEFICIT)

The deficit represents liabilities incurred by the Corporation that have not yet been funded through parliamentary appropriations or other sources of revenue. A significant component of the deficit is a result of unfunded employee future benefits that will be paid by the Corporation.

The deficit is offset by working capital appropriations received since 1958, which have accumulated to \$163 million as at March 31, 2009 (2008 -\$159 million). The working capital appropriation is provided to fund working capital investments required by the Corporation. The Corporation must maintain a working capital that is higher than the accumulated working capital appropriations. For the purpose of this calculation, the working capital represents the excess of current assets over current liabilities, excluding the liabilities relating to annual leave and time off in lieu that will not result in a cash outflow. As of March 31, 2009, the working capital of the Corporation is slightly lower than the accumulated working capital appropriations, due to termination benefits which are included in the current liabilities and are expected to be funded through the proceeds generated by the future sale of assets.

17. COMMITMENTS

A. Program-related and Other

As at March 31, 2009, commitments for sports rights amounted to \$519.1 million (2008 – \$663.3 million); procured programs, film rights and co-productions amounted to \$132.1 million (2008 – \$160.6 million), property and equipment amounted to \$15.5 million (2008 – \$8.9 million) and other commitments amounted to \$520.0 million (2008 - \$338.1 million) for total commitments of \$1,186.7 million (2008 – \$1,170.9 million). Future annual payments as of March 31, 2009, are as follows:

	<i>(thousands of dollars)</i>
2010	249,818
2011	176,371
2012	167,775
2013	153,701
2014	146,743
2015 to 2017	292,335
Total future payments	<u>1,186,743</u>

B. Operating Leases

The operating leases consist mainly of property leases, network distribution leases and equipment leases. Future annual payments related to operating leases as of March 31, 2009, are as follows:

	<i>(thousands of dollars)</i>
2010	42,632
2011	41,651
2012	31,520
2013	28,653
2014	27,669
2015 to 2024	130,954
Total future payments	<u>303,079</u>

18. CONTINGENCIES

Various claims and legal proceedings have been asserted or instituted against the Corporation. Some demand large monetary damages or other relief and they could result in significant expenditures. Litigation is subject to many uncertainties and the outcome of individual matters is not always predictable. Contingent liabilities are potential liabilities, which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded.

Polychlorinated Biphenyls (PCBs) concentrations which exceed the Ministère du Développement durable, de l'Environnement et des Parcs (MDDEP), industrial site criterion were identified in the soil at the former Corporation AM transmission site in Rimouski. Although studies to delineate the exact area are currently underway, it is not possible at this point to estimate the impact of this situation on the Corporation's financial results.

19. SPECIALTY SERVICES

The Corporation operates CBC Newsworld and the Réseau de l'information de Radio-Canada (RDI), under CRTC license conditions that require the reporting of incremental costs and revenues. Galaxie and bold are also reported on an incremental cost basis. On an incremental basis, only expenses that are charged directly to the Specialty Services are reported. Indirect costs for support services are not allocated to Specialty Services and expenses relating to long-term employee future benefits are recognized only when the related benefits are paid by the Specialty Services. However, in accordance with Canadian GAAP, the Corporation has included in the financial results of the Specialty Services, the portion of earned long-term employee future benefits relating to their respective employees.

2009						
	Revenues	Expenses including employee future benefits expenses	Total	Repayments to Main Service ¹	Employee future benefits expenses	Total on an incremental costs basis
(thousands of dollars)						
CBC Newsworld	78,839	(61,473)	17,366	(2,500)	272	15,138
RDI	48,044	(45,790)	2,254	(773)	206	1,687
Galaxie	17,970	(18,007)	(37)	-	6	(31)
bold	3,924	(4,105)	(181)	-	5	(176)
	148,777	(129,375)	19,402	(3,273)	489	16,618

2008						
	Revenues	Expenses including employee future benefits expenses	Total	Repayments to Main Service ¹	Employee future benefits expenses	Total on an incremental costs basis
(thousands of dollars)						
CBC Newsworld	78,918	(64,588)	14,330	(2,825)	1,289	12,794
RDI ²	46,169	(44,777)	1,392	(2,474)	1,060	(22)
Galaxie	17,882	(13,181)	4,701	(18)	66	4,749
bold	3,458	(3,027)	431	-	33	464
	146,427	(125,573)	20,854	(5,317)	2,448	17,985

¹ Capital expenditures for the acquisition of equipment to introduce, maintain and expand the Specialty Services are made by the Corporation from its capital appropriation with an approved corporate repayment plan for recovery from the Specialty Services' revenues. Those repayments are funded from the accumulated excess revenues over expenses.

² In 2007-2008, RDI used previous years' accumulated excess revenues over expenses to fund current activities.

The monthly subscriber rates of CBC Newsworld and RDI are subject to regulations imposed by the CRTC, a related party. The maximum monthly subscriber rates are approved through the license renewal process. For CBC Newsworld and RDI, the monthly subscriber rates cannot exceed respectively \$0.63 and \$1.00. These regulations are effective until August 31, 2010. Revenues subject to regulations represent respectively 81% per cent and 83% per cent (2008 – 81 per cent and 82 per cent) of the total revenues of CBC Newsworld and RDI.

20. PARLIAMENTARY APPROPRIATIONS

A. Parliamentary Appropriations Approved and Received

Parliamentary appropriations approved and the amounts received by the Corporation during the year are as follows:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Operating funding		
Approved annual funding	995,795	948,321
Additional non-recurring funding for programming initiatives (Note 20D)	60,000	60,009
Release of frozen allotment reprofiled from a previous year	20,000	-
Transfer to capital funding – Supplementary Estimates A ¹	(5,658)	(18,766)
	1,070,137	989,564
Operating funding received		
Capital funding		
Approved annual funding	91,019	91,632
Transfer from operating funding – Supplementary Estimates A ¹	5,658	18,766
	96,677	110,398
	4,000	4,000

¹ In the event that significant changes in current year requirements occur, appropriations are transferred from one vote to another or reprofiled from one fiscal year to another through Appropriation Acts approved by Parliament.

20. PARLIAMENTARY APPROPRIATIONS (continued)

B. Reconciliation of Net Results of Operations to Government Funding Basis

The Corporation receives a significant portion of its funding through Parliamentary appropriations, based primarily on cash flow requirements. Expenses recognised in the *Consolidated Statement of Operations* in one year may be funded through Parliamentary appropriations in other years. Accordingly, the Corporation's net results of operations for the year on a government funding basis differ from those on a Canadian GAAP basis. The differences are outlined below:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Net results for the year	(15,696)	(33,817)
Items not generating operating funds		
Amortisation of deferred capital funding	(111,355)	(102,472)
Loss (gain) on disposal of property and equipment	71	(34,668)
Parliamentary appropriation for working capital	(4,000)	(4,000)
Net proceeds generated from the sale of Galaxie (to be recognised in future years on a government funding basis)	(13,225)	-
Other	(4,327)	2,352
	(132,836)	(138,788)
Items not requiring operating funds		
Amortisation of property and equipment	117,923	110,041
CBC/Radio-Canada pension plans and other employee future benefits	14,230	64,815
Loss from investments in companies subject to significant influence	136	17
Program inventory costs	1,391	(3,034)
Vacation pay	(1,304)	3,040
Other	5,109	(4,452)
	137,485	170,427
Net results of operations on a government funding basis	(11,047)	(2,178)
Government funding surplus, beginning of year	44,038	46,216
Government funding surplus, end of year	32,991	44,038

20. PARLIAMENTARY APPROPRIATIONS (continued)

C. Net Results for Capital Funding

The purchase of property and equipment is financed by Parliamentary appropriations and proceeds from the disposal of property and equipment. Additions and proceeds, relating to property and equipment, recorded in the current year under Canadian GAAP may be funded/recognised on a government funding basis in different years. The differences are outlined below:

	2009	2008
	<i>(thousands of dollars)</i>	
Capital funding received (Note 20A)	96,677	110,398
Capital recovery from notes receivable	1,496	1,395
Capital recovery from net investment in sales-type leases	1,585	1,478
Proceeds from the disposal of property and equipment and other	2,037	38,628
Total capital funding for the year	101,795	151,899
Acquisition of property and equipment	(102,507)	(111,671)
Capital portion of bond payments	(7,964)	(7,397)
Capital funding surplus (deficit) for the year	(8,676)	32,831
Capital funding surplus (deficit), beginning of year, government funding basis	8,401	(24,430)
Capital funding surplus (deficit), end of year, government funding basis	(275)	8,401

D. Additional Non-recurring Funding for Programming Initiatives

Additional non-recurring funding of \$60 million for 2009 (2008 - \$60 million) was approved on May, 17, 2007. These funds are being used across all media for the enhancement of programming initiatives.

21. INCOME AND LARGE CORPORATIONS TAXES

The Corporation is a prescribed Federal Crown Corporation under Part LXXI of the *Income Tax Regulations* and is subject to the provisions of the *Income Tax Act* (Canada). The Corporation's activities are not subject to provincial taxes. The Recovery of (Provision for) income and large corporations taxes is comprised of:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Current income and large corporations taxes recovery (provision)	-	(48)
Future income tax	-	-
	<u>-</u>	<u>(48)</u>

The Recovery of (Provision for) income and large corporations taxes differs from the amount that would be computed by applying the Federal statutory income tax rate of 29.38 per cent (2008 – 31.77 per cent) to net results before taxes and minority interests. The reasons for the differences are as follows:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Income tax recovery at Federal statutory rate	4,614	10,739
Increase (decrease) resulting from:		
Non-taxable portion of capital gains (losses)	2,038	7,330
Other net amounts	(3,497)	(1,508)
Adjustment for changes in income tax rates	(470)	(13,457)
Change in valuation allowance	(2,685)	(3,104)
Large corporations tax recovery (provision)	-	(48)
	<u>-</u>	<u>(48)</u>

The tax effects of temporary differences that give rise to significant portions of the future tax assets and future liabilities as at March 31, 2009 and 2008 are presented below:

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Future tax assets		
Accrued liabilities	11,914	4,955
Pension plan asset	58,192	55,827
Employee-related liabilities	40,302	39,113
Loss carry-forward	5,016	6,758
Long-term receivables and investments	1,747	4,289
	<u>117,171</u>	<u>110,942</u>
Less: valuation allowance	(77,765)	(75,080)
	<u>39,406</u>	<u>35,862</u>
Future tax liabilities		
Program inventory	742	691
Net investment in sales-type leases	13,426	13,867
Property and equipment	24,098	20,966
Other	1,140	338
	<u>39,406</u>	<u>35,862</u>
Net future tax assets (liabilities)	<u>-</u>	<u>-</u>

As at March 31, 2009, the Corporation has a loss carry-forward for tax purposes of \$20.1 million (2008 – \$27 million), which expires in 2027.

22. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Cash flows provided by (used for):		
Short-term investments	6,999	22,999
Accounts receivable ¹	7,484	(21,347)
Inventory ²	(4,221)	(67,741)
Prepaid expenses	(21,680)	31,762
Net investment in sales-type leases ³	9	9
Accounts payable and accrued liabilities	372	1,388
Deferred revenues	(2,113)	4,613
Employee-related liabilities ⁴	27,489	(24,124)
Bonds payable ⁵	(250)	(232)
	14,089	(52,673)

¹ Excluding \$(0.1) million (2008 – \$(0.1) million) of notes receivable from the sale of lands.

² Including \$0.2 million (2008 – \$0.3 million) of amortisation of property and equipment.

³ Excluding capital recovery of \$0.1 million (2008 – \$0.1 million).

⁴ Excluding items not involving cash of \$(1.3) million (2008 – \$2.4 million).

⁵ Excluding repayment of bonds payable of \$0.6 million (2008 – \$0.6 million).

23. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to other government departments, agencies and Crown Corporations, subsidiaries and to private companies over which the Corporation has significant influence (Note 11). The Corporation enters into transactions with these related parties in the normal course of business, on normal trade terms applicable to all individuals and enterprises and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Corporation recorded the following amounts in the consolidated financial statements for transactions with related parties:

	<u>Government</u>		<u>Private Companies</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>			
Revenues	564	174	8,306	6,789
Accounts receivable	38	98	4,106	3,716
Expenses	7,980	2,459	276	91
Accounts payable and accrued liabilities	43	20	-	-
Long term investments	-	-	2,015	1,405

The expenses with government consist mainly of payroll taxes. The revenues from related private companies include a program agreement with Sirius Canada Inc. and management service and facility rental contracts with ARTV. The receivables relating to private companies relate mainly to the program agreement with Sirius Canada Inc. Long-term investments represent the acquisition of additional shares in ARTV.

During the year, the Corporation also received funding from the Government of Canada as described in Note 20.

24. FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash and cash equivalents, short-term investments, accounts receivable, net investment in sales-type leases, long-term receivables (excluding salary advances), long-term investments carried at cost, accounts payable and accrued liabilities, short-term employee related liabilities, bonds payable and derivatives.

The fair values of accounts receivable, short-term portion of sales-type leases, bonds payable and employee related liabilities and accounts payable and accrued liabilities approximate their carrying value due to the short-term nature of these instruments. Long-term investments over which the Corporation does not exercise significant influence are recorded at cost since they do not have a quoted market price.

24. FINANCIAL INSTRUMENTS (continued)

The Corporation recorded the value of the warrant to purchase an equity instrument in a privately held company equal to cost (1\$) since the fair value cannot be reliably measured. The carrying values and fair values of the long-term portion of net investment in sales-type leases, the long-term portion of the receivables, the bonds payable and the derivatives are listed below:

Instrument	2009		2008		Method
	Carrying values	Fair values	Carrying values	Fair values	
	<i>(millions of dollars)</i>				
Net investment in sales-type leases (long-term)	60.8	68.0	62.5	68.1	The fair value of the net investment in sales-type leases is determined using the net present value of principal and interest cash flows. The discount rate used is based on long-term government bonds maturing at approximately May 1, 2027, and adjusted by a spread based on credit rating.
Long-term receivables	77.0	82.9	84.2	89.2	The fair value of the long term receivable is determined using the net present value of principal and interest cash flows. The discount rate used, for the receivable relating to the sale of parcels of land, is based on long term government bonds maturing at approximately May 1, 2027 and adjusted by a spread based on credit ratings. For other long-term receivables, the discount rate used is based on government bonds maturing in approximately three to five years and adjusted by a spread based on credit ratings.
Bonds payable (long-term)	318.4	418.5	327.0	424.0	The fair value of the bonds payable is determined using the net present value of principal and interest to be paid. The discount rate used is based on quoted market prices for Government of Canada bonds maturing at approximately May 1, 2027, and adjusted by a spread based on the credit rating for the bonds.
Derivative financial instruments – (assets)	4.6	4.6	1.4	1.4	The fair value is based on quoted forward market prices at March 31.
Derivative financial instruments – (liabilities)	-	-	(7.9)	(7.9)	The fair value is based on quoted forward market prices at March 31.

24. FINANCIAL INSTRUMENTS (continued)

A. Derivative Financial Instruments

The Corporation uses forward exchange contracts to reduce its exposure to foreign exchange fluctuations of the US dollar.

At March 31, the notional and fair values (expressed in Canadian dollars) of the derivative instruments designated as cash flow hedges are as follows:

	<u>2009</u>		<u>2008</u>
Forward exchange contracts	Notional	Fair Value	Notional
Liabilities	<i>(in thousands of dollars)</i>		
Current:			
USD	-	-	42,562
			(7,873)

As of March 31, 2009, the Corporation has no derivative instruments designated as cash flow hedges.

For the year-ended March 31, 2009, the amount recorded in the Consolidated Statement of Comprehensive Income (Loss) resulting from the net change in fair value of the derivative instruments designated as cash flow hedges is nil (net of income tax of \$0) (2008 – loss of \$4.0 million).

The losses on derivatives designated as cash flow hedges are reclassified from accumulated other comprehensive income (loss) to net results for the year when contractual payments are made. The loss from fair value of financial instruments reclassified to the Consolidated Statement of Operations in fiscal year 2008-2009 represents \$7.8 million (2008 – nil). Any ineffectiveness has been recognised in the net results of operations as all forward contracts have matured during the year.

At March 31, the notional and fair values (expressed in Canadian dollars) of the derivative instruments not designated as hedges are as follows:

Maturities	<u>2009</u>		<u>2008</u>	
	Notional	Fair Value	Notional	Fair Value
	<i>(in thousands of dollars)</i>			
Forward exchange contracts				
Assets				
Current:				
USD ¹	20,539	4,559	12,818	910
GBP	-	-	2,982	46
Euro	-	-	2,026	395
TOTAL	20,539	4,559	17,826	1,351

¹ The forward contracts rates are between 1.00 and 1.04 for forward contracts in US dollars and the maturity date is between April 2009 and January 2011.

For the year-ended March 31, 2009, the amounts recorded in the Consolidated Statement of Operations resulting from the net change in fair value of the derivative instruments not designated as hedges represent a gain of \$3.2 million (2008 – \$1.4 million). This gain is presented in the Consolidated Statement of Operations as other income (net gain from fair value of financial instruments).

24. FINANCIAL INSTRUMENTS (continued)

B. Financial Risk Management

The Corporation's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of financial and economic markets and seeks to minimise potential effects on the Corporation's financial performance. The risk management is carried out through financial management practices in conjunction with the overall Corporation's governance. The Board of Directors is responsible for overseeing the management of financial risk.

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Corporation is exposed to currency risk and interest rate risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation is exposed to limited foreign exchange risk on revenues and expenses denominated in a foreign currency. The majority of these transactions are denominated in US dollars, Euros, and British Pounds. The Corporation's primary objective in managing currency risk is to preserve cash flows and reduce variations in performance. The Corporation policy on currency risk requires to minimise currency risk to protect the value of foreign cash flows both committed and anticipated from the negative impact of exchange rates fluctuation. The Corporation mitigates this risk by entering into forward exchange contracts. Accordingly, the Corporation has limited sensitivity to changes in foreign exchange rates.

The Corporation's net foreign currency exposure as at March 31, 2009 (expressed in Canadian equivalent dollars), is as follow.

	\$US	Euros	GBP
	<i>(in thousands of dollars)</i>		
Cash and cash equivalents	423	242	38
Accounts receivable	1,566	475	5
Accounts payable and accrued liabilities	(675)	(14)	(172)
Net exposure	1,314	703	(129)

Based on the net exposure as at March 31, 2009, and assuming all the other variables remain constant, a hypothetical 5% change in the Canadian dollar against the U.S. dollar, the Euro and the GBP would not have a significant impact on the Corporation's net results.

(ii) Interest rate risk

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Corporation's short-term investments, long-term receivables and the bonds payable are subject to interest rate fluctuation since they bear a fixed interest rate. An increase or decrease in market rates will impact the fair value of these financial instruments.

The Corporation manages its interest rate risk by spreading the maturity dates of investments over the fiscal year.

Based on the net exposure as at March 31, 2009, and assuming all the other variables remain constant, the impact on the net results of an hypothetical 1% change in the interest rate as of March 31, 2009, on the fair value of the long-term receivables represents \$4.7 million and represents \$31.2 million on the fair value of the bonds payable.

24. FINANCIAL INSTRUMENTS (continued)

D. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is exposed to credit risk through its cash and cash equivalents, investments, accounts receivable, long-term receivables and forward exchange contracts.

The maximum exposure to credit risk of the Corporation at March 31, 2009 is the carrying value of these assets.

(i) Cash and cash equivalents and investments

The Corporation has deposited cash with reputable financial institutions (members of the Canadian payments Association or local Cooperative Credit Societies that are members of a Central Cooperative Credit Society having membership in the Canadian Payments Association or subject to the approval of the Minister of Finance and financial institutions outside Canada), from which management believes the risk of loss to be remote. Cash equivalents are guaranteed by the Government of Canada.

The Corporation's investments are managed via an investment policy which guides the Corporation in its investment decisions. The Corporation invests surplus funds to earn investment income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements. The investments must be 100% guaranteed by the Government of Canada to ensure that the Corporation has negligible exposure to credit risk.

(ii) Accounts receivable

The Corporation's accounts receivable are mainly derived from sale of advertising airtime. Credit risk concentration with respect to trade receivables is limited by following a program of credit evaluation and by limiting the amount of customer credit where deemed necessary. The Corporation does not believe that it is exposed to an unusual or significant level of credit risk. As at March 31, 2009, no single client had balances representing a significant portion of the Corporation's trade receivables.

The Corporation establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable. The Corporation has a specific policy on credit and collections and guidelines that provides for how the allowance should be determined. The Corporation establishes a general allowance and an additional allowance that is based on specific accounts and is determined by considering the Corporation's knowledge of the financial condition of its customers, the aging of accounts receivable, the current economic climate, customer and industry concentrations and historical experience.

An aging of the Corporation's accounts receivable as at March 31, 2009 is as follows:

	2009
	<i>(in thousands of dollars)</i>
Current	101,799
31-60 days	29,414
61-90 days	12,405
Over 91 days	9,394
	<u>153,012</u>

Moreover, the Corporation's allowance for doubtful account amounted to \$2.9 million (2008- \$3.9 million).

(iii) Long-term receivables

Two counter parties have balances representing 87% of the long-term receivables as of March 31, 2009 (88% in 2008).

24. FINANCIAL INSTRUMENTS (continued)

D. Credit risk (continued)

For its long-term receivables relating to the past sale of parcels of land, the Corporation mitigated the risk by guaranteeing the amount to be received through promissory notes issued by highly reputable entities. \$14.0 million of the \$21.0 million notional value of the long-term receivables from the sale of certain of the Galaxie pay audio assets (described in Note 9B), are in the form of letters of credit, the remainder in the form of an unsecured notes payable. Management does not foresee any significant risk with the collection of the unsecured notes payable.

(iv) Forward exchange contracts

The Corporation manages its exposure to derivative counterparty credit risk by contracting primarily with reputable financial institutions.

E. Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulties in meeting its financial obligations associated with financial liabilities.

The Corporation's approach managing liquidity risk is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring losses. The Corporation also manages liquidity risk by continuously monitoring actual and budgeted cash flows. Also, the Board of Directors reviews and approves the Corporation's operating and capital budgets, as well as large transactions.

The Corporation does not have the authority to contract a line of credit or long-term debt.

25. Capital Management

The Corporation defines capital that it manages as the aggregate of its equity, which is comprised of retained earnings and accumulated other comprehensive income.

The Corporation's objectives in managing capital are to safeguard its ability to continue as a going concern, to fund its asset base and to fulfill its mission and objectives for the Government of Canada to the benefit of Canadians.

The Corporation manages its capital structure and makes adjustments to it in light of general economic conditions, the risk characteristics of the underlying assets and the Corporation's working capital requirements. The Corporation manages its capital by reviewing formally on a regular basis the actual results against set budgets and shares this information with its Audit Committee and the Board of Directors.

The Corporation's overall strategy with respect to capital management includes the balancing of its operating and capital activities with its funding on an annual basis. Steps are currently being taken to manage an expected cash flow requirement in 2009-2010, as described in note 27.

26. Comparative figures

Some of the 2008 figures have been reclassified to conform to the current's year presentation.

27. Subsequent events

The note will be included once the Treasury Board's decision is known.

Board of Directors

June 22, 2009

Subject matter**Pension Plan Actuarial Valuation****Background**

At the March meeting, the Board endorsed the Trustees' decision to commission an actuarial valuation of the Pension Plan as at December 31, 2008.

s.18(a)

Information on the matter

The valuation has been completed and the results are presented in the attached.

s.21(1)(a)

s.21(1)(b)

s.21(1)(d)

For decision**For information****Prepared by**

Name: Johanne Charbonneau
Date: June 12, 2009

Management recommendation**Last discussed at the Board**

Date: March 11, 2009
Decision made: Endorse the Trustees' decision to undertake an actuarial valuation of the Pension Plan as at December 31, 2008.

Next steps

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**is withheld pursuant to sections
est retenue en vertu des articles**

18(a), 21(1)(a), 21(1)(b), 21(1)(d)

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CBC/Radio-Canada Board of Directors

Actuarial valuation of the CBC Pension Plan as at December 31, 2008

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A0023390_1-000449

**Pages 450 to / à 457
are withheld pursuant to sections
sont retenues en vertu des articles**

18(b), 20(1)(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

Board of Directors

Subject matter

First CBC/Radio-Canada Annual Public Meeting

Background

In its *Budget Implementation Act 2009*, the Treasury Board Secretariat includes a governance review amendment to Annual Public Meetings. Crown Corporations are now required to hold public meetings annually to provide the public with an opportunity to learn more about the Crown corporation's mandate and operations.

Information on the matter

The Government of Canada addresses the need for each Crown corporation to hold an annual public meeting in its *Review of the Governance Framework for Canada's Crown Corporations – Meeting the Expectations of Canadians* (February 17, 2005).

For decision

For information

Prepared by

Name: Bill Chambers
Date: June 11, 2009

Recommendation

Please see attached document.

Last discussed at the Board

A first proposal was presented to the Governance Committee at the May meeting. This proposal was modified and updated to reflect discussions held at the meeting.

Next steps

Once the proposal is approved, Corporate Communications will go ahead with its implementation.

ANNUAL PUBLIC MEETING

Date: June 11, 2009

Draft Number: 3

Prepared By: Corporate Communications

Overview

The first part of this document provides an overview of the Annual Public Meeting requirement and proposes an approach for an inaugural meeting in the fall of 2009. If approved, a detailed project plan will then be developed to manage execution of this initial meeting. The format of future public meetings will be based on the post-mortem of the first one.

Background

The Government of Canada addresses the need for each Crown corporation to hold an annual public meeting in its *Review of the Governance Framework for Canada's Crown Corporations – Meeting the Expectations of Canadians* (February 17, 2005).

In its *Budget Implementation Act 2009*, the Treasury Board Secretariat includes a governance review amendment to Annual Public Meetings. Crown Corporations are now required to hold public meetings annually to provide the public with an opportunity to learn more about the Crown corporation's mandate and operations. Details of when and how meetings will be held are determined by by-laws or by the Board.

Public Meeting Objectives

Beyond responding to the Treasury Board of Canada's requirement to hold annual public meetings, this initiative supports CBC/Radio-Canada's outreach objectives by:

- providing information on CBC/Radio-Canada's direction and activities;
- soliciting feedback from the public on performance;
- providing the opportunity for Canadians to ask questions.

Target Audiences

- Canadians
- Interested third parties

Guidelines

CBC/Radio-Canada's Annual Public Meeting should:

- convey to the public a message of transparency, accountability and accessibility;
- be open to all members of the public, and be as inclusive as possible;
- be bilingual to allow participation in the official language of people's choice;
- be chaired by the Chair of the Board, and led by the President and CEO;
- be followed by an open question and answer period;
- allow for interaction between the public and Board members / senior executives.

Given the breadth of CBC/Radio-Canada's mandate and footprint, the Corporation might choose to consider having more than one meeting in a given year and/or use technological means to expand its reach.

The speeches/presentations should deal with the Corporation's priorities and strategic directions.

We should try to hold these meetings on our premises wherever possible, so that we can be even more transparent, provide a clearer picture of who we are and what we do, and minimize costs. That said, some of our facilities lack a room large enough to accommodate meetings of this kind; plus, their studios are usually booked for programming activities.

Proposal for 2009

The very first CBC/Radio-Canada Annual Public Meeting should be hosted on our premises in September.

Proposed meeting structure

First part hosted by MC – a bilingual on-air personality from the Corporation

1. Welcome remarks and introduction by the Chair of the Board of Directors
 - Introduce board members
 - Governance
2. Corporate overview by the President and CEO
 - Video
 - Priorities and strategic directions
 - Performance and highlights
 - Potential announcement to make
3. Financial overview by the Vice-President and CFO
4. Question and answer period

Second part

5. Meet-and-greet where the public can mingle with directors / senior executives / on-air personalities

Additional information

- The first part of the meeting, including the video screening, will be presented live on the Corporation website and remain available on-demand after the event.
- To encourage greater attendance, the public will be invited to submit questions ahead of time by email; a few could be chosen for the question period, and the answers to the most frequently asked ones could be posted on the corporate website at a later date.

Considerations for September 2009

- Because the House of Commons only resumes sitting on September 21, our 2008–09 Annual Report may not be released in time for the meeting.
- With the new corporate website being launched over the summer, this event will be an opportunity to promote it.
- Because the French Services season launch is slated for August, the public will have had the chance to meet Radio-Canada on-air personalities a few weeks before the meeting.
- With the English Services launch scheduled for October 5 (no public event, just promotion), its regional personalities (Ottawa) are guaranteed to be on hand.
- A federal election could be declared in the fall.

Meeting promotion

- Ads in regional dailies (one month before and the Saturday preceding the meeting)
- On our three main websites
- On air, in our regional schedule
- On social media such as Twitter and Facebook

Social media will also be used to engage and deepen the discussion with Canadians, during and following the meeting.

Recommendation – Meeting Held in Ottawa Broadcast Centre’s Studio 40

Wednesday, September 23, from 10 to 11:30 a.m., in Studio 40, Ottawa Broadcast Centre

Format:

- 10–11 a.m.: Presentation / official part
- 11–11:30 a.m.: Meet-and-greet with on-air personalities / newsroom tours
- Official part recorded (two cameras and control room) for live webcast on the corporate site and on-demand access after the event.
- Basic studio configuration: podium at front with plasma screen backdrop for projection of the video and PowerPoint presentations
- Two microphones on either side of the room for public questions/comments
- We are currently examining the possibility of providing, during the entire first part (including the question period), simultaneous interpretation for everyone attending the event or watching it live on the Web. If this option is rejected, it goes without saying that the agenda, speeches and presentations will be available in both languages (on site and on the corporate website) and that audience members will be allowed to speak in their language of choice.

s.21(1)(b)

We feel it's entirely appropriate that CBC/Radio-Canada hold its first annual public meeting in the Ottawa Broadcast Centre's Studio 40, on Wednesday, September 23, from 10 to 11:30 a.m.

Next Steps

June	Draw up itemized budget.
June 22–23	Present revised proposal to the Board of Directors and obtain approval.
June	Develop a detailed strategic plan / script / presentation content / video production / logistics.
August	Issue public notice of meeting 30 days in advance (regional dailies, on-air promotion – regional shows, websites).
September 19	Gather questions submitted online by the public.
September 21	Issue reminder of public notice in regional dailies.
	Host CBC/Radio Canada's annual public meeting.
	Conduct a post-mortem.

Post-Mortem and Proposal for Subsequent Meetings

The format of subsequent meetings, for 2009–10, will be based on the post-mortem of the initial one.

Webcasting will not be required for the other meetings, because the inaugural September 2009 meeting will remain available on demand on the corporate website.

After the first meeting in Ottawa, subsequent ones could be hosted in a predominantly English-speaking, French-speaking or bilingual centre.

The following cities and dates are proposed for consideration:

- Vancouver¹ – Late October / early November 2009
- Winnipeg – Mid-February 2010
- Moncton – Mid-March 2010

¹ Shortly after the official inauguration of our new facilities, before the Olympic rush.

BOARD OF DIRECTORS

June 22-23, 2009

Subject matter

CALENDAR OF MEETINGS

Background

At its May 2009 meeting, the Board approved a proposal that all Board meetings be held in Ottawa for the balance of 2009 and for 2010, as a cost saving measure and confirmed the dates.

Information on the matter

A change to the June 2010 date is required to address issues related to the availability of year-end financial statements and annual audit results.

For decision

For information

Prepared by

Name: Pierre Nollet
Date: June 5, 2009

Recommendation

THAT the revised 2010 calendar of meetings be approved as amended.

Last discussed at the Board

Date: May 13, 2009
Decision made: The revised 2009 and 2010 calendars of meetings were approved.

Next steps

Distribute new calendar of meetings for 2010.

Conseil d'administration

22 et 23 juin 2009

Sujet

CALENDRIER DES RÉUNIONS

Contexte

À sa réunion de mai 2009, le Conseil a approuvé une proposition voulant que toutes les réunions du Conseil aient lieu à Ottawa pour le restant de 2009 et en 2010, comme mesure d'économie de coûts. Les dates des réunions ont également été confirmées.

Renseignements connexes

La date de la réunion de juin 2010 doit être changée afin de tenir compte de certaines questions concernant la disponibilité des états financiers de fin d'exercice et des résultats de la vérification annuelle.

Pour décision

Pour information

Préparé par

Nom : Pierre Nollet

Date : 5 juin 2009

Recommandation de la direction

QUE le calendrier révisé des réunions soit approuvé dans sa version modifiée.

Dernière discussion au Conseil

Date : 13 mai 2008

Décision prise : Les calendriers des réunions de 2009 et 2010 ont été approuvés.

Prochaines étapes

Distribution du nouveau calendrier des réunions pour 2010.



**MEETINGS OF THE BOARD OF DIRECTORS
RÉUNIONS DU CONSEIL D'ADMINISTRATION**

**PROPOSED/PROPOSÉ
2010**

January 19 – 20 / 19 – 20 janvier	Ottawa
March 16 – 17 / 16 – 17 mars	Ottawa
May 11 – 12 / 11 – 12 mai	Ottawa
June 22 – 23 / 22 – 23 juin	Ottawa
September 21 – 22 / 21 – 22 septembre	Ottawa
November 16 – 17 / 16 – 17 novembre	Ottawa

**CURRENT COMMITTEE MEMBERSHIP
MEMBRES ACTUELS DES COMITÉS****Audit Committee
Comité de vérification**

Peter Charbonneau	Chair / Président
Brian Mitchell	
Edna Turpin	
Patricia McIver	
Trina McQueen	

**Standing Committees on English and French Language Broadcasting
Comités permanents sur la radiodiffusion de langue française et de langue anglaise**

Timothy Casgrain	Chair / Président
Hubert T. Lacroix	President & CEO / Président-directeur général
Linda Black	
Peter Charbonneau	
George Cooper	
Joseph Handley	
Peter Herndorf	
Patricia McIver	
Trina McQueen	
Brian Mitchell	
Rémi Racine	
Edna Turpin	

**CURRENT COMMITTEE MEMBERSHIP
MEMBRES ACTUELS DES COMITÉS****Human Resources and Compensation Committee
Comité des ressources humaines et de la rémunération**

Edna Turpin	Chair / Présidente
Timothy Casgrain	
Hubert T. Lacroix	
Rémi Racine	

**Nominating and Governance Committee
Comité des nominations et de la gouvernance**

Peter Herrndorf	Chair / Président
Linda Black	
Joseph Handley	
George Cooper	

**Pension Board of Trustees
Conseil de fiducie de la Caisse de retraite**

Timothy Casgrain
Brian Mitchell

**CURRENT COMMITTEE MEMBERSHIP
MEMBRES ACTUELS DES COMITÉS****Special Committee on Real Estate Projects
Comité spécial sur les projets immobiliers**

Rémi Racine	Chair/Président
Timothy Casgrain	Chair of the Board / Président du Conseil
Hubert T. Lacroix	President & CEO / Président-directeur général
Linda Black	
Peter Charbonneau	
George Cooper	
Joseph Handley	
Peter Herrndorf	
Patricia McIver	
Trina McQueen	
Brian Mitchell	

**Strategic Planning Committee
Comité de planification stratégique**

Timothy Casgrain	Chair/Président
Peter Charbonneau	
Peter Herrndorf	
Trina McQueen	
Rémi Racine	

370th MEETING OF THE BOARD OF DIRECTORS

**June 22 - 23, 2009
Ottawa, Ontario**

LOCATION

**Ottawa Production Centre
181 Queen Street
3rd floor, room 333
Ottawa, Ontario**

**Secretariat
Tel: (613) 288-6281
Fax : (613) 288-6279**

370^e RÉUNION DU CONSEIL D'ADMINISTRATION

**Les 22 et 23 juin 2009
Ottawa (Ontario)**

LIEU

**Centre de Production d'Ottawa
181, rue Queen
3^e étage, Salle 333
Ottawa (Ontario)**

**Secrétariat
Tél. : (613) 288-6281
Télécopieur : (613) 288-6279**

Monday, June 22, 2009

08:30 Meeting of the Audit Committee
Room 333

14:30 Conclude

14:30 Meeting of the Standing committees
on English and French Language
Broadcasting – (IFRS TRAINING)
Room 333

17:45 Conclude

18:30 **Board Dinner**
Rideau Club
99 Bank Street
Yousuf Karsh Room

Tuesday, June 23, 2009

08:00 Meeting of the Board of Directors
Room 333

LUNCH

14:00 Conclude

Le lundi 22 juin 2009

8 h 30 Réunion du Comité de vérification
Salle 333

14 h 30 Conclusion

14 h 30 Réunion des Comités permanents sur
la radiodiffusion de langue française
et de langue anglaise - (FORMATION
IFRS) - Salle 333

17 h 45 Conclusion

18 h 30 Dîner du Conseil
Rideau Club
99, rue Bank
Salon Yousuf Karsh

Le mardi 23 juin 2009

8 h Réunion du Conseil d'administration
Salle 333

DÉJEUNER

14 h Conclusion

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Conference Call – March 20, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
FRIDAY MARCH 20, 2009				
1. Status Report from President and CEO	16:00 (10 min)	Hubert T. Lacroix		
2. Adjustments to English Services 2009-2010 Budget	16:10 (10 min)	Hubert T. Lacroix Richard Stursberg		YES
3. Profac 7-year Contract Extension	16:20 (15 min)	Michel Saint-Cyr	YES	From previous meeting
Conclude	16:35			

Pages 473 to / à 478
are withheld pursuant to sections
sont retenues en vertu des articles

18(a), 18(b), 20(1)(b), 20(1)(d)

of the Access to Information Act
de la Loi de l'accès à l'information

Pages 479 to / à 492
are withheld pursuant to sections
sont retenues en vertu des articles

18(a), 18(b), 20(1)(b), 20(1)(d)

of the Access to Information Act
de la Loi de l'accès à l'information

**368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Toronto, Ontario – March 16 - 17, 2009**

ITEM	START TIME	REPORT BY	MOTION REQUIRED	DOCUMENT
MONDAY MARCH 16, 2009				
1. In Camera with President and CEO	13:00 (60 min)			
2. Presentation and Approval of the 2009-2010 Operating, Working Capital and Capital budgets	14:00 (180 min)	Hubert T. Lacroix Johanne Charbonneau Richard Stursberg Sylvain Lafrance Katya Laviolette Suzanne Morris Michael Mooney Neil McEaney Huguette Lavallée		
Adjournment	17:00		s.18(b)	
DINNER (IN CAMERA DISCUSSION)	18:30			
s.21(1)(b)				
TUESDAY MARCH 17, 2009				
3. In Camera with President and CEO	08:00 (30 min)			
4. Presentation and Approval of the 2009-2010 Operating, Working Capital and Capital budgets (cont'd)	08:30 (150 min)	Hubert T. Lacroix Johanne Charbonneau	YES	YES
5. Monetization of Cash flow and Assets	11:00 (60 min)	Michel Tremblay		
• Monetization of Ontrea cash flow			YES	YES
•			YES	YES
•			YES	YES
•			YES	YES
6. Profac 7-year Contract Extension	12:00 (15 min)	Michel Saint-Cyr	YES	YES
LUNCH	12:15			
7. Approval of minutes of the January 19 – 20, 2009 meeting, the conference calls of January 29, 2009 and February 25, 2009	13:00 (5 min)	Timothy Casgrain	YES	YES
8. Matters arising from previous meetings	13:05 (10 min)	All		
9. Chair's Report	13:15 (20 min)	Timothy Casgrain		

**368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Toronto, Ontario – March 16 - 17, 2009**

10. Audit Committee Report	13:35 (20 min)	Peter Charbonneau		
<ul style="list-style-type: none"> • Vision Project – Funding increase • Recommendation re Postponement of Special Examination 			YES YES	YES YES
IN CAMERA				
11. Human Resources and Compensation Committee Report	13:55 (30 min)	Edna Turpin		
<ul style="list-style-type: none"> • Approval of Executive Management compensation and incentive budget for 2009-2010 • Approval of Management/APS and Confidential employees compensation and incentive budget for 2009-2010 • Voluntary Retirement Incentive Program • SCRC Bargaining mandate 			YES YES YES YES	YES
Next meeting – May 12 – 13, 2009 – Edmonton Conclude	15:00			

UPDATES/INFORMATION

- a) Summary of Government Funding (10 year operating & capital) – Johanne Charbonneau
- b) Labour Relations Update – George Smith
- c) Workforce Distribution – Katya Laviolette
- d) President's Signing Resolution – Pierre Nollet
- e) Monthly Financial Management Report at January 31, 2009 – Forecast to year-end – Johanne Charbonneau
- f) Update on Access to Information – Pierre Nollet

Board of Directors
(March 16 and 17, 2009)

Subject matter

By-law instituting Voluntary Retirement Incentive Program (VRIP)

Background

The Corporation has developed a **Voluntary Retirement Incentive Program (VRIP)**, as one of the measures to counter the significant financial constraints that it is facing. The VRIP provides for a gratuity to be paid as an incentive. The VRIP was put to the Board for approval. Pursuant to sections 51 (1) (d) and 51 (2) of the *Broadcasting Act*, the Board may make a by-law providing for the payment of a gratuity to any officer or employee. Ministerial approval must be sought in order for a by-law providing for the payment of a gratuity to have effect.

Information on the matter

As contained in the attached proposed By-law ■

For decision

For information

Prepared by

Name: Pierre Nollet
Date: March 16, 2009

Management recommendation

It is recommended that the enclosed resolutions be approved by the Human Resources and Compensation Committee for recommendation to the Board of Directors for final approval.

Last discussed at the Board

Date: n/a
Decision made: n/a

Next steps

Report back on status of ministerial approval at May 12-13 2009 Meeting.

Anticipated project completion date: _____
(If contract, indicate date of expiry): _____

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est retenue en vertu de l'article**

23

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de la Loi de l'accès à l'information**

POLICY: CORPORATE EXECUTIVE DEPARTURE

EFFECTIVE DATE: January 1, 2009

STATEMENT

In circumstances other than those contemplated in Departure Policy 2.2.12, it is the policy of CBC/Radio-Canada to assist and to treat fairly and reasonably Corporate Executives (as defined below) departing from the Corporation, by providing notice/severance compensation not to exceed _____ (revision per January 20th, 2009 Board of Directors Meeting) in accordance with the procedures and guidelines below.

Corporate Executives:

- Report to the President and CEO of CBC/Radio-Canada; and
- Have policy-making responsibility for a major component/function; and
- Have joint responsibility for corporate direction/strategies; and
- Normally have a title of Vice-President.

s.18(b)

APPLICATION

The terms and conditions of a Corporate Executive departure as a result of retirement, resignation, or cause are covered in Departure Policy 2.2.12. The present policy covers departures other than those contemplated above. A termination of employment pursuant to this policy is considered to be a voluntary departure for purposes of any program provided by the Corporation. Where termination/departure terms and conditions stipulated in an employment contract differ from this policy, such terms and conditions will supersede.

DESCRIPTION

There are circumstances that could result in the departure of a Corporate Executive from the Corporation. In order to ensure consistency and good governance, guidelines are established herein to facilitate this event.

RESPONSIBILITY

President and CEO, or delegate.

REFERENCES

- Human Resources Policy 2.2.10 - Discipline
- Human Resources Policy 2.2.12 - Departure
- Executive Incentive Plan ("Horizon")
- CBC/Radio-Canada Consolidated By-Laws

HISTORY

- none

PROCEDURES ON CORPORATE EXECUTIVE DEPARTURE POLICY

The departure of a Corporate Executive, for reasons other than those covered in the Departure Policy 2.2.12, shall observe the following guidelines:

Notice/Severance Payment:

- Taking into account considerations below, total of notice plus severance period not to exceed
- Considerations:
 - Reason for departure
 - Position hierarchy within the organization
 - Years of service
 - Age
 - Circumstances at time of hire (e.g. solicitation from previous employer)
 - Other factors per current employment standards

Executive Incentive Plan for Corporate Executives ("Horizon"):

- Guidelines as per the Board approved plan in force at the time.
- For departures considered in this policy, the available award for a given year will be determined based on performance and in proportion to the period of active employment during that year. In addition, the amount of accumulated reserve up to the last day of active work shall be part of the award earned by the participant.

Employee Status:

- Employment status will cease on the last day of active employment.
-

Company Property:

- To be returned no later _____ after the last day of active employment.

Perquisites:

- Balance to be forfeited at the time of end of active employment.

Transition Counseling:

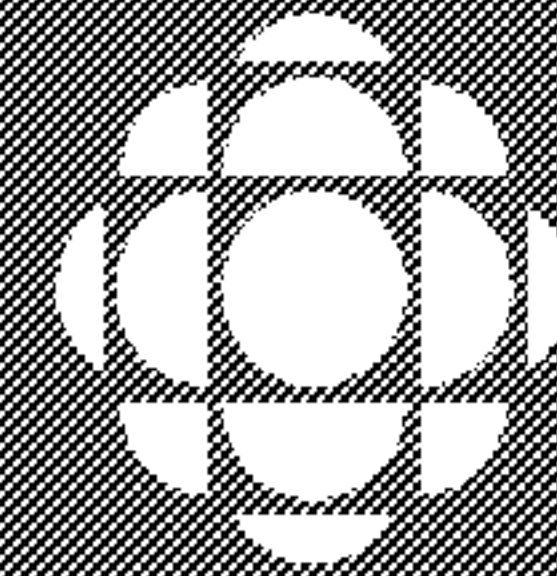
- To be offered for _____

Factors related to the departure

_____ may result in additional consideration on an exceptional basis. The Human Resources and Compensation Committee must approve all exceptions to the above guidelines.

s.18(b)

Board Presentation

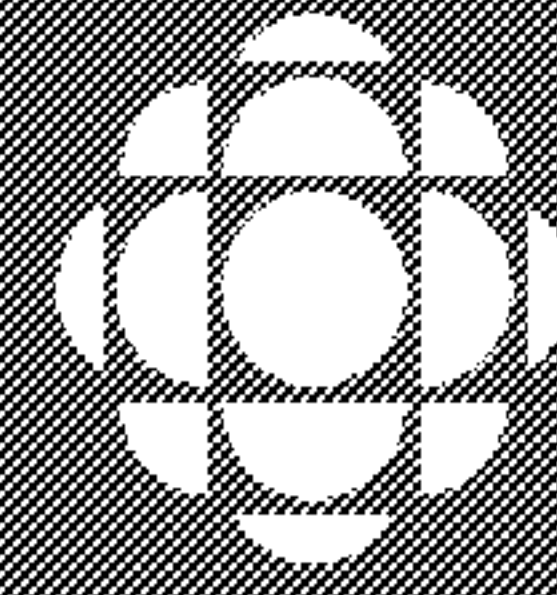


2009-2010 Recovery Plan Communications plan

*Presented to the Board of Directors
by Bill Chambers*

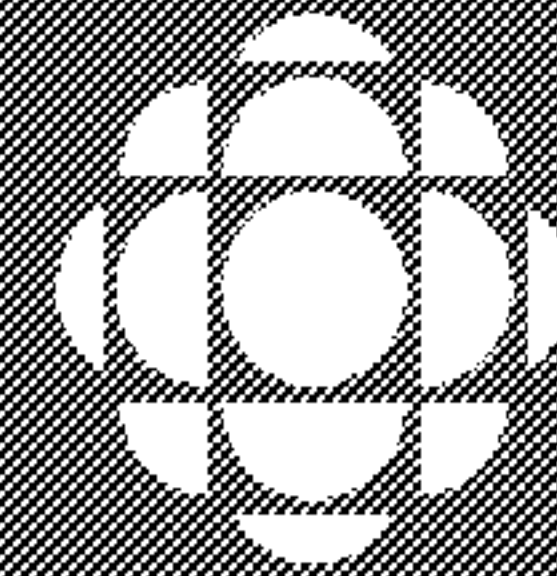
March 18, 2009

Communications Objectives



- ❑ Show strong leadership
- ❑ Be factual about financial circumstances and the gravity of the outlook.
- ❑ Lever internal and external communications to reinforce government relations strategy
- ❑ Convey news about values underlying layoffs and cuts to programs and services.
- ❑ Show that decisions are anchored in a long-term vision for future of public broadcasting, and a strategy that's working.
- ❑ Project confidence about the long-term future

Communication Audiences



- ❑ Employees//Unions
- ❑ Managers/SET/BOD
- ❑ Government
- ❑ CBC/Radio-Canada audiences

- ❑ Stakeholders, influencers, partners
- ❑ Advertisers
- ❑ Media and social networks
 - And through them, Canadians

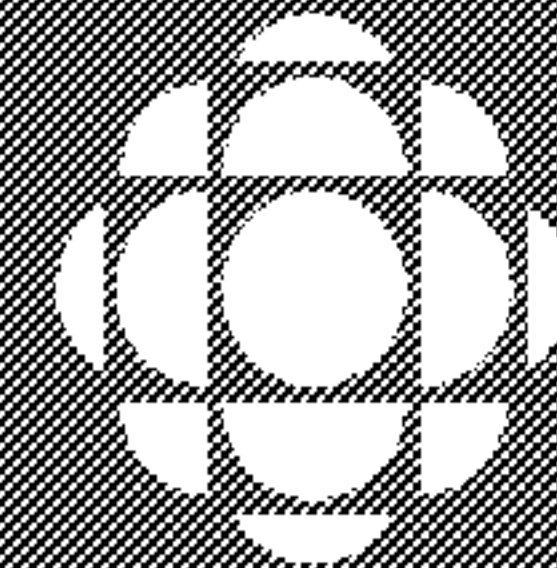
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21(1)(b)

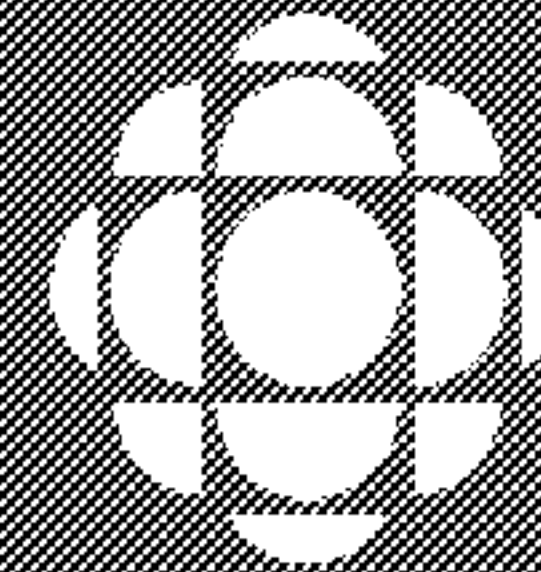
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de la Loi de l'accès à l'information**

Phase 2 – March 25 - forward

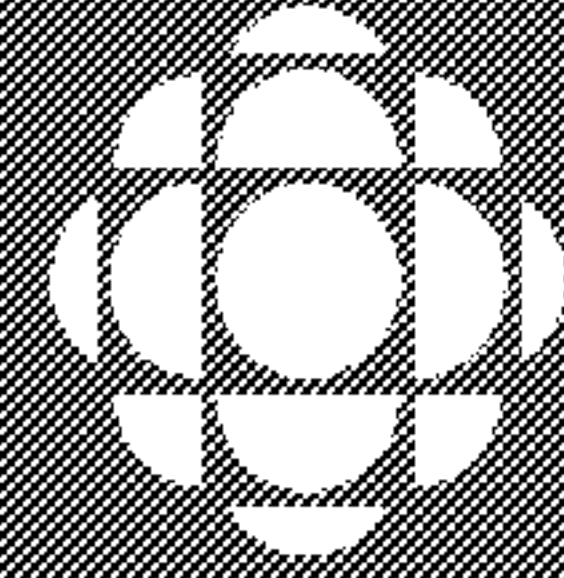


- Get the message out
 - Proactively to all audiences
 - React/respond to any speculation, rumours and questions
 - Be clear about what we know and what we don't know.
- Guiding principle
 - Employee knows first
 - Other than possible heads-up to Government and unions and managers

Story line

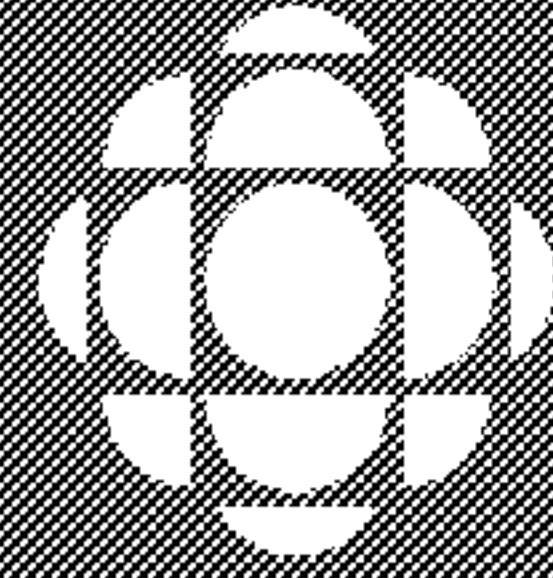


Communications plans

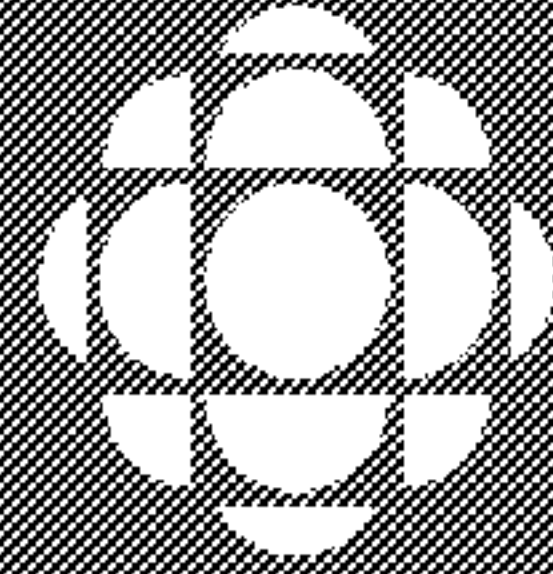


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Employee Plan

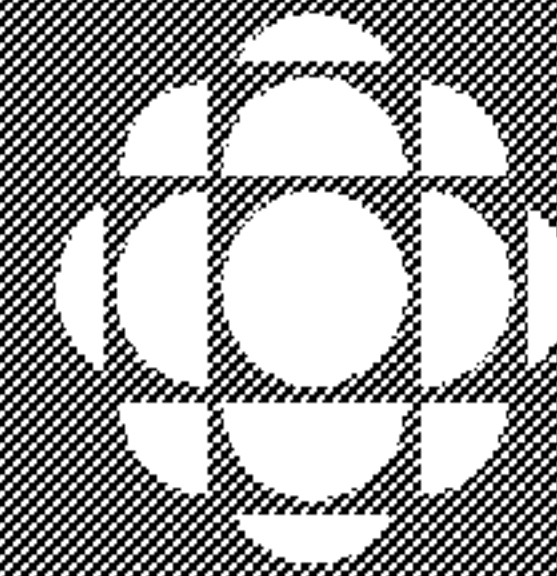


Unions Plan



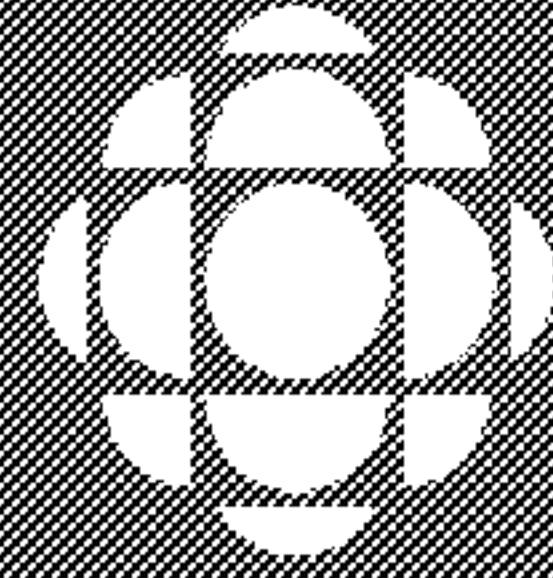
- Prebriefing March 12
- Unveiling session March 20

Management plan

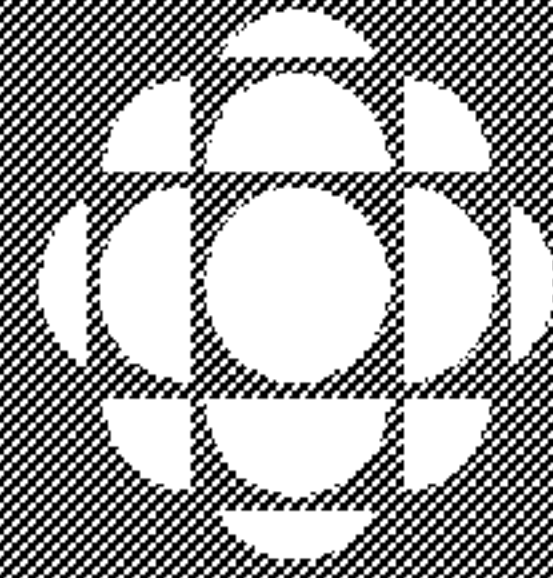


- Management prebrief
 - Senior management (top 85) through VPs
March 18-20
 - All management conference call (English and French) prebrief morning of March 25
- Management training and support
 - March-June

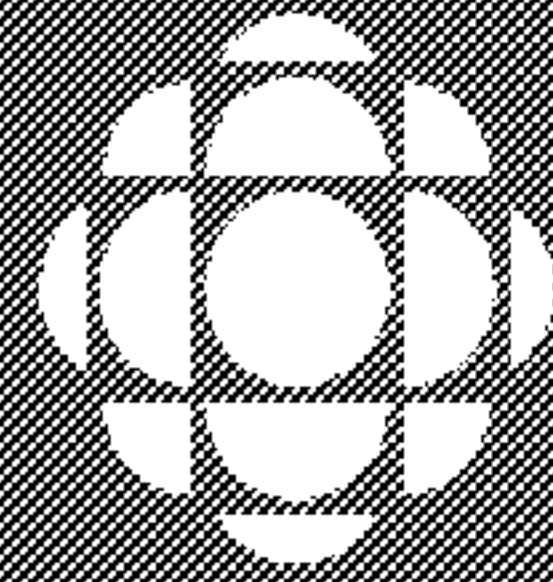
Government Plan



Stakeholders/Influencers/ Partners Plan

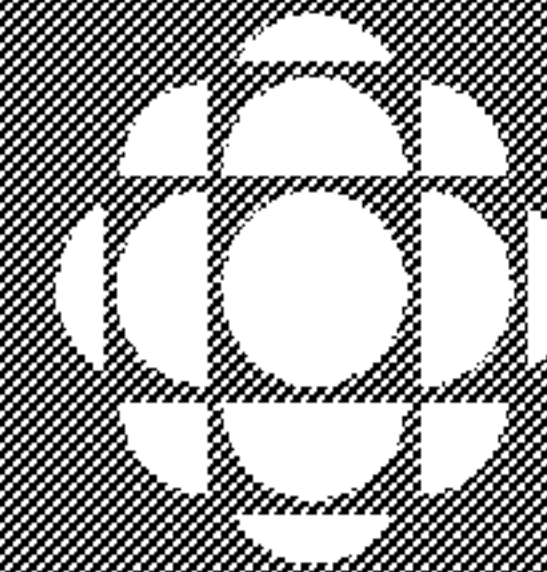


Phase 3 – Summer-Fall 2009



- There will need to be a relaunch campaign internally and externally once the lay-offs are complete and the measures have taken effect

Board Support



*Much more information
available upon request*

Executive Management Compensation and Incentive Budget for 2008-2009

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the budget of approximately _____ with an implementation date of January 1, 2008.

MOTION CARRIED

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves a modification to the _____ as noted in the document which shall remain filed with the original of these minutes as Exhibit A .

MOTION CARRIED

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves an incentive plan payout budget, for the 2007/8 performance year, of _____ to be paid out June 12, 2008. These requested budgets assume plans will payout at target distribution for the eligible population as at January 31, 2008.

s.21(1)(a)

MOTION CARRIED

s.18(b)

s.18(a)

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves a modification of the _____ within the “Executive Incentive Plan for Corporate Executives 2008-2009” plan as noted in the document which shall remain filed with the original of these minutes as Exhibit B.

MOTION CARRIED

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the re-introduction of the “Executive Incentive Plan for Corporate Executives 2008-2009” and the “Executive Incentive Plan for Unit/Function Executives 2008-2009” at an estimated cost of [redacted]. This estimated cost is based on the current eligible population as at January 31, 2008.

MOTION CARRIED

Management/APS and Confidential Employees Compensation and Incentive Budget for 2008-2009

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves that the salary ranges applicable to Management APS and Confidential employees be increased by [redacted] provided for a base salary review, with an implementation date of June 23, 2008.

s.18(a)

MOTION CARRIED

s.18(b)

s.21(1)(a)

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves an incentive plan payout budget, for the 2007-08 performance year, of [redacted] on the assumption the plan will payout at target distribution with a payout issue date of July 17, 2008.

MOTION CARRIED

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the re-introduction of the Senior Management Incentive Plan (‘In Tandem Plan’) for eligible Management employees for the 2008-09 fiscal year at an estimated cost of [redacted]. This estimated cost assumes payout at target distribution reflecting the eligible population as at January 6, 2008.

MOTION CARRIED

Board of Directors
March 16-17, 2009

Subject matter

President and CEO's Signing Authority

Background

In June 2008 the Board approved the attached signing authority.

Information on the matter

At the request of Board members, we are attaching, as a standing item, the actual signing resolution for reference purposes.

For decision

For information

Prepared by

Name: Pierre Nollet
Date: February 27, 2009

Management recommendation

Last discussed at the Board

Next steps

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

On a motion duly moved and seconded

WHEREAS the President and CEO requires sufficient authority to carry out his/her functions; and

WHEREAS the Board reviews and approves the Capital and Operating budgets each and every year; and

WHEREAS the authority granted to the President and CEO shall be carried out within the limits of the approved budgets and in accordance with the provision of the Corporation's By-laws and the Broadcasting Act;

IT IS THEREFORE RESOLVED THAT the President and CEO directly or through his/her delegate be and is hereby authorized to decide, enter into or commit on behalf of the Corporation in respect of:

1. *(acquisition or disposition of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$4 million, when covered by Section 48(2) of the Broadcasting Act;
2. *(leasing of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$15 million, when covered by Section 48(2) (b) of the Broadcasting Act and Order in Council number P.C. 2002-1582 dated September 24, 2002;
3. *(programming)* any matter relating to the acquisition, production, co-production, distribution or financing of programs, or any media placement or advertising agreements that has a financial value* or consideration to the Corporation of up to \$10 million and that commits the Corporation for a period of 4 years or less;
4. *(revenue generating)* any matter where the main objective is to generate revenues and which requires the Corporation to invest up to \$15 million and commits the Corporation for a period of 4 years or less;
5. *(general)* any other matters which have a financial value or consideration to the Corporation of up to \$5 million save and except when Governor in Council approval or Minister of Finance approval is required, pursuant to Section 46 and 46.1 of the Broadcasting Act.

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

For greater certainty, the above authority does not include the authority to:

- a) agree to or enter into new business ventures on behalf of the Corporation;
- b) discontinue or cease the operations of a division or business unit; or
- c) dispose of a significant portion of the assets of a division or business unit.

IT IS FURTHER RESOLVED THAT the President directly or through his/her delegate be and is empowered and directed, in the name and on behalf of the Corporation to make, execute and deliver and to do all such acts and things as are necessary or appropriate to effect the foregoing resolution and to execute all agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Corporation in connection with the authority contemplated in the foregoing resolution and any acts or things heretofore done or made or documents heretofore executed and delivered which effect the foregoing resolution are in all respects approved, ratified and confirmed.

* Financial value includes the value of any option as if exercised.

Conseil d'administration
(16 et 17 mars 2009)

s.18(a)
s.21(1)(b)
s.21(1)(d)

Sujet

Programme incitatif de retraite volontaire (PIRV)

Contexte

CBC/Radio-Canada fait face à des contraintes financières qui auront inévitablement des répercussions sur ses effectifs. La Société a mis au point un **Programme incitatif de retraite volontaire (PIRV)**, en vue de minimiser l'impact du réaménagement nécessaire des effectifs à l'échelle de la Société pour réaffecter les coûts.

Le PIRV prévoit qu'une indemnité sera versée à titre incitatif. Conformément à l'alinéa 51 (1)d) et au paragraphe 51 (2) de la *Loi sur la radiodiffusion*, le Conseil d'administration peut, par règlement administratif, prévoir le paiement d'une indemnité à un administrateur ou à un employé. L'approbation ministérielle doit être obtenue afin que le règlement administratif prévoyant le paiement d'une prime soit exécutoire.

Renseignements connexes

Voir en annexe le document intitulé *Programme incitatif de retraite volontaire 2009* et la modification des règlements administratifs de la Société

Pour décision

Pour information

Préparé par

Nom : Katya Laviolette
Date : 16 mars 2009

Recommandation de la direction

Il est recommandé que les résolutions ci-jointes soient approuvées par le Comité des ressources humaines et de la rémunération, qui les recommandera au Conseil d'administration pour approbation finale.

Dernière discussion au Conseil

Date : s. o.
Décision prise : s. o.

Prochaines étapes

Faire un rapport sur le taux d'acceptation et les coûts réels à la réunion des 12 et 13 mai 2009.

Date prévue d'achèvement du projet : _____
(Si c'est un contrat, indiquer la date d'expiration) : _____

RÉSOLUTIONS

IL EST RÉSOLU QUE le Comité des ressources humaines et de la rémunération recommande au Conseil d'administration d'approuver le *Programme incitatif de retraite volontaire 2009*.

IL EST ÉGALEMENT RÉSOLU QUE, conformément à l'alinéa 51 (1)d) de la *Loi sur la radiodiffusion*, le Comité des ressources humaines et de la rémunération recommande au Conseil d'administration d'approuver la modification suivante des règlements administratifs de la Société :

« Insertion de l'article 17.1, qui se lit comme suit :

17.1 PROGRAMME INCITATIF DE RETRAITE VOLONTAIRE

Il est établi par la présente une demande spéciale qui sera versée relativement au Programme incitatif de retraite volontaire, dont le contenu intégral est décrit plus en détail dans l'annexe I-2009, annexée aux règlements administratifs et qui en fera partie. »

IL EST ÉGALEMENT RÉSOLU QUE, conformément au paragraphe 51 (2) de la *Loi sur la radiodiffusion*, le Comité des ressources humaines et de la rémunération recommande au Conseil d'administration d'obtenir l'approbation du ministre relativement à l'article 17.1 des règlements administratifs prévoyant le paiement d'une indemnité.



**PROGRAMME INCITATIF DE
RETRAITE VOLONTAIRE
2009**

**16-17 mars 2009
Réunion du Conseil d'administration**

Objectifs du programme

CBC/Radio-Canada fait face à des contraintes financières qui auront inévitablement des répercussions sur ses effectifs. La Société a mis au point un Programme incitatif de retraite volontaire (PIRV), qui s'inscrit dans le cadre de plusieurs initiatives recommandées en vue de minimiser l'impact du réaménagement nécessaire des effectifs à l'échelle de la Société pour réaffecter les coûts.

s.21(1)(b)

s.21(1)(d)

s.18(a)
s.21(1)(b)
s.21(1)(d)

s.18(b)
s.21(1)(b)
s.21(1)(d)

PROGRAMME INCITATIF DE RETRAITE VOLONTAIRE

s.18(b)

s.21(1)(d)

s.21(1)(b)

1. **Énoncé**

Le Programme incitatif de retraite volontaire est une initiative ponctuelle et limitée, conçue comme une mesure destinée à assouplir les contraintes financières importantes auxquelles fait face la Société et à permettre à un employé qui :

2. **Qualifications**

3. **Admissibilité**

La participation au Programme se fait sur une base strictement volontaire pour les participants au Régime de retraite de CBC/Radio-Canada.

4. **Date d'entrée en vigueur**

Les demandes doivent être présentées entre le 6 avril 2009 et le 1^{er} mai 2009. La date d'effet du départ à la retraite ne doit pas dépasser

5. **Avantages**

6. **Financement**

s.18(b)

s.21(1)(d)

s.21(1)(b)

Board of Directors

March 16-17, 2009

Subject matter

Designation of Ex officio Trustees of the CBC Pension Board of Trustees.

Background

On January 20, the Board of Directors of the Corporation amended the CBC Pension Plan Trust Deed as follows:

3(3) The following officers of the Corporation shall be Trustees by virtue of their office with the Corporation:

- (a) The senior executive officer of the Corporation responsible for Human Resources or such other Corporate Executive of the Corporation designated by the President and CEO of the Corporation and approved by the Board of Directors
- (b) The senior executive officer of the Corporation responsible for finance, or such other Corporate Executive of the Corporation designated by the President and CEO of the Corporation and approved by the Board of Directors of the Corporation.

Amendments underlined.

Information on the matter

The President has designated George Smith, Senior Vice President, Corporate Priorities and Implementation to hold the ex officio Trustee position of the senior executive officer for the Corporation responsible for Human Resources effective immediately upon approval by the Board of Directors.

The President has designated Johanne Charbonneau who will be Senior Advisor to the President effective April 1, 2009 to hold the ex officio Trustee position of the senior executive officer of the Corporation responsible for finance effective April 1, subject to the approval of the Board of Directors. Johanne Charbonneau shall remain the Vice-President & Chief Financial Officer of the Corporation until March 31, 2009 and in that position is currently Chair of the Pension Board of Trustees.

The next meeting of the Pension Board of Trustees is March 23, 2008. The designation of George Smith to the Pension Board of Trustees must be approved at this meeting of the Board of Directors of the Corporation in order that George Smith may attend the March 23 meeting the Pension Board of Trustees.

Both designations are subject to the approval of the Trust Deed Amendment by the Minister of Canadian Heritage. This approval has been requested.

For decision**For information****Prepared by**

Name: Edith Cody-Rice

Date: March 6,2009

Management recommendation

That the Board of Directors approve the designations.

Last discussed at the Board

Date:

Decision made:

Next steps

SPECIAL EXAMINATION 2012

Whereas the Corporation adopted a motion in November 2008 to cause the Auditor General to carry out the next special examination pursuant to section 138 of the Financial Administration Act with an intended date for the report of March 2010;

Whereas both the Corporation and the Auditor General see the benefit in postponing the special examination due to extraordinary circumstances;

Whereas a recent amendment to the Financial Administration Act provides that a special examination shall be carried out at least once every 10 years (such amendment having received Royal Assent on March 12, 2009);

Whereas the last special examination for the Corporation was carried out in 2005;

On a motion duly moved and seconded

IT IS RESOLVED THAT the Corporation rescinds its motion of November 16th, 2008 causing a special examination to be carried out by the Auditor General of Canada in accordance with section 138 of the *Financial Administration Act*, with an expected report in March 2010;

IT IS FURTHER RESOLVED THAT a special examination be carried out by the Auditor General of Canada in accordance with section 138 of the *Financial Administration Act*, whereby the plan for the special examination will include the criteria to be applied, and will be submitted by the Auditor General of Canada to the Audit Committee of the Board in mid 2011, with the report to the Board on the results of the special examination expected in fall of 2012.

s.18(b)

SCHEDULE "I-2009"

s.21(1)(d)

s.21(1)(b)

VOLUNTARY RETIREMENT INCENTIVE PROGRAM

1. Statement of purpose

The Voluntary Retirement Incentive Program is a limited , one time-initiative, created as a measure to counter the Corporation's significant financial constraints, and intended to provide an employee who,

2. Qualifications

3. Eligibility

Participation in the Program is on a strictly voluntary basis for members of the CBC Pension Plan.

4. **Effective Date**

Applications must be received between April 6, 2009 and May 1, 2009; The effective date of retirement must take place no later than July 31, 2009.

s.18(b)

s.21(1)(d)

s.21(1)(b)

5. **Benefits**

6. **Funding**

**■th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION**

MARCH ■, 2009

Approval of Business Plans

WHEREAS:

- A. Management presented the 2009-10 Business Plans to the Board, a copy of which shall be filed together with the original of these minutes as Exhibit "A";
- B. The Board has reviewed the Corporate Priorities, Strategic Plans, Enterprise Wide Risk Management and the Financial Context all as further described in the Business Plans;
- C. The Board was also fully apprised of the Recovery Plans and the Reduction Programs;
- D. The Board is approving, simultaneously with the Business Plans and the related budgets, several transactions to enable implementation of the Recovery Plans and to balance the Budget.

On a motion duly moved and seconded,

IT IS RESOLVED THAT:

- A. The Board hereby approves the Business Plans inclusive of the Recovery Plans and the Reduction Programs as presented;
- B. The Board hereby approves the Operating Budget for fiscal 2009-10 in the amount of
- C. The Board hereby approves the Capital Budget for fiscal 2009-10 in the amount of
- D. The President and CEO or the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to do everything in their power to implement the Business Plans;

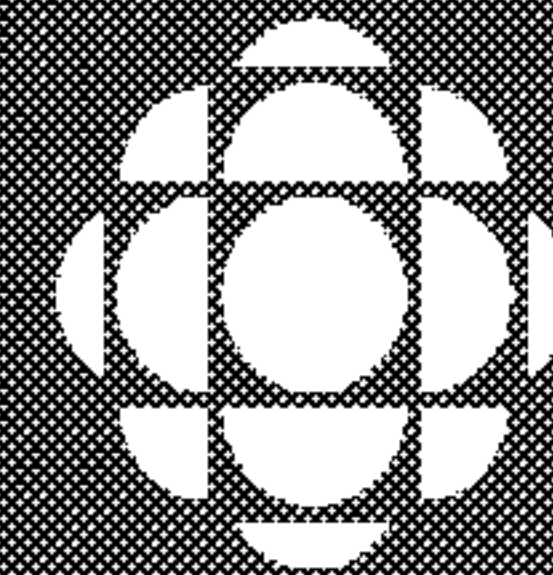
MOTION CARRIED

s.18(a)

2009/2010 Business Plans and Operating and Capital Budgets

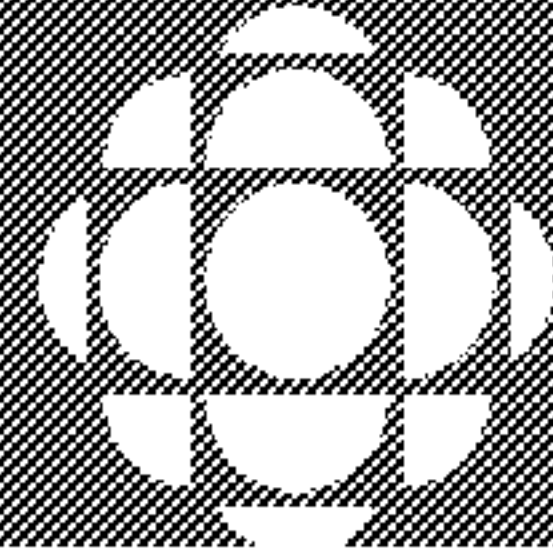
Board of Directors Presentation

Toronto March 16th, 2009



Part 3. Media Strategic Plans

Global Plan – Media



Civic Participatory Feedback

16 March 2009

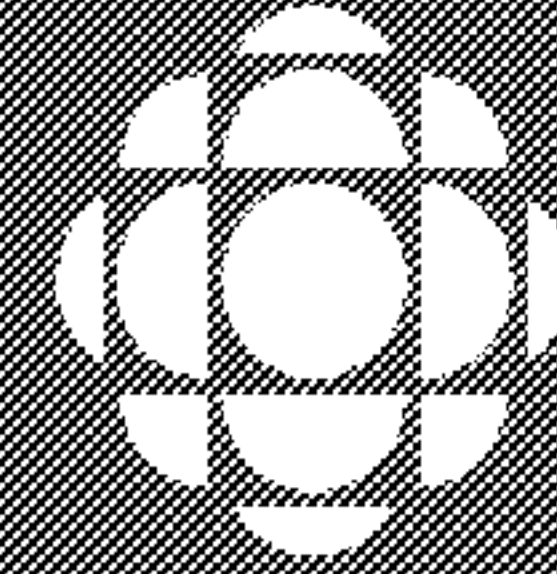
CONFIDENTIAL

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Part 3. Media Strategic Plans

English Services 2008/2009 in Review



Current Performance To Date

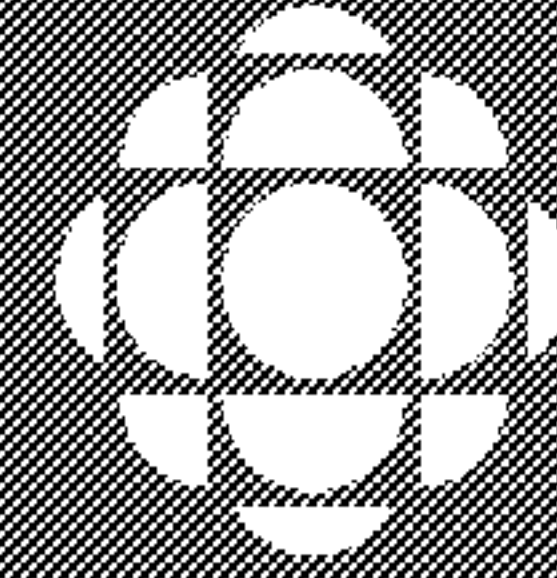
Radio Share []	Radio One	[]
	Radio Two	
	Combined	
Television Share []	CBC Television	[]
New Platforms []	News & Media Site (English)	[]
	Sports Destination	

* Season-to-date Sept 29 – Jan. 4, 2009.

** Excluding foreign content providers and any content aggregators. Reach is the percentage of Canadian unique visitors in the respective categories that come to CBC.ca, CBC.ca/sports.

Part 3.2 Financial Context

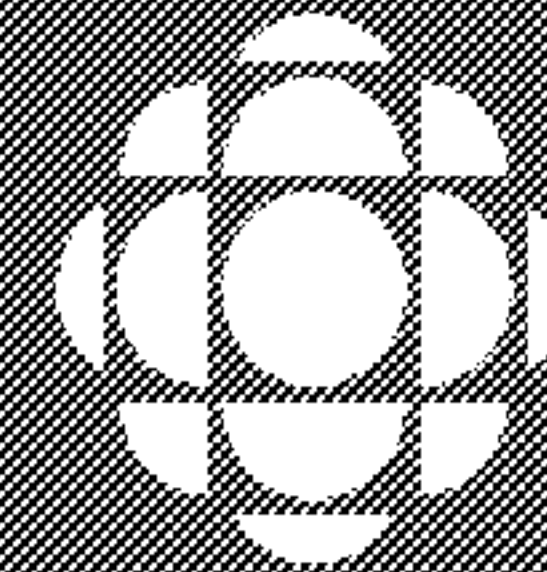
English Services - Key Elements of the Strategy



Strategic Priorities	Description

Part 3.1 Strategic Plans

English Services 2009/2010 Targets



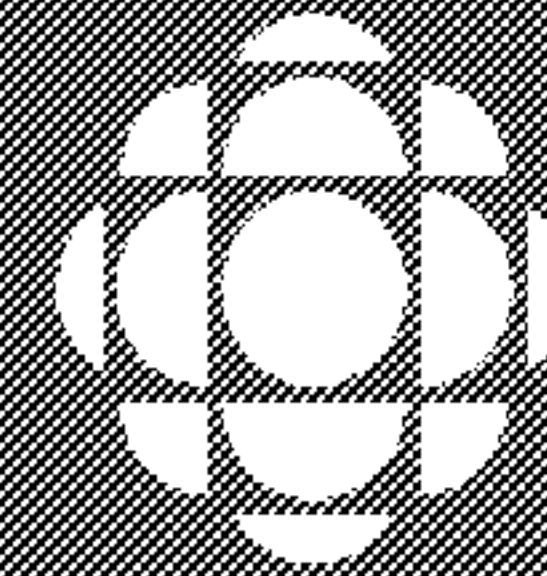
Proposed Performance Indicator Measures

<i>Platform</i>		2008/09 <i>To Date</i>	2009/10 <i>Targets</i>
Radio Share []	Radio One		
	Radio Two		
	Combined		
Television Share []	CBC Television		
New Platforms []	News & Media Site (English)		
	Sports Destination**		

* Season-to-date Sept 29 – Jan. 4, 2009.

** Excluding foreign content providers and any content aggregators. Reach is the percentage of Canadian unique visitors in the respective categories that come to CBC.ca, CBC.ca/sports.

English Services 2009/2010 Targets



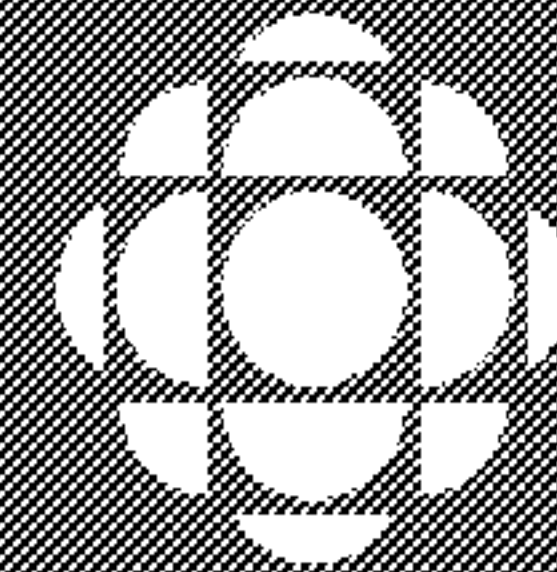
Proposed Performance Indicator Measures

<i>Platform</i>		2008/09 <i>Forecast</i>	2009/10 <i>Targets</i>
Revenue* <i>(Conventional , Specialty & Online)</i>	Advertising		
	Other Revenue		
	Total Revenue		
Subscriber Count	Newsworld		
	bold		
	Documentary		
Cost*	Total Cost		

s.18(a)
s.18(b)

* Includes Documentary Channel at 100%

Current Environment



The current economic environment is affecting all media companies.

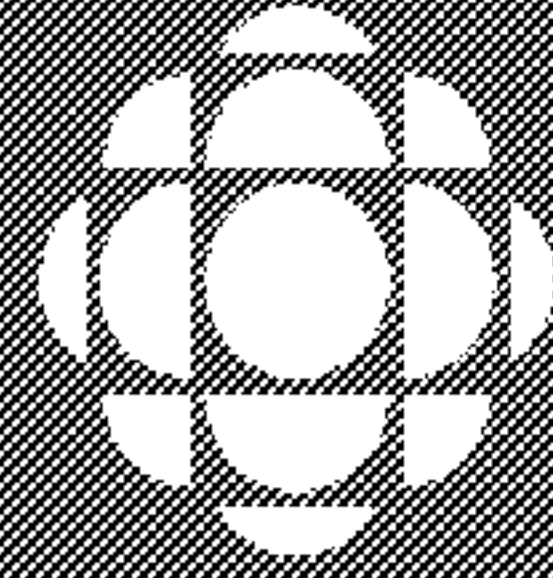
March 5th, 2009 (The Toronto Star) - *‘CTV will cut 118 newsroom jobs at its ‘A’ branded stations and will cancel some morning shows, in the hopes of riding out the drop in advertising revenue from the beleaguered economy.’*

March 2nd, 2009 (Globe and Mail) – *‘Canada's biggest television networks have all but given up on 2009, resigning themselves to a bleak financial forecast that signals this will be one of the worst years on record for the TV industry.’*

February 28th, 2009 (Globe and Mail) – *‘A weak economy, changing consumer habits and competition from the Internet have brought several media companies to their knees. This week alone the owners of three large U.S. newspapers, including the Philadelphia Inquirer, filed for bankruptcy protection; CTV announced plans to close two television stations in Ontario; Canwest Global Communications Corp., owners of the Global TV network, faced a deadline by its lenders and won a two-week reprieve; and Torstar Corp. announced a \$211-million quarterly loss and shook up its management ranks.’*

Part 3.2 Financial Context

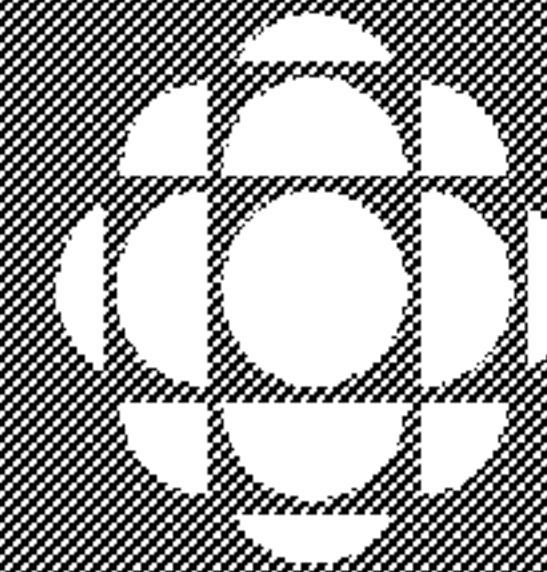
English Services The Financial Climate



CBC



Financial Pressures



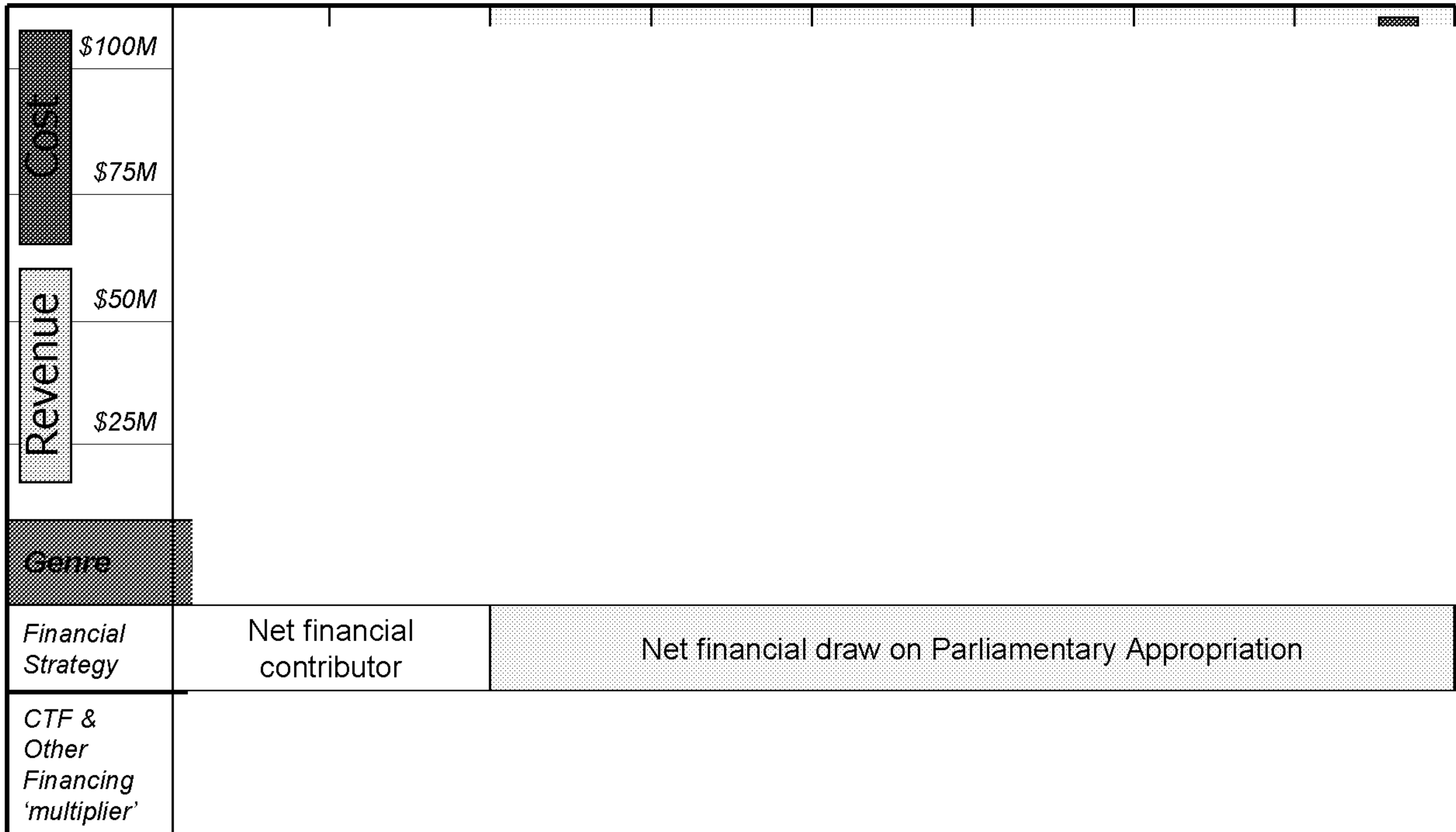
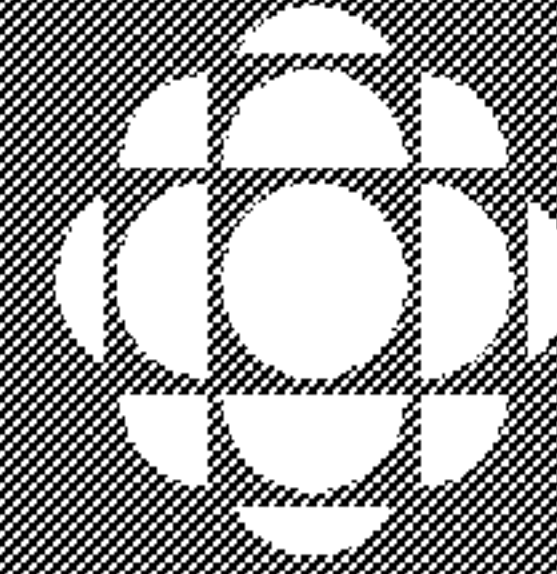
s.18(a)
s.18(b)

CBC/Radio-Canada is also feeling the pain of a weak economy. Through their business plans,

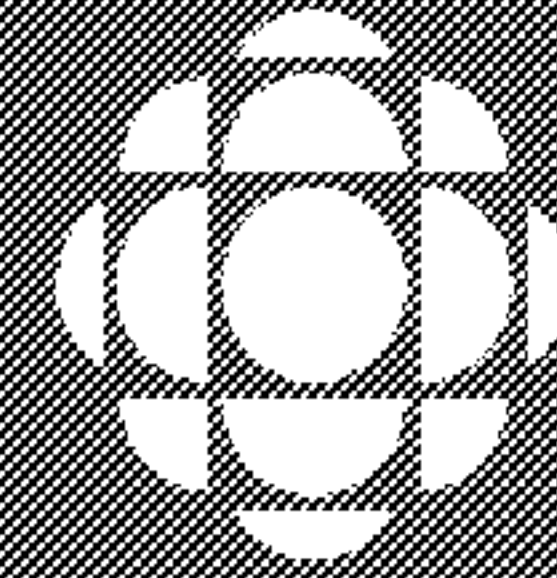
	2009/10	2010/11	year.
PRESSURES			
English Services:			
Loss carryover from 2008/09 (based on January forecast)			
Potential commercial revenue shortfall:			
Increased rights costs			
Others			
Base salary funding shortfall only received)	given in 2008/09 but		
Total English Services			
<small>Unavoidable costs (mostly taxes, utilities and contract escalations) Other priority activities (IFRS, Building repairs, etc.)</small>			
Investment in media priorities - English Services:			
Investment in DPBD - online			
Online sales			
News co-location			
Current TV			
Total pressures and investments			

Part 4.1 Recovery Plan

Economics of Our Business – English Services



Economics of Our Business – English Services



Television:

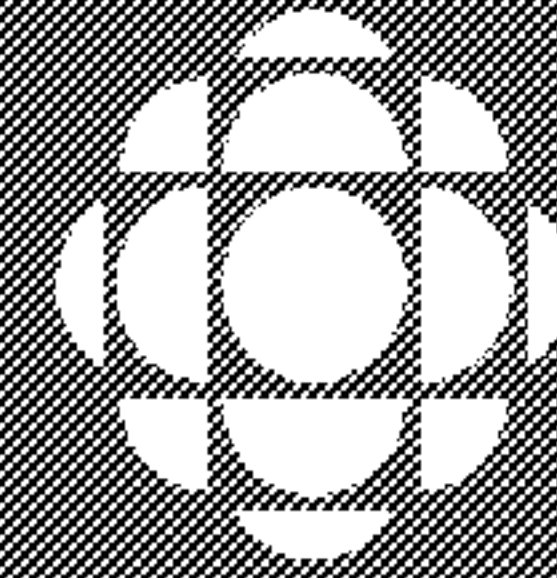
s.68.1

Radio:

s.18(a)

s.18(b)

Economics of Our Business – English Services



s.68.1

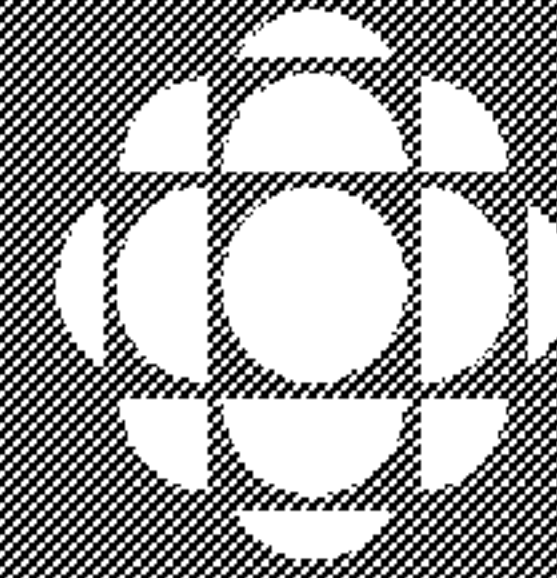
Regional Programming

Television:

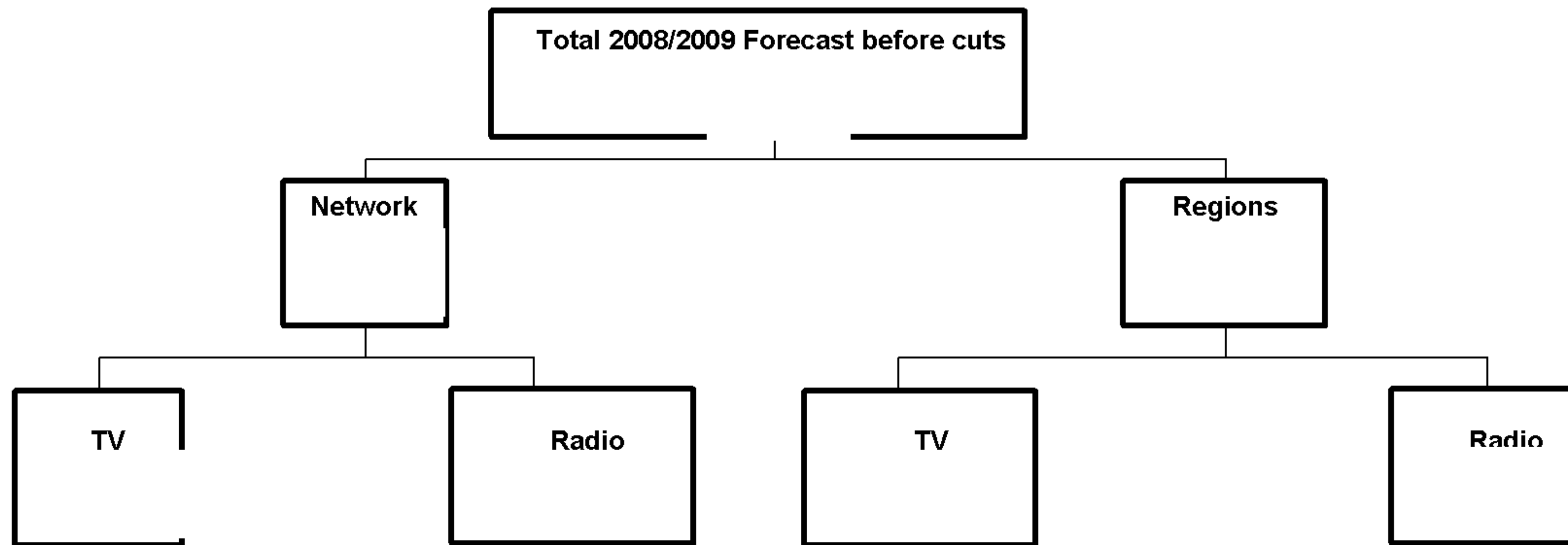
Radio:

Cost Structure:

English Services – 2009/2010 Reductions

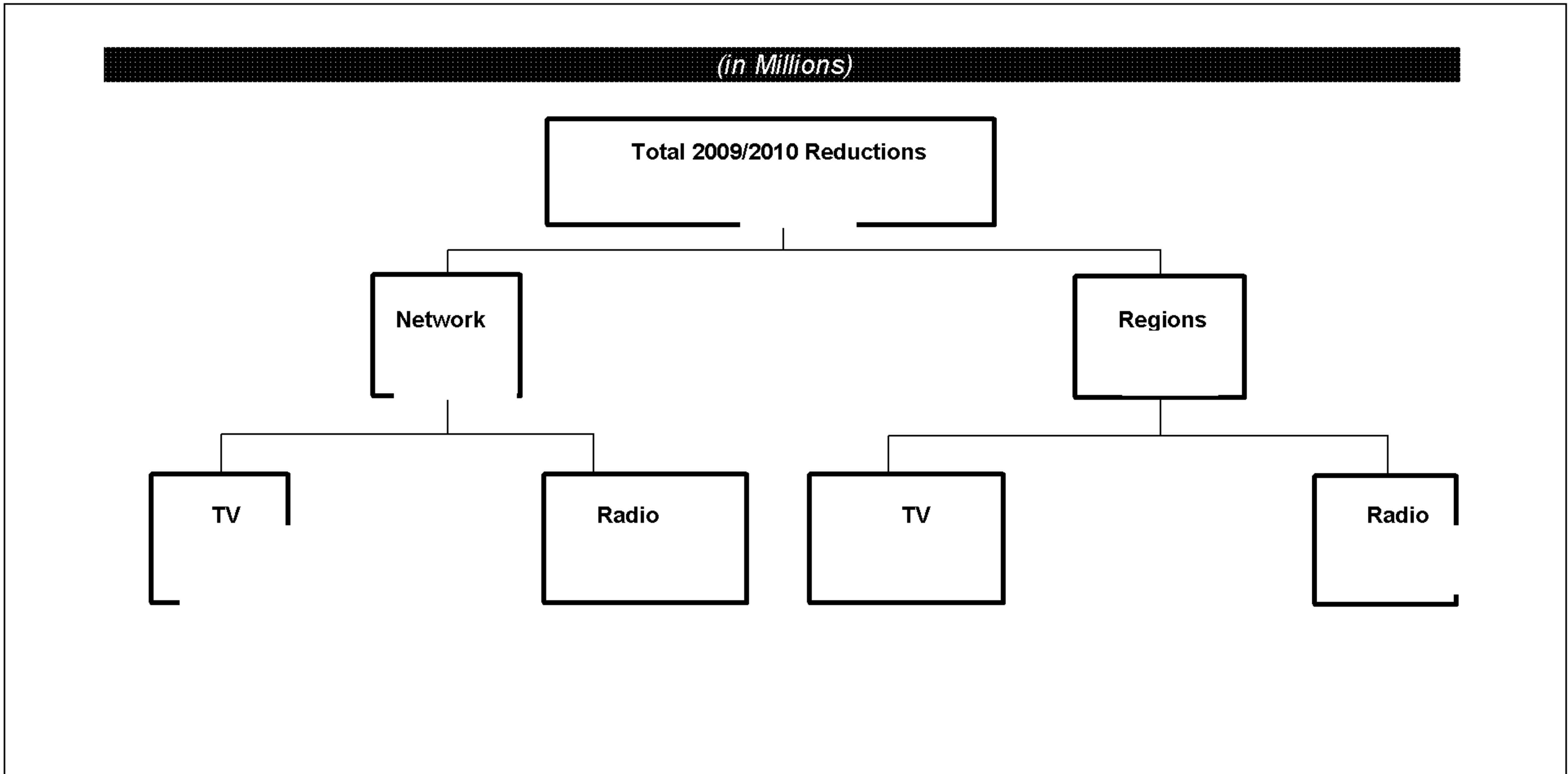
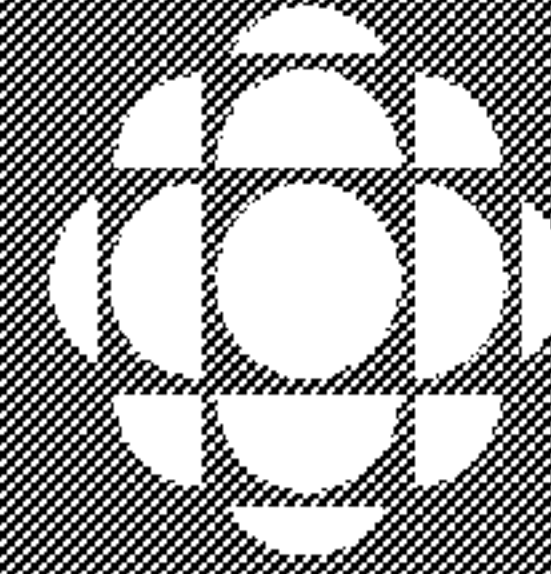


Forecast Allocation from a Network versus Region View * (in Millions)

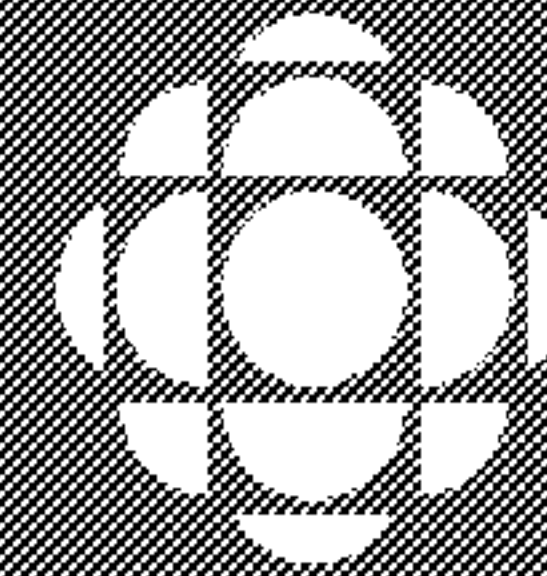


* Values reflect production location

English Services – 2009/2010 Reductions



Specific measures to deal with Scenario 1



	French Services	English Services
TV (main network)		
RADIO		
DIGITAL SERVICES		
REGIONAL CENTRES		
NEWS & CURRENT AFFAIRS		

s.18(a)
s.18(b)

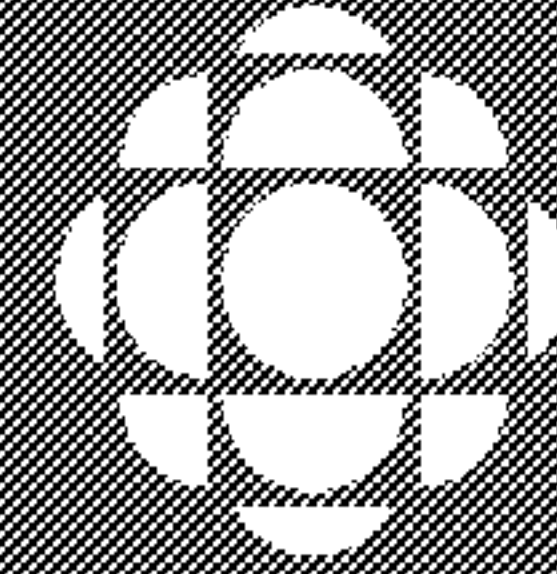
Part 4.1 Recovery Plan

Specific measures to deal with Scenario 1



	French Services	English Services
SALES		
COMMUNICATIONS		
PRODUCTION & RESOURCES		
FINANCE & ADMINISTRATION		

English Services: What is Protected?

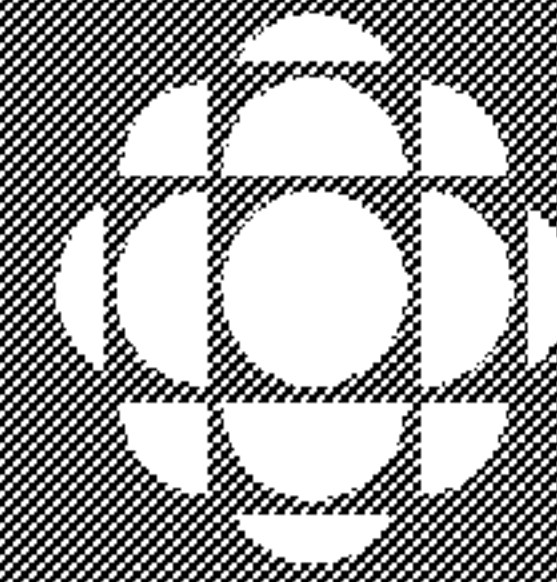


Difficult financial decisions have been made to enhance, rather than detract from, our successful core Strategic Direction

Area	Strategic Direction	Ancillary Effects
Radio		
Television		

Part 4.1 Recovery Plan

English Services: What is Protected?



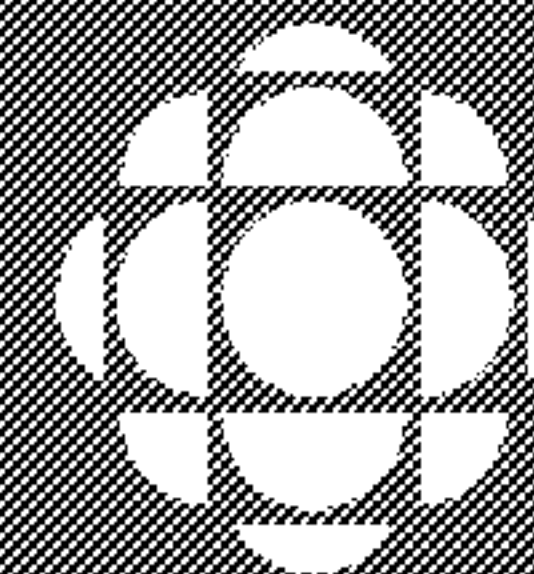
Difficult financial decisions have been made to enhance, rather than detract from, our successful core Strategic Direction

Area	Strategic Direction	Ancillary Effects
News		
Regions		
New Platforms		

s.18(a)
s.18(b)

Part 4.1 Recovery Plan

Solutions Proposed – Scenario 1



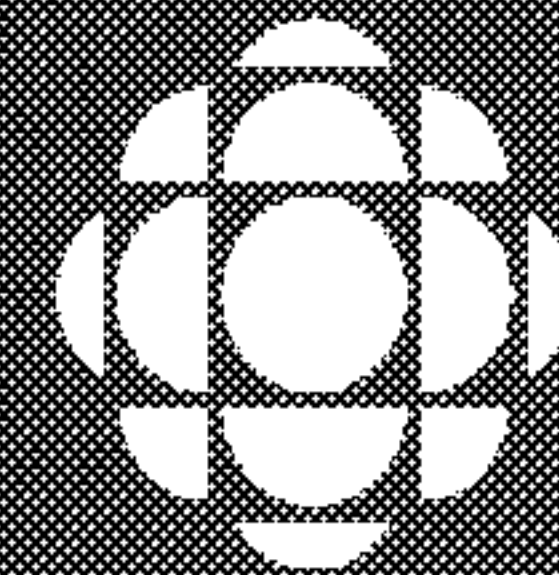
Under a Sale of Assets scenario, which assumes proceeds of \$125M, the following solutions have been identified to manage these pressures.

	<u>PRESSURES</u>	<u>2009/10</u>	<u>2010/11</u>
Pressures and Investments			
	Expected downsizing costs		
	Loss of ongoing revenues from sale of assets		
	Total Pressures and Investments		
SOLUTIONS			
English Services:			
	- Allocation from sale of assets		
	- CRTC local TV funding		
	- Use of cross-cultural funding		
	- Reduction initiatives:		
	Television - network		
	Television - regional		
	Sub-total - Television		
	Radio - network		
	Radio - regional		
	Sub-total - Radio		
	Total reductions - English Services		
	less Delayed impact on reductions		
	Total English Services		
French Services:			
	- Allocation from sale of assets		
	- CRTC local TV funding		
	- Reduction initiatives:		
	Television - network		
	Television - regional		
	Sub-total - Television		
	Radio - network		
	Radio - regional		
	Sub-total - Radio		
	Total reductions - French Services		
	less Delayed impact on reductions		
	Total French Services		
Corporate Services			
	5% reduction to Corporate Components' budgets		
	Portion of unencumbered 2008/09 surplus		
	Senior Management compensation reduction		
	Proceeds from sale of assets to fund downsizing costs		
	Proceeds from Galaxie transaction to fund downsizing costs		
	Total Corporate Services		
	Total Solutions		
	Expected net position		
	Cumulative net position		

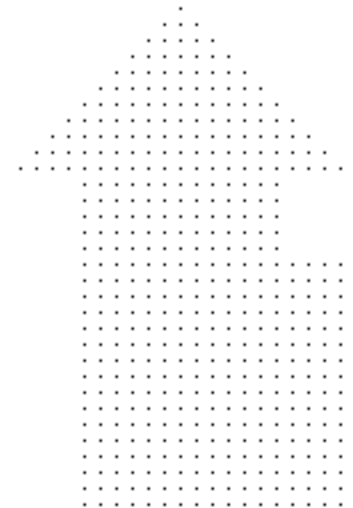

**2009-2010
Business Plans and
Operating and
Capital budgets**

French Services

Board of Directors Presentation
Toronto, March 16th, 2009

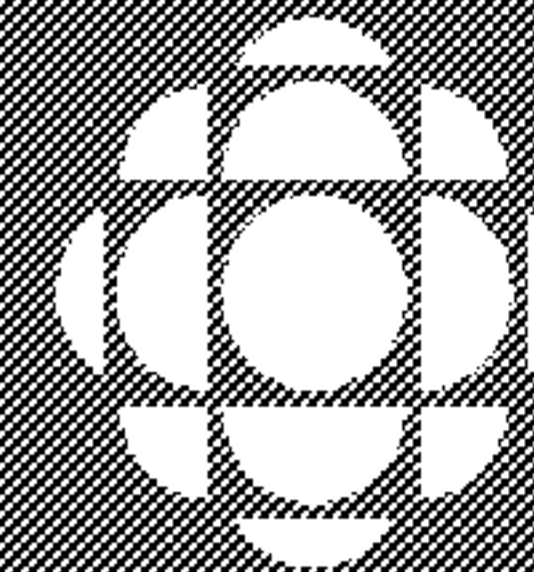


Part 3. Media Strategic Plans
Global Plan – Media



Civic Participatory Feedback

French Services 2008/09 in Review



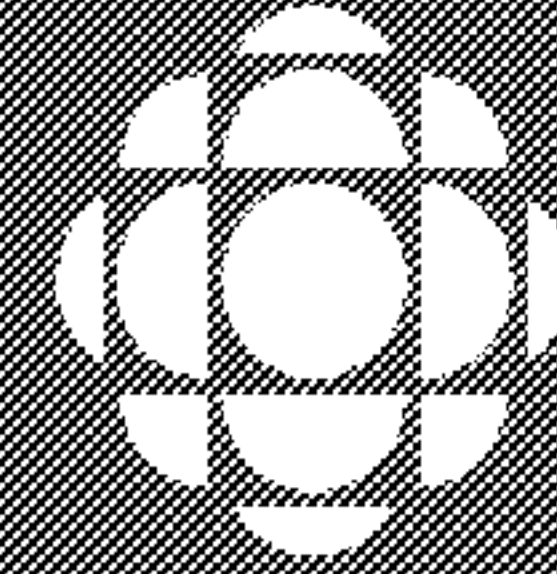
Current Performance To Date

Radio	Première Chaîne
	Espace musique
	Combined
Television	Main network
	Combined: main network and RDI share
ISN	Radio-Canada.ca

* Average, September 8, 2008–January 25, 2009

Part 3.1 Strategic Plans

French Services 2009–10 Targets

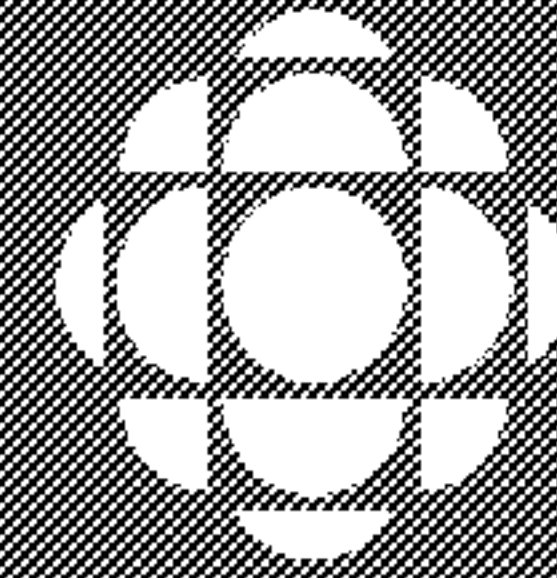


Suggested Performance Indicators

		2008-2009	2009-2010
Radio	Première Chaîne		
	Espace musique		
	Combined		
Television	Main network		
	Combined share: main network and RDI		
ISN	<i>Radio-Canada.ca</i>		

* Transition to PPM measurement for English-language market will probably result in a 0,5 % share point loss for the main network and RDI combined share in Prime Time

French Services 2009–10 Targets



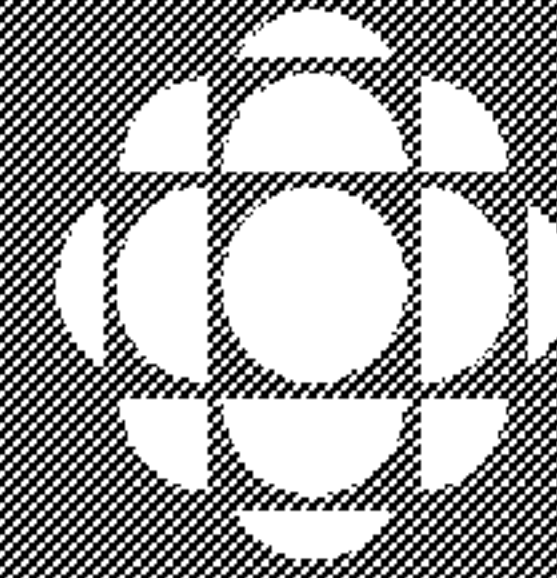
Suggested Performance Indicators

		2008-2009*	2009-2010
Revenue	Advertising		
	Miscellaneous		
	Total revenue		
Parliamentary Appropriation			
	Total budget		
Costs	Total costs		
Subscriber count	RDI		

*Budget

s.18(a)
s.18(b)

French Services – Financial Context



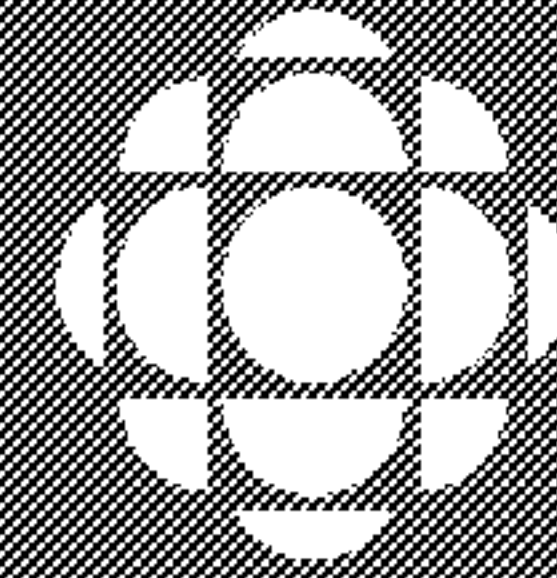
RADIO-CANADA

- Due to the economic crisis, the advertising market has been rapidly deteriorating since September 2008. This has produced

-

- French Television's ad revenue target for 2009-10 was reduced by

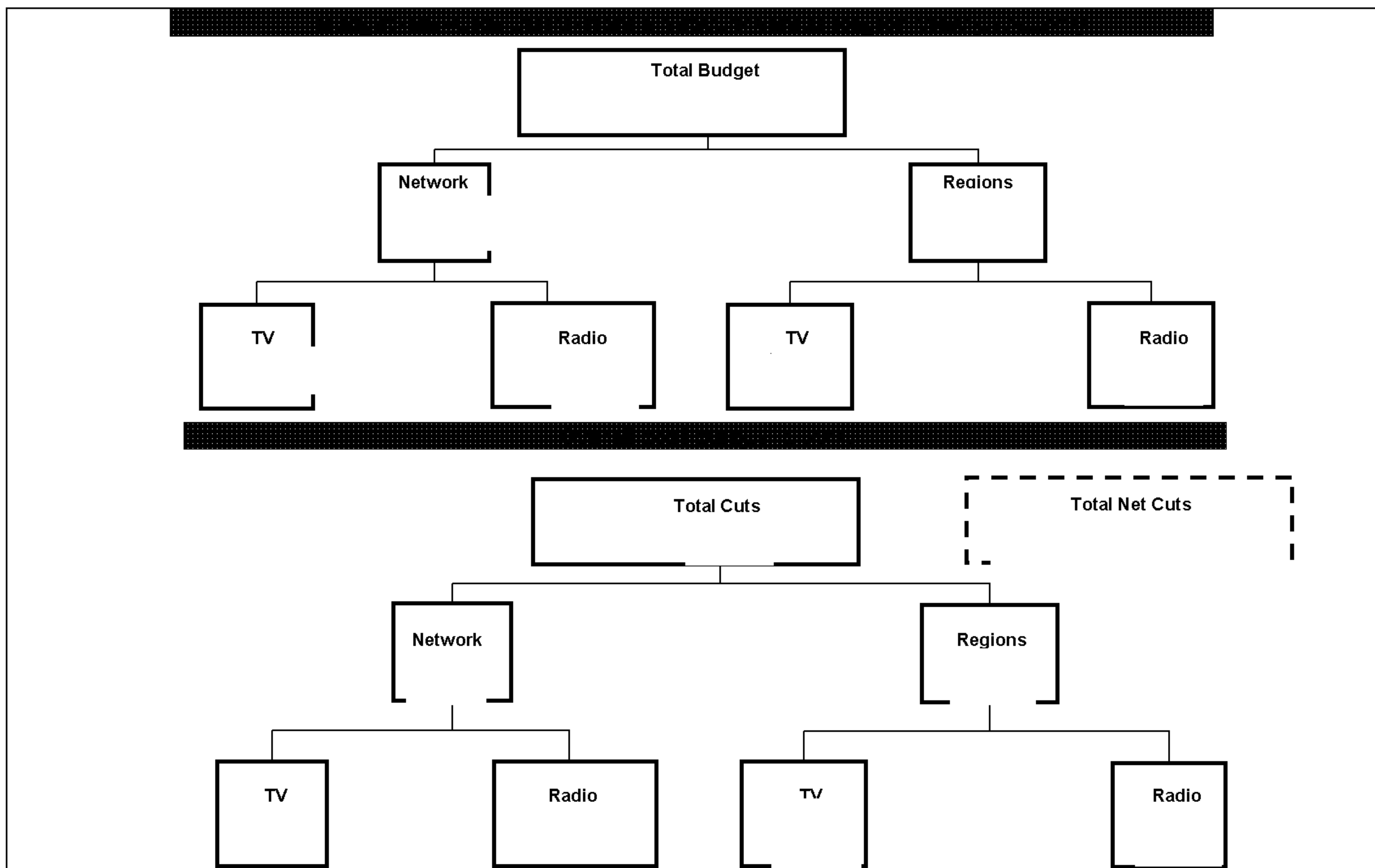
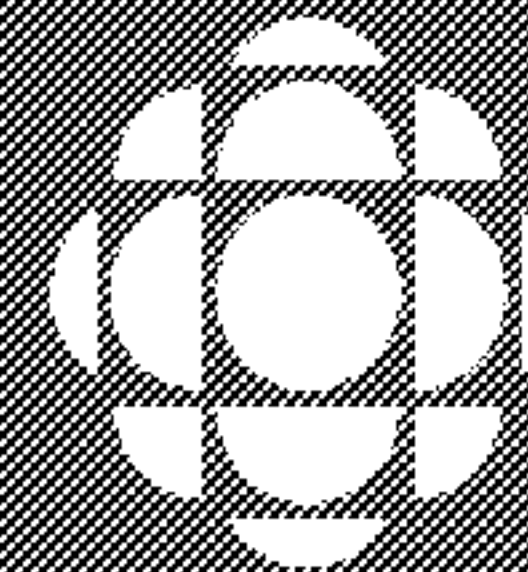
French Services – Key Elements of the Strategy



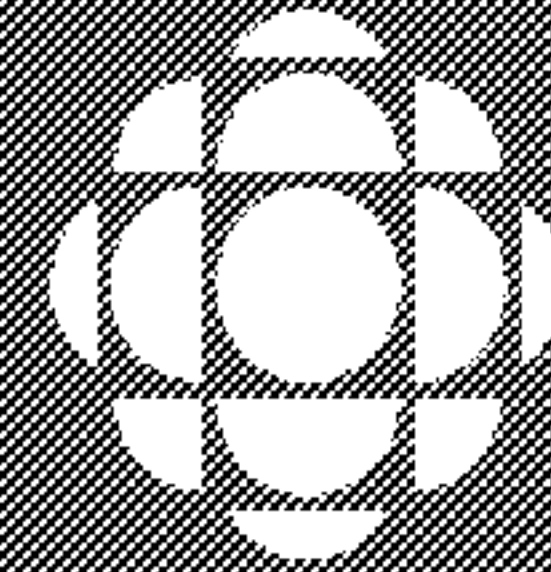
Strategic Priorities	Description

s.68.1

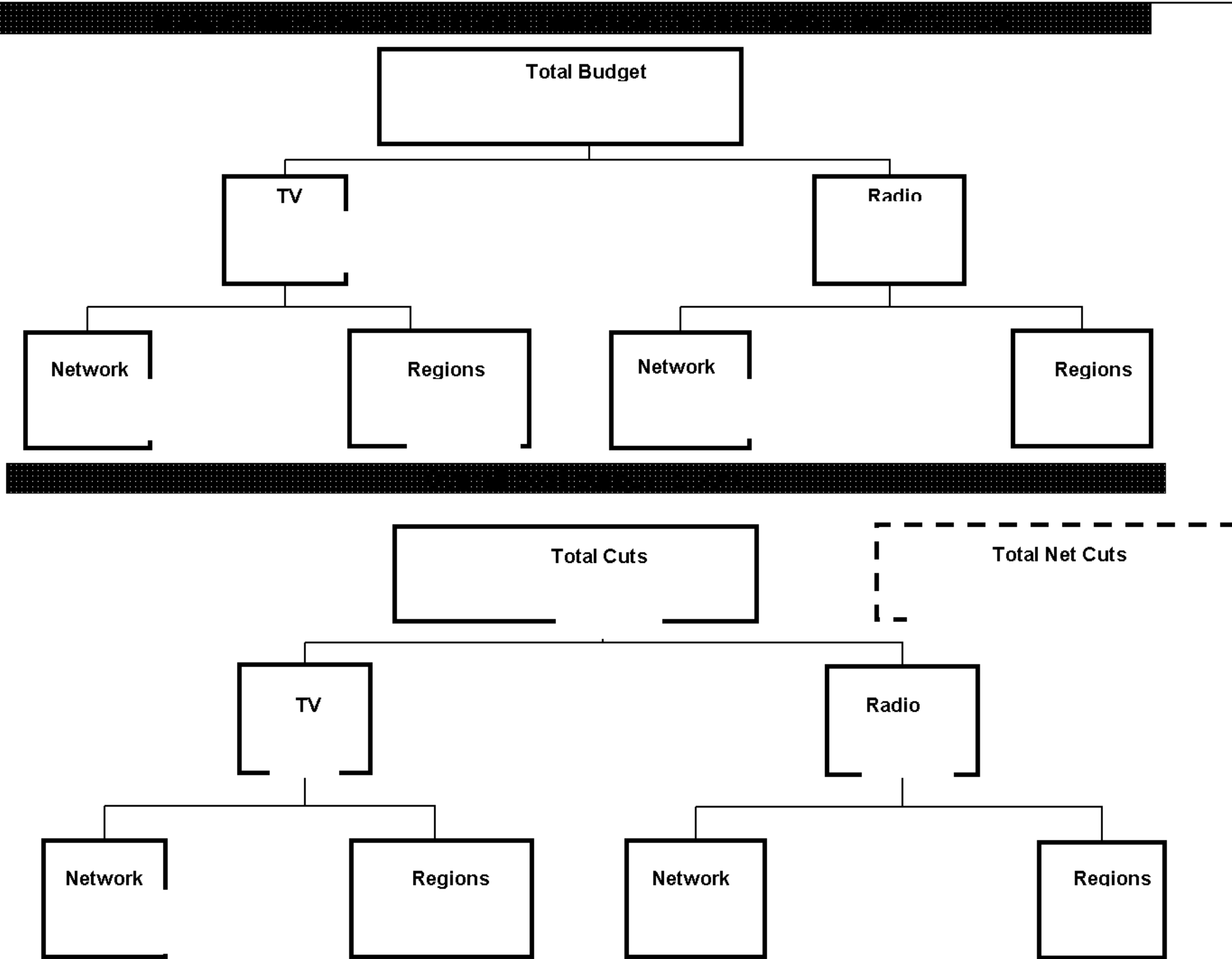
FS: Budget Allocation and Cuts Allocated – Network vs Regions



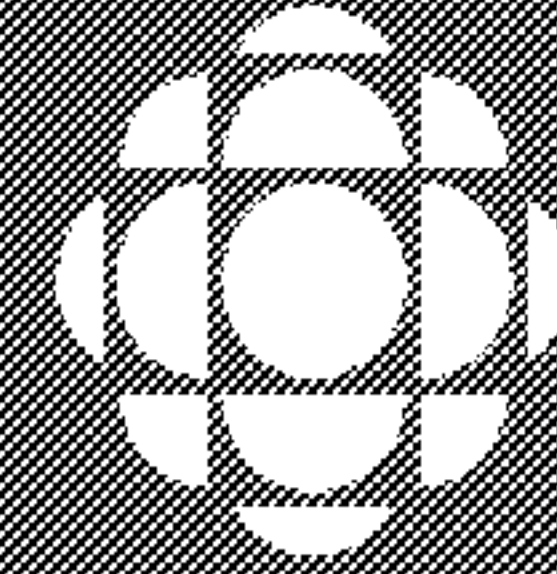
FS: Budget Allocation and Cuts Allocated – Television vs Radio



s.68.1



Specific measures to deal with Scenario 1

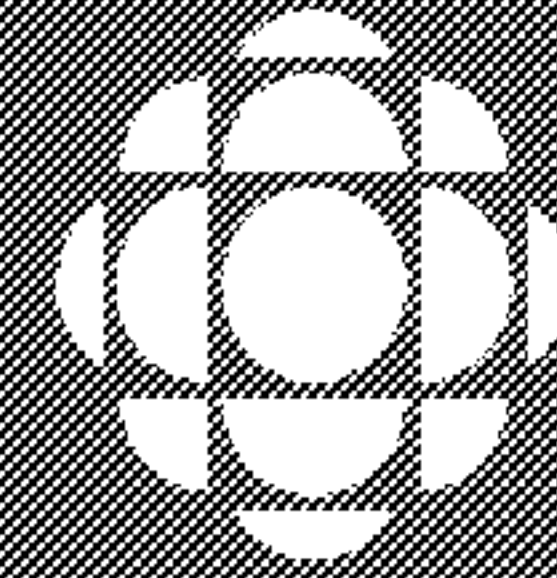


	French Services	English Services
TV (main network)		
RADIO		
DIGITAL SERVICES		
REGIONAL CENTRES		
NEWS & CURRENT AFFAIRS		

s.18(a)
s.18(b)

Part 4.1 Recovery Plan

Specific measures to deal with Scenario 1

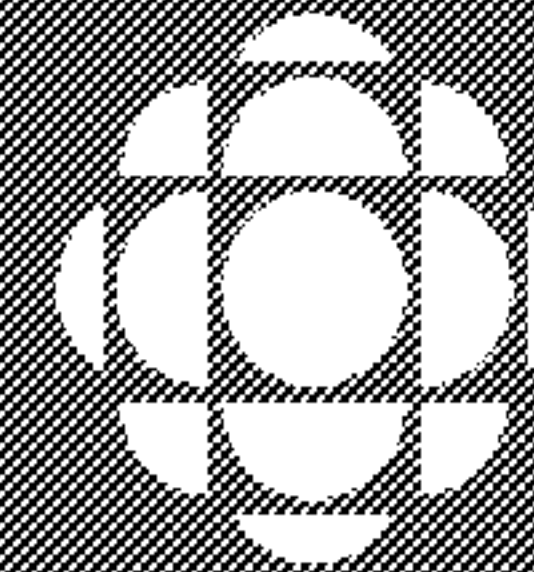


	French Services	English Services
SALES		
COMMUNICATIONS		
PRODUCTION & RESOURCES		
FINANCE & ADMINISTRATION		

s.18(a)
s.18(b)

Part 4.1 Recovery Plan

Financial Pressures



CBC/Radio-Canada is also feeling the pain of a weak economy. Through their business plans, components have identified of financial pressures for the coming year.

PRESSURES

2009/10

2010/11

English Services:

- Loss carryover from 2008/09 (based on January forecast)
- Potential commercial revenue shortfall:
- Increased rights costs
- Others
- Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)

French Services:

- Surplus carryover from 2008/09 (based on January forecast)
- Potential commercial revenue shortfall:
- Maintain program schedule
- Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)

Total French Services

- Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)
- Other revenue impacts (mostly rental and interest revenues)
- Unavoidable costs (mostly taxes, utilities and contract escalations)
- Other priority activities (IFRS, Building repairs, etc.)
- Government reduction (Procurement reform initiative - \$6.6M reduction in 2008/09 increases to \$14.5M in 2011/12)

Total Corporate Services

Total pressures


Investment in media priorities - French Services:

- Program contingency / revenues
- Online investment
- Specialty channel

- Online investment
- Specialty channel

Total pressures and investments

Part 4.1 Recovery Plan
Solutions Proposed – Scenario 1



Under a Sale of Assets scenario, which assumes proceeds of the following solutions have been identified to manage these pressures.

PRESSURES	2009/10	2010/11
Pressures and Investments		
Expected downsizing costs		
Loss of ongoing revenues from sale of assets		

French Services:

2009/10

2010/11

- Allocation from sale of assets
- CRTC local TV funding
- Reduction initiatives:
 - Television - network
 - Television - regional
 - Sub-total - Television

 - Radio - network
 - Radio - regional
 - Sub-total - Radio
- Total reductions - French Services
- less Delayed impact on reductions

Total French Services

- CRTC local TV funding
- Reduction initiatives:
 - Television - network
 - Television - regional
 - Sub-total - Television

 - Radio - network
 - Radio - regional
 - Sub-total - Radio
- Total reductions - French Services
- less Delayed impact on reductions

Total French Services

Corporate Services

- Portion of unencumbered 2008/09 surplus
- Senior Management compensation reduction
- Proceeds from sale of assets to fund downsizing costs
- Proceeds from Galaxie transaction to fund downsizing costs

Total Corporate Services

Total Solutions

.....

Board of Directors

March 16, 2009

Subject matter

Summary of Government Funding (10 years – operating and capital).

Background

The attached provides a 10-year historical overview of the Corporation's parliamentary appropriations as at February 23, 2009. The approved reference levels for 2009-2010 and beyond are also provided.

Information on the matter

See attached.

For information



Prepared by

Name: Johanne Charbonneau

Date: January 23, 2009

Management recommendation

Not required.

Last discussed at the Board

Date: January 19, 2009

Decision made: N/A

Next steps

Not required.

Anticipated project completion date: _____

(If contract, indicate date of expiry): _____

CBC'S PARLIAMENTARY APPROPRIATIONS
(\$ Thousands)

	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Operating Appropriation (Note 1)	750,067	789,666	852,821	861,744	862,460	914,197	955,410	955,722	955,731	1,009,120	1,002,661	1,016,415	1,016,415
One-time funding adjustments:													
Transfer from Capital appropriation	8,000	13,090	(15,170)	(7,459)	3,636	1,112	9,277	9,277	9,277	9,276	9,276	0	0
Transfer to Capital appropriation	(13,298)	(13,298)	(15,170)	(7,459)	(40,921)	(10,538)	(8,456)	(42,676)	(27,344)	(13,622)	(8,575)	(9,233)	(9,941)
Funding for PILT increases	306	300											
Program Integrity Funding - Asbestos	4,000	4,000											
Funding to strengthen & revitalize programs		60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000			
Transfers from Cdn. Heritage (CCOL) (Note 2)		2,500	2,120	2,120	2,000	2,000	0	2,000	1,900	2,000			
Reprofiling		(60,000)	20,000	20,000	40,000	(20,000)	0			20,000			
Cost increases for 2002 Canada Day			1,027	1,027									
Funding for RCI (Note 3)			(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Expenditure Review Reduction (Budget 2003)										(6,638)	(9,483)	(11,854)	(14,680)
Expenditure Review Reduction (Budget 2007)													
Unavoidable new costs (Note 4)	6,342	300	253										
Total Operating Appropriation:	754,715	784,056	840,404	867,432	862,695	936,771	1,005,231	973,323	881,584	1,079,136	985,879	996,353	981,734
Capital Appropriation	101,364	101,809	100,311	97,631	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331
One-time funding adjustments:													
Transfer to Operating appropriation	(8,000)	(13,090)	15,170	7,459	(3,636)	(1,112)	(9,277)	(9,277)	(9,277)	(9,276)	(9,276)		
Transfer from Operating appropriation	41,966	13,298	(15,170)	7,459	40,921	10,538	8,456	42,676	27,344	13,622	8,575	9,233	9,941
Reprofiling of vote from 98/99 to 99/00	(25,000)	25,000	23,000										
Reprofiling of vote from 99/00 to 00/01													
Reprofiling of vote from 00/01 to 01/02													
Reprofiling of vote from 04/05 to 05/06						(6,000)	6,000	10,000					
Reprofiling of vote from 05/06 to 06/07													
Nunavut funding	142												
Total Capital Appropriation:	145,372	104,317	105,361	105,090	102,948	96,750	91,310	106,730	110,366	96,577	91,690	101,564	102,272
Working Capital Appropriation:	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL APPROPRIATION:	804,087	892,373	952,965	1,076,522	1,069,683	1,137,521	1,100,541	1,114,053	1,002,312	1,179,713	1,081,569	1,121,919	1,123,687
Less Reprofiling Decision (Capital)	(16,966)	(2,000)	(23,000)	(20,000)	(40,000)	6,000	4,000	(10,000)	(10,000)	(20,000)	(10,000)	(11,854)	(14,680)
Less Reprofiling Decision (Operating)	667,121	890,373	1,019,665	1,056,522	1,029,683	1,131,521	1,096,541	1,104,053	1,002,312	1,159,713	1,071,569	1,110,065	1,108,987

Note 1 The operating appropriation includes retroactive and in-year salary funding adjustments up to and including 2010-11.

Note 2 Expected CCOL funding was not transferred from Canadian Heritage in 2005-06.

Note 3 Funding for RCI was previously provided through a contribution agreement with Canadian Heritage. Starting in 2003-04, funding forms part of CBC's appropriation and is shown in the base appropriation in 2004-05 and future years.

Note 4 Permanent funding adjustments for unavoidable new costs, merit and salary increases are reflected in the base operating appropriation.

Board of Directors
(March 16-17, 2009)

Subject matter

Labour Relations Update

Background

This is a standing item on the Board of Directors' agenda which provides the status of CBC's collective agreements.

Information on the matter

Not applicable.

For decision:

For information:



Prepared by

Name: George C.B. Smith
Date: February 27, 2009

Management recommendation

Not applicable.

Last discussed at the Board

Date: January 2009
Decision made:

Anticipated project completion date:
(If contract, indicate date of expiry):

 N/A

**Industrial Relations Update for the Board of Directors' Meeting of March 16-17, 2009
AGREEMENTS PRESENTLY BEING NEGOTIATED**

SYNDICAT	Effective Date	# of Members	Central Issues
NATIONAL FILE			
<p align="center">APS (Association des professionnels et des superviseurs)</p>	<p align="center">July 1, 2005– June 30, 2008</p>	<p align="center">646</p>	<ul style="list-style-type: none"> The memorandum of understanding signed by the parties on August 29 for the renewal of the collective agreement was ratified by 96.2% of APS members on September 29, 2008. The collective agreement was officially signed during the Leaders Forum held in Toronto on November 12, 2008.
<p align="center">SCRC (Syndicat des communications de Radio-Canada)</p>	<p align="center">Mar. 27, 2006– Mar. 29, 2009</p> <p align="center">s.18(b) s.21(1)(c)</p>	<p align="center">approx 1,390</p>	
<p align="center">STARF (Syndicat des techniciens et artisans du réseau français)</p>	<p align="center">April 3, 2006– March 31, 2009</p>	<p align="center">approx 1,335</p>	

			however, expire until March 31, 2009.
UDA (Union des artistes)	Nov. 14, 2005- Nov. 13, 2009	N/A	
ENGLISH FILE			
CMG (Canadian Media Guild)	April 1, 2009 – March 31, 2014	5141	<ul style="list-style-type: none"> The memorandum of understanding signed by the parties on December 12, 2008 for the renewal of the collective agreement was ratified by 92.9% of CMG members who voted on January 29, 2009. The collective agreement was officially signed on February 9, 2009 in Toronto. Training of managers and union representatives is ongoing and will involve 23 sessions across the country prior to April 1, 2009.
WGC (Writers Guild of Canada) <u>Television and Radio Agreement</u>	Sept. 1, 1998– August 31, 2000	N/A	<ul style="list-style-type: none"> Agreements were to expire August 31, 2000. Parties agreed to extend until further notice. Notice to bargain has not been given by either side. However, an agreement has been reached with the WGC for Radio digital rights within mandate of step up. In addition, rights for use of WGC material on Sirius satellite radio were agreed to within mandate.
ENGLISH FILE			
IATSE (International Alliance of Theatrical, Stage Employees and Moving Picture Machine Operators of the United States and Canada) (Stagehands)	No agreement since 1994	3	

s.18(b)

s.21(1)(c)

NEGOCIATED COLLECTIVE AGREEMENTS

UNION	Effective Dates of Collective Agreement	Number of Members
NATIONAL FILE		
APS	Association of Professionals and Supervisors July 1, 2008– June 30, 2013	646
AFM	The American Federation of Musicians of the United States and Canada (AFM) April 1, 2006 – March 31, 2010	N/A
ENGLISH FILE		
CMG	Canadian Media Guild April 1, 2009– March 31, 2014	5,141
ACTRA	Alliance of Canadian Cinema, Television and Radio Artists (Performers) July 1, 2005– June 30, 2010	N/A
FRENCH FILE		
SCRC (Unit 1)	Syndicat des communications de Radio-Canada March 27, 2006 – March 29, 2009	1,390
STARF (Unit 2)	Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada April 13, 2006 – March 31, 2009	1,336
UDA	Union des artistes November 14, 2005 – November 13, 2009	N/A
SARTEC	Société des auteurs de la radio, de la télévision et du cinéma July 10, 2006 – July 9, 2010	N/A
SPACQ	Société professionnelle des auteurs et des compositeurs du Québec January 8, 2007 – January 7, 2011	N/A
AR	Association des réalisateurs October 1, 2007 – December 11, 2011	380
SCFP	Canadian Union of Public Employees October 1, 2007 – September 26, 2010	662

Board of Directors

(March 16-17, 2008)

Subject matter

Workforce Information

Background

The attached documents present the total workforce in terms of full time equivalent (FTE) broken down by:

- media component with a comparison to beginning fiscal year;
- geographic location (map of Canada)

Information on the matter

Attached

For decision

For information

Prepared by

Name: Katya Laviolette
Date: February 19, 2009

Management recommendation

N/A

Last discussed at the Board

Date:
Decision made:

Next steps

Anticipated project completion date:

(If contract, indicate date of expiry):

Conseil d'administration

(18 et 19 novembre 2008)

Sujet

Information sur la main-d'oeuvre

Contexte

Les documents en annexe présentent la main-d'œuvre totale exprimée en équivalent à temps plein (ETP) et ventilée par :

- composante média (avec une comparaison par rapport au début de l'exercice);
- lieu géographique (carte du Canada).

Renseignements connexes

Voir document joint

Décision à prendre **À titre d'information**

Préparé par

Nom : Katya Laviolette
Date : le 19 févr. 09

Recommandation de la direction

N/A

Dernière discussion au Conseil

Date :
Décision prise à cette occasion :

Suivi

Date prévue de l'achèvement du projet : _____
(Indiquer la date de fin du contrat) : _____

TOTAL WORKFORCE / EFFECTIF TOTAL

Full Time Equivalent / Équivalent temps plein

Month / Mois : January / janvier 2009 (Feb. 1, 2009 / Le 1er février 2009)							
	Permanent (a,b)	Temporary Temporaire (a,b)	Contract Contractuel (a,b)	Short term Court terme (d)	TOTAL *	TOTAL Begin. FYR 2008/09 Début de l'exercice 2008/09 **	Variance Écart
English Services/ Services anglais	3 278	127	465	315	4 184	4 351	-167
French Services/ Services français	2 998	320	425	592	4 336	4 379	-43
Corporate/ National	1 019	53	178	12	1 263	1 290	-27
TOTAL	7 295	501	1 068	919	9 783 *	10 020 **	-237

* 9,783 FTE/EPT = 10,598 head count / effectifs réels.

** March 30, 2008: 10,020 FTE/EPT = 10,913 head count / effectifs réels.

Notes:

(a) Employees on leave of absence are excluded. / Les employés en absence autorisée sont exclus.

(b) FTE is based on the full-time / part-time percentage of the employee's working schedule. /

L'EPT est basé sur le pourcentage temps plein / temps partiel de l'horaire de travail des employés.

(d) Includes casual + short term contract. FTE is based on the total days worked over a four week period. /

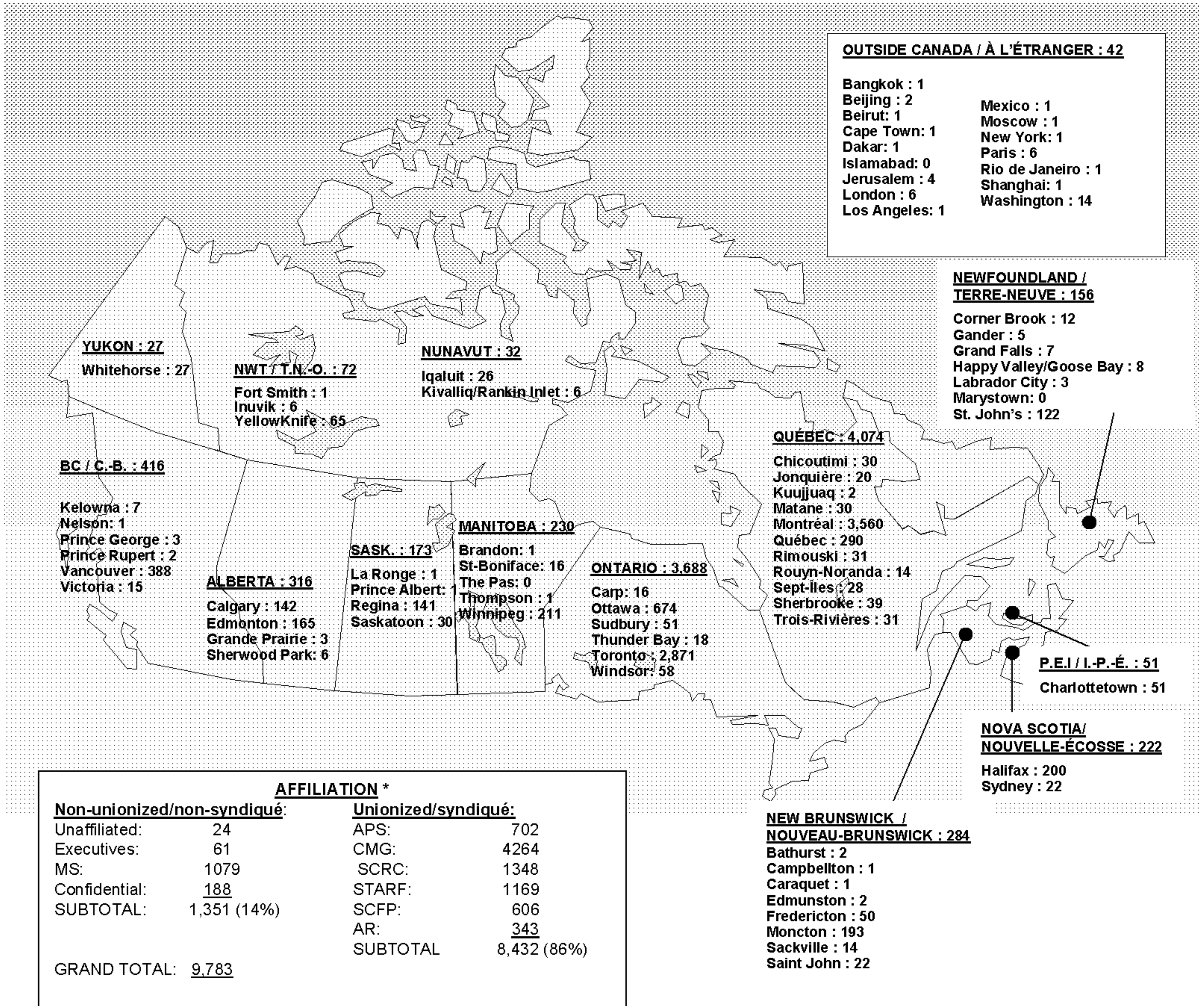
Comprend les occasionnels et les contractuels courte durée. L'EPT est basé sur le total des jours travaillés durant une période de quatre semaines.

The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

CBC Map / Carte de la SRC

Full Time Equivalent / Équivalent temps plein

January 2009 / janvier 2009



Total FTE/ETP 9,783 = Head count / effectifs réels 10,598

* The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

Board of Directors
(March 11, 2009)

Subject matter

2008/2009 Monthly Financial Management Report – January 31st, 2009 results.

Background

N/A

Information on the matter

See attached.

For decision

For information **X**

Prepared by

Name: J. Charbonneau
Date: February 26, 2009

Management recommendation

N/A

Last discussed at the Board

Date: November 17, 2008
Decision made: Reviewed 2008/2009 Quarterly Financial Management Report
 Second quarter results.

Next steps

4th quarter results will be presented in June

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2008/2009
MONTHLY FINANCIAL MANAGEMENT REPORT
Ten months ended January 31, 2009

February 23, 2009

Confidential

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the ten months ended January 31, 2009 and 2008

Financial Reporting Basis

CBC/Radio-Canada prepares its financial results using two different accounting approaches.

The Broadcasting Act requires CBC/Radio-Canada to submit Annual Reports to the Minister of Canadian Heritage containing audited consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

In addition, CBC/Radio-Canada is a Parliamentary appropriation dependent Crown corporation that is accountable to a Government for financial results on a government-funding basis, which differs from GAAP. Non-cash items such as accrued pension plan expenses and other employee future benefits, amortisation, and depreciation are not recognised on a government-funding basis. Government does not fund Crown corporations for such expenses until they actually become payable.

s.18(a)

A reconciliation between the financial results prepared in accordance with GAAP to operating and capital financial results prepared on a government-funding basis is provided in the notes to CBC/Radio-Canada's annual audited financial statements.

s.18(b)

s.21(1)(b)

Financial Review and Analysis Content

The review and analysis of CBC/Radio-Canada's financial results for the ten months ended January 31, 2009 and 2008 is presented on both a government-funding basis and in accordance with GAAP.

This report presents and analyses results of operations for the ten months ended January 31, 2009, compared to the year-to-date budget, and the year-to-date results for the same period in 2007/2008 on government-funding basis. A year-end forecast and variance to the annual budget is also provided. Segmented results are presented for English and French media services and other operations.

Financial statements prepared on a GAAP basis are also presented for the period ended January 31, 2009 and compared with the results for the same period in 2007/2008. A reconciliation of GAAP results to the results on a government-funding basis is provided on page 11. Significant changes in Balance Sheet amounts between the periods are also explained on page 12.

Monthly financial statements do not include revised estimates of employee future benefits, as actuarial valuations are prepared annually. The monthly financial statements are unaudited and do not include full note disclosure. They should be read in conjunction with the 2007/2008 audited consolidated financial statements, which provide full note disclosure in accordance with GAAP.

**Overview of ten months ended January 31, 2009
(in \$000's)**

	2008/2009 Year to date		2008/2009 Annual Basis		2007/2008 Year to date	
	Actuals	Variance to Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS						
Parliamentary Appropriation						
Prior Year Carryover						
Carryover						
Revenues						
Commercial Revenues:						
English Television						
French Television						
Olympics						
Commercial Revenues						
Miscellaneous Revenues						
Revenues-Specialty Services:						
Newsworld						
bold						
Réseau de l'information						
Galaxie						
Revenues-Specialty Services						
SOURCE OF FUNDS						
APPLICATION OF FUNDS						
Expenditures:						
English Television						
French Television						
English Radio						
French Radio						
Radio Canada International						
Olympics						
Others						
Expenditures						
Expenditures - Specialty Services:						
Newsworld						
bold						
Réseau de l'information						
Galaxie						
Expenditures - Specialty Services						
APPLICATION OF FUNDS						
NET FOREIGN						

s.18(a)

s.18(b)

s.68.1

s.18(a) **Segmented Results**
s.18(b)

**Consolidated English Services
For the ten months ended January 31
(in \$000's)**

	2008/2009 Year-to-date		2008/2009 Annual Basis		2007/2008 Year-to-date	
	Actuals	Variance to Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS						
Parliamentary Appropriation						
Prior Year Carryover						
Government Funding and Carryovers	-					
Revenues						
English Television-Commercial						
English Television-Miscellaneous						
Newsworld						
bold						
English Radio						
Revenues	-					
SOURCE OF FUNDS	-					
APPLICATION OF FUNDS						
English Television						
Newsworld						
bold						
English Radio						
APPLICATION OF FUNDS	-					
NET POSITION	-					

s.18(a)

s.18(b)

s.68.1

s.18(a)
s.18(b)
s.68.1

**Consolidated French Services
For the ten months ended January 31
(in \$000's)**

	2008/2009 Year-to-date		2008/2009 Annual Basis		2007/2008 Year-to-date	
	Actuals	Variance to Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS						
Parliamentary Appropriation						
Prior Year Carryover						
Government Funding and Carryovers	—					
Revenues						
French Television-Commercial						
French Television-Miscellaneous						
Réseau de l'information						
French Radio						
Radio Canada International						
Revenues	—					
SOURCE OF FUNDS						
APPLICATION OF FUNDS						
French Television						
Réseau de l'information						
French Radio						
Radio Canada International						
APPLICATION OF FUNDS						
NET POSITION						

s.18(a)
s.18(b)
s.68.1

s.18(a)

s.18(b)

Other Services
For the ten months ended January 31
(in \$000's)

	2008/2009 Year-to-date		2008/2009 Annual Basis		2007/2008 Year-to-date	
	Actuals	Variance to Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS						
Parliamentary Appropriation						
Prior Year Carryover						
Government Funding and Carryover	-					
Revenues						
CBC Technology						
Real Estate Division						
Mobile Division-External Rentals						
Merchandising Division						
Corporate Management and Support Services						
Revenues						
SOURCE OF FUNDS						
APPLICATION OF FUNDS						
CBC Technology						
CBC Transmission & Distribution						
Real Estate Division						
Mobile Division						
Mobile Division-Recoveries from media						
Merchandising Division						
Corporate Management and Support Services						
APPLICATION OF FUNDS						
NET POSITION						

s.68.1

Business Risks to 2008/2009 forecast

s.18(a)

s.18(b)

s.68.1

Reconciliation of Net Results of Operations to Government Funding Basis

The Corporation receives a significant portion of its funding through Parliamentary appropriations, based primarily on cash flow requirements. |

	<u>2009</u>	<u>2008</u>
	<i>(thousands of dollars)</i>	
Net results for the period on a GAAP basis	_____	
Items not generating operating funds on a GAAP basis		
Amortisation of deferred capital funding		
Loss (gain) on disposal of property and equipment		
Parliamentary appropriation for working capital		
Other	_____	

Items not requiring operating funds		
Amortisation of property and equipment		
Program inventory costs		
Vacation pay		
Other	_____	

Net results of operations on a government funding basis	_____	
Prior year government funding surplus, used to date	_____	
Government funding surplus (deficit), end of period	=====	

s.18(a)

s.18(b)

Balance Sheet Analysis
(January 31, 2009 compared to January 31, 2008)

s.18(a)
s.18(b)
s.68.1

Cash Flows and Financial Resources

s.18(a)

s.18(b)

Unaudited

CONSOLIDATED BALANCE SHEET

As at January 31

	s.18(a)	2009	2008
	s.18(b)	<i>(thousands of dollars)</i>	
ASSETS			
Current			
Cash and cash equivalents			
Short-term investments			
Accounts receivable			
Inventory			
Prepaid expenses			
Net investment in sales-type leases			
Derivative financial instruments			
<hr/>			
Long-term			
Property and equipment			
Long-term receivables			
Net investment in sales-type leases			
Deferred charges			
Long-term investments			
Derivative financial instruments			
<hr/>			
LIABILITIES			
Current			
Accounts payable and accrued liabilities			
Employee-related liabilities			
Bonds payable			
Deferred revenues			
Deferred operating vote drawdown			
Derivative financial instruments			
<hr/>			
Long-term			
Minority interests			
Long-term investments			
Deferred revenues			
Employee-related liabilities			
Bonds payable			
Deferred capital funding			
<hr/>			
EQUITY			
Retained earnings (deficit)			
Accumulated other comprehensive income (loss)			
<hr/>			
<hr/>			
Commitments and contingencies (NOTES 5 and 6)			

The accompanying notes form an integral part of the consolidated financial statements.

Unaudited

CONSOLIDATED STATEMENT OF OPERATIONS

s.18(a)

s.18(b)

For the period ended January 31

2009

2008

(thousands of dollars)

Revenues

Advertising
Specialty Services
Other income
Financing income

Expenses

Television and Radio service costs
Specialty Services
Amortisation of property and equipment
Transmission, distribution and collection
Corporate management
Payments to private stations

Operating loss before Government funding, non-operating revenues, taxes, and minority interests

Government funding

Parliamentary appropriation for operating expenditures
Parliamentary appropriation for working capital
Amortisation of deferred capital funding

Net results before non-operating revenues, taxes and minority interests

Non-operating revenues

Gain on disposal of property

Net results before taxes and minority interests

Taxes and minority interests

Provision for income and large corporations taxes
Minority interests

Net results for the period

The accompanying notes form an integral part of the consolidated financial statements.

Unaudited

s.18(a)

s.18(b)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended January 31

2009

2008

(thousands of dollars)

CASH FLOWS FROM (USED IN)

OPERATING ACTIVITIES

Net results for the period

Items not involving cash:

Loss (gain) on disposal of equipment

Gain on disposal of property

Gain from fair value of financial instruments

Amortisation of property and equipment

Change in deferred charges

Amortisation of deferred capital funding

Change in deferred revenues [long-term]

Change in long-term receivables

Change in employee-related liabilities [current]

Change in minority interests

Net change in non-cash working capital balances

FINANCING ACTIVITIES

Parliamentary appropriations :

Capital funding

Repayment of bonds payable

INVESTING ACTIVITIES

Acquisition of property and equipment

Purchase of long-term investments

Recovery from salary advances

Capital recovery from notes receivable

Capital recovery from net investment in sales-type leases

Deferred charges

Proceeds from disposal of equipment

Proceeds from disposal of property

Increase in cash and cash equivalents

Cash and cash equivalents, beginning of year

Cash and cash equivalents, end of period

Consist of:

Cash

Cash equivalents

The accompanying notes form an integral part of the consolidated financial statements.

s.18(a)

s.18(b)

Unaudited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the period ended January 31

2009 **2008**
(thousands of dollars)

Net results for the period

Other comprehensive income

Net changes in cash flow hedges:

Reclassification to expenses

Total other comprehensive income

Total comprehensive income (loss) for the period

The accompanying notes form an integral part of the consolidated financial statements.

Unaudited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended January 31

2009 **2008**
(thousands of dollars)

Retained earnings (deficit)

Balance, beginning of the year

Net results for the period

Retained earnings (deficit), end of the period

Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss), beginning of the year

Other comprehensive income (loss) for the period

Accumulated other comprehensive income (loss), end of the period

Total equity

The accompanying notes form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR PERIOD ENDED JANUARY 31, 2009

1. AUTHORITY AND OBJECTIVE

CBC/Radio-Canada (the Corporation) was first established by the 1936 *Canadian Broadcasting Act* and continued by the 1958, 1968 and 1991 *Broadcasting Acts*. The Corporation is an agent of Her Majesty and all property acquired by the Corporation is the property of Her Majesty.

As the national public broadcaster, CBC/Radio-Canada provides Radio, Television and New Media services in both official languages incorporating predominantly and distinctively Canadian programs to reflect Canada and its regions to national and regional audiences.

In accordance with section 85(1) of the *Financial Administration Act*, the Corporation is exempt from Divisions I to IV of Part X of this Act, except for sections 131 to 148 and 154.01, and is accountable for its affairs to Parliament through the Minister of Canadian Heritage and Official Languages.

CBC/Radio-Canada is a federal Crown corporation subject to federal corporate income tax by virtue of the *Income Tax Act* (Canada) and the Regulations thereto. CBC/Radio-Canada is not subject to any provincial corporate income taxes but is subject to sales taxes at both the federal and provincial levels.

2. FINANCIAL STATEMENT PRESENTATION

These consolidated financial statements have been prepared in conformity with Canadian Generally Accepted Accounting Principles (GAAP). The same accounting policies described in the consolidated financial statements included in the latest annual report of the Corporation have been used. However, the consolidated financial statements do not include all disclosure under Canadian GAAP for an annual report and accordingly should be read in conjunction with the Corporation's latest annual consolidated financial statements and notes thereto.

3. ACCOUNTING CHANGES

On April 1, 2008, the Corporation adopted the Canadian Institute of Chartered Accountants (CICA), Handbook Section 3031, *Inventories*, which is replacing Section 3030, *Inventories*. It provides the Canadian equivalent to International Financial Reporting Standard (IFRS) IAS 2, *Inventories*. Section 3031 prescribes measurement of inventories at the lower of cost and net realisable value. It provides guidance on the determination of cost, including allocation of overheads and other costs to inventories and requires the reversal of previous write-down when there is a subsequent increase in the value of inventories. The adoption of this new section does not have any significant effect on the consolidated financial statements.

On April 1, 2008, the Corporation adopted the Canadian Institute of Chartered Accountants (CICA), Handbook Section 3862, *Financial Instruments – Disclosures* and Section 3863, *Financial instruments – Presentation*. Section 3862 revises Section 3861 – *Disclosure and Presentation* and provides expanded disclosure requirements that provided additional detail by financial assets and liability categories. This standard also harmonises disclosures with International Financial Reporting Standards. Section 3863

enhances financial statements users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. This standard also harmonises disclosures with International Financial Reporting Standards. The impact of this new standard will be reflected in our consolidated financial statements as of March 31, 2009.

On April 1, 2008, the Corporation adopted the Canadian Institute of Chartered Accountants (CICA), Handbook Section 1535, *Capital Disclosures*. This section establishes standards for disclosing information about a corporation's capital and how it is managed in order that a user of the financial statements may evaluate the corporation's objectives, policies, and processes for managing capital. The impact of this new standard, if any, will be reflected in our consolidated financial statements as of March 31, 2009.

4. FINANCIAL INSTRUMENTS

A. Financial Risk Management

The Corporation's activities are exposed to a variety of financial risks: price risk, credit risk and cash flow risk. The Corporation's overall risk management program focuses on the unpredictability of financial and economic markets and seeks to minimise potential adverse effects on the Corporation's financial performance. Risk management is carried out by financial management in conjunction with overall Corporation's governance.

B. Price risk

There are three types of price risk: currency risk, interest rate risk and market risk.

(i) Currency risk

The risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation mitigates this risk by entering into forward exchange contracts.

(ii) Interest rate risk

The risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Corporation's long-term receivables and the bonds payable are subject to interest rate fluctuation since they bear a fixed interest rate. An increase or decrease in market rates will impact the fair value of these financial instruments.

(iii) Market risk

The risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Corporation's exposure to financial market risk is limited since there are no significant financial instruments, which will fluctuate as a result of changes in market prices.

C. Credit risk

The risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is exposed to credit risk

through its cash equivalents, accounts receivable, long-term receivables and forward exchange contracts. The Corporation has deposited cash with reputable financial institutions, from which management believes the risk of loss to be remote and cash equivalents are guaranteed by the Government of Canada. The Corporation's accounts receivable are mainly derived from sale of advertising airtime. Credit risk concentration with respect to trade receivables is limited by following a program of credit evaluation and by limiting the amount of customer credit where deemed necessary. The Corporation manages its exposure to derivative counterparty credit risk by contracting primarily with reputable financial institutions. For its long-term receivables, the Corporation mitigated the risk by guarantying the amount to be received through promissory notes issued by a highly reputable entities and a letter of credit issued by a highly reputable financial institution.

D. Cash flow risk

The risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Since the Corporation's long-term receivables and bonds payable have fixed interest rates, the Corporation's income and operating cash flows are substantially independent of changes in market interest rates.

5. COMMITMENTS

The Corporation entered into commitments by renewing purchase agreements and entering into new purchase agreements. Management estimates that these new commitments, for the ten-month period ended January 31, 2009, will result in future annual expenditures of approximately \$268 million and a total of \$1.103 billion over the next eight years.

6. CONTINGENCIES

Various claims and legal proceedings have been asserted or instituted against the Corporation. Some demand large monetary damages or other relief and they could result in significant expenditures. Litigation is subject to many uncertainties and the outcome of individual matters is not always predictable. Contingent liabilities are potential liabilities, which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. There were no significant changes in the Corporation's contingencies as of January 31, 2009 with respect to the information disclosed in the annual report for the year ended March 31, 2008.

Detailed Tables of Operations

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**Financial Management Report
Corporate Summary
For the ten months ended January 31
(\$000's)**

	2019/2020 Actuals			2020/2021 Annual Budget			2020/2021 Year-to-Date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Total Government Funding and Carryovers								
Commercial Revenues - Regular Operations								
Commercial Revenues - Olympics								
Total Commercial Revenues								
Miscellaneous Revenues - Regular Operations								
Total Miscellaneous Revenues								
Total Commercial and Miscellaneous Revenues								
TOTAL SOURCE OF FUNDS - MAIN SERVICE								
TOTAL SOURCE OF FUNDS - SPECIALTY SERVICES								
TOTAL SOURCE OF FUNDS FOR CBC								
APPLICATION OF FUNDS								
Expenditures - Regular Operations								
TOTAL APPLICATION OF FUNDS - MAIN SERVICE								
TOTAL APPLICATION OF FUNDS - SPECIALTY SERVICES								
TOTAL APPLICATION OF FUNDS FOR CBC								

s.18(a)

s.18(b)

s.18(a)

s.18(b)

**Financial Management Report
Source of Funds
For the ten months ended January 31
(\$000's)**

	2008/2009 Year to Date			2008/2009 Annual Basis			2007/2008 Year to Date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS	-							
Parliamentary Appropriation								
Prior Year Carryover								
Total Government Funding and Carryovers	-							
Commercial Revenues								
Commercial Revenues - Regular Operations:								
English Television								
French Television								
Total for Regular Operations	-							
Total Commercial Revenues	-							
Miscellaneous Revenues								
Miscellaneous Revenues - Regular Operations:								
English Television								
French Television								
English Radio								
French Radio								
Sirius								
Mobile Division								
Merchandising Division								
Corporate Activities								
CBC Transmission and Distribution								
Real Estate Division								
Radio Canada International								
TBC land interest								
Total for Regular Operations	-							
Total Miscellaneous Revenues - Regular Operations	-							
Total Commercial and Miscellaneous Revenues	-							
TOTAL SOURCE OF FUNDS - MAIN SERVICE	-							
Specialty Services Revenues:								
Newsworld								
bold								
Réseau de l'information								
Galaxie								
TOTAL SOURCE OF FUNDS - SPECIALTY SERVICES	-							

**Financial Management Report
Application (use) of Funds
For the ten months ended January 31
(\$000's)**

	<div style="background-color: #cccccc; padding: 2px;"> Budget Actuals Variance to Budget </div>			<div style="background-color: #cccccc; padding: 2px;"> Budget Forecast Variance to Budget </div>			<div style="background-color: #cccccc; padding: 2px;"> Actuals Variance in Actuals </div>	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
APPLICATION OF FUNDS								
Expenditures - Regular Operations:								
English Television								
French Television								
English Radio								
French Radio								
Mobile Division								
Ottawa Production Centre								
Merchandising Division								
Corporate Activities								
CBC Technologies								
CBC Transmission & Distribution								
Real Estate Division								
Radio Canada International								
Corporate Reserve								
Total Expenditures - Regular Operations	—							
Expenditures - Olympics:								
Beijing Olympics								
Total Expenditures - Olympics	—							
TOTAL APPLICATION OF FUNDS - MAIN SERVICE								
Expenditures - Specialty Services:								
Newsworld								
bold								
Réseau de l'information								
Galaxie								
TOTAL APPLICATION OF FUNDS - SPECIALTY SERVICES								
TOTAL APPLICATION OF FUNDS - ALL SERVICES								

s.18(a)

s.18(b)

CORPORATE SUMMARY - VARIANCE OVERVIEW
(\$000's)

	2008/2009 Actual vs. Budget			2009/2009 Forecast vs. Budget		
	Revenue Variances	Expenditure Variances	Net Variance	Revenue Variances	Expenditure Variances	Net Variance
Main Service:						
English Television						
French Television						
English Radio						
French Radio						
Beijing Olympics						
Mobile Division						
Ottawa Production Center						
Merchandising Division						
Corporate Activities						
CBC Technologies						
CBC Transmission and Distribution						
Real Estate Division						
RCI						
Total - Components						
Corporate Reserve						
TOTAL - MAIN SERVICE						
Specialty Services:						
Newsworld						
bold						
RDI						
Galaxie						
TOTAL - SPECIALTY SERVICES						
NET RESULT						

Note - negative variances are indicated by brackets

Financial Management Report
 Consolidated English Services
 For the ten months ended January 31
 (\$000's)

s.18(a)

s.18(b)

	2008/2009 Year to date			2008/2009 Annual Basis			2007/2008 Year to date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Parliamentary Appropriation								
Prior Year Carryover								
Total Government Funding and Carryover	—							
Revenues								
English Television - Commercial								
English Television - Miscellaneous								
Newsworld								
bold								
English Radio - Miscellaneous								
Total Revenues	—							
TOTAL SOURCE OF FUNDS	—							
APPLICATION OF FUNDS								
English Television								
Newsworld								
bold								
English Radio								
TOTAL APPLICATION OF FUNDS	—							
NET POSITION								

Financial Management Report
English Television
For the ten months ended January 31
(\$000's)

	2008/2009 Year to date			2008/2009 Annual Basis			2007/2008 Year to date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Parliamentary Appropriation								
Surplus Carryover								
Commercial Revenue - Television								
Commercial Revenue - Internet								
Business Development Revenue								
Miscellaneous Revenue								
TOTAL SOURCE OF FUNDS								
APPLICATION OF FUNDS								
<u>Costs related to Revenue-generating Services *</u>								
Media Marketing and Sales								
Business Development								
CBC.ca								
Subtotal - Revenue-generating Services								
<u>Programming and Production</u>								
Sports								
Network Programming								
News and Current Affairs								
Communications								
Production and Resources								
Regional Operations								
Network Reserve								
Subtotal - Programming and Production								
<u>Technical</u>								
Toronto Production Services								
News Production Services								
Affiliates								
Plant - Broadcast Services - Master Control								
Subtotal - Technical								
<u>General Administration</u>								
Management								
Training								
Support Services (Network and Regional)								
Business Rights and Content Management								
Subtotal - General Administration								
TOTAL APPLICATION OF FUNDS								
NET POSITION								

*Please note that other areas may also generate revenues. These are only the services whose main function is revenue-generation.

Newsworld
 Schedule of Incremental Revenues and Costs
 For the ten months ended January 31
 (\$000's)

	2008/2008 Year to Date			2009/2009 Annual Basis			2009/2008 Year to Date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues	—							
Commercial Revenue								
Cable Subscriptions								
Program Sales								
Total Incremental Revenues	—							
Incremental Costs								
Programming								
Distribution								
Management and Services								
Selling								
Promotion & Marketing								
Total Incremental Costs	—							
Excess of Revenues over Costs								
Repayments to the Main Service								
Capital Expenditures								
Total Repayments to the Main Service	—							
Excess Revenues/(Costs)								

s.18(a)

s.18(b)

Financial Management Report
English Radio
For the ten months ended January 31
(\$000's)

	2006-07 Year-to-Date			2006-07 Annual Basis			2006-07 Year-to-Date		
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals	
SOURCE OF FUNDS									
Parliamentary Appropriation									s.18(a)
Surplus Carryover									
Miscellaneous Revenue	—								
TOTAL SOURCE OF FUNDS	—								s.18(b)
APPLICATION OF FUNDS									
Costs related to Revenue-generating Services									
Entrepreneurial Activities	—								
Subtotal - Revenue-generating Services	—								
Programming and Production									
Arts & Entertainment									
Music Department									
Radio 3									
Network Programming Reserve									
Sirius									
News & Current Affairs									
Network Services									
Production and Resources									
Network Reserves									
Regional Operations									
<i>CBC North</i>									s.68.1
<i>British Columbia</i>									
<i>Alberta-Calgary</i>									
<i>Alberta-Edmonton</i>									
<i>Saskatchewan</i>									
<i>Manitoba</i>									
<i>CBL-Toronto</i>									
<i>Ottawa</i>									
<i>Ontario</i>									
<i>Quebec</i>									
<i>Maritimes</i>									
<i>Newfoundland</i>	—								
Subtotal - Regional Operations	—								
Subtotal - Programming and Production	—								
Technical									
Distribution									s.18(a)
Radio Production Centre									
Subtotal - Technical									
General Administration									
Management									s.18(b)
Subtotal - General Administration									
TOTAL APPLICATION OF FUNDS									
NET POSITION									

Financial Management Report
 Consolidated French Services
 For the ten months ended January 31
 (\$000's)

	2006/2007 Year-to-date			2006/2006 Annual Basis			2007/2006 Year-to-date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Parliamentary Appropriation								
Prior Year Carryover								
Total Government Funding and Carryover	—							
Revenues								
French Television-Commercial Revenues								
French Television -Miscellaneous Revenues								
Réseau de l'information								
French Radio								
Radio Canada International								
Total Revenues	—							
TOTAL SOURCE OF FUNDS	—							
APPLICATION OF FUNDS								
French Television								
Réseau de l'information								
French Radio								
Radio Canada International								
TOTAL APPLICATION OF FUNDS	—							
NET POSITION								

s.18(a)

s.18(b)

Financial Management Report
 French Television
 For the ten months ended January 31
 (\$000's)

	2016/2015 2016/2015			2016/2016 Annual Basis			2016/2016 2016/2016	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Parliamentary Appropriation								
Surplus Carryover								
Commercial Revenue - Television								
Commercial Revenue - Internet								
Miscellaneous Revenue								
TOTAL SOURCE OF FUNDS	—	—						
APPLICATION OF FUNDS								
<u>Costs related to Revenue-generating Services</u>								
Commercial Services (incl. Internet)								
Commercial Production								
Program Sales to Other Broadcasters								
Production Services and Others								
Costs - Contra Agreements								
Subtotal - Revenue-generating Services								
<u>Programming and Production</u>								
Sports								
Arts & Entertainment								
News and Current Affairs								
Media Operations								
Internet and Digital Services								
Communications								
Regional Operations								
Network Reserve								
Subtotal - Programming and Production								
<u>Technical</u>								
Affiliates								
Plant - Production Services								
Plant - Broadcast Services - Master Control								
Subtotal - Technical								
<u>General Administration</u>								
Management								
Training								
Support Services (Network and Regional)								
Subtotal - General Administration								
TOTAL APPLICATION OF FUNDS								
NET POSITION	■							

Le Réseau de l'information
 Schedule of Incremental Revenues and Costs
 For the ten months ended January 31
 (\$000's)

	2008-2009 Actuals			2008-2009 Actuals			2008-2009 Actuals	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues								
Commercial Revenue	7 240	6 128	(1 112)	9 000	7 600	(1 400)	6 166	(38)
Cable Subscriptions								
Program Sales								
Others								
Surplus Carryover	—							
Total Incremental Revenues								
Incremental Costs								
Programming								
Technical Services								
Sales & Marketing/Promotion								
Management and Services								
Total Incremental Costs								
Excess of Revenues over Costs								
Repayments to the Main Service								
Capital Expenditures								
Total Repayments to the Main Service								
Excess Revenues/(Costs)								

Financial Management Report
 French Radio
 For the ten months ended January 31
 (\$000's)

	2008/2009 Year to date			2008/2009 Annual Basis			2007/2008 Year to date	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Parliamentary Appropriation								
Surplus Carryover								
Miscellaneous Revenue								
TOTAL SOURCE OF FUNDS								
APPLICATION OF FUNDS								
<u>Costs related to Revenue-generating Services</u>								
Production Services and Others								
Costs - Contra Agreements								
Subtotal - Revenue-generating Services								
<u>Programming and Production</u>								
<i>Première Chaîne</i> Programs								
<i>Espace Musique</i>								
Sinus								
Information Programming								
Promotion and Advertising								
Network Reserve								
New Media								
<u>Regional Operations</u>								
Programming Management								
Atlantic								
Quebec								
Ontario/ Outaouais								
West								
Subtotal - Regional Operations								
Subtotal - Programming and Production								
<u>Technical</u>								
Production Services								
Broadcast Services								
Subtotal - Technical								
<u>General Administration</u>								
Management								
Subtotal - General Administration								
TOTAL APPLICATION OF FUNDS								
NET POSITION								

s.68.1

s.18(a)

s.18(b)

s.68.1

s.18(a)

s.18(b)

Financial Management Report
Corporate Activities
For the ten months ended January 31
(\$000's)

	s.18(a)			s.18(b)		
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance
SOURCES OF FUNDS						
Net Parliamentary Subsidy						
Surplus Carryover						
<u>Miscellaneous Revenues</u>						
Strategy and Business Partnerships						
General Counsel						
Interest and Capital Recoveries						
Shared Services						
Corporate New Media						
Total Miscellaneous Revenues						
TOTAL SOURCE OF FUNDS						
APPLICATION OF FUNDS						
Office of the President						
Office of the Chairperson and Board of Directors						
Branding, Communications and Corporate Affairs						
Internal Audit						
Corporate Priorities and Implementation						
Training and Development						
People and Culture						
Severance Pay and Other Personnel Costs						
Dental Plan, EAP and Crisis Management						
Content Management						
Strategy and Business Partnerships						
General Counsel and Corporate Secretariat						
Corporate Finance and Administration						
Insurance, Corporate Forms, Taxes, etc.						
Shared Services						
International Relations						
Ombudsman - Toronto						
Ombudsman - Montreal						
Corporate New Media						
TOTAL APPLICATION OF FUNDS						
NET POSITION						

s.18(a)

s.18(b)

Merchandising Division
Schedule of Incremental Revenues and Costs
For the ten months ended January 31
(\$000's)

	2008/2009 Actuals			2009/2009 Annual Basis			2007/2008 Actuals	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
SOURCE OF FUNDS								
Deficit Carryover								
Sales of Products:								
Retail Operations								
Distribution								
Educational								
Licensing								
TOTAL SOURCE OF FUNDS	-	-						
APPLICATION OF FUNDS								
Administration								
Sales of Products:								
Retail Operations								
Warehouse Operations								
Distribution								
Educational								
Licensing								
Sub-total Application of Funds	-							
Reduction Required to Offset								
Previous Year's Deficit								
TOTAL APPLICATION OF FUNDS	-							
NET POSITION								

s.18(a)

s.18(b)

**Financial Management Report
Mobile Division
For the ten months ended January 31
(\$000's)**

	Interim Actuals			Interim Forecast			Final Actuals	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actual	Variance in Actuals
REVENUES/ FUNDING								
Revenues:								
Revenues from External Mobile Rentals								
Internal Chargebacks from Media for Planned Internal Usage								
Total Revenues	-							
Other Sources/Reductions of Funds:								
Funding Received from Media for EIC's								
Deficit Carryover								
Total - Other Sources/Reductions of Funds:	-							
TOTAL FUNDING AVAILABLE	-							
EXPENDITURES								
Direct Costs Relating to External Mobile Rentals								
General Management								
General Operations								
Total Expenditures	-							
OPERATING RESULTS BEFORE TRANSFERS TO MEDIA FOR PLANNED USAGE	-							
Funding Given to Media for Planned Internal Usage								
NET POSITION								

Galaxie
 Schedule of Incremental Revenues and Costs
 For the ten months ended January 31
 (\$000's)

	2019/2020 Actuals			2019/2020 Annual Budget			2019/2020 Actuals	
	Budget	Actuals	Variance to Budget	Budget	Forecast	Variance to Budget	Actuals	Variance in Actuals
Incremental Revenues								
Satellite								
Cable								
Music for Business								
Internet								
Other								
Total Incremental Revenues	—	—						
Incremental Costs								
Rights								
Internet								
Administration								
Programming								
Distribution								
Marketing								
Rising Star Program								
Total Incremental Costs	—	—						
Excess Revenues/(Costs)	—							

s.18(a)

s.18(b)

Impact of Agreement with Stingray Digital Group Inc	
Stingray Affiliate Agreement	
Max Trax Deal	
Overhead / Additionnal Revenues	
Satellite/Cable Revenue - CBC/Galaxie	
Stingray Agency Fee	
Write-offs, Legal Fees, etc.	
Excess Revenues/(Costs) - Stingray Agreement	
Excess Revenues/(Costs) - including Stingray Digital Group Inc Agreement	

s.18(a)

s.18(b)

Capital

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s.18(a)

s.18(b)

CAPITAL

s.18(a)
s.18(b)

s.18(a)

s.18(b)

2008/09 Capital Budget Overview as at January 31, 2009
 Forecasted expenditures to Year-end
 (\$000's)

<u>Investment Class</u>	<u>Capital Plan</u>	<u>Forecasted Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>Actual Expenditures to Date</u>	<u>As % of Forecast</u>
Legal and regulatory					
Mission critical					
Payback initiatives					
Growing the business					
Transmission strategy					
Efficiency projects					
Minor capital					
Contingency					
Impact of approved plan being higher than available capital (1)					
Total Surplus/(Deficit) Forecast	—	—			

<u>Component</u>	<u>Capital Plan</u>	<u>Forecasted Expenditures</u>	<u>Surplus/ (Deficit)</u>	<u>Actual Expenditures to Date</u>	<u>As % of Forecast</u>
English Television (ETN)					
French Television (FTN)					
English Radio (ERN)					
French Radio (FRN)					
English New Media (ENM)					
French New Media (FNM)					
Information Technology (IT)					
Real Estate (RE)					
Toronto Broadcast Centre (TBC)					
Broadcast & Telecom Networks (BTN)					
Transmission Division (T&D)					
Human Resources (HR)					
Corporate Components					
Fleet Management					
Mobile Division					
Minor Capital					
Enterprise Wide (EW):					
<i>Vision/Sintec</i>					
<i>Vision/Sintec - phase 1 - change request</i>					
<i>Vancouver Redevelopment</i>					
<i>Ottawa Content Management</i>					
<i>Quebec Consolidation</i>					
<i>Edmonton Consolidation</i>					
<i>Newsroom System Project - iNews</i>					
<i>Desktop Radio - Permanent Solution</i>					
<i>Yellowknife Consolidation</i>					
<i>Other</i>					
Committed Corporate Contingency					
Impact of approved plan being higher than available capital (1)			26%		
TOTAL SURPLUS/(DEFICIT) FORECAST (2)	—	—			
<i>% of Available Capital</i>					

* includes repayment of bonds payable for TBC lease

s.18(a)

s.18(b)

s.68.1

2008/2009 Capital Budget Overview as at January 31, 2009 - Notes

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 7

Note 8

2008/2009 Capital Budget Overview as at January 31, 2009 - Notes

Note 9

Note 10

Note 11

Note 12

Note 13

Note 14

Note 15

Note 16

s.18(a)

s.18(b)

Page 630

**is withheld pursuant to sections
est retenue en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

s.18(a)
s.18(b)

2008/2009 to 2010/2011 CAPITAL INVESTMENT PLAN
Board of Directors Approved Projects > \$5 million - Notes
Forecasted Expenditures to Project Completion

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

2008/2009 to 2010/2011 CAPITAL INVESTMENT PLAN
Board of Directors Approved Projects > \$5 million - Notes
Forecasted Expenditures to Project Completion

Note 7

Note 8

Note 9

s.18(a)

s.18(b)

Balance Sheet Details

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CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
as at January 31

	2009	2008	Inc. / (Dec.) Amount	Percent
			<i>(thousands of dollars)</i>	

s.18(a)

s.18(b)

s.68.1

ACCOUNTS RECEIVABLE
as at January 31

s.18(a)
s.18(b)

	2009	2008
	<i>(millions of dollars)</i>	
Advertising		
Current (accruals)		
1-30 days		
31-60 days		
61-90 days		
91+ days		
Total		
Non-advertising		
TOTAL - ACCOUNTS RECEIVABLE		

s.18(a)

s.18(b)

INVENTORY REPORT
as at January 31

Component	2009	2008	Variance
	<i>(in thousands of dollars)</i>		
English Television *			
French Television *			
Indirect Costs Allocation **			
Merchandising			
Documentary Channel			
TOTAL			

* See below for detail by program category

** Overhead expenses applicable to program in inventory

s.68.1

INVENTORY REPORT - NETWORKS PROGRAMMING INVENTORY BY CATEGORY
as at January 31

	2009	2008	Variance
	<i>(in thousands of dollars)</i>		
<u>English Television</u>			
Arts & Entertainment			
A&E in-house			
Independent dramatic			
Independent music and variety			
Independent movies and mini-series			
Independent children, youth and daytime			
Independent development			
Arts & Entertainment			
Network programming			
Documentary production unit			
Factual entertainment			
News & current affairs			
TV Sports - Olympics			
Regional inventory			
TOTAL - ENGLISH TELEVISION PROGRAM INVENTORY			

French Television

Procured programs and films rights

Current affairs and documentaries

Drama

Arts & Entertainment

Sports

TOTAL - FRENCH TELEVISION PROGRAM INVENTORY

Board of Directors

(March 16-17, 2009)

Subject matter

Access to Information

Background

CBC/Radio-Canada became subject to the *Access to Information Act* on September 1, 2007.

Information on the matter

An update/progress report is appended for the information of the Board.

For decision**For information****Prepared by**

Name: Meg Angevine

Date: February 25, 2009

Management recommendation

N/A

Last discussed at the Board

Date: March 2008 (included in the Key Risks section of 2008-2009 Budget Presentation)

Decision made: 2008-2009 Budget approved

Next steps

N/A

Update on Access to Information

CBC/Radio-Canada became subject to the *Access to Information Act* on September 1, 2007.

In preparing to meet its obligations under this legislation, CBC/Radio-Canada took a number of steps in the period leading up to September 1, 2007. Some of these were: (i) consulting with other organizations that were already subject to ATI or similar legislation to determine how best to meet these new obligations; (ii) recruiting an experienced ATIP manager to help set up the new office; (iii) developing policies, procedures and processes to support the ATI function; (iv) establishing a budget for the ATIP office and identifying ATIP resources in each business sector of the Corporation; (v) obtaining staff and resources for the new ATIP Office (including case management software and advanced redaction technology); and (vi) creating an internal website with information about ATIP at CBC/Radio-Canada as a resource for all employees.

Since September 2007, CBC/Radio-Canada has continued its efforts to meet its obligations under the legislation and ensure the rights of requesters are respected by increasing the resources in the ATIP Office and improving the management information and reporting framework. The ATIP Office was initially staffed with 3.5 positions - a manager, two ATIP analysts and a part time support person. Over the past year, it has grown to 8 fulltime positions – a Director, a manager, four ATIP analysts and two support staff. This staff complement has been augmented on two occasions with external consultants to process several large files. In addition, there is a network of ATIP liaison officers in place to cover each business area of the Corporation. The liaison officers are responsible for retrieving records, providing recommendations as to the portions to be exempted, and working with the ATIP Office to process requests through the approval stage.

In September 2007, the first month after it became subject to the ATI legislation, CBC/Radio-Canada received 335 formal access requests. In October 2007, CBC/Radio-Canada received a further 99 formal access requests, for a total of 434 in the first two months under the *Act*. Since then, CBC/Radio-Canada has continued to receive requests, albeit at a slower pace. To date, the total number of requests received

is 755. Appendix 1 to this memorandum sets out the relevant statistics on the requests received and their disposition. The Corporation currently has 134 open files.

A significant number (571) of the total requests received by the Corporation originate from a single requester (the "bulk requester"). The early influx of such a large number of requests created a situation where the Corporation could not respond to these requests within the statutory timeframe provided in the *Act*. Under the legislation, a requester has the right to complain to the Office of the Information Commissioner when a request is not processed within the 30-day period set out in the *Act*.

In November 2007, CBC/Radio-Canada began to receive notices of complaints lodged with the Office of the Information Commissioner. As of January 31, 2009, some 633 complaints have been filed with the Commissioner about CBC/Radio-Canada, most of which originate from the "bulk requester".

While many complaints are in respect of the delay in processing of requests, complaints have also been received about other matters, including: (i) the search fees charged; (ii) the exemptions applied to records; (iii) the application of CBC/Radio-Canada's exclusion for information related to its journalistic, creative or programming activities; and (iv) the lack of quantity (or absence) of records in response to a request. Appendix 2 to this memorandum sets out the breakdown of complaints by nature and also indicates how many were submitted by the "bulk requester".

The Office of the Information Commissioner adopted a different approach to the complaints about delay. After discussion with the CBC/Radio-Canada ATIP coordinator, representatives of the Office of the Information Commissioner proposed a target goal of April 1, 2009 to enable CBC/Radio-Canada to deal with the complaints related to delay in processing requests. The language used in the Annual Report of the Information Commissioner (tabled in Parliament in May 2008) describes the situation and the rationale for the approach taken as follows:

"These complaints gave us an opportunity to take a different and more flexible approach to resolving delay complaints than we have in the past. We considered the CBC's circumstances: it had just become subject to the Act when it was inundated with

hundreds of requests over a very short time period, and it did not have adequate resources to process them in a timely way. By negotiating a target date to respond to all the requests, the CBC could focus on the task of completing them, and we could close the complaint files but still monitor the CBC's progress to ensure that the complainant continues to receive responses."

A total of 377 files were subject to the March 31, 2009 target date. Of this number, 324 have been closed to date, leaving 53 still open. The Corporation is working diligently to deal with the remaining files as quickly as possible.

Lastly, in May 2008, three judicial review applications were commenced against CBC/Radio-Canada in Federal Court by the "bulk requester", two relating to those complaints about delay filed with the Information Commissioner that were dealt with in the manner described above, and a third one unrelated to delay. Two of these applications have been resolved in CBC/Radio-Canada's favour and the third one is still pending, with a likely hearing date sometime in the next few months.

Learning to live with access to information has presented a number of challenges for CBC/Radio-Canada. Some of these stem from the fact that CBC/Radio-Canada is newly subject to the Access to Information Act. Others are common to virtually all ATIP Offices in the present environment. In the latter category, one very significant factor is the critical shortage of trained and experienced staff available to meet the increased demand created by those organizations newly subject to the *Access to Information Act*.

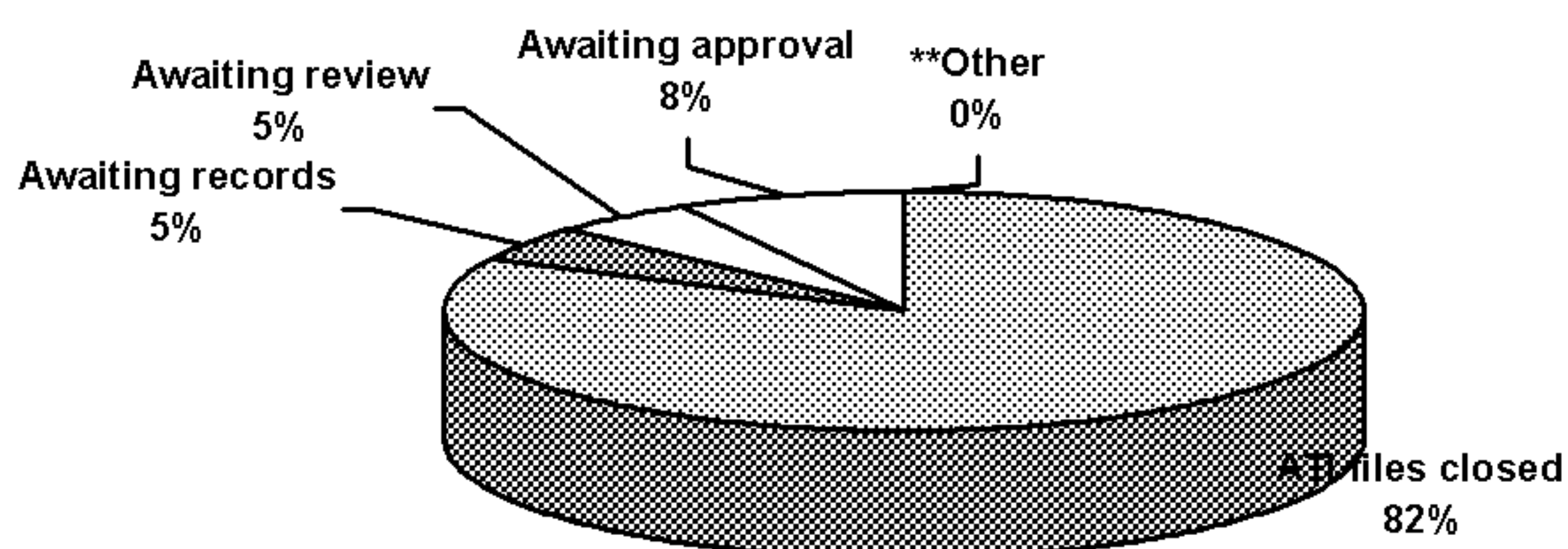
The ability to attract experienced ATIP staff from the Federal Government, as the primary source of such employees, has been particularly difficult in the case of CBC/Radio-Canada. The reasons are simple. CBC/Radio-Canada is an employer separate and distinct from the Government of Canada. This means that employees who choose to leave a Government job to join CBC/Radio-Canada must leave behind the broad scope and mobility that Government employment offers ATIP employees, with the consequential ability to move relatively easily from one Department to another, while preserving their benefits, their pension and their seniority.

Despite these challenges, CBC/Radio-Canada is making encouraging progress in adapting to this new regime and responding to requests.

s.21(1)(b)

ATIP Statistics Report Period ending February 23, 2009

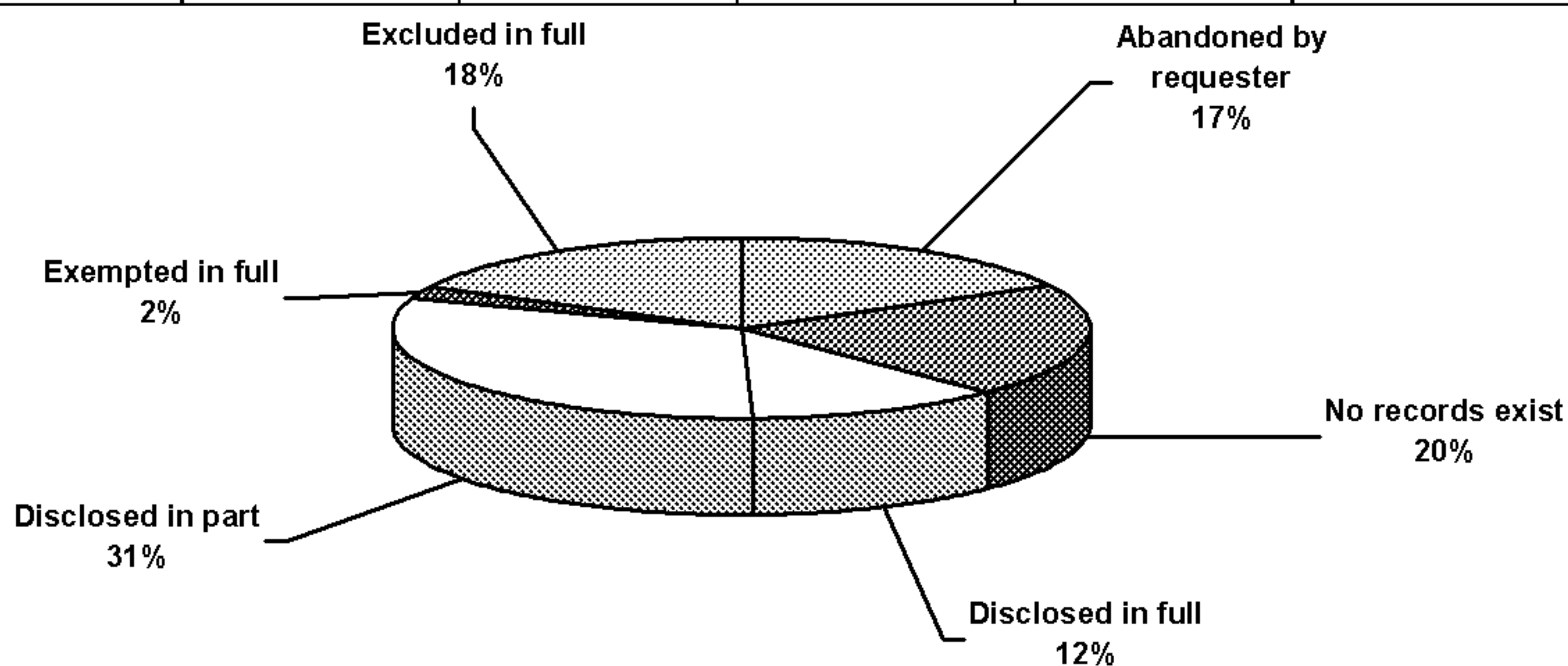
ATI requests received this week	ATI requests received since Sept.1, 2007	ATI files closed	Awaiting records	Awaiting review	Awaiting approval	**Other
2	755	621	35	37	63	0



** These are files on hold pending clarification with respect to the request or payment of search fees estimated

Disposition of closed files

Abandoned by requester	No records exist	Disclosed in full	Disclosed in part	Exempted in full	Excluded in full
107	126	74	192	13	109



Complaints Profile
(as of January 31, 2009)

	Total for All Requesters	Total for Bulk Requester
Number of Complaints Received	633	596
Delay	389	377
Fees	81	80
Exemptions	24	23
Exclusion	64	44
Exclusion/Exemption*	3	2
Extension	4	3
Refusal – General**	61	60
Publications	1	1
Miscellaneous	6	6

*Exclusion/Exemption Complaints are complaints that both the exclusion and exemptions have been used on the same request

**Refusal – General Complaints are primarily complaints that more records should exist that those provided to the requester

Board of Directors
March 16-17, 2009

Subject matter

2009-2010 Business Plans and Operating and Capital Budgets

Background

The Board approved the 2009-2010 Corporate Priorities at the January 19-20, 2009 meeting.

Information on the matter

See comprehensive presentation attached.

For decision



For information



Prepared by

Name: Johanne Charbonneau, Richard Stursberg, Sylvain Lafrance
Date: March 13, 2009

Management recommendation

A resolution is included on the last page of the presentation.

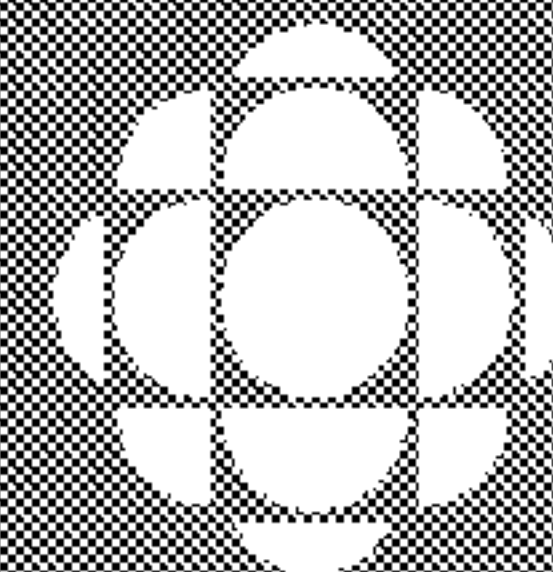
Last discussed at the Board

Date:
Decision made: N/A

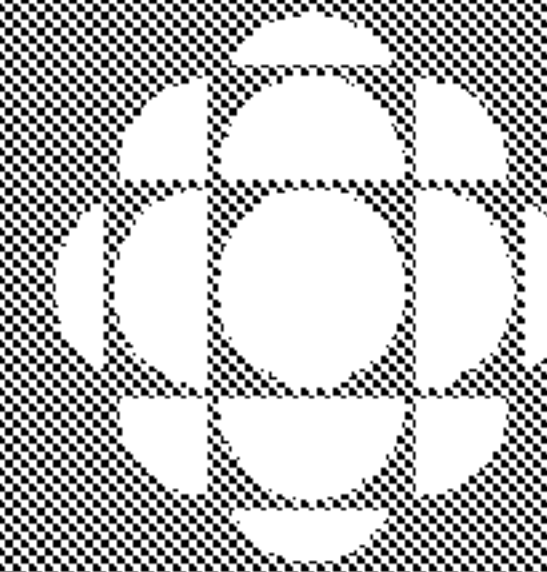
Next steps

2009/2010 Business Plans and Operating and Capital Budgets

Board of Directors Presentation
Toronto March 16th, 2009

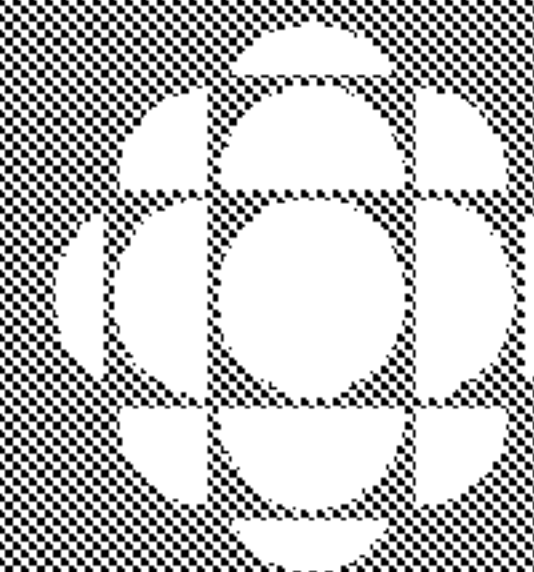


Agenda



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Introduction



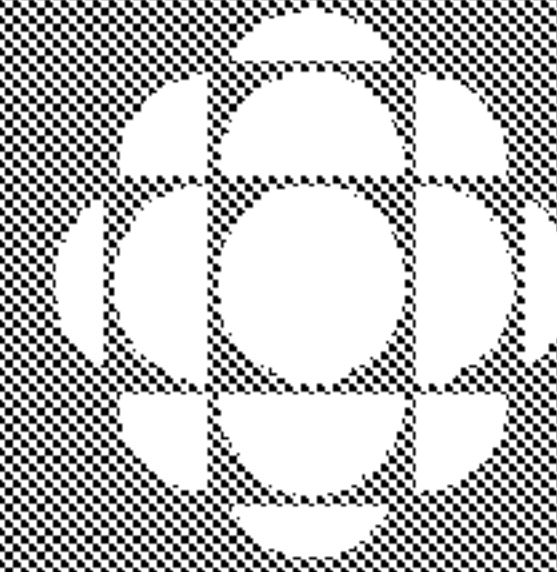
In November 2008, the Board discussed the new strategic directions being pursued and in January 2009, approved the New Corporate Priorities.

These Corporate Priorities help set the guiding principles for the development of the CBC/Radio-Canada operating and capital budgets.

CBC/Radio-Canada plans to respond to the current financial pressures while minimizing their impact on its public broadcasting mandate and maintaining its focus on long term strategy.

The 2009/2010 Recommended Operating and Capital Budgets are being brought forward for the approval of the Board at this meeting.

Part 1.

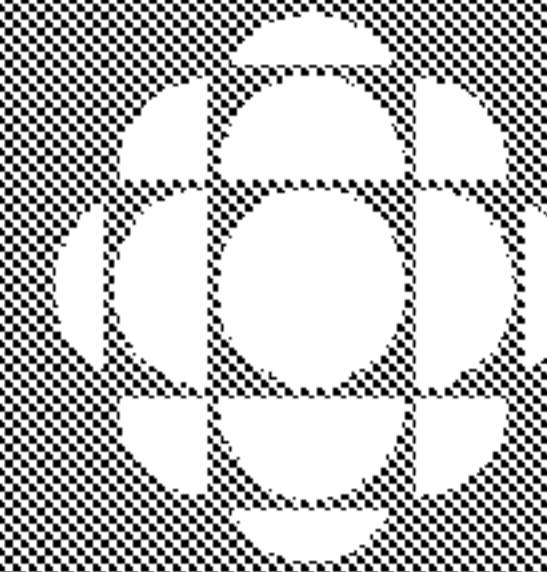


Corporate Priorities:

- *People*
- *Programs*
- *Pushing Forward*

(As approved by the Board on its meeting, January 20, 2009)

Strategic Priorities Overview



CBC|Radio-Canada introduced a new strategic framework in 2008/2009. This strategic framework was arrived at not only through extensive consultation with CBC|Radio-Canada employees and the senior management team, but by taking into account the findings of the environment in which we operate.

All of this input made it clear to us that we must focus on three key issues: people, because they are our key asset; on programs, because they are our core competency; and on pushing forward so we can adapt to challenges and exploit opportunities.

1 PEOPLE

Recruit, train, retain and empower a skilled workforce
Reflect Canada's diversity within
Build an improved relationship with the unions
Communicate and engage our people

2 PROGRAMS

3 PUSHING FORWARD

Build a sustainable economic model
Enhance transparency through real time reporting
Invest in the appropriate technologies and infrastructure to optimize reach

s.68.1

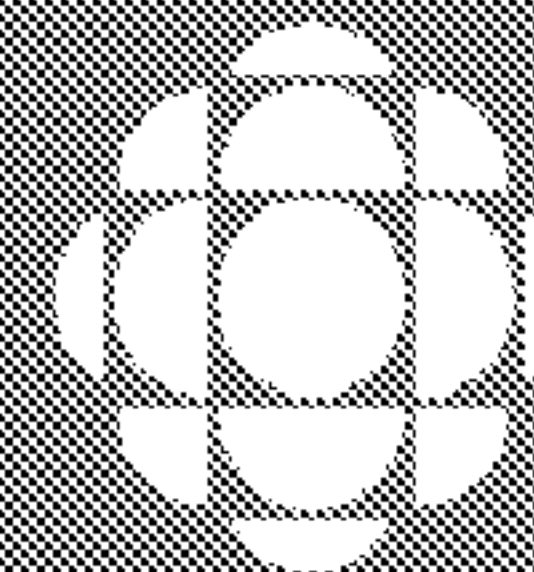
s.18(b)

s.21(1)(a)

s.21(1)(b)

Part 1 Corporate Priorities

Strategic Priorities Overview



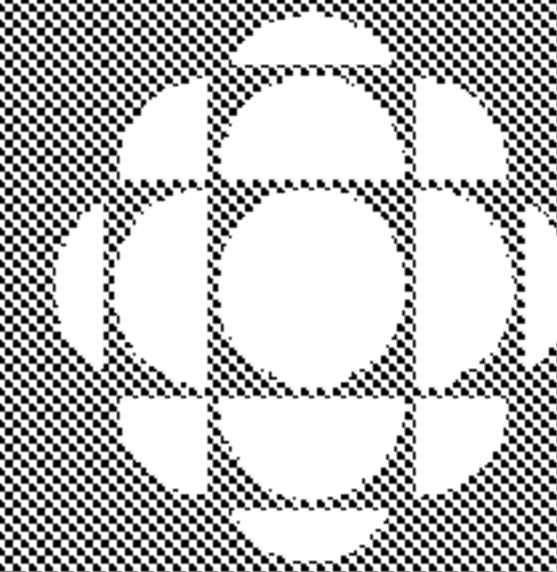
15 March 2009

CONFIDENTIAL

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People



Retention and Succession Planning

- Like many other corporations, the current demographic profile of CBC/Radio-Canada requires it to put effort and resources on retention and succession planning. The seriousness of the situation should not be underestimated and will require a clear and structured approach in two particular areas - training and succession.
- Managers need to be further empowered to make decisions in order to better engage them in pursuing the goals of the Corporation.

Diversity Within

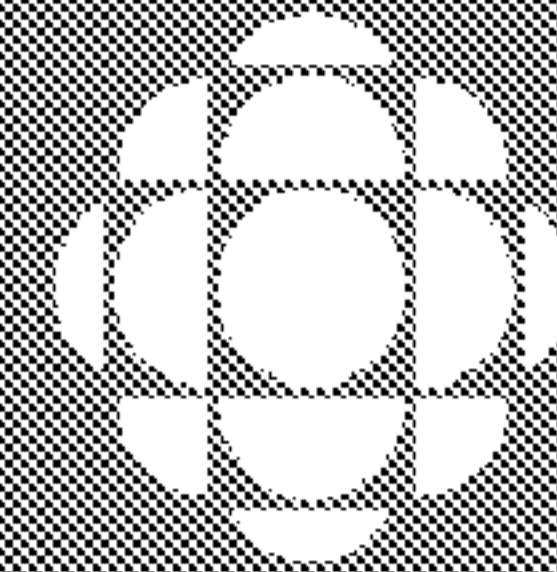
s.21(1)(a)
s.21(1)(b)

- CBC/Radio-Canada has made changes to its programming to better reflect Canada's diversity. But we must also increase and leverage "diversity within". As in many other organizations, diversity will likely play a significant role in addressing the upcoming talent shortage and we need each component to think of how they will integrate it in their plans.

Relationships with the Unions

We need to continue to focus on dialogue and communication in order to maintain a good relationship despite the challenges that we will face in the upcoming years.

Programs



Delivering High-Quality Canadian Content

- CBC/Radio-Canada wants to continue to provide high quality, distinctive programs that inform, entertain, enlighten and reflect the Canadian experience on whatever platform Canadians prefer. That is why we refer to ourselves as a content company.

•

Emerging and New Platforms

- CBC/Radio-Canada recognizes the importance of providing Canadian content on multiple platforms, including the Internet and other platforms. Management believes that CBC/Radio-Canada has developed good capabilities in this field and is moving in the right direction.

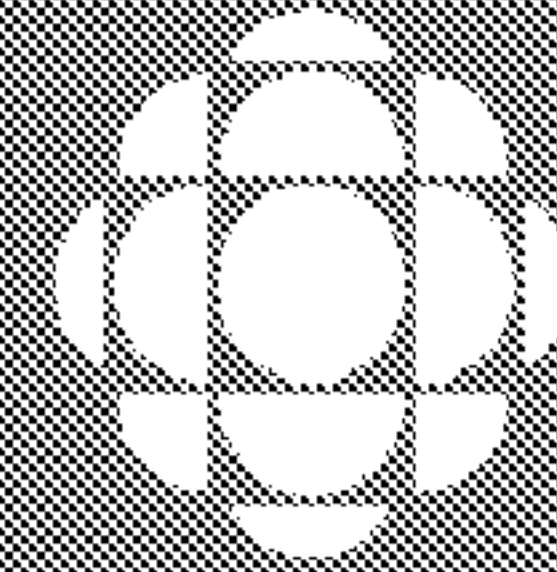
Regional Presence

- A strong regional presence is considered fundamental for the public broadcaster and therefore over time, our objective is to maintain or increase the overall level of investment in the regions and to reflect the diversity and the profile of the regions.

s.21(1)(b)

Part 1. Corporate Priorities

Pushing Forward



New Economic Model

-

Reporting to the Public

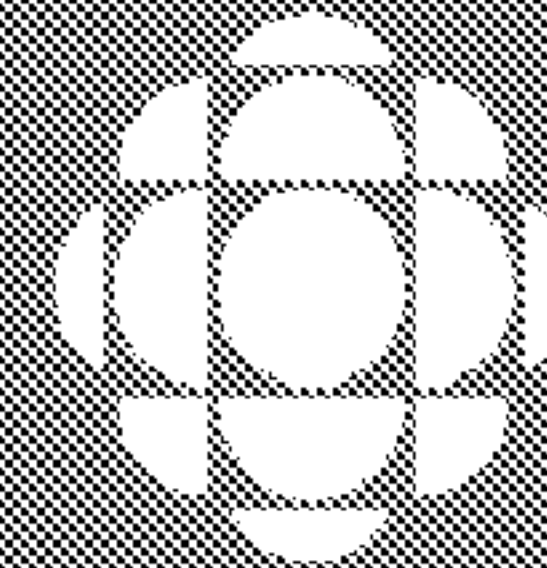
-

We would like to be more transparent by increasing the volume of relevant financial information and frequency by which we report results publicly. We believe this is essential in order to promote understanding of the way CBC/Radio-Canada is managed.

Investments in Technology, Real Estate and Broadcast Infrastructure

-

Part 2.



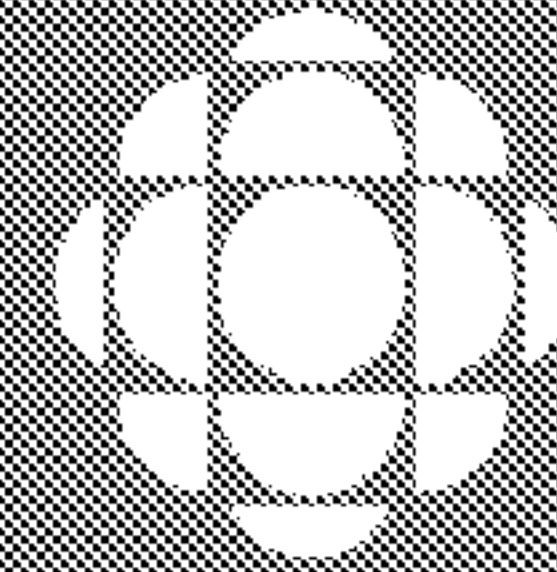
Enterprise Risk Management

15 March 2009

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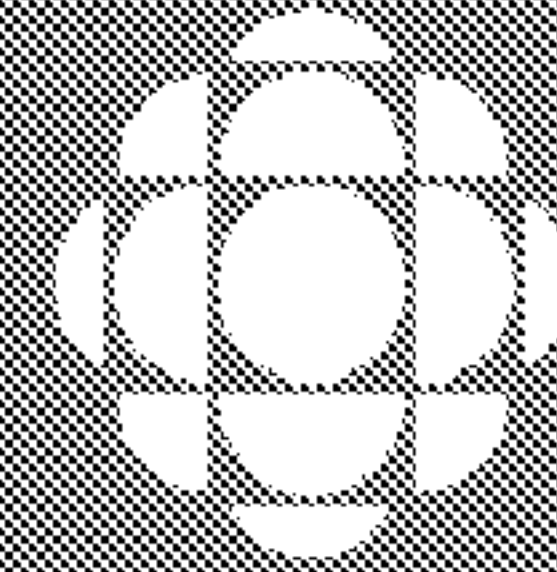
16

Introduction



- This section highlights the Key Risks and Action Plans for 2009/2010 that were discussed and agreed to by the Senior Executive Team on February 27, 2009. A more detailed version was discussed at the Meeting of the Audit Committee on March 11, 2009.
- Given the extreme volatility in our environment, some risk profiles have changed since printing.
- Subsequent to the high level discussion on risks and opportunities at the January Board meeting, media and corporate components identified, evaluated and ranked risks and provided action plans to manage their key risks as part of the 2009/2010 Business Plan submissions. Risks were evaluated and ranked by components using a common set of evaluation criteria and risk definitions provided in the Business Plan Guidelines.
- The information was then compiled to develop the key corporate risks and action plans. The corporate ranking process took into account the component submissions. However, the final corporate ranking is somewhat subjective as components with different objectives can evaluate business risks differently depending on their perspective.
- The ranking was determined by risk score, which is a function of the assessed risk's impact and likelihood of occurrence, each measured on a scale of 1 (low) to 5 (high). Risks assessed with a score below 12 continue to be reviewed and managed by components but are not reported on in detail at the Board level.

2009/2010 Key Risks Ranking

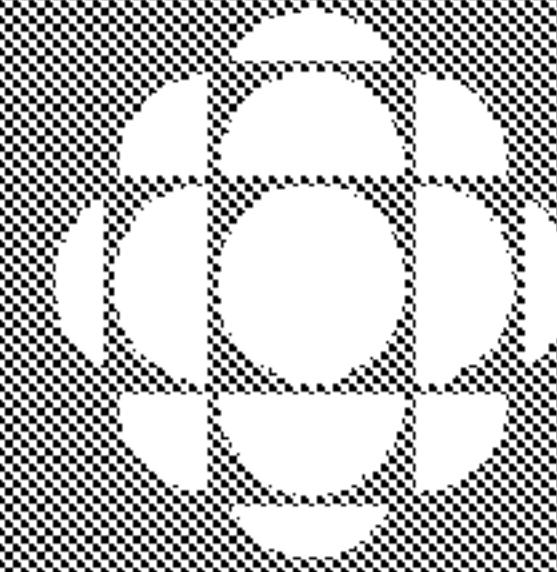


Rank	Key Risk	2009/10			2008/09
		Impact	Likelihood	Risk Score	Risk Score
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					

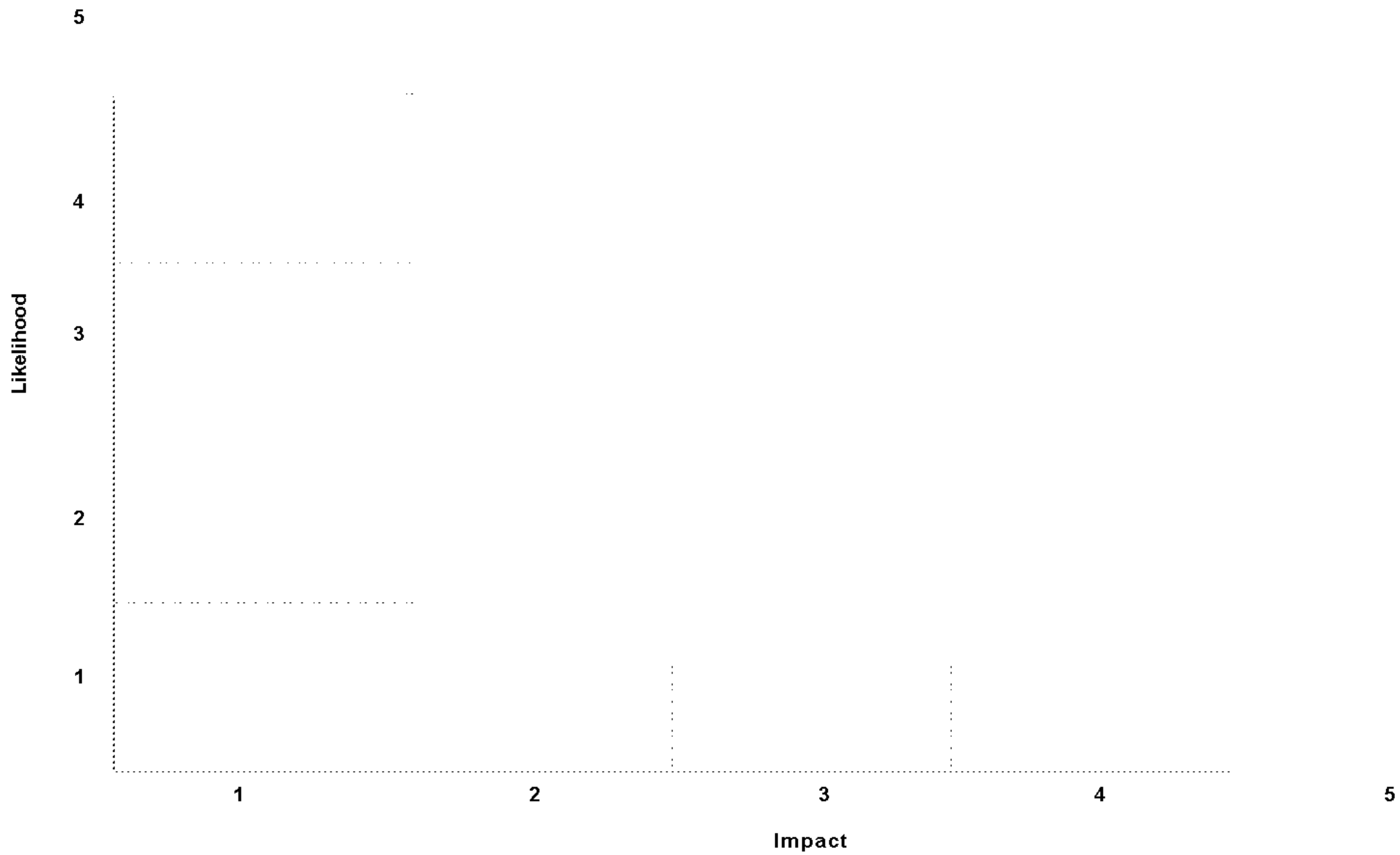
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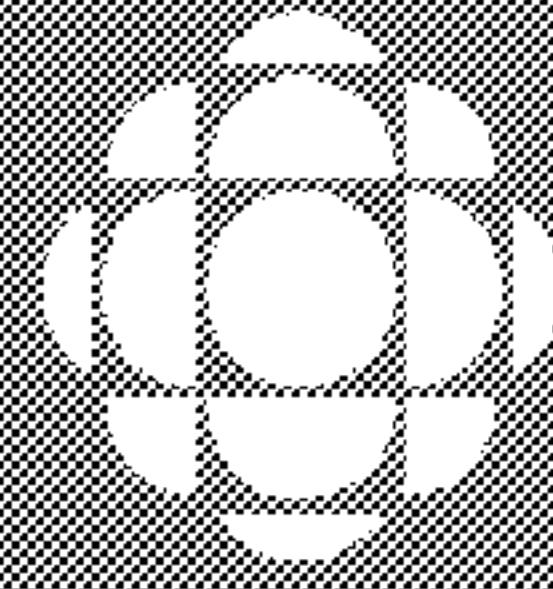
2009/2010 Key Risks Map



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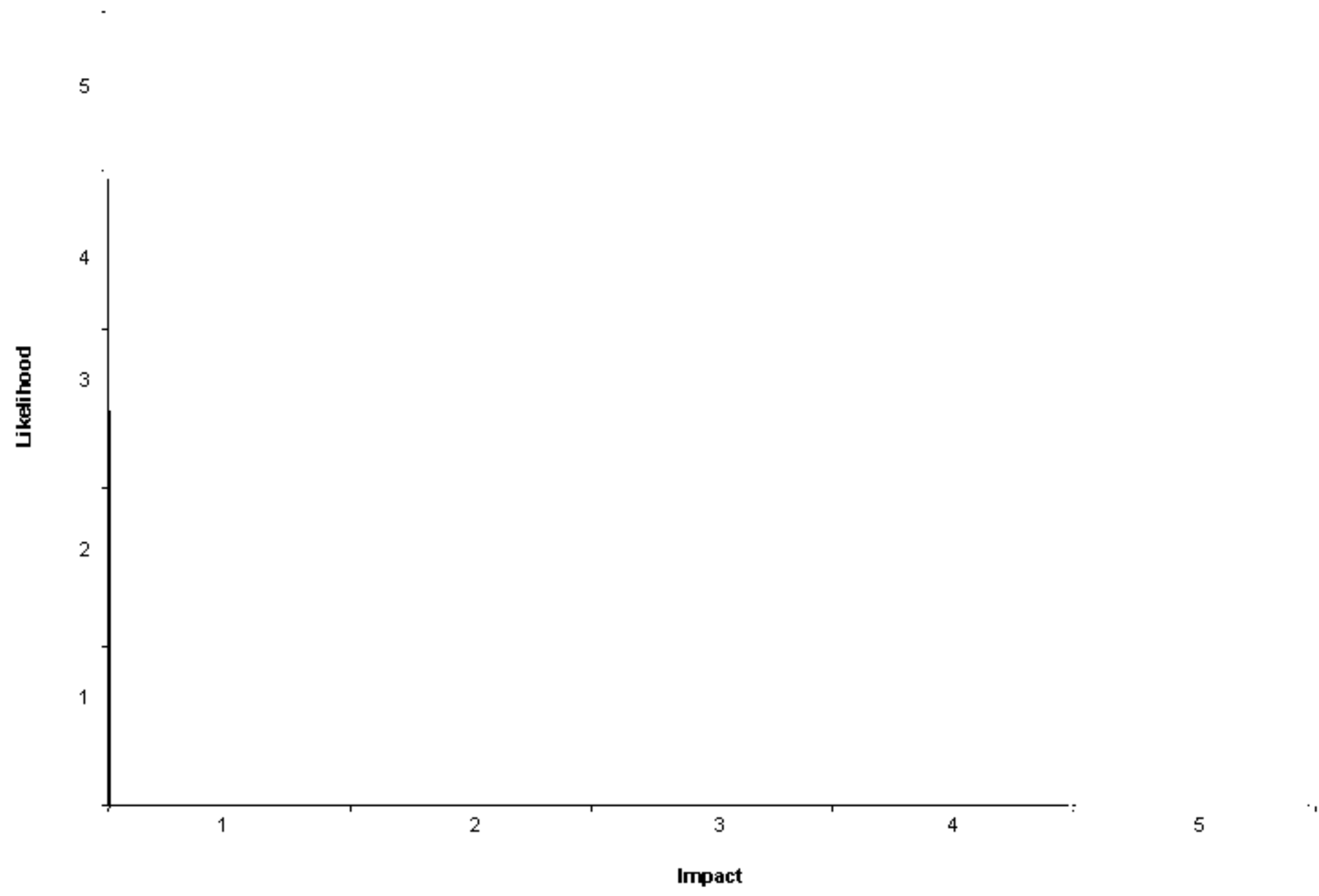


2009/2010 Key Risks Map – 3 Ps

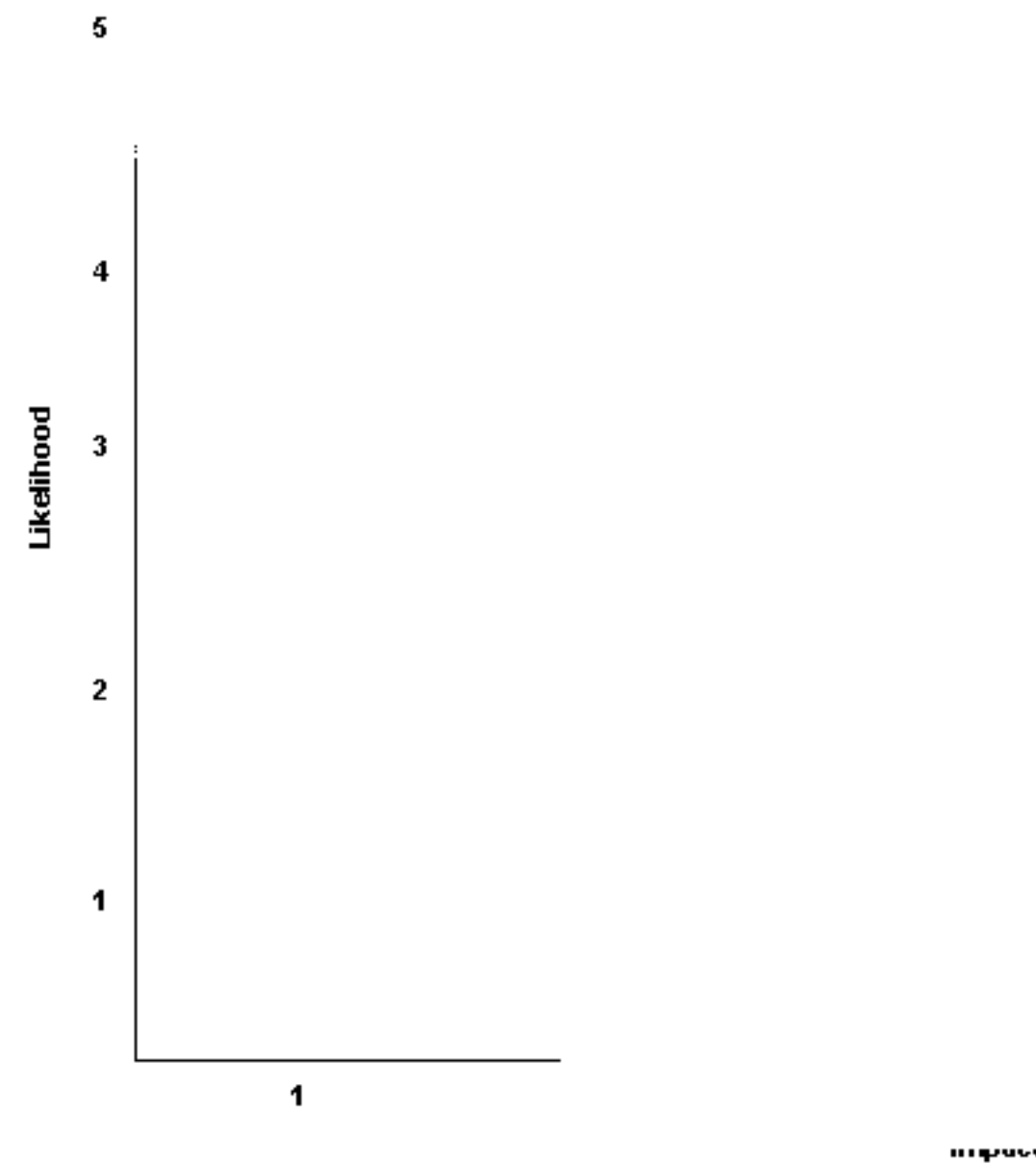


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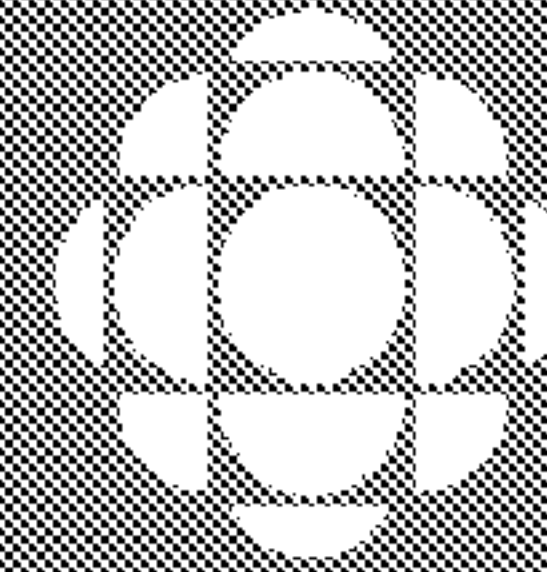
PEOPLE



PROGRAMS



PUSHING FORWARD



Review of 2009/2010 Key Risks

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s.18(b)
s.21(1)(b)

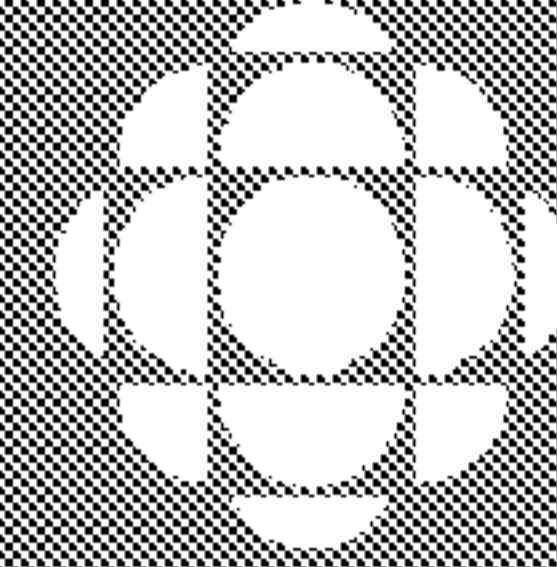
Key Risks

Action Plans and Mitigation

s.18(a)
s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

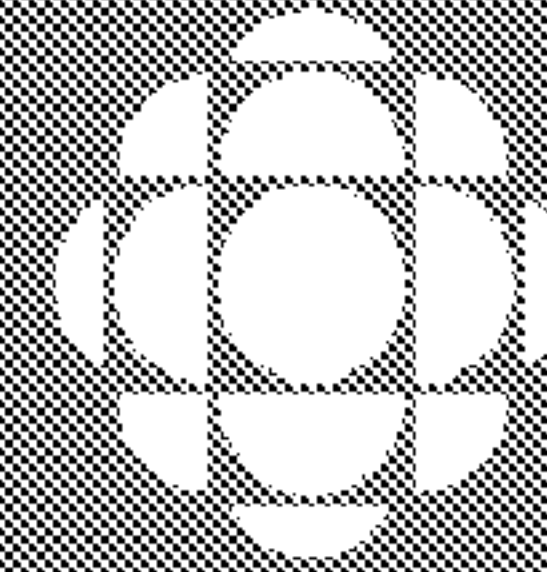
Review of 2009/2010 Key Risks



Key Risks

Action Plans and Mitigation

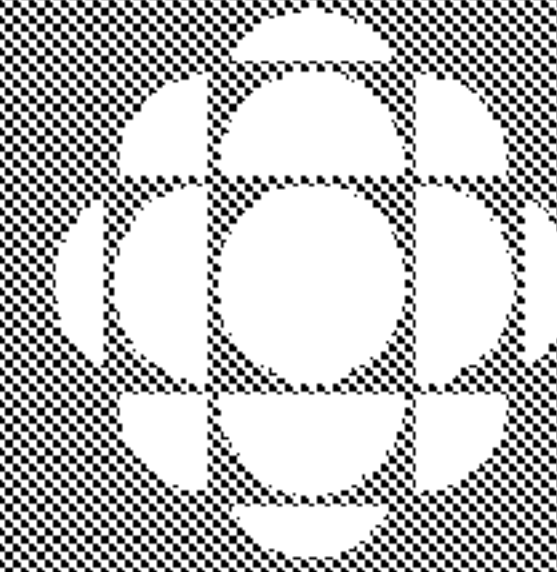
Review of 2009/2010 Key Risks



s.18(a)
s.18(b)
s.21(1)(b)

Key Risks	Action Plans and Mitigation

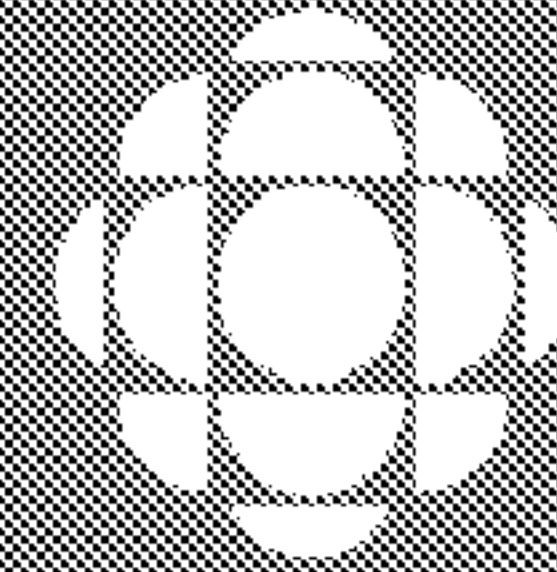
Review of 2009/2010 Key Risks



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Key Risks	Action Plans and Mitigation

Review of 2009/2010 Key Risks

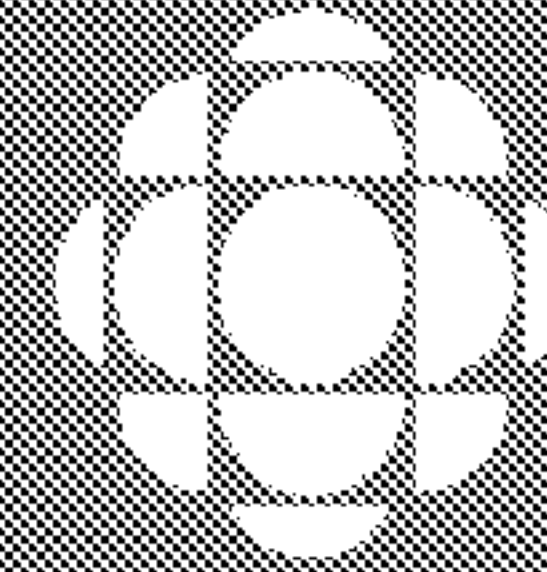


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Key Risks

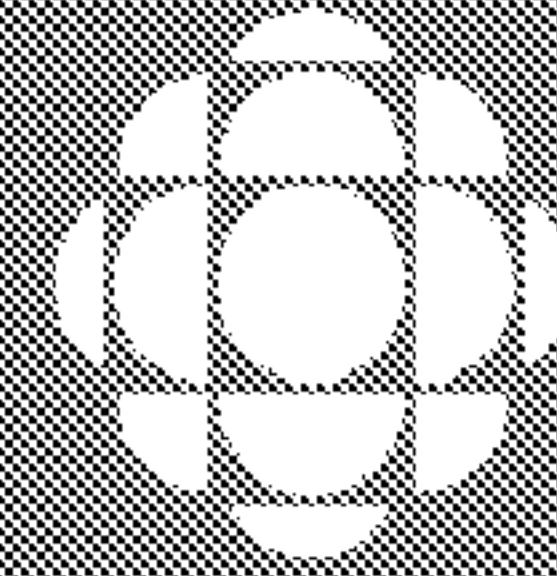
Action Plans and Mitigation

Review of 2009/2010 Key Risks



Key Risks	Action Plans and Mitigation
<p>6. <u>Regulatory Decisions</u></p> <p>a. <u>Licence Review</u></p> <p>CBC/Radio-Canada's licences were administratively extended by one year to August 2009.</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
<p>b. <u>Regulatory Environment</u></p> <p>Recent decisions highlight a move to a more market-oriented regulatory regime.</p> <p>Under the BDU Regulatory Framework, the CRTC announced competition in "Mainstream News Services".</p> <p>increased competition is likely. This will put pressure on subscriber revenue as the BDU's will have more negotiating leverage.</p> <p>The issue of Conventional TV carriage fees may also re-appear given the state of the Conventional TV advertising revenue market.</p>	

Review of 2009/2010 Key Risks



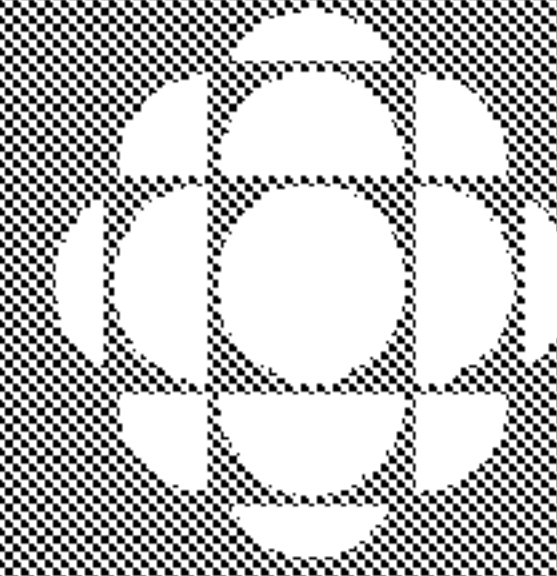
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Key Risks

Action Plans and Mitigation

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s.18(b)
s.21(1)(b)

Review of 2009/2010 Key Risks



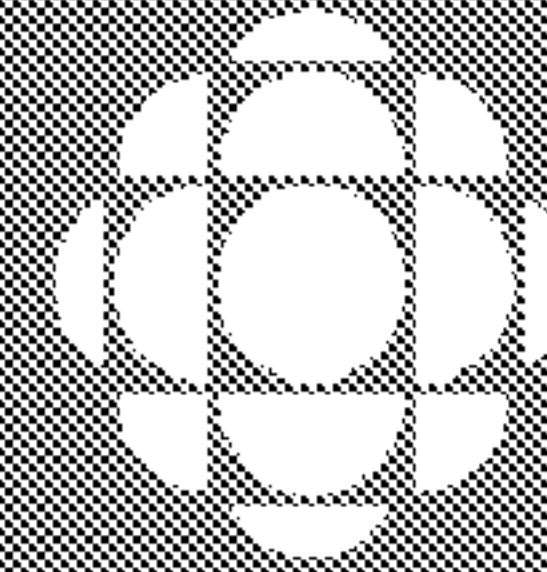
Key Risks

Action Plans and Mitigation

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s.21(1)(b)

Review of 2009/2010 Key Risks



s.18(b)
s.21(1)(b)

Key Risks

Action Plans and Mitigation

s.20(1)(b)

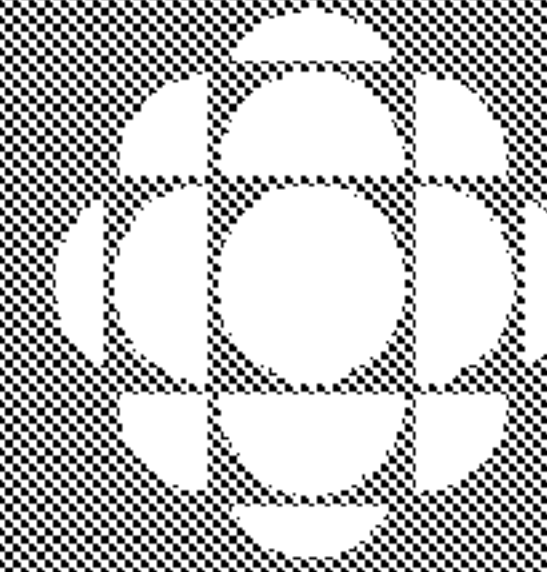
ii. Sirius and XM Merger
Merger talks are underway in Canada.

Closely monitor merger talks in Canada and develop options to maximize benefits for CBC/Radio-Canada.

s.18(a)
s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

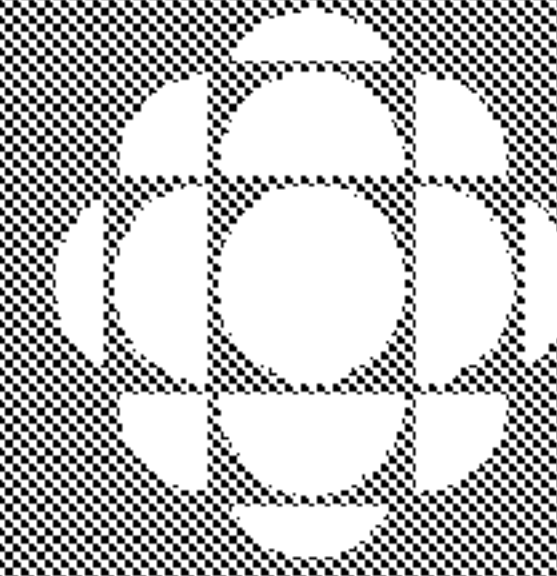
Review of 2009/2010 Key Risks



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Key Risks	Action Plans and Mitigation

Review of 2009/2010 Key Risks



Key Risks

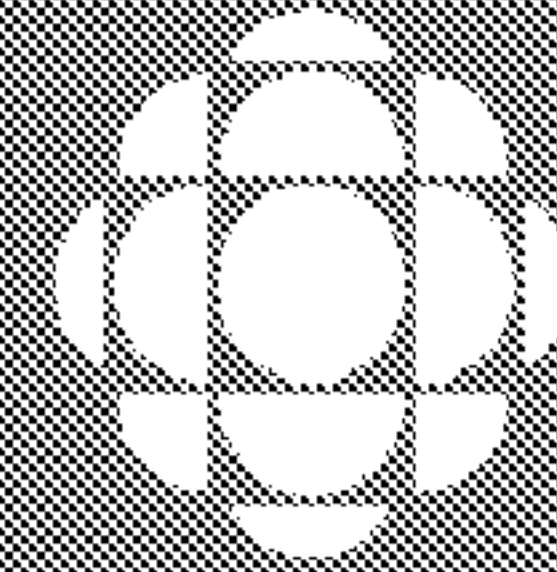
Action Plans and Mitigation

s.68.1

s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

Review of 2009/2010 Key Risks

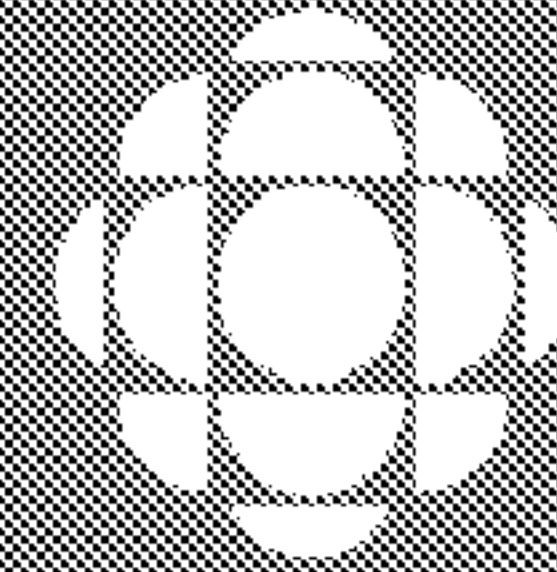


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Key Risks

Action Plans and Mitigation

Review of 2009/2010 Key Risks

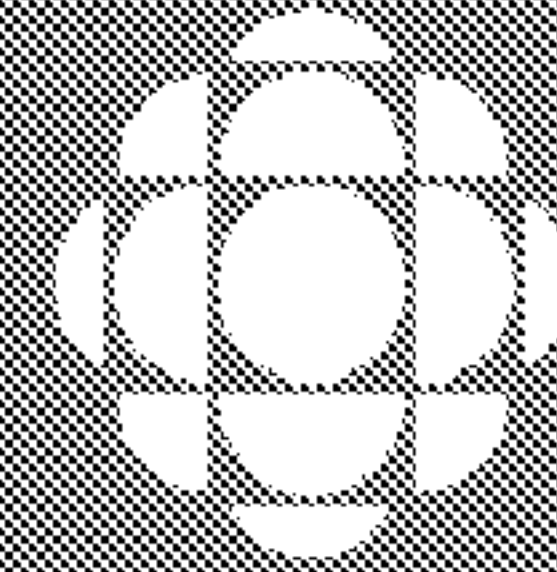


s.18(b)
s.21(1)(b)

Key Risks

Action Plans and Mitigation

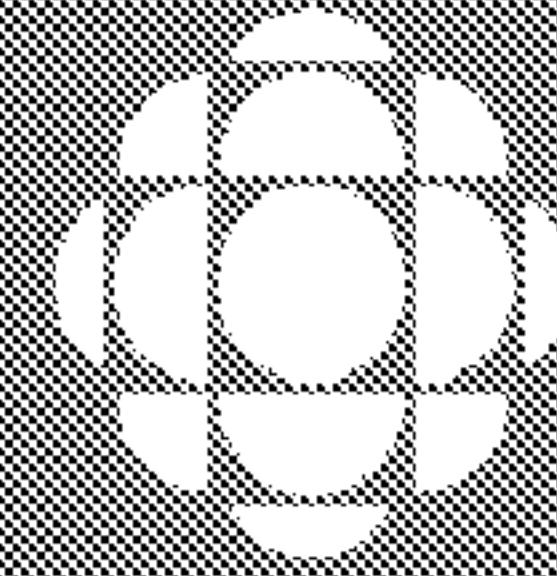
Review of 2009/2010 Key Risks



s.18(b)
s.21(1)(b)

Key Risks	Action Plans and Mitigation

Review of 2009/2010 Key Risks



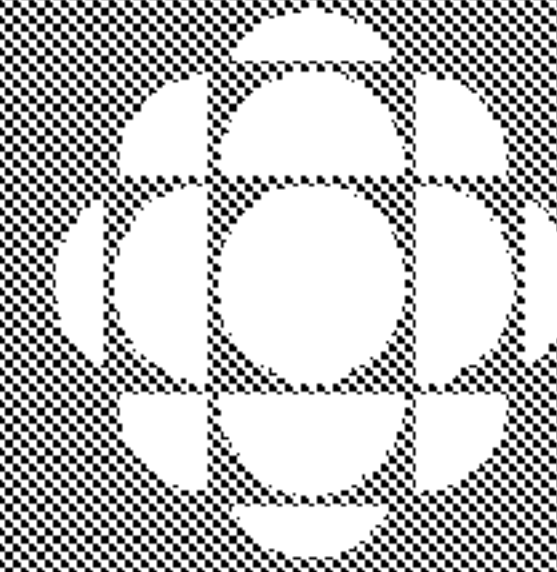
Key Risks

Action Plans and Mitigation

s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

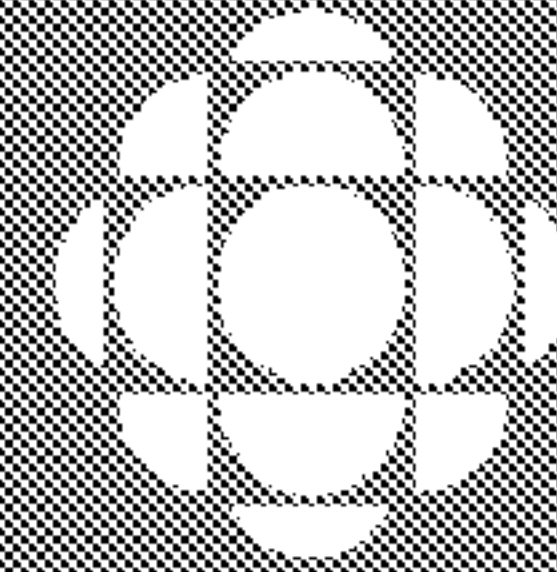
Review of 2009/2010 Key Risks



Key Risks

Action Plans and Mitigation

Review of 2009/2010 Key Risks



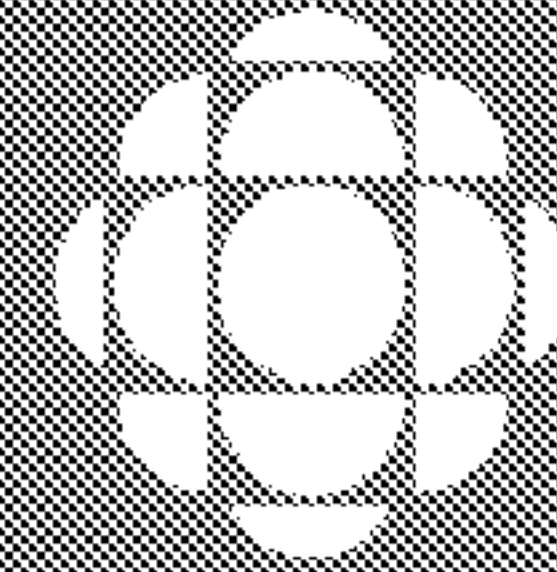
s.18(b)
s.21(1)(b)

Key Risks	Action Plans and Mitigation

s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

Review of 2009/2010 Key Risks

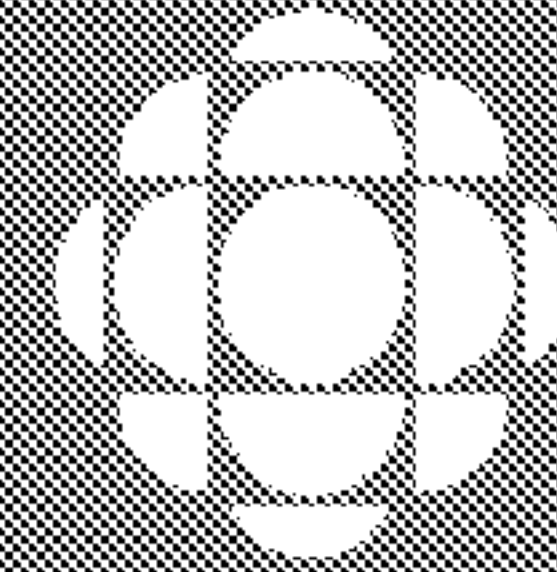


Key Risks	Action Plans and Mitigation

s.18(b)
s.21(1)(b)

Part 2 Enterprise Risk Management

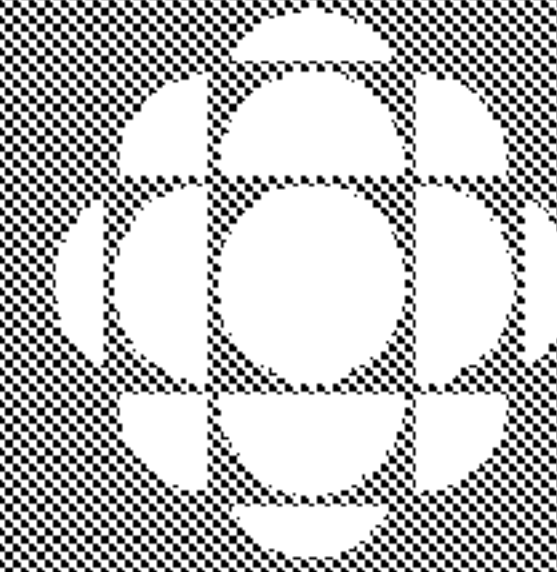
Review of 2009/2010 Key Risks



Key Risks

Action Plans and Mitigation

Risk Ranking Definitions



s.18(b)
s.21(1)(b)

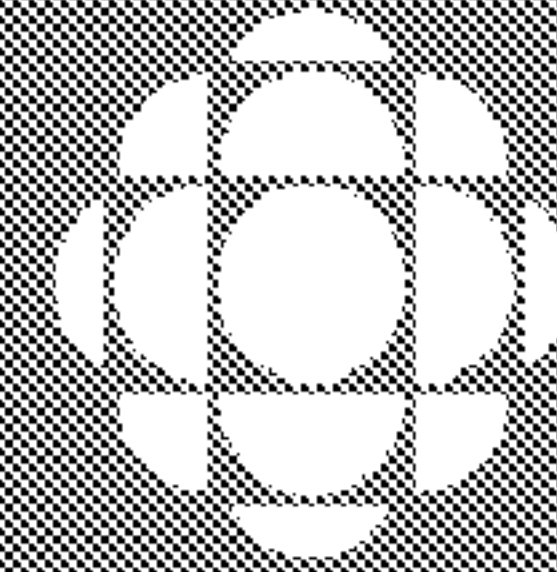
Impact Descriptions

		Description / Example
5	Severe	
4	Major	
3	Moderate	
2	Minor	
1	Insignificant	

Likelihood Descriptions

		Description / Example
5	Almost Certain	
4	Likely	
3	Possible	
2	Unlikely	
1	Rare	

Part 3.



Media Strategic Plans

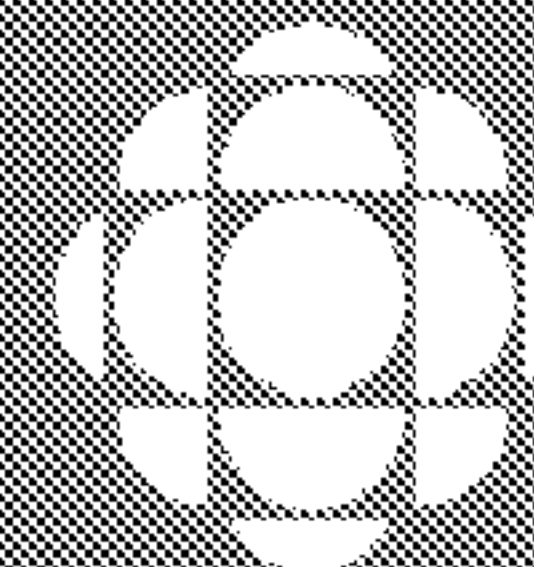
15 March 2009

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Part 3. Media Strategic Plans

Global Plan – Media



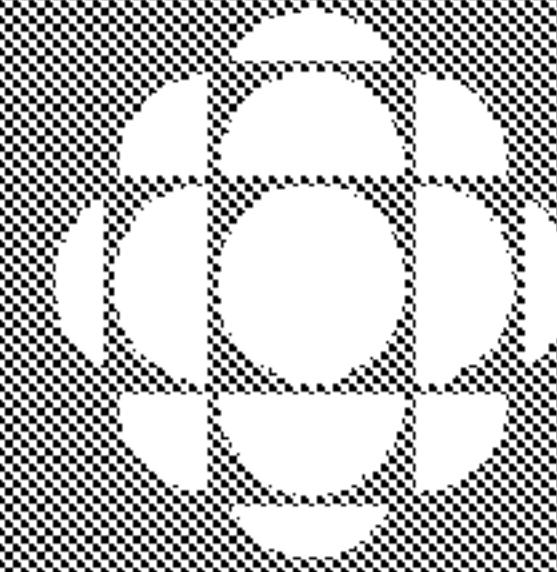
Civic Participatory Feedback

15 March 2009

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French Services 2008/2009 in Review

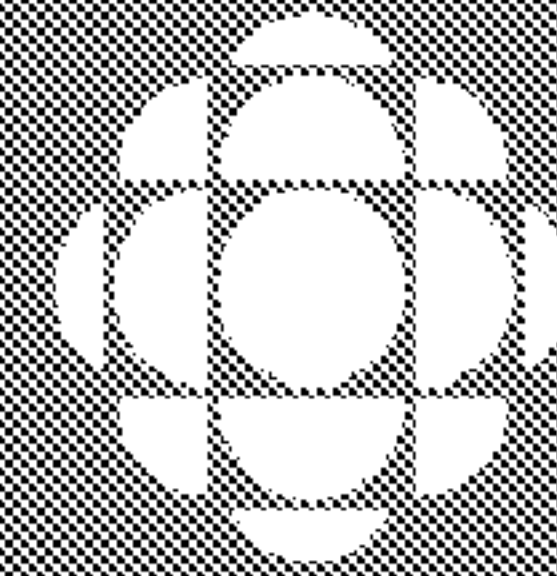


Current Performance To Date

Radio	Première Chaîne
	Espace musique
	Combined
Television	Main network
	Combined: main network and RDI share
ISN	Radio-Canada.ca

* Average: September 8, 2007-January 25, 2009

English Services 2008/2009 in Review

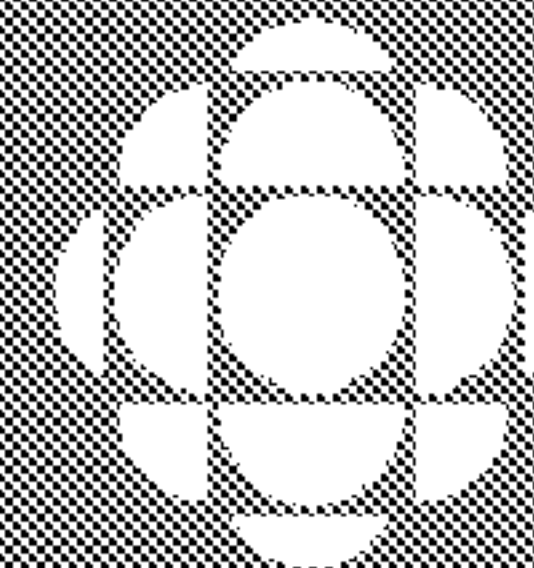


Current Performance To Date

Radio Share	Radio One
	Radio Two
	Combined
Television Share	CBC Television
New Platforms	News & Media Site (English)
	Sports Destination

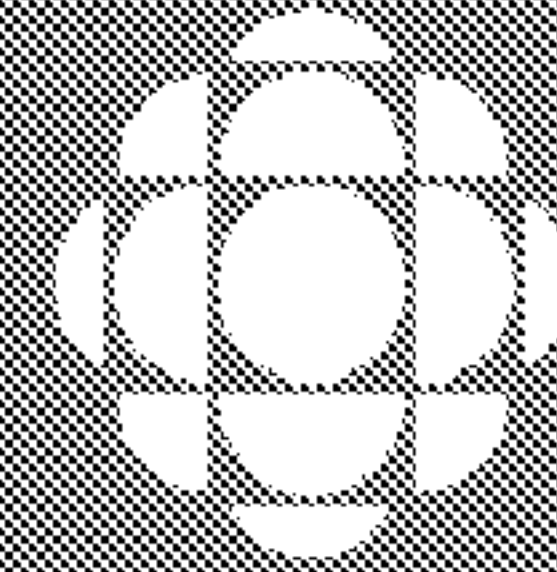
Season-to-date Sept 28 – Jan 4, 2009
 Excluding foreign content providers and any content aggregators. Reach is the percentage of Canadian unique visitors in the respective categories that come to CBC or CBC websites.

Part 3.1



Strategic Plans

Priorities for 2009/2013



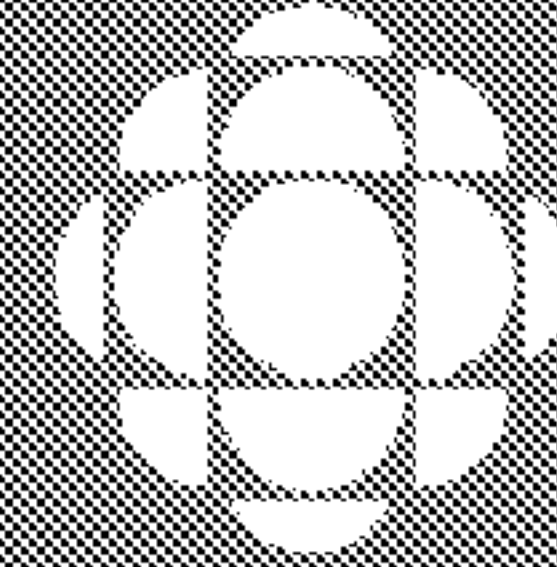
	French Services	English Services
People	<i>Place employees, creativity and efficiency at the core of what we do, the decisions we take and the way we manage our business (partners, clients, employees, citizens)</i>	<i>Place employees, creativity and efficiency at the core of what we do, the decisions we take and the way we manage our business (partners, clients, employees, citizens)</i>
Programs		
Pushing Forward	<i>Develop a sustainable operating model that is profitable, durable and efficient</i>	<i>Develop a sustainable operating model that is profitable, durable and efficient</i>

s.68.1

s.18(b)
s.21(1)(b)

Part 3.1 Strategic Plans

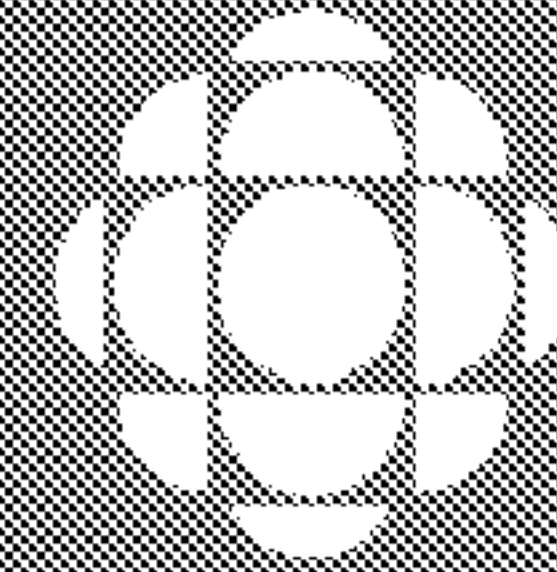
Priorities: People



STRATEGY	PRIORITIES	
	French Services	English Services

Part 3.1 Strategic Plans

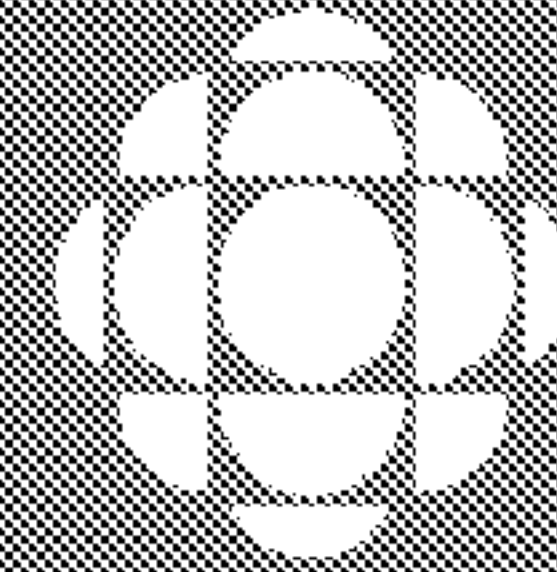
Priorities: Programs



STRATEGY	PRIORITIES	
	French Services	English Services

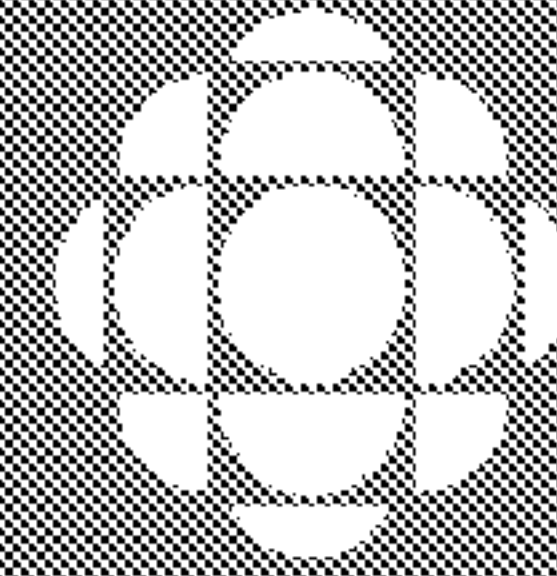
Part 3.1 Strategic Plans

Priorities: Pushing Forward



STRATEGY	PRIORITIES	
	French Services	English Services

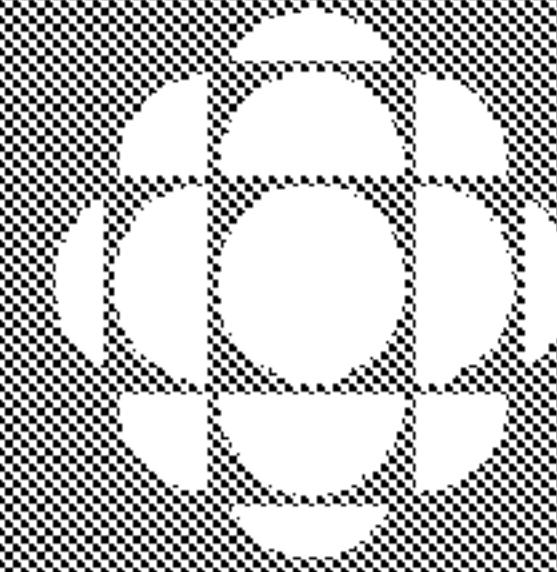
English Services 2009/2010 Targets



Proposed Performance Indicator Measures

Radio Share	Radio One		
	Radio Two		
	Combined		
Television Share	CBC Television		
New Platforms	News & Media Site (English)		
	Sports Destination		

English Services 2009/2010 Targets

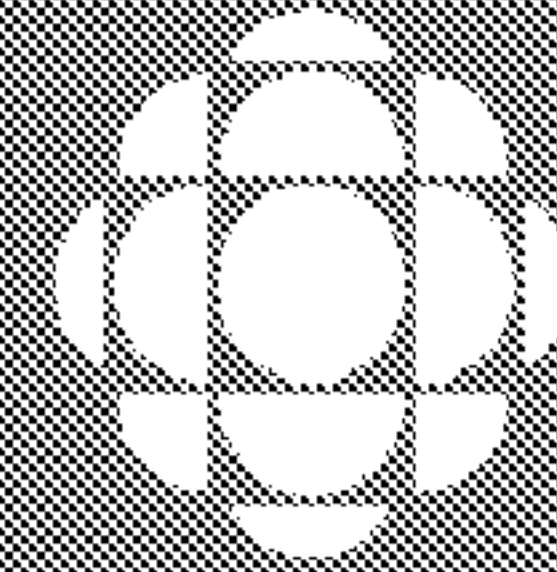


Proposed Performance Indicator Measures


Revenue <i>(Conventional Specialty & Online)</i>	Advertising		
	Other Revenue		
	Total Revenue		
Subscriber Count	Newsworld		s.18(a) s.18(b)
	bold		
	Documentary		
Cost	Total Cost		

* English Services including Documentary Channel at 100%

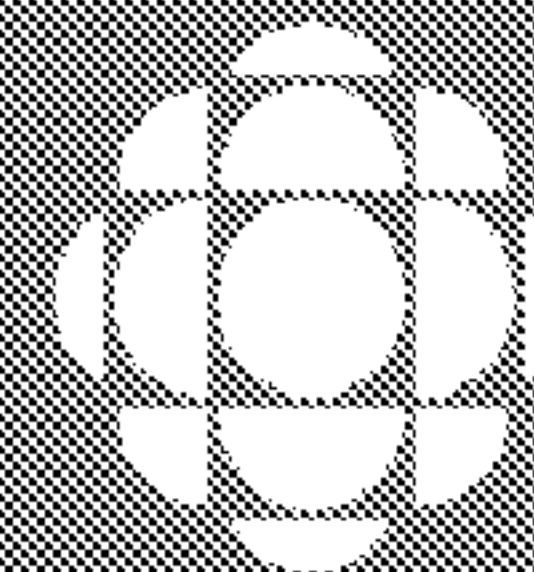
French Services 2009/2010 Targets



Suggested Performance Indicators

Radio	Première Chaîne		
	Espace musique		
	Combined		
Television	Main network		
	Combined share: main network and RDI		
IDS 	Radio-Canada.ca		

French Services 2009/2010 Targets

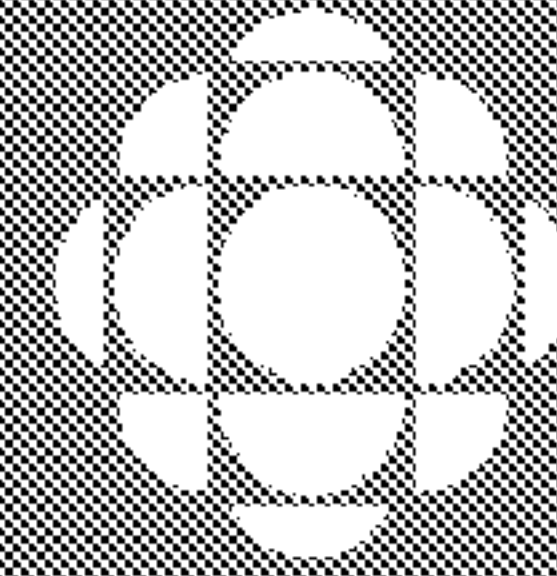


Suggested Performance Indicators

Revenue <i>(Conventional, Specialty & Online)</i>	Advertising		
	Miscellaneous		
	Total revenue		
Subscriber Count	RDI		
Costs	Total costs		

Part 3.2 Financial Context

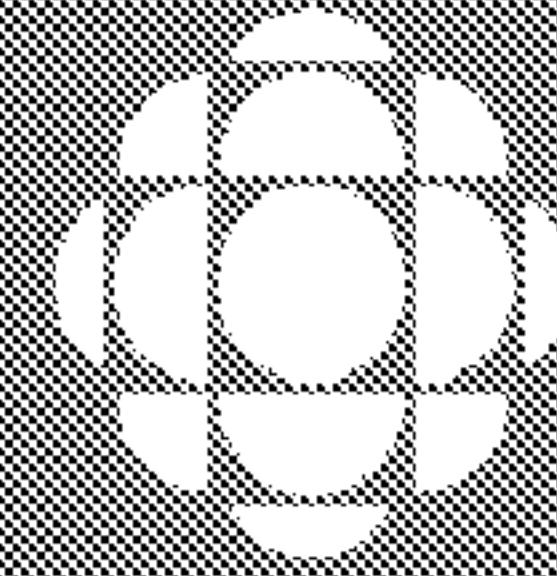
English Services - Key Elements of the Strategy



Strategic Priorities	Description

Part 3.2 Financial Context

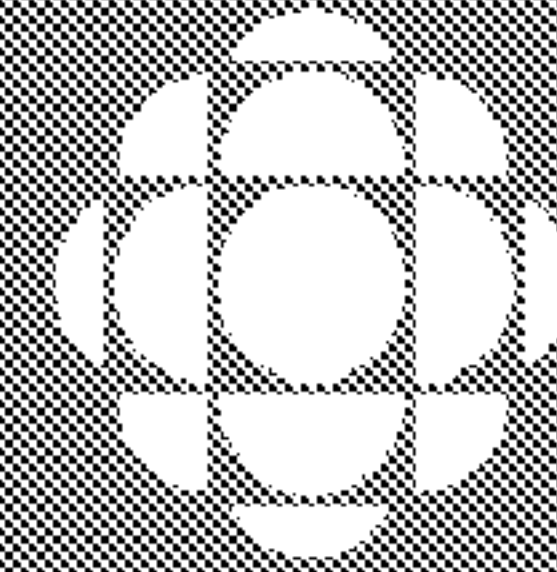
French Services - Key Elements of the Strategy



Strategic Priorities

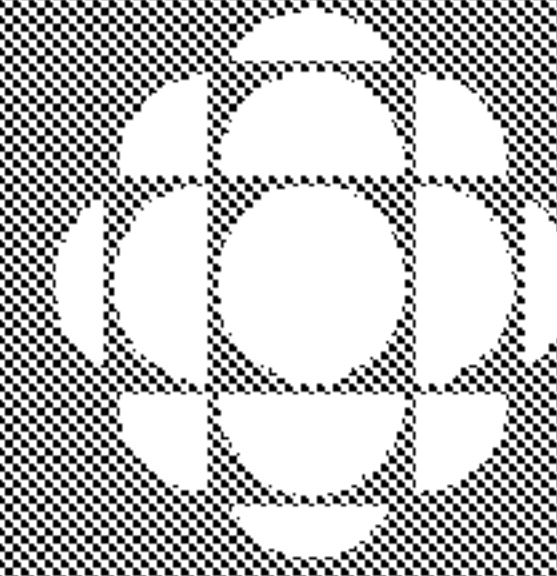
Description

Strategic Priorities	Description



Financial Context

English Services The Financial Climate



CBC

s.18(a)
s.18(b)

□

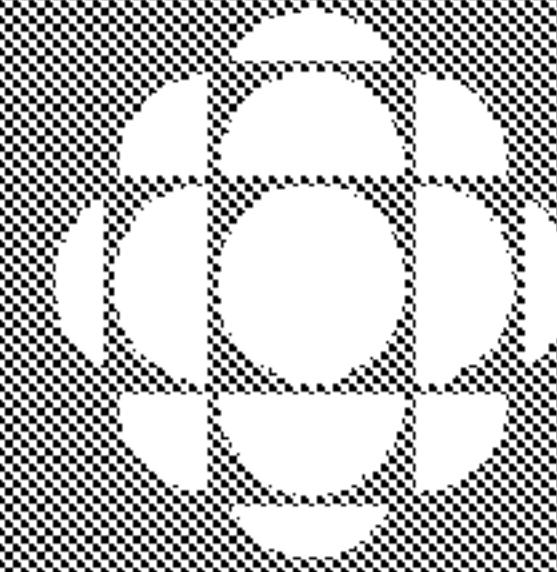
□

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The Conventional TV Model Is Broken



“... we are not blind to the plight of conventional TV. The model is broken and a systemic solution must be found.”

Konrad von Finckenstein,
Chairman, CRTC
February 19, 2009

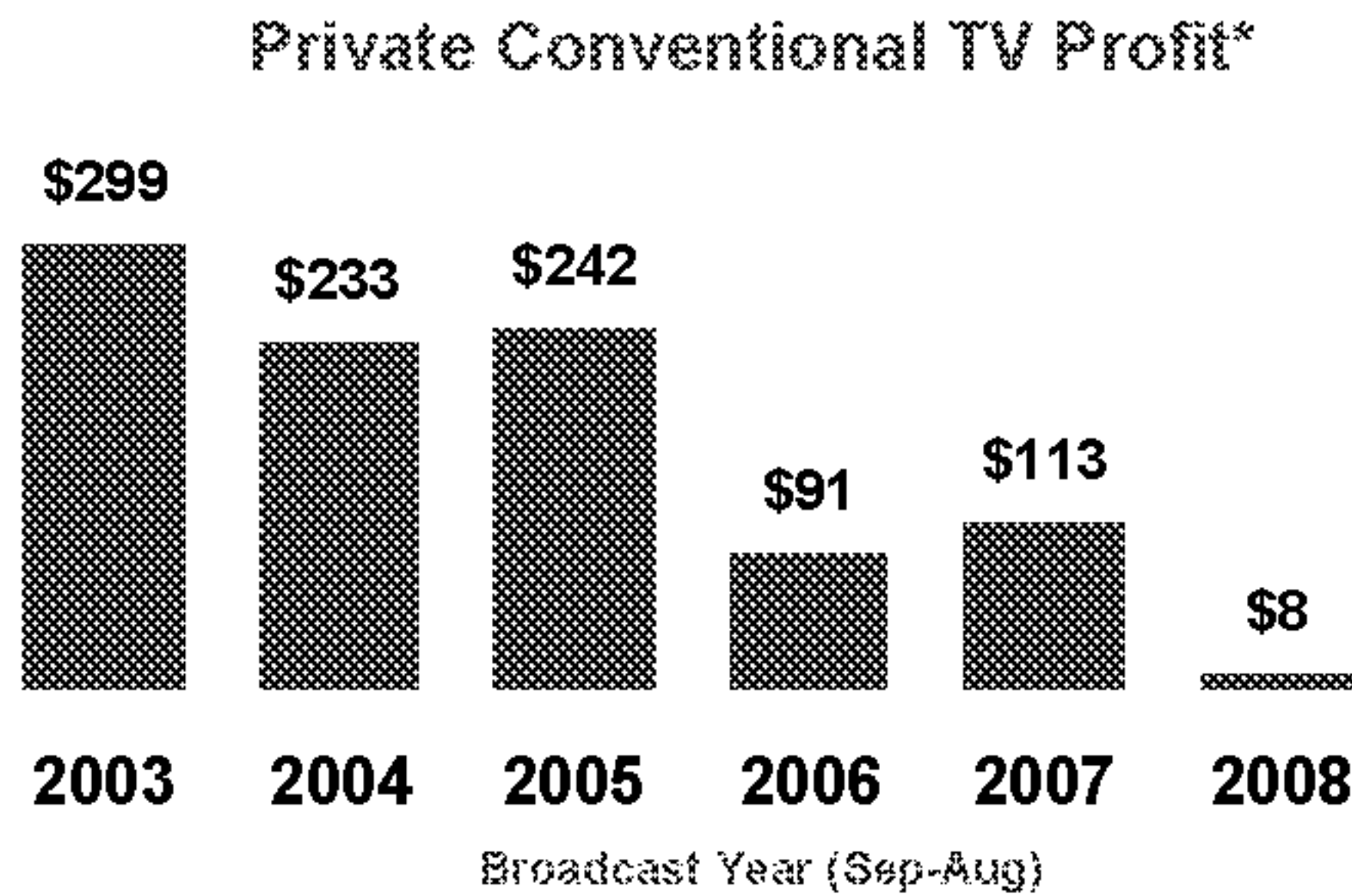
“We are doing everything we can to hang on to conventional television, but as we continue to stress, the conventional model is now broken.”

Paul Sparkes,
Exec. VP, Corporate Affairs, CTV
March 3, 2009

Media companies have taken \$3 billion in write downs on the value of their conventional TV assets:

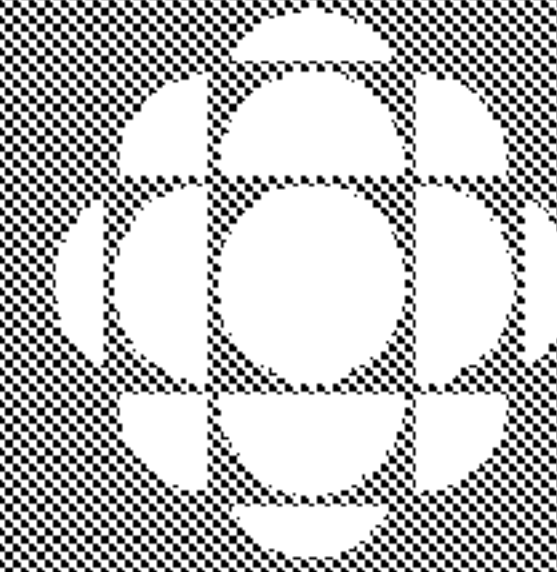
Canwest (Global; E!):	\$1bn
CTVgm (CTV; A):	\$1.7bn
Rogers (City; Omni):	\$295mn

Conventional TV profits deteriorated even before the recession:



Source: CRTC * PBIT, in millions

Current Environment



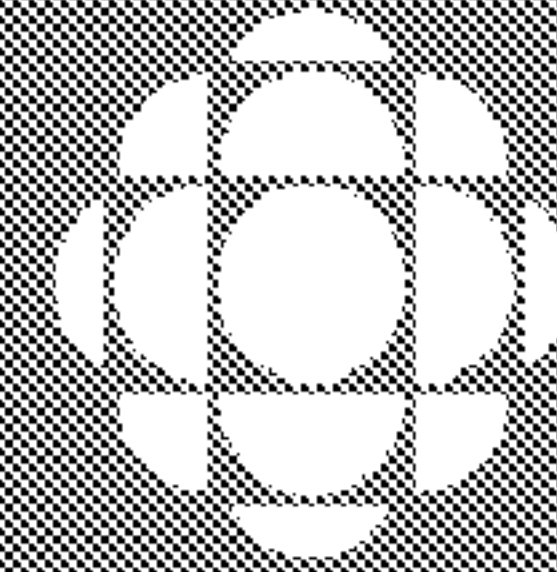
The current economic environment is affecting all media companies.

March 5th, 2009 (The Toronto Star) - *'CTV will cut 118 newsroom jobs at its 'A' branded stations and will cancel some morning shows, in the hopes of riding out the drop in advertising revenue from the beleaguered economy.'*

March 2nd, 2009 (Globe and Mail) – *'Canada's biggest television networks have all but given up on 2009, resigning themselves to a bleak financial forecast that signals this will be one of the worst years on record for the TV industry.'*

February 28th, 2009 (Globe and Mail) – *'A weak economy, changing consumer habits and competition from the Internet have brought several media companies to their knees. This week alone the owners of three large U.S. newspapers, including the Philadelphia Inquirer, filed for bankruptcy protection; CTV announced plans to close two television stations in Ontario; Canwest Global Communications Corp., owners of the Global TV network, faced a deadline by its lenders and won a two-week reprieve; and Torstar Corp. announced a \$211-million quarterly loss and shook up its management ranks.'*

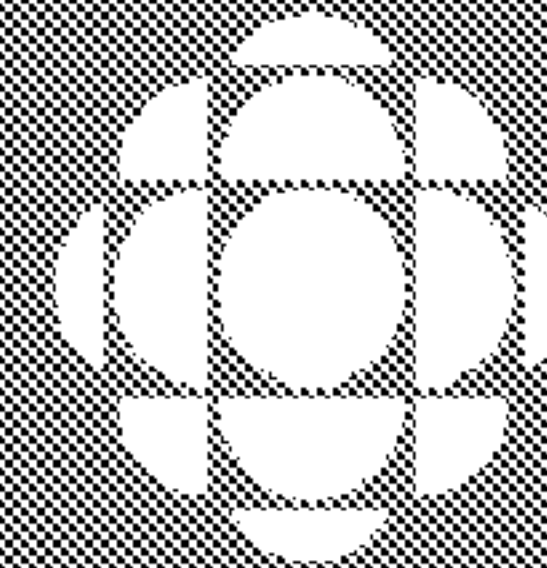
Part 4.



2009/2010 Operating Budget

- *Recovery Plan*
- *2009/2010 Operating Budget*

Part 4.1



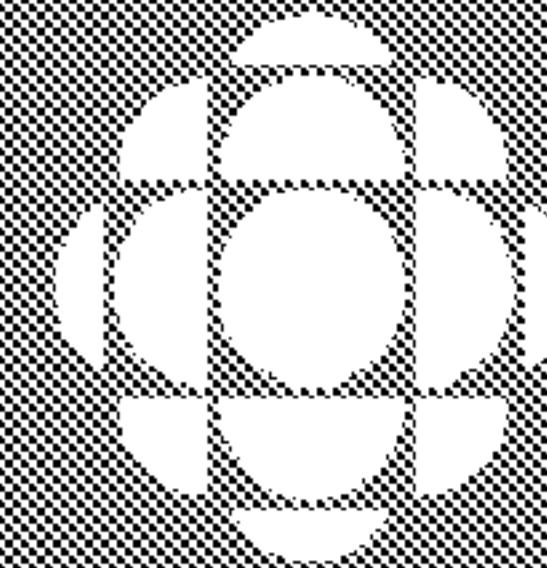
Recovery Plan

15 March 2009

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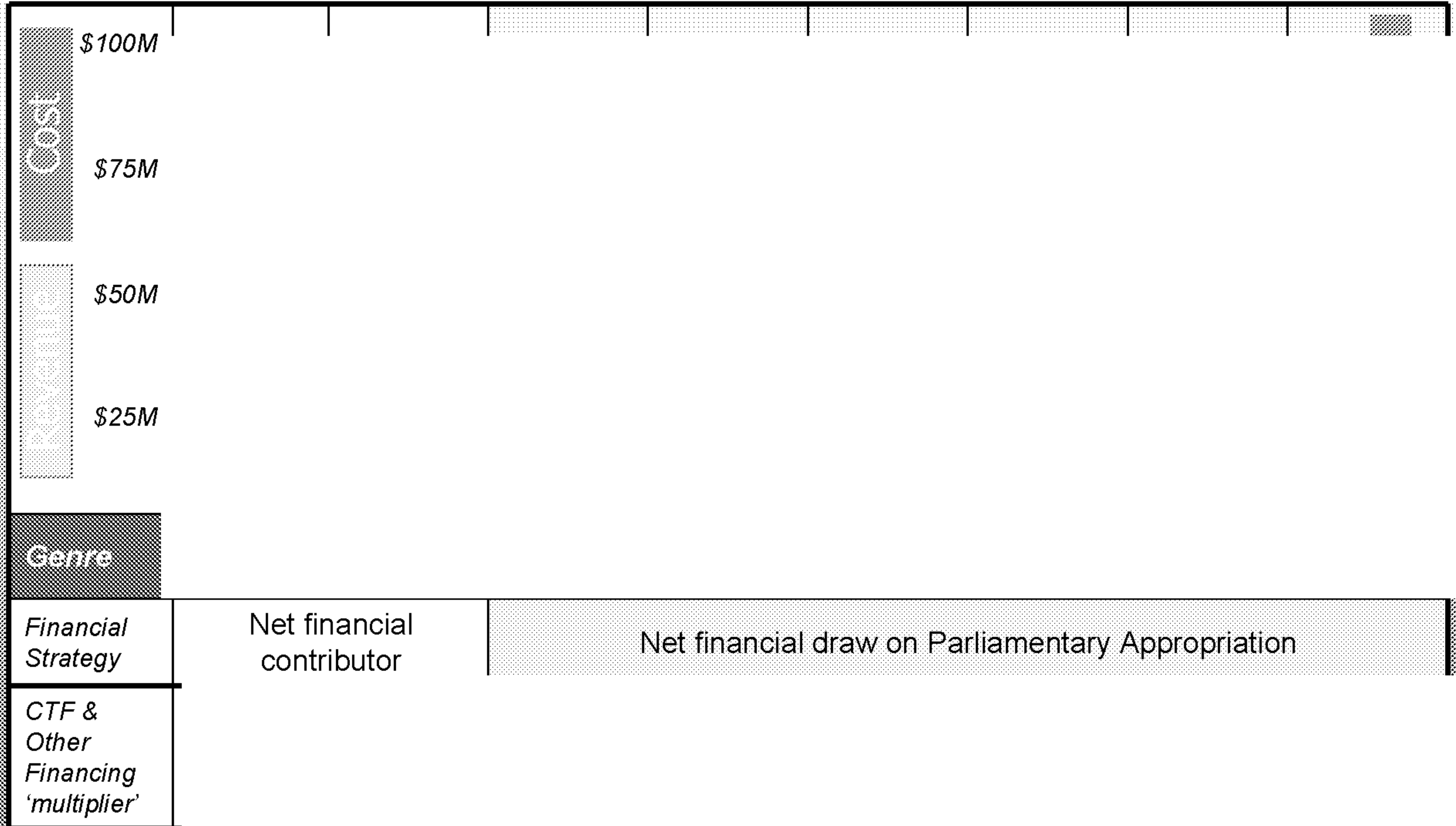
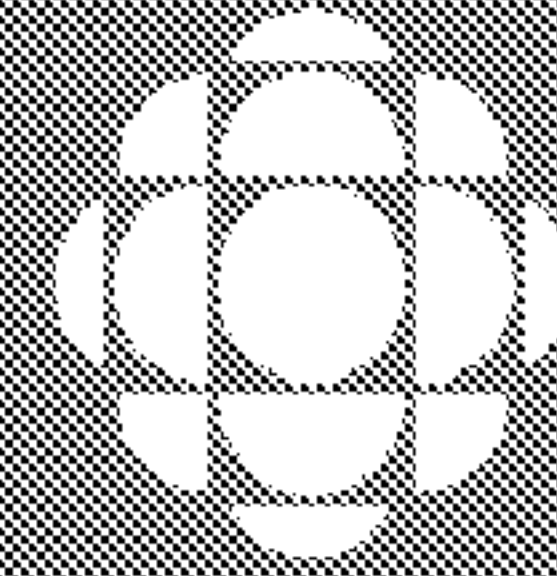
55

Economics of Our Business

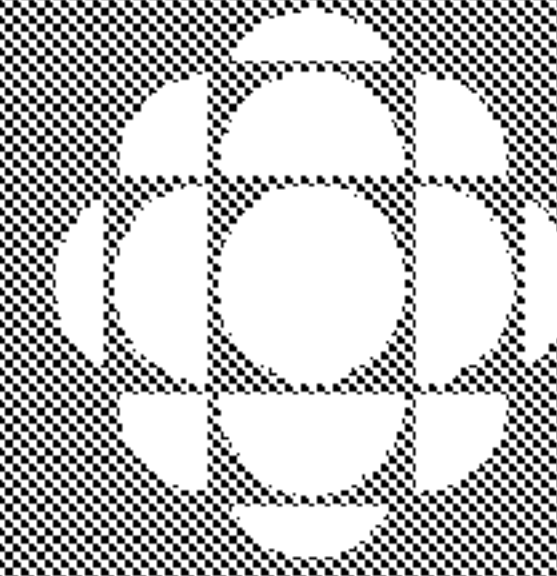


s.18(b)
s.21(1)(b)
s.68.1

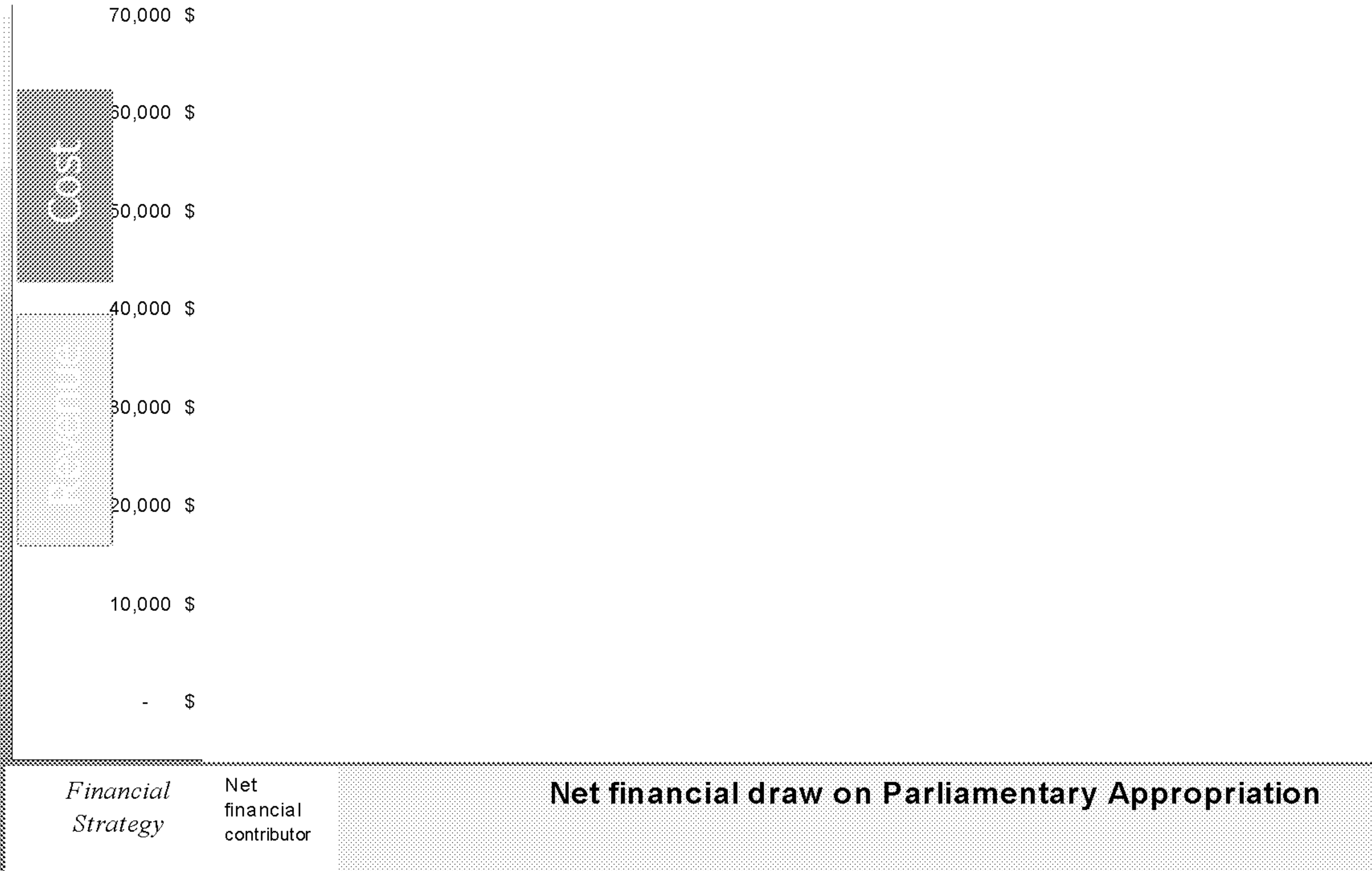
Economics of Our Business – English Services



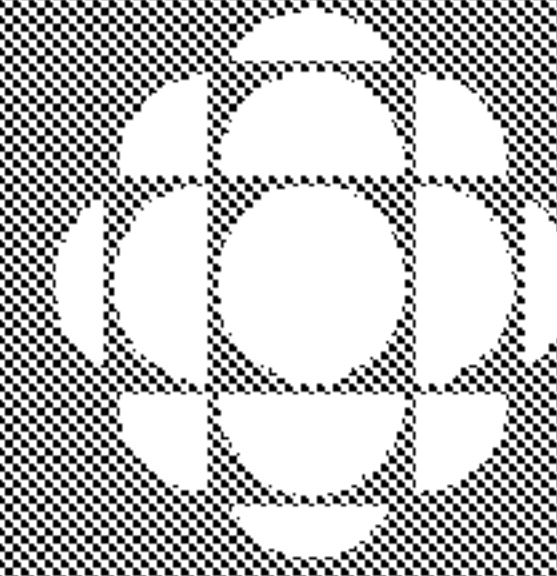
Economics of Our Business – French Services



s.18(a)
s.18(b)



Economics of Our Business – English Services



Television:

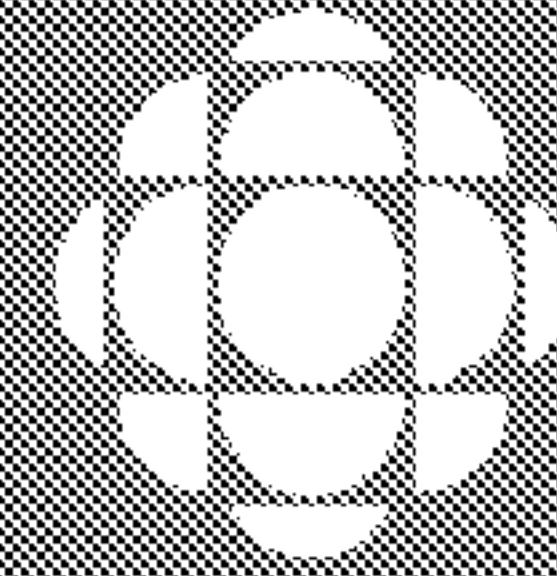
s.68.1

Radio:

s.18(a)

s.18(b)

Economics of Our Business – English Services



s.68.1

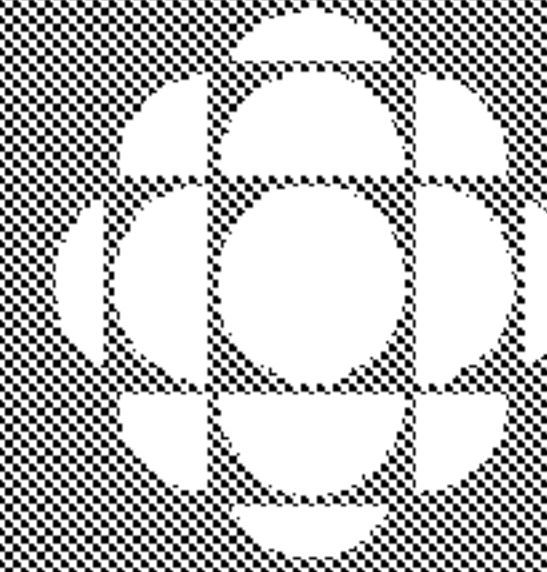
Regional Programming

Television:

Radio:

Cost Structure:

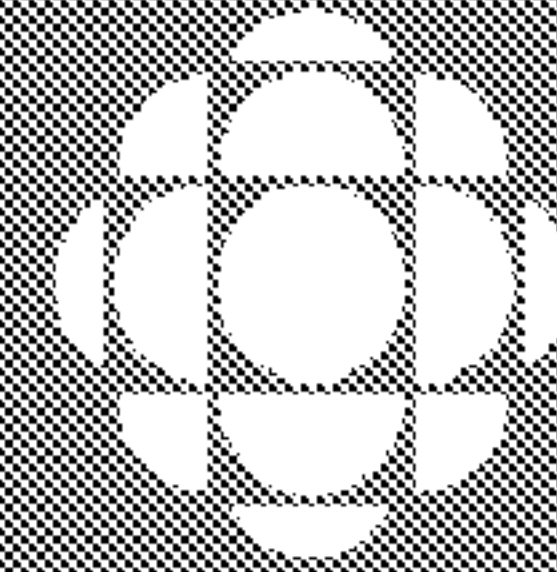
Financial Pressures



CBC/Radio-Canada is also feeling the pain of a weak economy. Through their business plans, components have identified \$158M of financial pressures for the coming year.

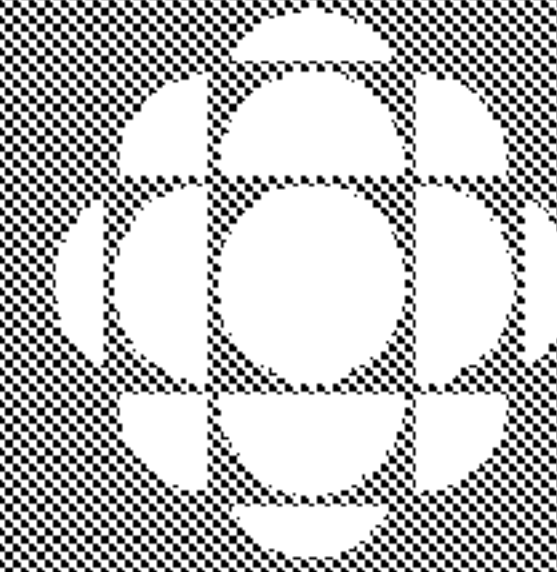
	<u>PRESSURES</u>	<u>2009/10</u>	<u>2010/11</u>
s.18(a) s.18(b)	English Services:		
	Loss carryover from 2008/09 (based on January forecast)		
	Potential commercial revenue shortfall:		
	Increased rights costs		
	Others		
	Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)	-	
	Total English Services		
	French Services:		
	Surplus carryover from 2008/09 (based on January forecast)		
	Potential commercial revenue shortfall:		
	Maintain program schedule		
	Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)	-	
	Total French Services		
	Corporate Services:		
	Base salary funding shortfall (2.5% given in 2008/09 but only 1.5% received)		
	Other revenue impacts (mostly rental and interest revenues)		
	Unavoidable costs (mostly taxes, utilities and contract escalations)		
	Other priority activities (IFRS, Building repairs, etc.)		
	Government reduction (Procurement reform initiative - \$6.6M reduction in 2008/09 increases to \$14.5M in 2011/12)	-	
	Total Corporate Services		
Total pressures			
	Investment in media priorities - English Services:		
	Investment in DPBD - online		
	Online sales		
	News co-location		
	Current TV		
	Investment in media priorities - French Services:		
	Program contingency / revenues		
	Online investment		
	Specialty channel		
Total pressures and investments			

Explanation of pressures



s.18(a)
s.18(b)
s.68.1

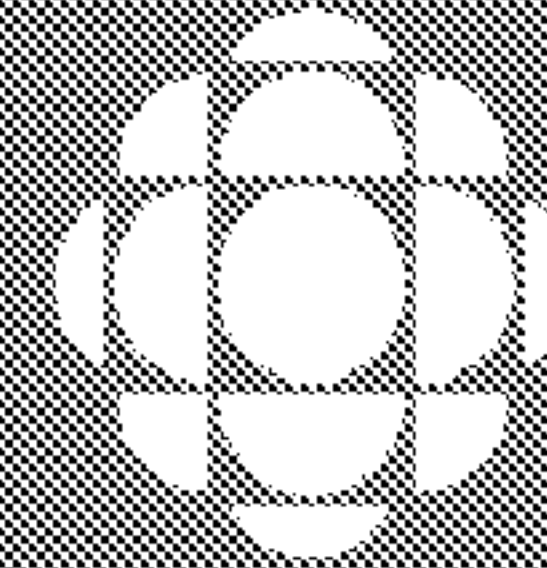
Scenarios assumed



In dealing with these pressures, CBC/Radio-Canada has assumed two different scenarios:

s.18(a)
s.18(b)

Solutions Proposed – Scenario 1



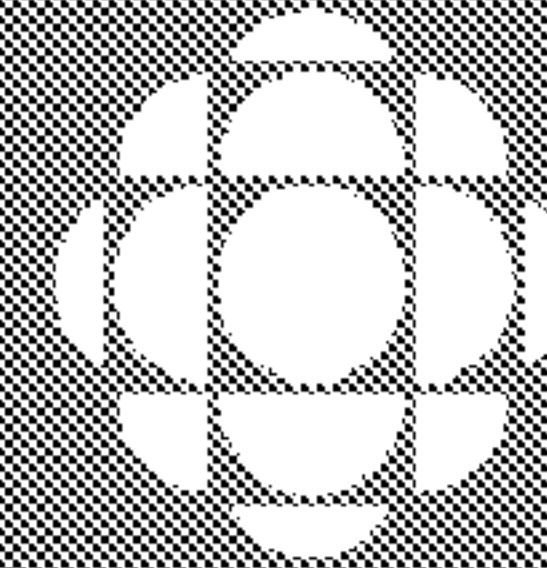
s.18(a)
s.18(b)

Under a Sale of Assets scenario, which assumes proceeds of the following solutions have been identified to manage these pressures.

<u>PRESSURES</u>	<u>2009/10</u>	<u>2010/11</u>
Pressures and Investments		
Expected downsizing costs		
Loss of ongoing revenues from sale of assets		
Total Pressures and Investments		
<u>SOLUTIONS</u>		
<u>English Services:</u>		
- Allocation from sale of assets		
- CRTC local TV funding		
- Use of cross-cultural funding		
- Reduction initiatives:		
Television - network		
Television - regional		
Sub-total - Television		
Radio - network		
Radio - regional		
Sub-total - Radio		
Total reductions - English Services		
less Delayed impact on reductions		
Total English Services		
<u>French Services:</u>		
- Allocation from sale of assets		
- CRTC local TV funding		
- Reduction initiatives:		
Television - network		
Television - regional		
Sub-total - Television		
Radio - network		
Radio - regional		
Sub-total - Radio		
Total reductions - French Services		
less Delayed impact on reductions		
Total French Services		
<u>Corporate Services</u>		
5% reduction to Corporate Components' budgets		
Portion of unencumbered 2008/09 surplus		
Senior Management compensation reduction		
Proceeds from sale of assets to fund downsizing costs		
Proceeds from Galaxie transaction to fund downsizing costs		
Total Corporate Services		
Total Solutions		
Expected net position		
Cumulative net position		

s.18(a)
s.18(b)

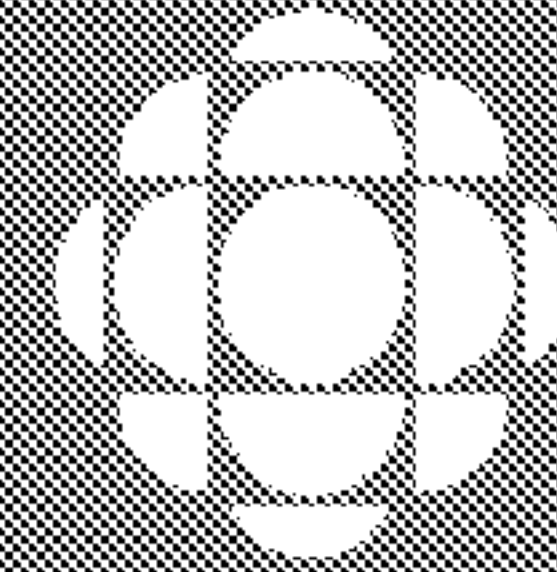
Solutions Proposed – Scenario 2



Under a scenario where no additional funding is available, the following solutions have been identified to manage these pressures.

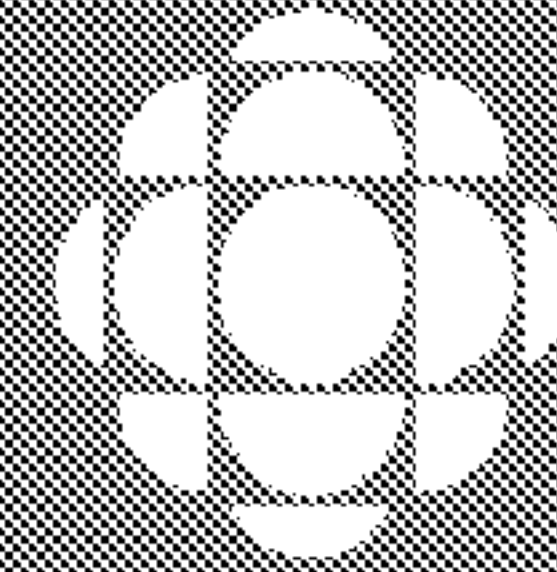
<u>PRESSURES</u>	<u>2009/10</u>	<u>2010/11</u>
Pressures and Investments		
Expected downsizing costs		
Total Pressures and Investments		
<u>SOLUTIONS</u>		
<u>English Services:</u>		
- CRTC local TV funding		
- Use of cross-cultural funding		
- Reduction initiatives:		
Per Solution 1		
New initiatives		
Total reductions - English Services		
less Delayed impact on reductions		
Total English Services		
<u>French Services:</u>		
- CRTC local TV funding		
- Reduction initiatives:		
Per Solution 1		
New initiatives		
Total reductions - French Services		
less Delayed impact on reductions		
Total French Services		
<u>Corporate Services</u>		
5% reduction to Corporate Components' budgets		
Portion of unencumbered 2008/09 surplus		
Senior Management compensation reduction		
Cross-cultural		
Training		
Capital (reduction of capital budget and transfer to Operating)		
Proceeds from Galaxie transaction to fund downsizing costs		
Total Corporate Services		
Total Solutions		
Expected net position		
Cumulative net position		

Specific measures to deal with Scenario 1



UNIT	MEASURES	
	French Services	English Services
TV (main network)		
RADIO		
DIGITAL SERVICES		
REGIONAL CENTRES		
NEWS & CURRENT AFFAIRS		

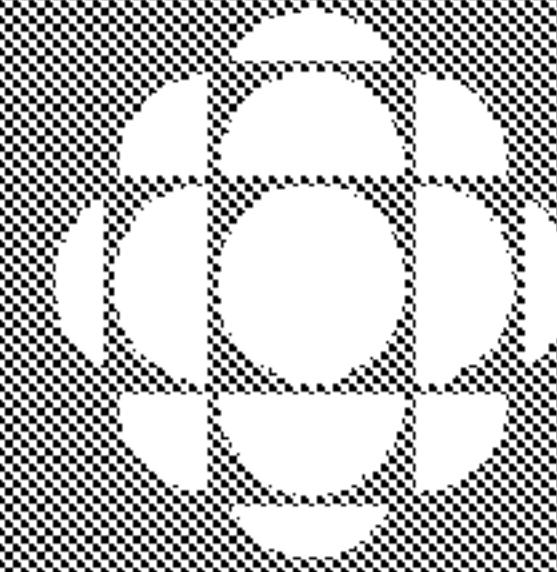
Specific measures to deal with Scenario 1



s.18(a)
s.18(b)

UNIT	MEASURES	
	French Services	English Services
SALES		
COMMUNICATIONS		
PRODUCTION & RESOURCES		
FINANCE & ADMINISTRATION		

What is Protected in Scenario 1?



In order to remain on strategy as much as possible, we have protected and even enhanced our focus in certain areas.

xxxxx

xxxxx

xxxxx

xxxxx

xxxxx

xxxxx

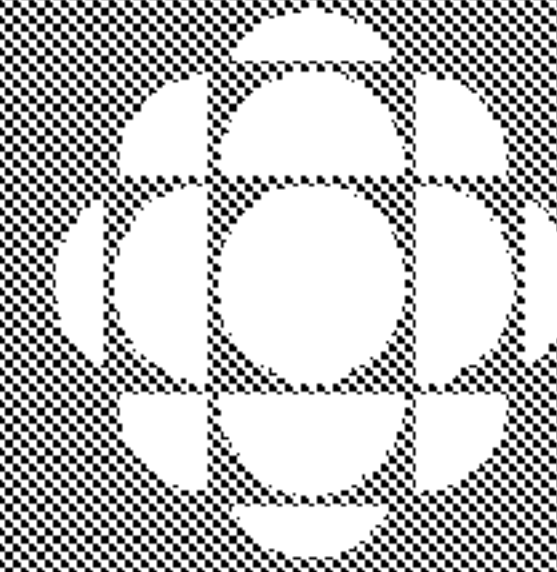
xxxxx

s.21(1)(b)

s.68.1

Part 4.1 Recovery Plan

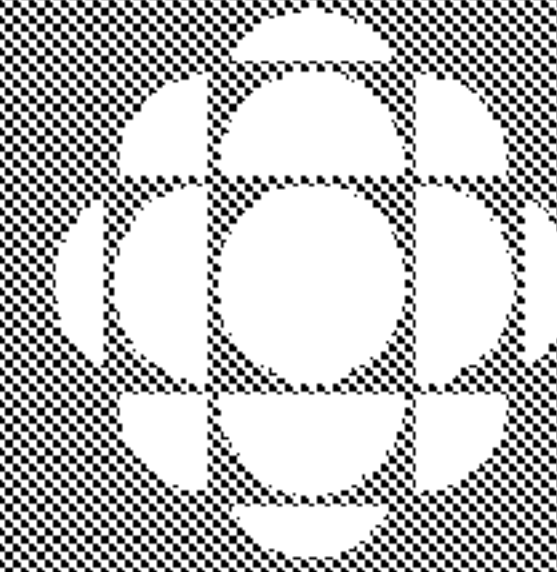
English Services: What is Protected?



Difficult financial decisions have been made to enhance, rather than detract from, our successful core Strategic Direction

<i>Area</i>	<i>Strategic Direction</i>	<i>Ancillary Effects</i>
Radio		
Television		

English Services: What is Protected?

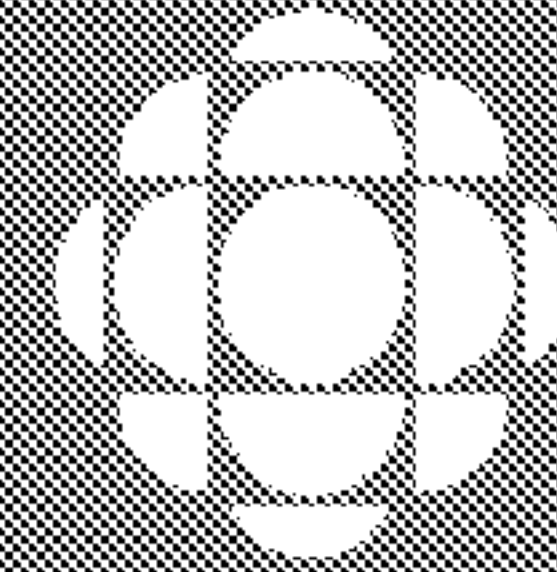


s.68.1

Difficult financial decisions have been made to enhance, rather than detract from, our successful core Strategic Direction

<i>Area</i>	<i>Strategic Direction</i>	<i>Ancillary Effects</i>
News		
Regions		
New Platforms		

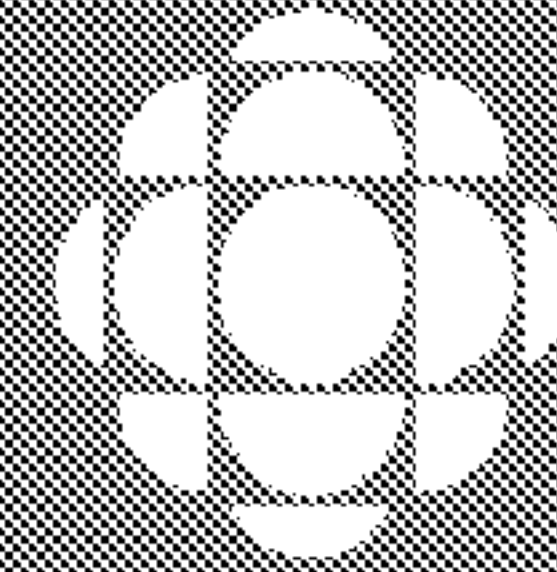
French Services: What is Protected?



Difficult financial decisions have been made to enhance, rather than detract from, our Strategic Plan

<i>Area</i>	<i>Strategic Direction</i>	<i>Ancillary Effects</i>
Radio		
Television		

French Services: What is Protected?

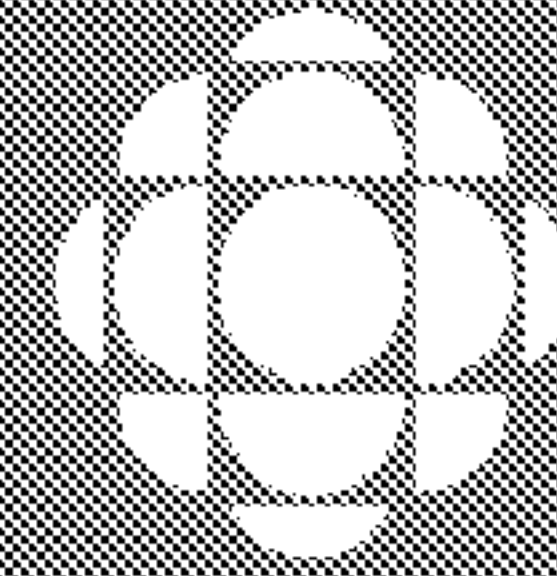


s.68.1

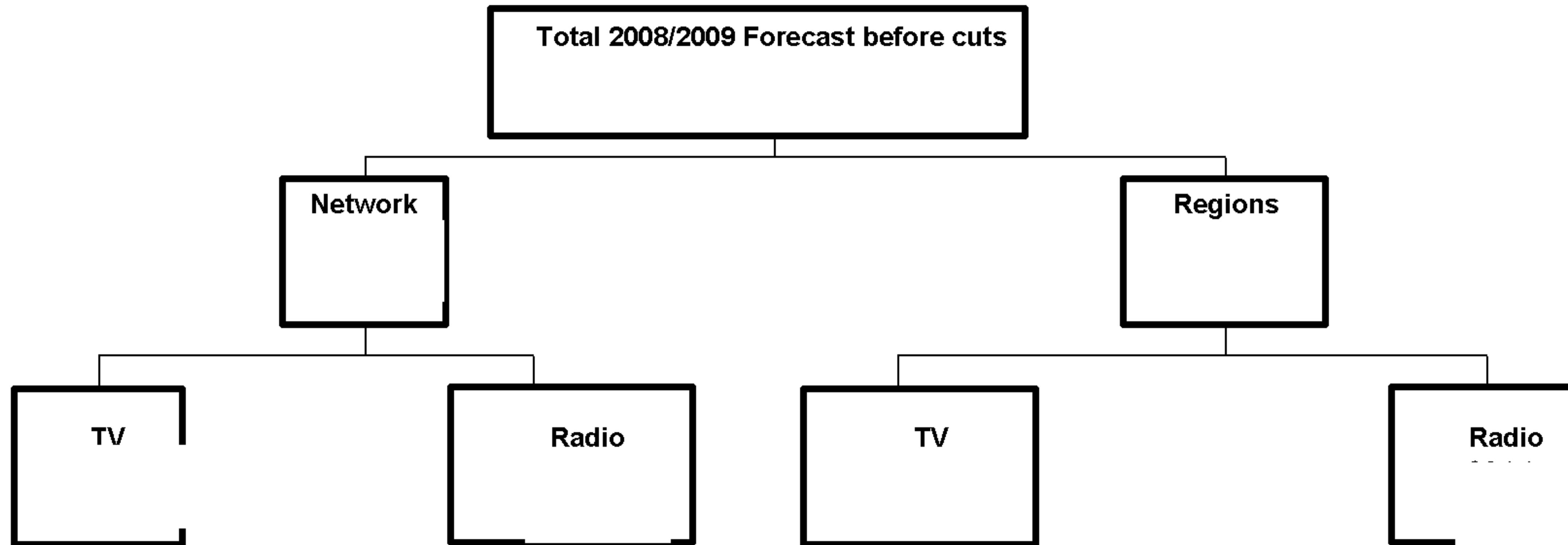
Difficult financial decisions have been made to enhance, rather than detract from, our Strategic Plan

<i>Area</i>	<i>Strategic Direction</i>	<i>Ancillary Effects</i>
News		
Regions		
New Platforms		

English Services – 2009/2010 Reductions

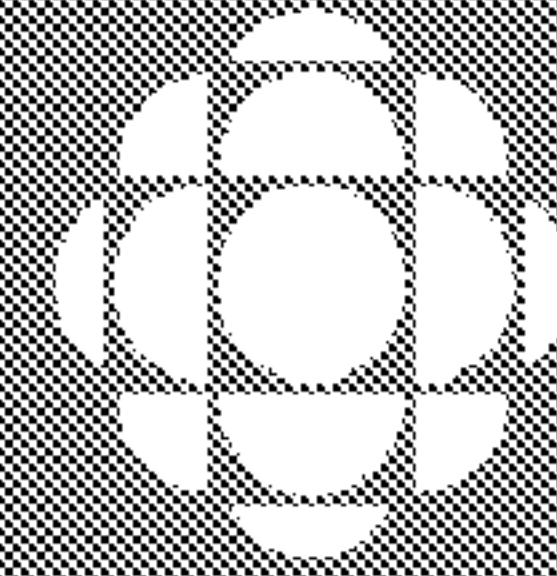


Forecast Allocation from a Network versus Region View * (in Millions)

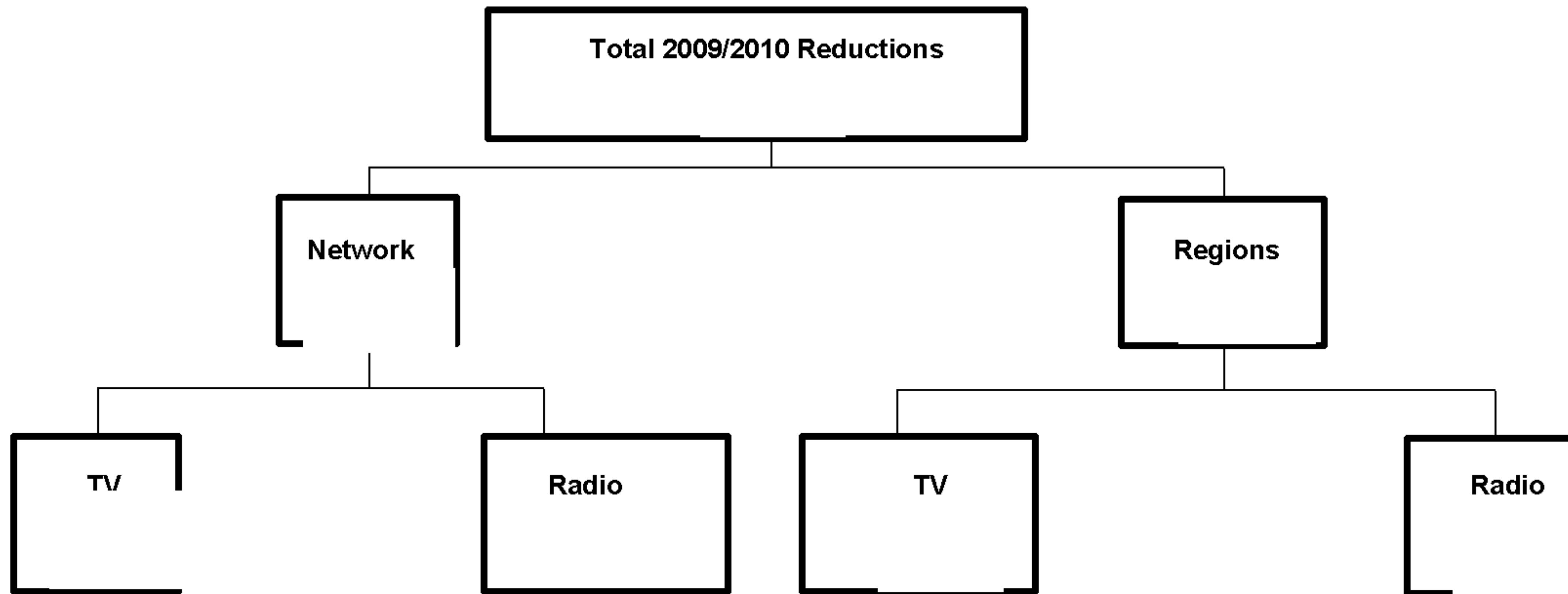


* Values reflect production location

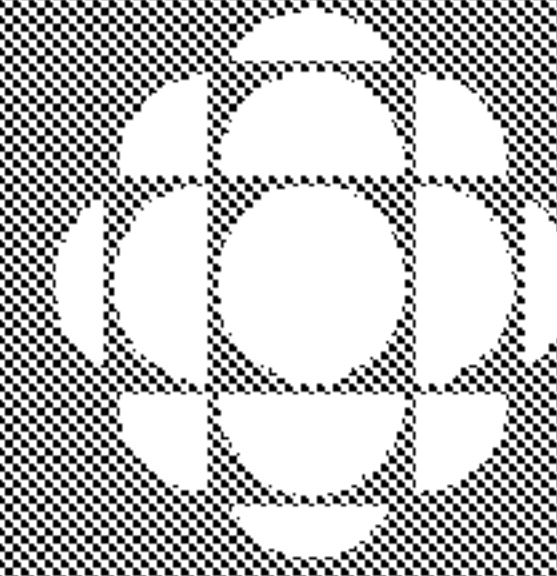
English Services – 2009/2010 Reductions



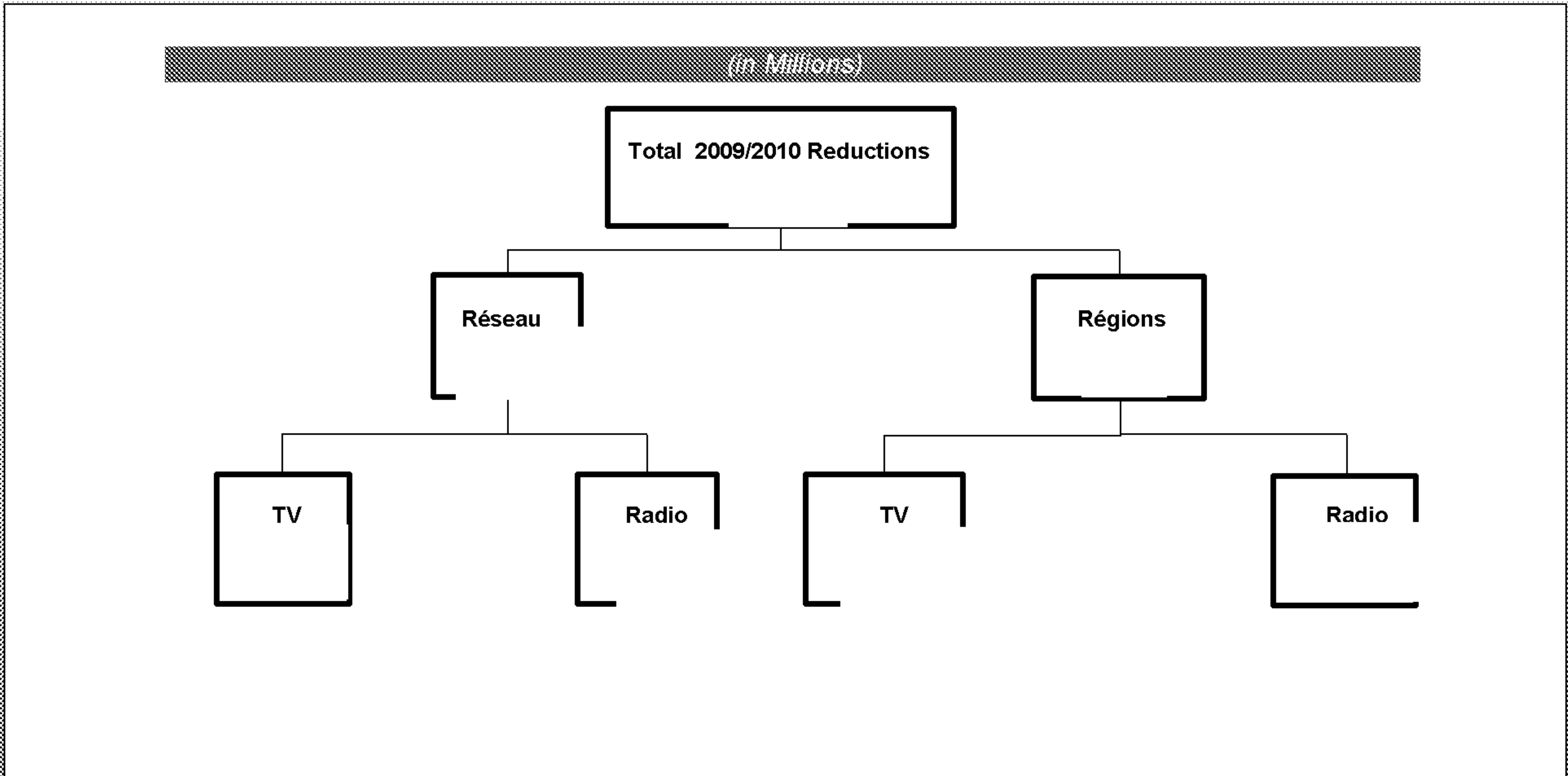
(in Millions)



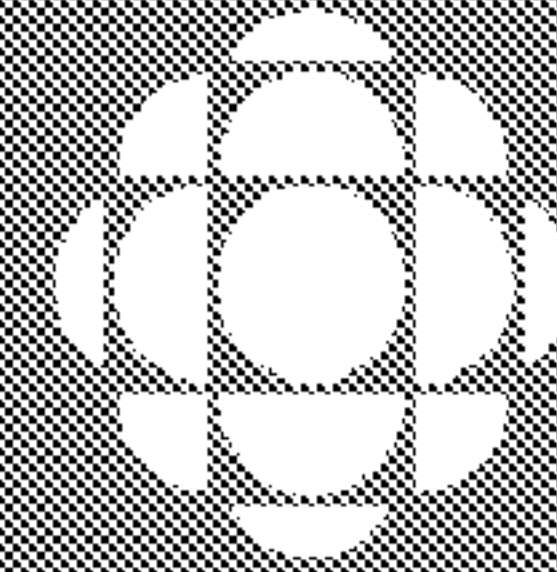
French Services – 2009/2010 Reductions



s.68.1



Part 4.2

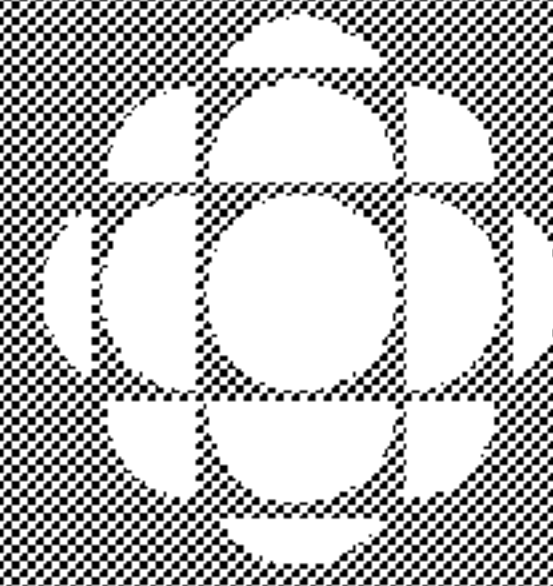


2009/2010 Operating Budget

15 March 2009

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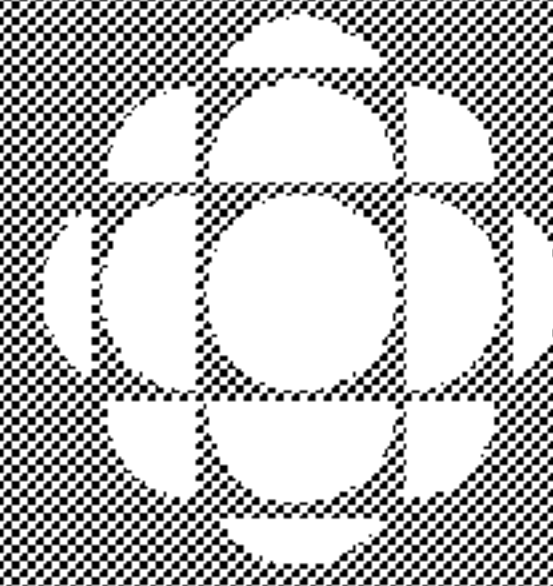
17



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2009/2010 Operating Budget

Key Assumptions



The following assumptions were used to prepare the 2009/2010 operating budget:

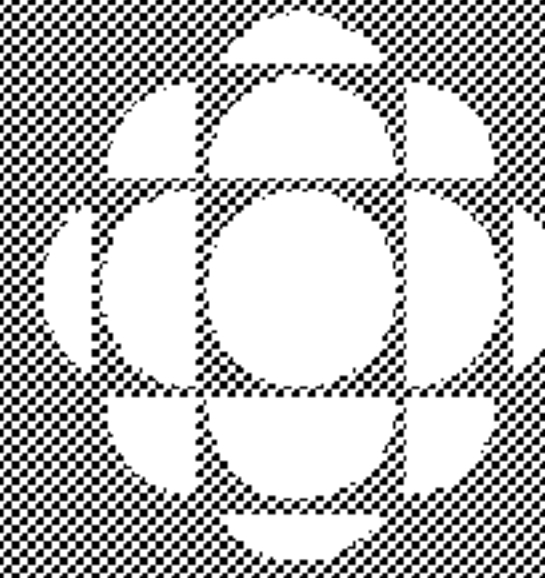
Sources of Funding

--

Expenses

--

**2009/2010 Operating Budget
Enterprise-wide Overview**



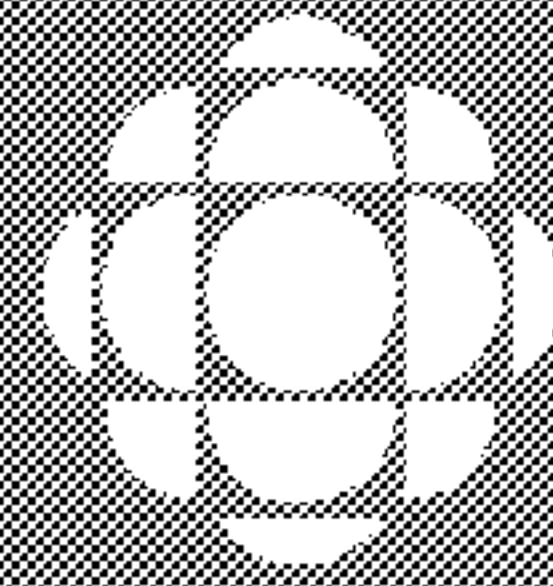
s.18(a)
s.18(b)

2009/2010 Proposed Operating Budget

**2009/2010
Sources of Funding
(Total \$**

**2009/2010
Application of Funds
(Total \$**

**2009/2010 Operating Budget
Enterprise-wide Overview (cont'd)**



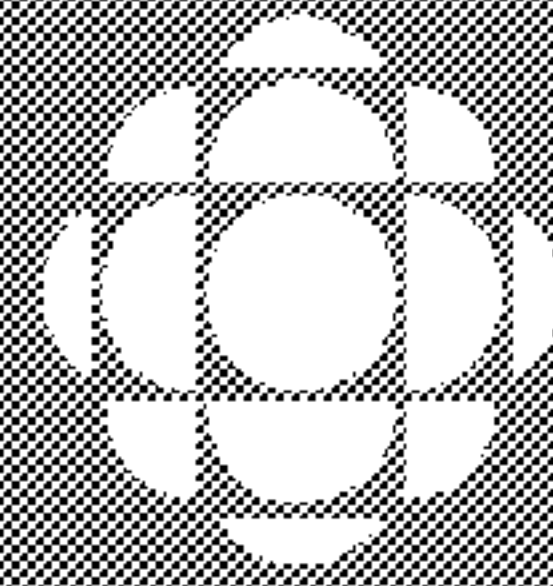
s.18(a)
s.18(b)
s.68.1

CBC/Radio-Canada

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Non-Recurring Parl. Approp.			
Sale of Assets			
Local Fund – CRTC			
Previous Year Carryover			
Commercial Revenue (Main Service)			
Olympic Revenue			
Specialty Services Revenue			
Galaxie Revenue			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
English Services			
French Services			
Other Media Activities			
Chief Technology Officer			
Real Estate			
Corporate Activities			
Galaxie			
Estimated Downsizing Costs			
Committed Reserves			
Total Application of Funds			
NET POSITION			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
English Services**



English Services 2009/2010 Proposed Budget

[Redacted content]

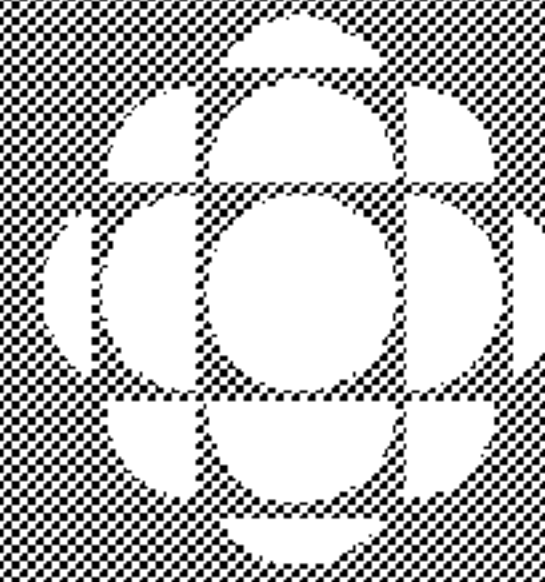
English Services 2008/2009 Year End Forecast

[Redacted content]

Part 4.2 Operating Budget

2009/2010 Operating Budget

English Services (cont'd)



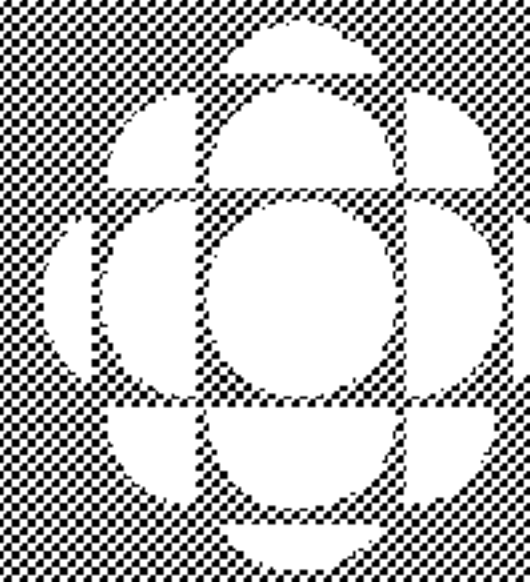
Detailed English Services - Sources of Funding

	English Television	English Radio	Newsworld	Bold	cbc.ca	Total
Parliamentary Appropriation						
Sale of Assets						
Previous Year Carryover						
Commercial Revenue (Main Service)						
Specialty Services Revenue						
Miscellaneous Revenue						
2009/2010 Total Sources of Funding						
2008/2009 Total Sources of Funding						

s.18(a)
s.18(b)
s.68.1

Part 4.2 Operating Budget

2009/2010 Operating Budget
English Services (cont'd)

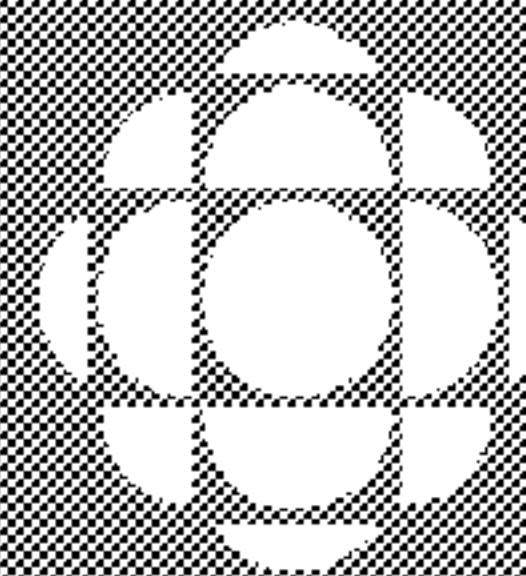


Detailed English Television

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Sale of Assets			
Previous Year Carryover			
Commercial Revenue (Main Service)			
Specialty Services Revenue			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
News and Current Affairs			
Sports			
Network Programming Office			
Production and Resources			
Support Functions			
Other Programming Commitments			
Newsworld			
Bold			
Digital Programming and Bus. Dev.			
Regional Operations			
Newfoundland			
Maritimes			
Ottawa			
Windsor			
Quebec			
CBC North			
Manitoba			
Saskatchewan			
Alberta			
British Columbia			
Toronto			
Program Management			
Total Application of Funds			
Net Position			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
English Services (cont'd)**



News and Current Affairs

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

Sports

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

Arts and Entertainment

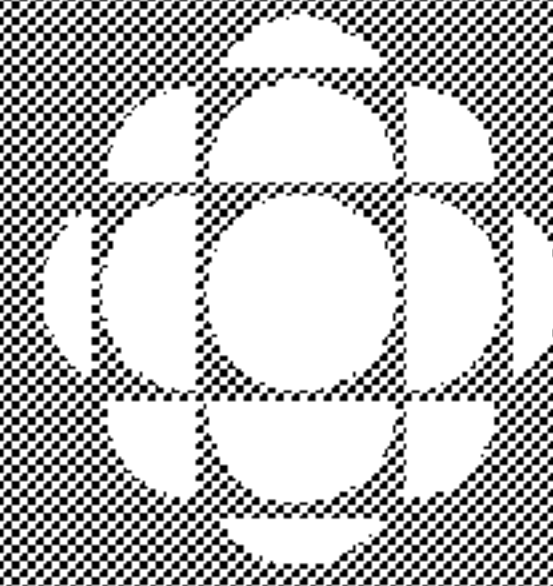
**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

New Media

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

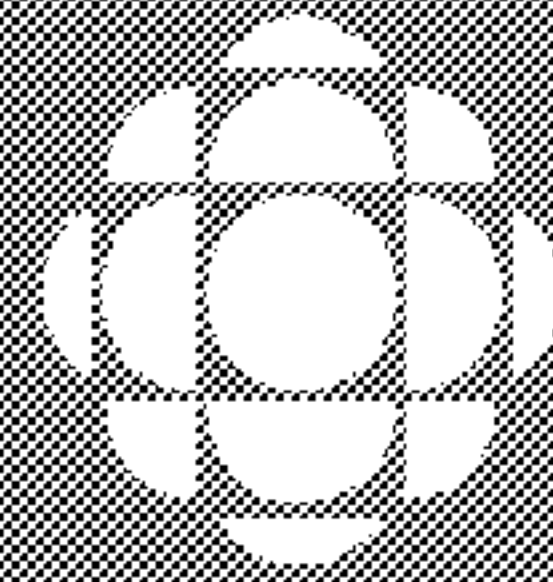


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Part 4.2 Operating Budget

2009/2010 Operating Budget

English Services (cont'd)

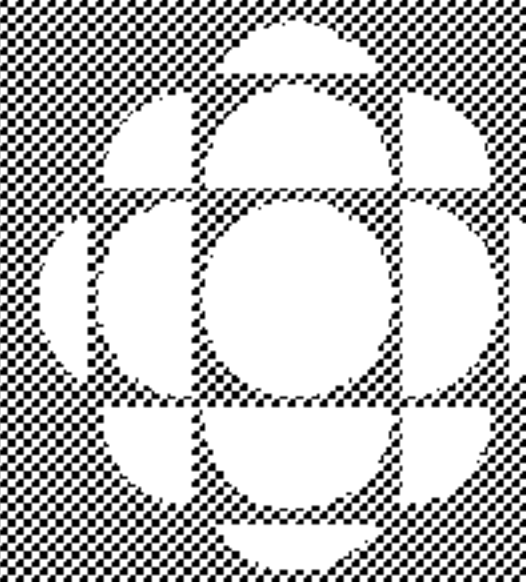


Detailed English Radio

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
Network News and Current Affairs			
Arts and Entertainment			
Network Music			
Sirius			
Radio 3			
Production and Resources			
General Administration			
Other Programming Commitments			
Regional Operations			
Newfoundland			
Maritimes			
Ottawa			
Ontario			
Quebec			
CBC North			
Manitoba			
Saskatchewan			
Alberta			
British Columbia			
Toronto			
Total Application of Funds			
NET POSITION			

Part 4.2 Operating Budget

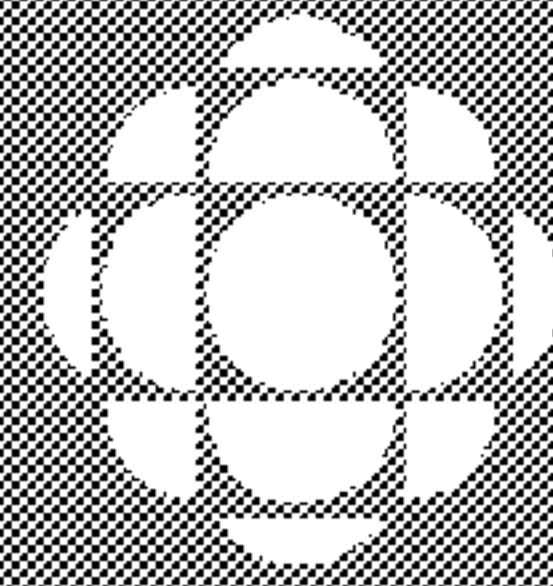
2009/2010 Operating Budget French Services



French Services 2009/2010 Proposed Budget

French Services 2008/2009 Year End Forecast

**2009/2010 Operating Budget
French Services (cont'd)**

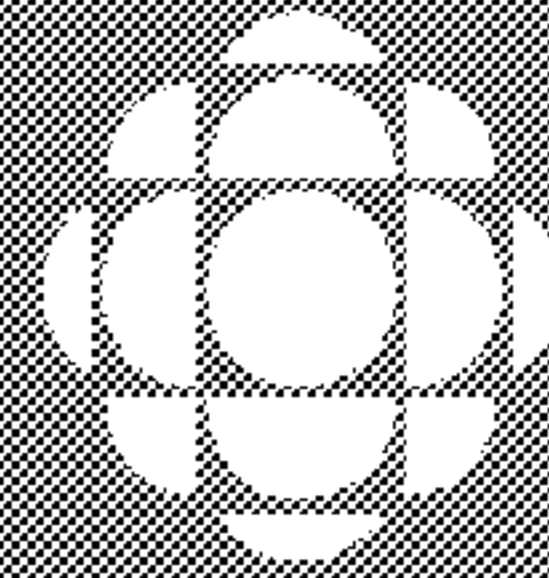


s.18(a)

s.18(b)

Detailed French Services - Sources of Funding

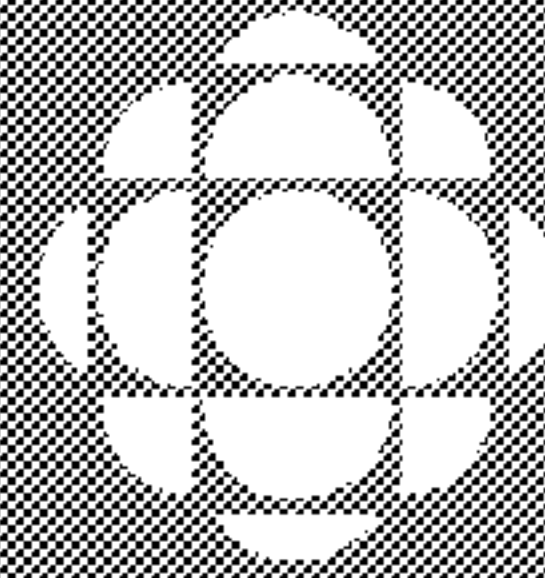
	French Television	French Radio	RDI	RCI	radio- canada.ca	Total
Parliamentary Appropriation						
Sale of Assets						
Previous Year Carryover						
Commercial Revenue (Main Service)						
Specialty Services Revenue						
Miscellaneous Revenue						
2009/2010 Total Sources of Funding						
2008/2009 Total Sources of Funding						

s.18(a)
s.18(b)Part 4.2 Operating Budget**2009/2010 Operating Budget
French Services (cont'd)****Detailed French Television**

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Sale of Assets			
Previous Year Carryover			
Commercial Revenue (Main Service)			
Specialty Services Revenue			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
News and Current Affairs			
Sports			
Arts and Entertainment			
Production and Resources			
Support Functions			
Starting Costs – New Channels			
Other Programming Commitments			
RDI			
New Media			
Program sales			
Regional Operations			
Atlantic			
Quebec / Regions of Quebec			
Ottawa-Gatineau / Ontario			
West			
Program Management			
Total Application of Funds			
Net Position			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
French Services (cont'd)**



News and Current Affairs

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

Sports

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

Arts and Entertainment

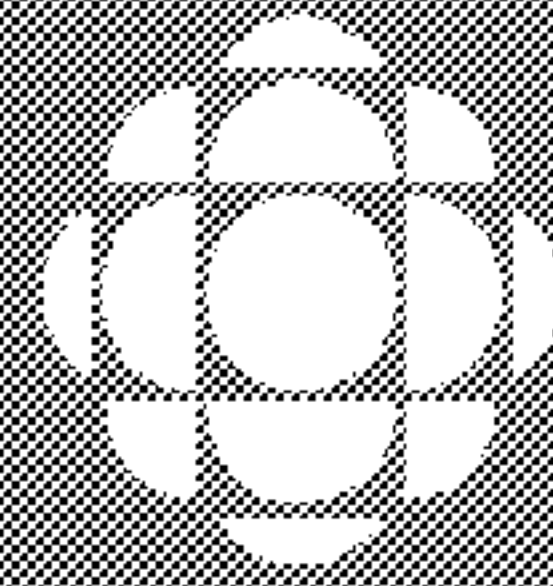
**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

New Media

**2009/2010
Proposed Budget**

**2008/2009
Year End Forecast**

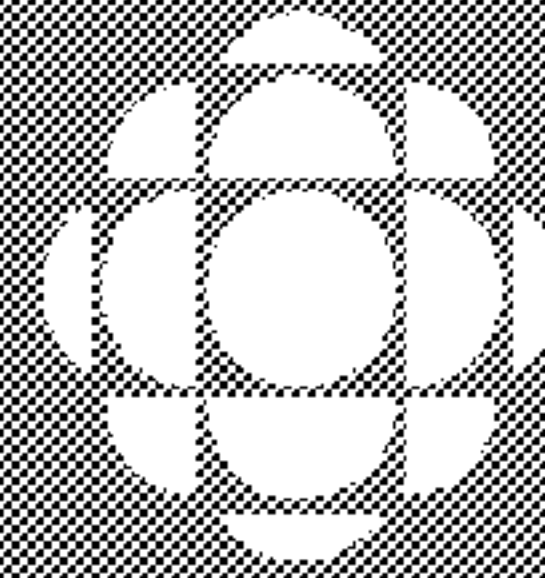


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Part 4.2 Operating Budget

2009/2010 Operating Budget

French Services (cont'd)

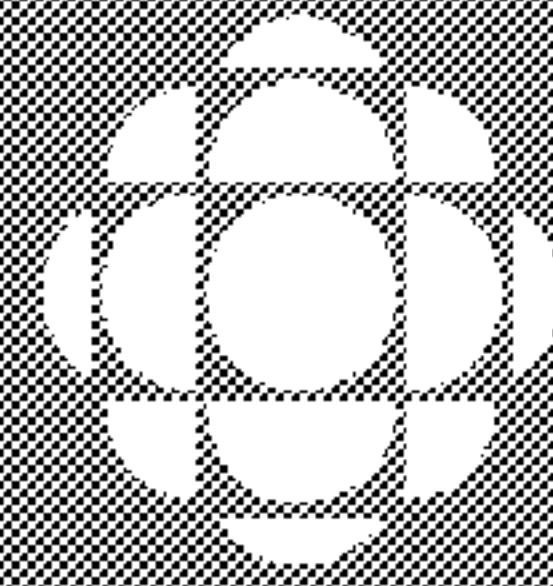


Detailed French Radio

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
News			
Première Chaîne			
Espace Musique			
Sirius			
Radio Canada International			
Support Functions			
Other Programming Commitments			
Regional Operations			
Atlantic			
Quebec			
Ottawa-Gatineau			
West			
Program Management			
Total Application of Funds			
NET POSITION			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
Other Media Activities**



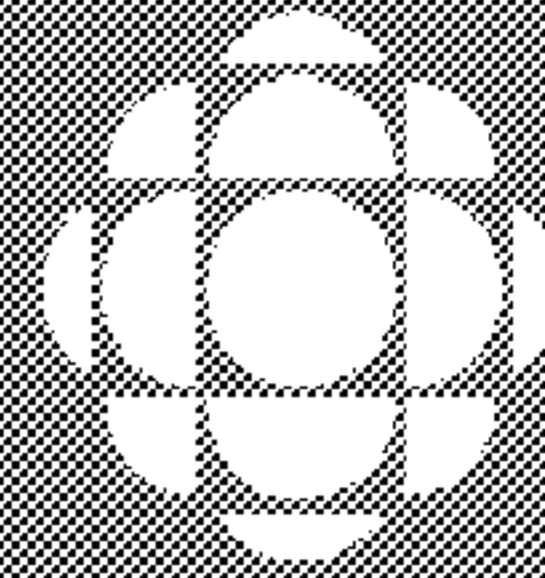
Other Media Activities 2009/2010 Proposed Budget

[Empty table area for 2009/2010 Proposed Budget]

Other Media Activities 2008/2009 Year End Forecast

[Empty table area for 2008/2009 Year End Forecast]

**2009/2010 Operating Budget
Other Media Activities (cont'd)**



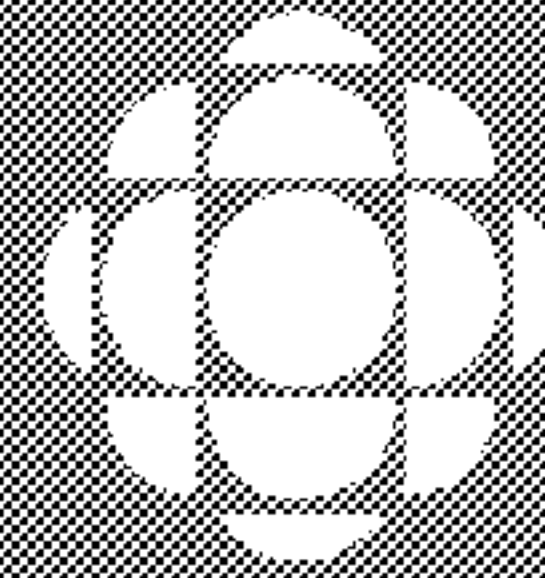
s.18(a)
s.18(b)

Other Media Activities

	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
<i>Merchandising Division</i>			
<i>Mobile Division</i>			
<hr/>			
Total Sources of Funding			
Application of Funds			
Merchandising Division			
Mobile Division			
Ottawa Production Centre			
Content Management			
<hr/>			
Total Application of Funds			
<hr/>			
NET POSITION			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
Chief Technology Officer**



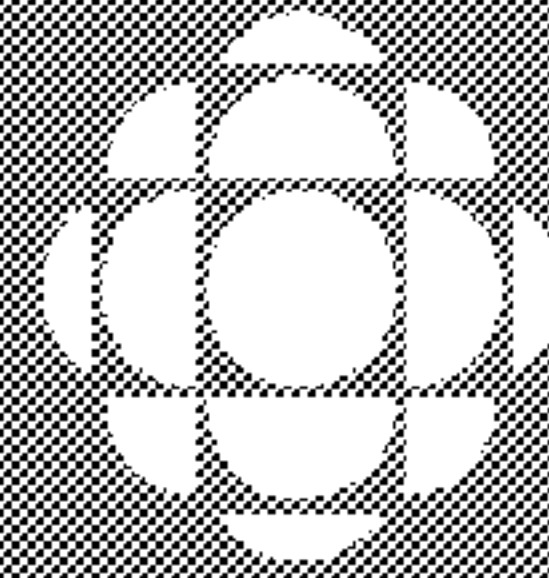
CTO 2009/2010 Proposed Budget

CTO 2008/2009 Year End Forecast

s.18(a)
s.18(b)

Part 4.2 Operating Budget

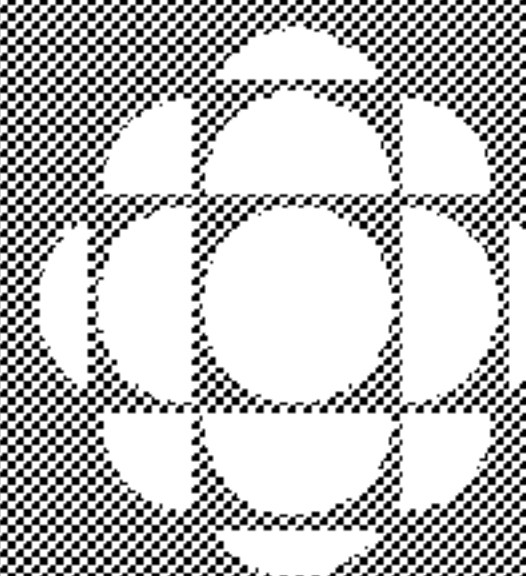
2009/2010 Operating Budget
Chief Technology Officer (cont'd)



	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Detailed CTO			
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
Transmission Division			
Information Technology			
Broadcast and Telecom Network			
Broadcast Engineering			
Direction and Planning			
Total Application of Funds			
NET POSITION			

Part 4.2 Operating Budget

**2009/2010 Operating Budget
Real Estate**



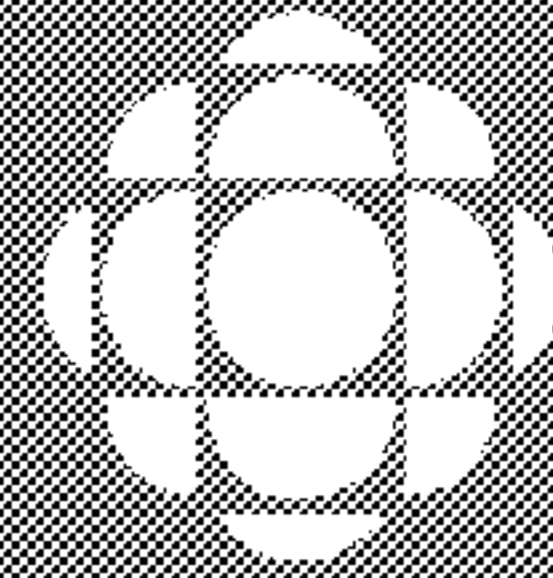
Real Estate 2009/2010 Proposed Budget

Real Estate 2008/2009 Year End Forecast

s.18(a)
s.18(b)

Part 4.2 Operating Budget

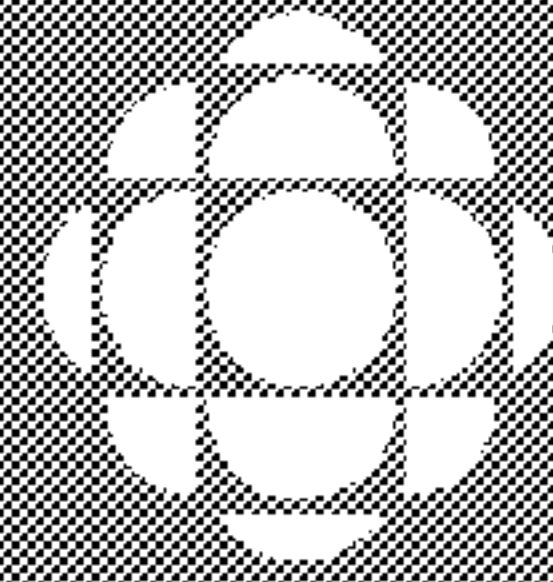
**2009/2010 Operating Budget
Real Estate (cont'd)**



Detailed Real Estate			
	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
Building Management			
Leases			
Taxes			
Toronto Broadcast Centre (TBC)			
Bond Interest			
Direction and Strategy			
Total Application of Funds			
NET POSITION			

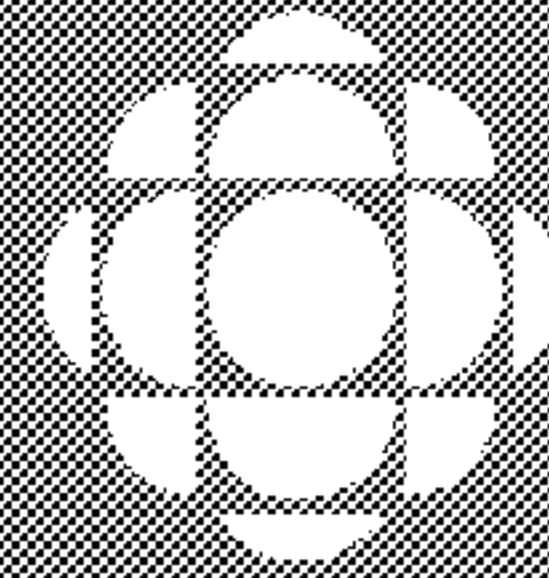
Part 4.2 Operating Budget

**2009/2010 Operating Budget
Corporate Activities**



Corporate Activities 2009/2010 Proposed Budget

Corporate Activities 2008/2009 Year End Forecast

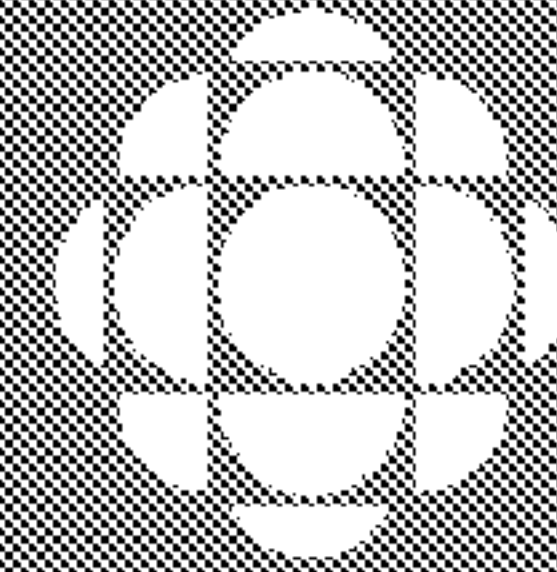


s.18(a)
s.18(b)

**2009/2010 Operating Budget
Corporate Activities (cont'd)**

Corporate Activities			
	2008/2009 Annual Budget (\$000)	2008/2009 Year End Forecast (\$000)	2009/2010 Proposed Budget (\$000)
Sources of Funding			
Parliamentary Appropriation			
Previous Year Carryover			
Miscellaneous Revenue			
Total Sources of Funding			
Application of Funds			
President, Chairperson and BOD			
People and Culture			
Shared Services			
Finance and Administration			
Corporate Expenses			
Strategy and Business Partnerships			
Branding, Communications and Corporate Affairs			
General Counsel and Corp. Secretariat			
Other Corporate Components			
Total Application of Funds			
NET POSITION			

Part 5.



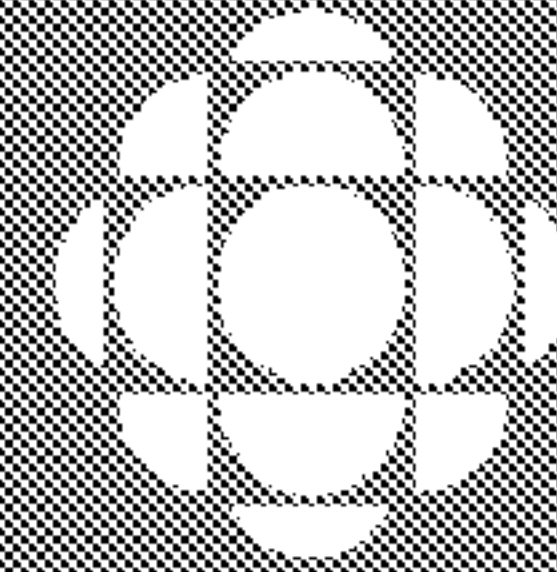
Capital Budget

15 March 2009

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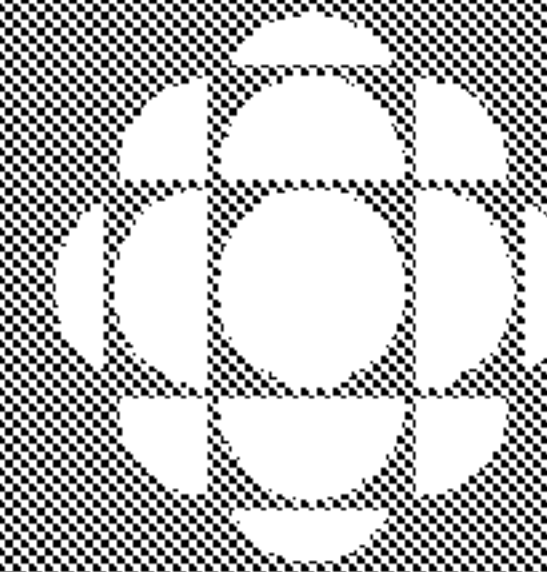
Context



s.18(a)
s.18(b)
s.21(1)(b)



Context (cont'd)

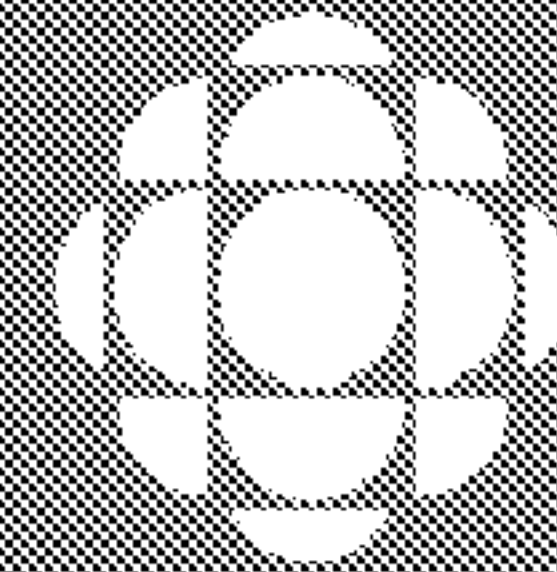


Net Book Value Analysis - From notes to the Annual Report

	1994/1995				2007/2008				
	Costs	% of Total Assets	Netbook value	%	Costs	% Growth	% of Total Assets	Netbook value	%
<i>(thousands of dollars)</i>									
Land	36 131	2%	36 131	100%	20 516	-43%	1%	20 516	100%
Buildings and Property under capital leases ⁽¹⁾	846 457	41%	647 261	76%	896 814	6%	34%	416 234	46%
Technical equipment	1 022 908	50%	481 063	47%	1 321 746	29%	51%	376 806	29%
Computers, furnishings and office equipment	68 929	3%	35 788	52%	193 754	181%	7%	72 335	37%
Automotive	26 800	1%	12 219	46%	48 910	83%	2%	12 717	26%
Leasehold improvements	5 118	0%	851	17%	49 774	873%	2%	34 824	70%
Property under capital leases ⁽¹⁾	-	-	-	-	-	-	-	-	-
Uncompleted capital projects	66 176	3%	66 176	100%	75 454	14%	3%	75 454	100%
	2 072 519	100%	1 279 489	62%	2 606 968	26%	100%	1 008 886	39%

⁽¹⁾ Property under capital leases has been combined with Buildings costs in 1994/95 to reflect similar changes made in 2007/08.

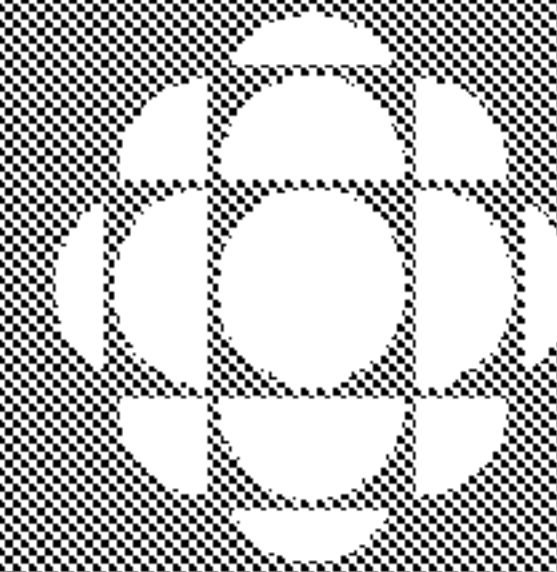
Context (cont'd)



s.18(a)
s.18(b)

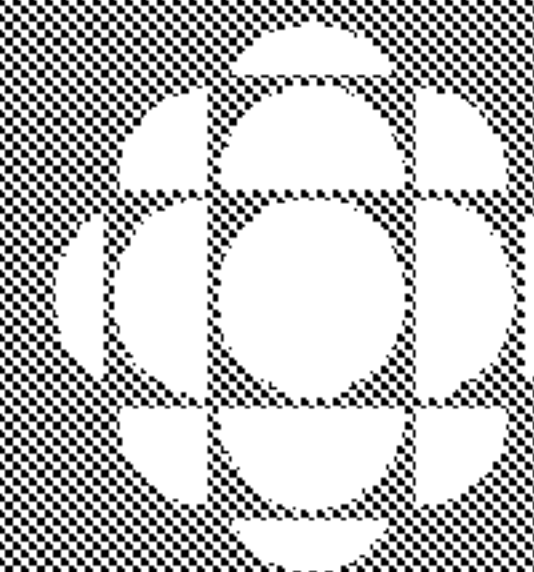
- Going forward sustainable funding level is closer to if nothing changes.
- Government has not responded to previous attempts to address funding problem.
 -
 -
 -
- Last special exam the OAG report said:
 - « Further, larger initiatives, such as the replacement of the aging distribution network and the transition to digital and high definition television, require significant multi-year funding. The Corporation needs to demonstrate and communicate the need for additional funding for these strategies to the Minister and to Parliament. »

Context (cont'd)



- We have made short-term decisions to address priorities but risk on delayed asset refresh increasing.
- Sustainable solution will need to be found.
 - Management will need to explore:
 - Exhaust funding possibilities (internal/external).

Part 5.1



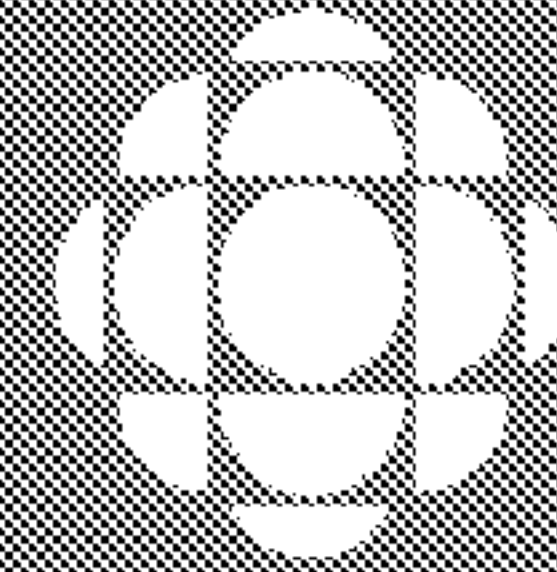
Strategic Directions

15 March 2009

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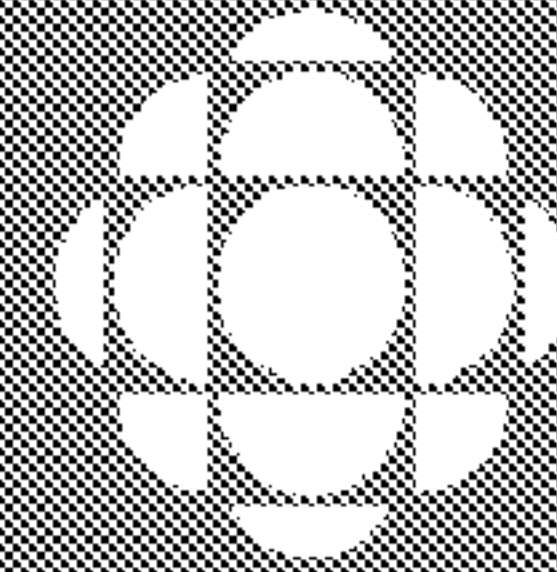
Strategic Directions



s.18(b)
s.21(1)(b)
s.21(1)(c)

- Capital funding priority will be given to:

Part 5.2



Making the Plan work

15 March 2009

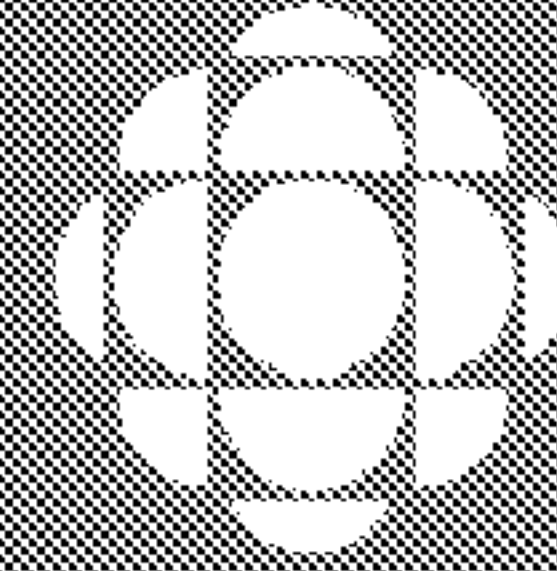
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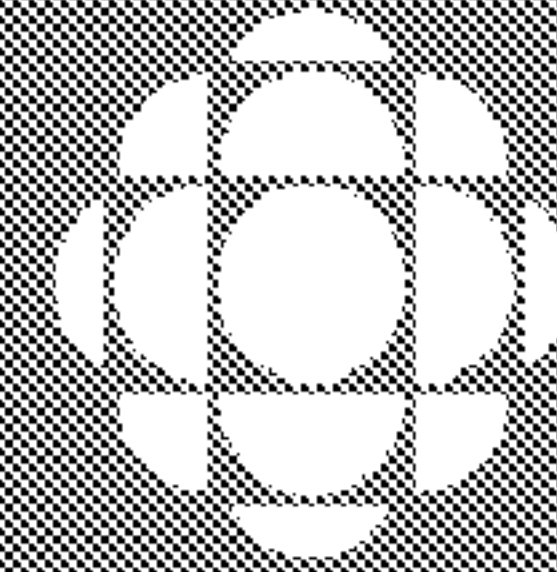
109

s.18(a)
s.18(b)
s.21(1)(b)

Part 5.2 Making the Plan Work

Context



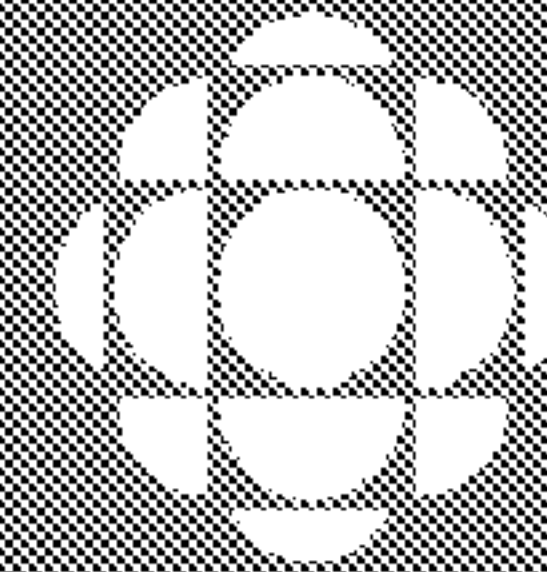


*2009/2010 Recommended
Capital Budget and 3-Year Plan
Highlights*

s.18(a)
s.18(b)

Part 5.3 Recommended Capital Budget

2009/2010 Recommended Capital Budget
and 3-Year Plan Highlights (cont'd)



2009/10 TO 2011/12 CAPITAL INVESTMENT PLAN

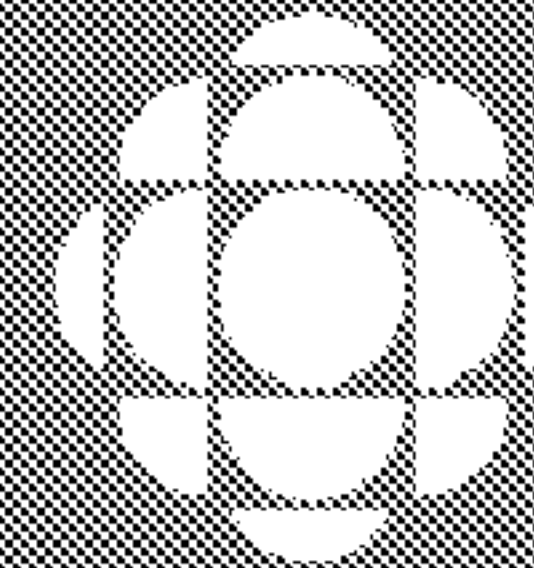
	Budget 2009/10	Forecast		Total	% of 3-Year Plan
		2010/11	2011/12		
CAPITAL INVESTMENT PLAN¹					
Production Infrastructure					
Enterprise Systems & Technology Infrastructure					
Presentation, Collection, Distribution & Delivery					
Property Management					
Fleet and Minor Capital Purchases					
Corporate Contingency					
TOTAL CAPITAL INVESTMENT PLAN					
Base Capital Appropriation					
Toronto Broadcast Centre Mortgage (capital portion)					
Operating Loans/(Repayments) ²					
Affiliates Replacement Funding from operating reserve and other sources					
Galaxie Proceeds to assist capital pressures					
Specialty Services Repayments to capital					
Proceeds resulting from capital projects					
Other Minor Vets Transfers					
TOTAL AVAILABLE CAPITAL FUNDING					
Planned Increase / (Decrease) to Exceed Available Resources³					

s.18(a)

s.18(b)

Part 5.3 Recommended Capital Budget

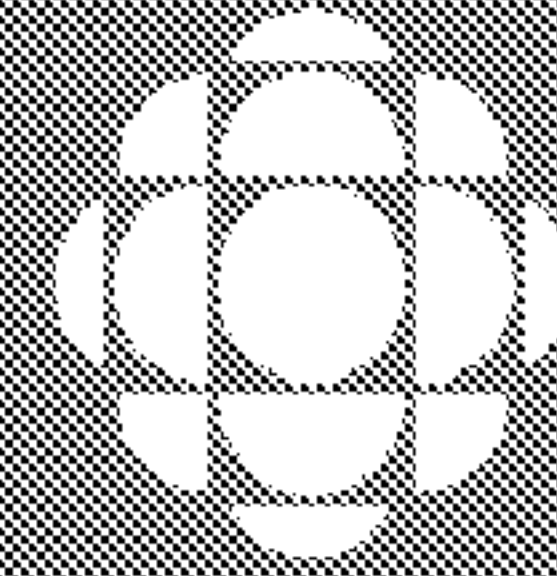
**2009/2010 Recommended Capital Budget
and 3-Year Plan Highlights (cont'd)**



Total 3-year Capital Plan 2008/09: \$324.4M

Total 3-Year Capital Plan 2009/10: \$319.6M

Production Infrastructure



s.18(a)
s.18(b)
s.21(1)(b)

§

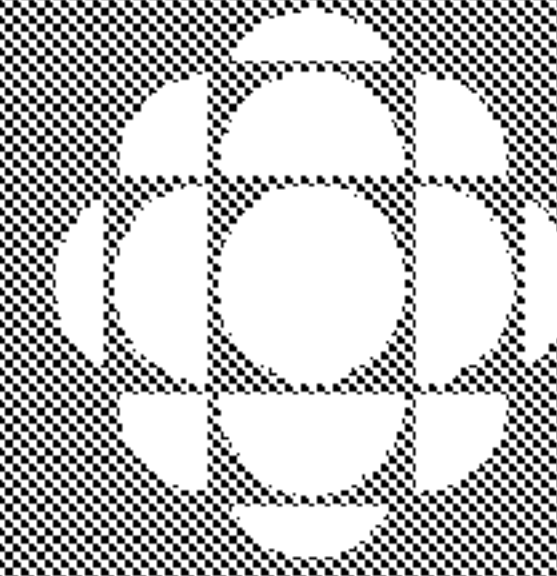
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§

§

§

Production Infrastructure

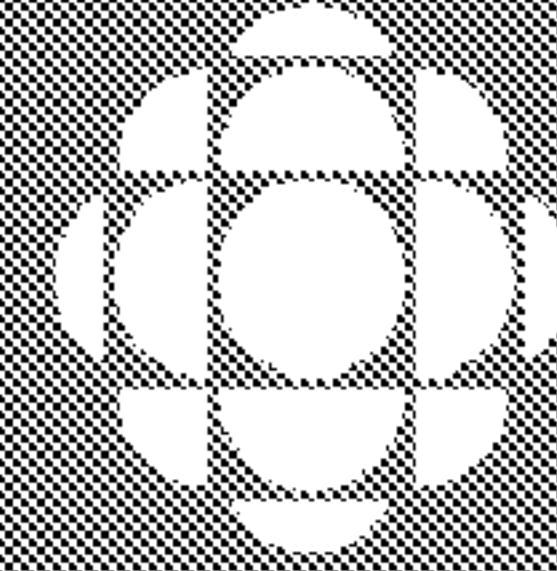


s.18(a)
s.18(b)
s.21(1)(b)

s.18(a)
s.18(b)
s.21(1)(b)

Part 5.3 Recommended Capital Budget

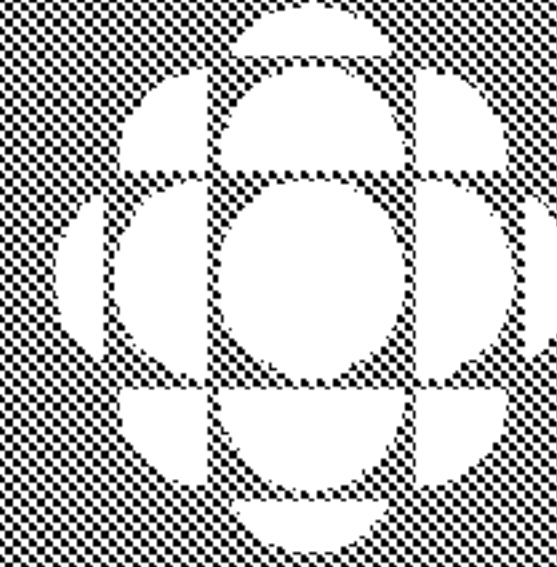
Enterprise Systems & Technology Infrastructure ()



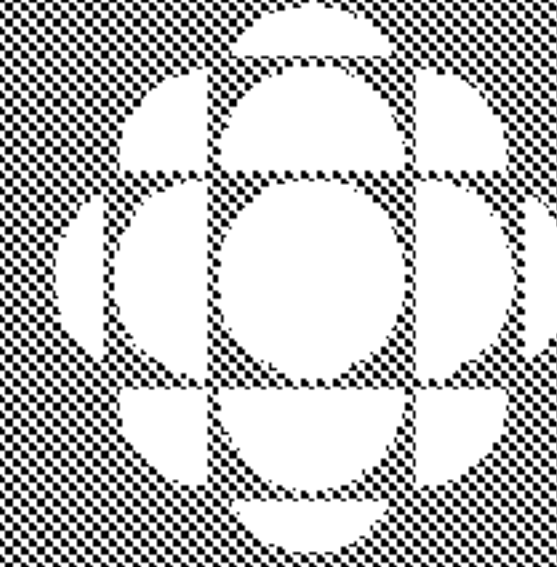
s.18(a)
s.18(b)
s.21(1)(b)

Part 5.3 Recommended Capital Budget

Presentation, Collection, Distribution and Delivery ([REDACTED])



Presentation, Collection, Distribution
and Delivery [redacted] (cont'd)



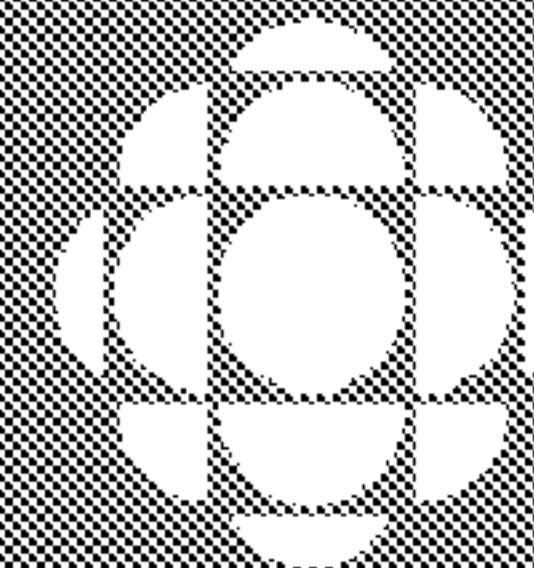
s.18(a)
s.18(b)
s.21(1)(b)



s.18(a)
s.18(b)
s.21(1)(b)

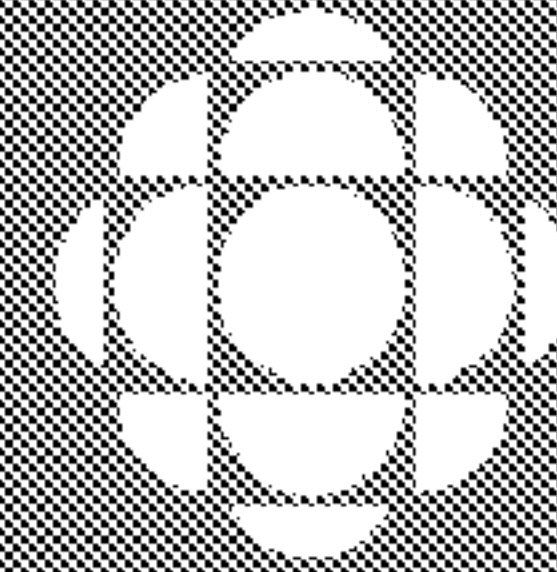
Part 5.3 Recommended Capital Budget

Property Management



- Complete Vancouver facility renovation remaining to complete the project – includes 2nd & 3rd floors).

Fleet & Minor Capital Purchases



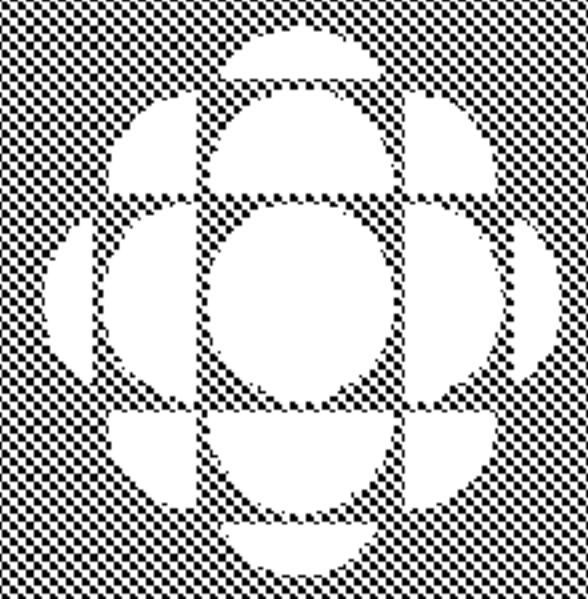
- Fleet vehicle refresh: New standards for fleet refresh currently under review.
- Minor capital to address unforeseeable and urgent operational equipment requirements.

s.18(a)

s.18(b)

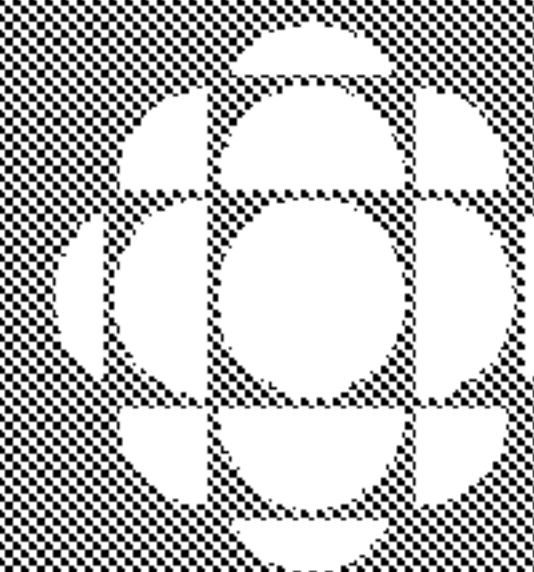
Part 5.3 Recommended Capital Budget

Projects >



PROJECTS APPROVED (in \$000's)							
Projects	BOD approval date (1)	2009/10	2010/11	2011/12	3-Year Total (2)	All Years Total (3)	Original Budget
Mission Critical:							
Vision							
Desktop Radio							
Upgrade CDI - Montreal							
Payback initiatives:							
Cogeco Disaffiliation							
Growing the business							
Vancouver Renovation							
Ottawa Consolidation							
Edmonton Consolidation							
Quebec Consolidation							
Subtotal - Projects Approved							
PROJECTS PLANNED (in \$000's)							

Part 6.



Impact on People

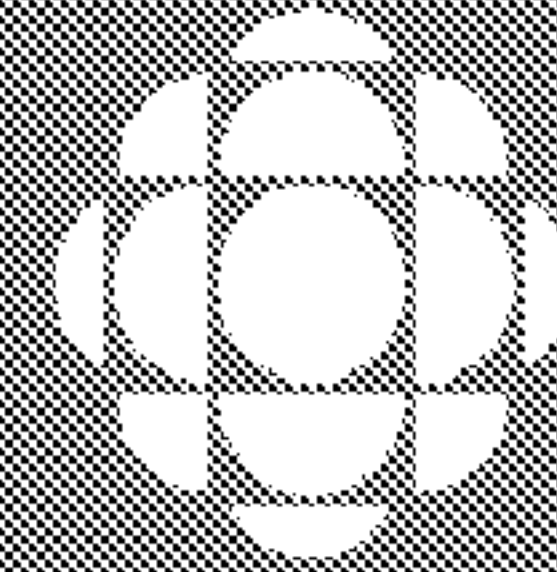
15 March 2009

CONFIDENTIAL

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Part 6. Impact on People

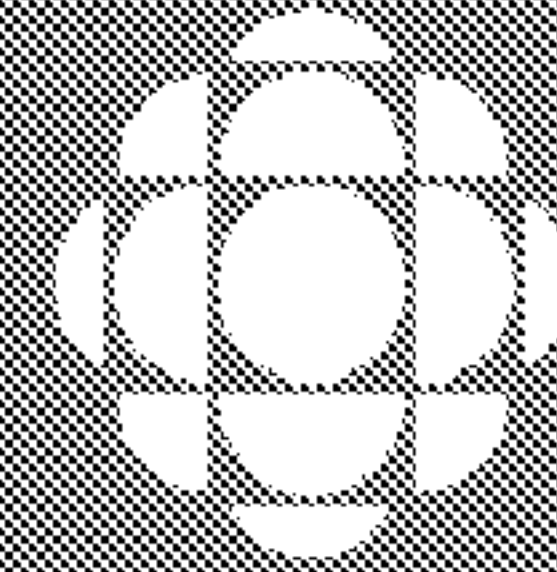
Impact on People



Function	FTE reductions - Layoffs/Early Retirements*	FTE reductions – Vacant positions/No backfill
English Services		
French Services		
Real Estate		
Chief Technology Officer		
Communications		
People and Culture		
Legal		
Finance		
Others		
TOTAL	771	35

* Excludes contract terminations

Impact on People



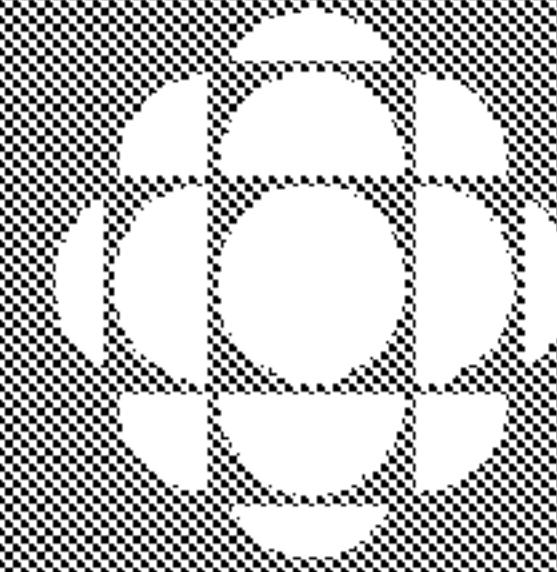
In order to reduce impacts on people, a number of actions have and will be taken:

- Voluntary retirement incentive offering
-
-
-
-
-
-
-
-

s.18(b)
s.21(1)(b)

Part 6. Impact on People

Voluntary Retirement Incentive



s.18(b)
s.21(1)(b)

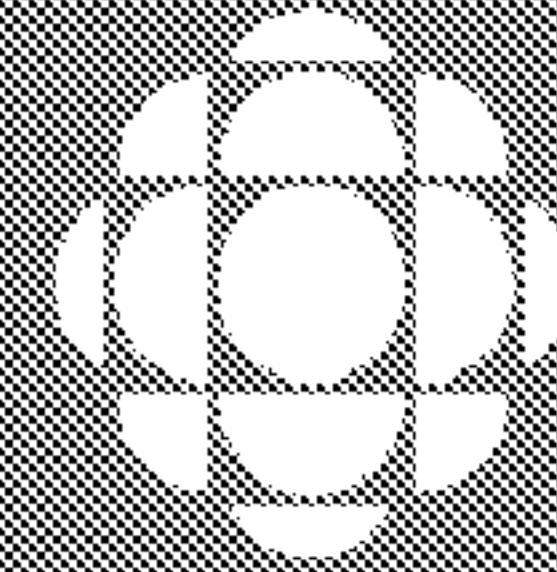
16 March 2009

CONFIDENTIAL

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Voluntary Retirement Incentive



s.18(b)
s.21(1)(b)

SERVICE	FORMULA	EMPLOYEES ELIGIBLE	%
ENGLISH SERVICES			
FRENCH SERVICES			
CTO			
REAL ESTATE			
TOTAL		485	100%

Target Formula for Eligibility:

Current Situation:

Page 772

**is withheld pursuant to sections
est retenue en vertu des articles**

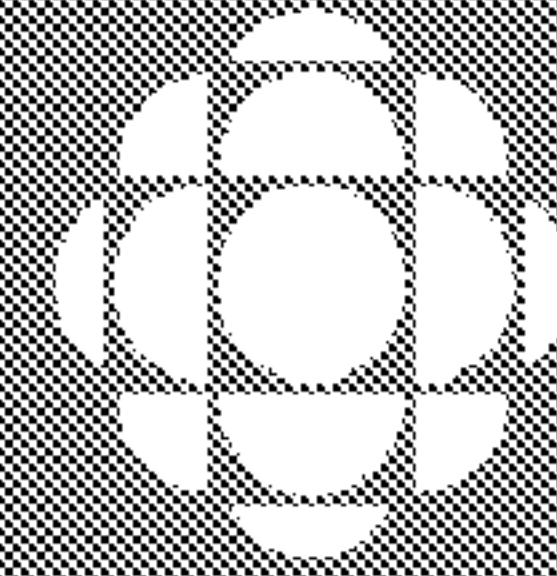
18(b), 21(1)(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

s.18(b)
s.21(1)(b)

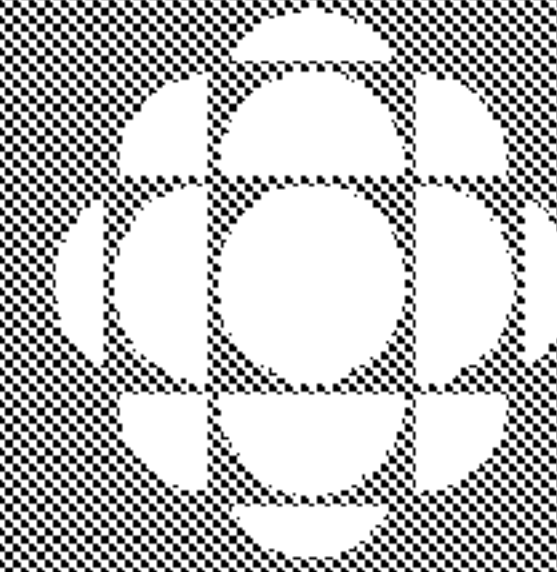
Part 6. Impact on People

Layoff Provisions

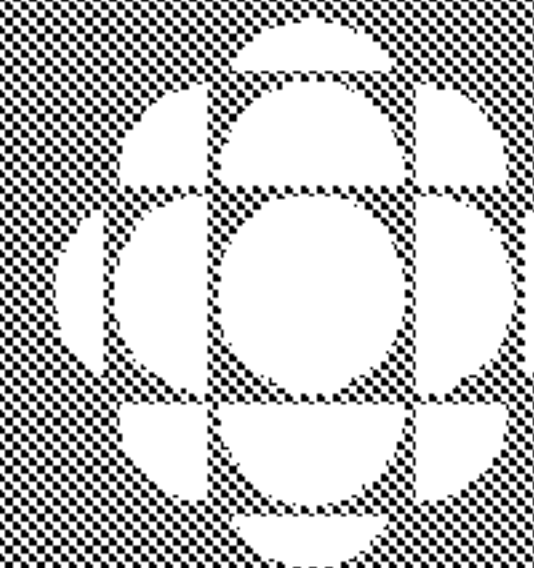


Part 6. Impact on People

WFA Governance Model



Part 7.



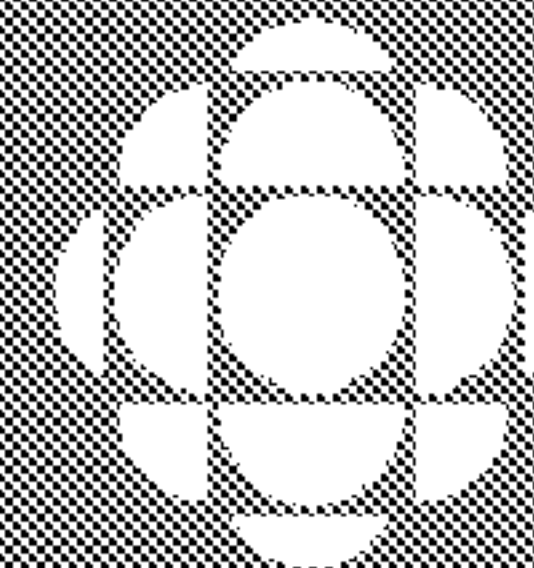
Board Resolution

15 March 2009

CONFIDENTIAL

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Board Resolution



WHEREAS:

- A. Management presented the 2009/2010 Business Plans to the Board, a copy of which shall be filed together with the original of these minutes as Exhibit "A";
- B. The Board has reviewed the Corporate Priorities, Strategic Plans, Enterprise Risk Management and the Financial Context all as further described in the Business Plans;
- C. The Board was fully appraised of the Recovery Plans and the Reduction Programs;
- D. The Board is approving simultaneously with the Business Plans and the related budgets, several transactions to enable implementation of the Recovery Plans and to balance the Budget.

On a motion duly moved and seconded,

IT IS RESOLVED THAT:

s.18(a)
s.18(b)

- A. The Board hereby approves the Business Plans inclusive of the Recovery Plans and the Reduction Programs as presented;
- B. The Board hereby approves the Operating Budget for fiscal 2009/2010 in the amount of
- C. The Board hereby approves the Capital Budget for fiscal 2009/2010 in the amount of
- D. The President and CEO or the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to do everything in their power to implement the Business Plans;

MOTION CARRIED

March 17, 2009

Subject matter

Monetization of Cash Flows and Assets

Background

CBC/Radio Canada (CBC) requires one-time funding in 2009/10 to meet financial pressures resulting mainly from the downturn in the economy. Since the Government has rejected CBC's request for financial flexibility, CBC management is proposing to monetize future cash flows and assets.

Information on the matter

The CBC is considering: a) the sale of the Toronto Broadcast Lands Receivables, b) the sale of the Stingray Digital Group Inc. (Stingray) Receivable related to the sale of Galaxie's assets,

For decision



For information



Prepared by

Name: Michel Tremblay and Bill Atkinson
Date: March 12, 2009

Management recommendation

CBC management recommends that the Board approve resolutions related to the monetization of a) the Toronto Broadcast Lands Receivable, b) the Stingray Receivable,

s.18(a)
s.18(b)

Last discussed at the Board

Date:
Decision made:

Next steps

- CBC management will enter into negotiations to maximize the value of the sale of its receivables, identified above.
- The financial terms and price will be brought back to the Board for approval.
- CBC management will seek the necessary Orders-in Councils, and any required CRTC approvals in order to execute these transactions.

Anticipated project completion date: _____
(If contract, indicate date of expiry): _____

CONFIDENTIAL



Monetization of Cash Flows and Assets

Michel Tremblay and Bill Atkinson
Corporate Strategy and Business Partnerships

**Presentation to the CBC/Radio-Canada
Board of Directors - Toronto
March 17, 2009**

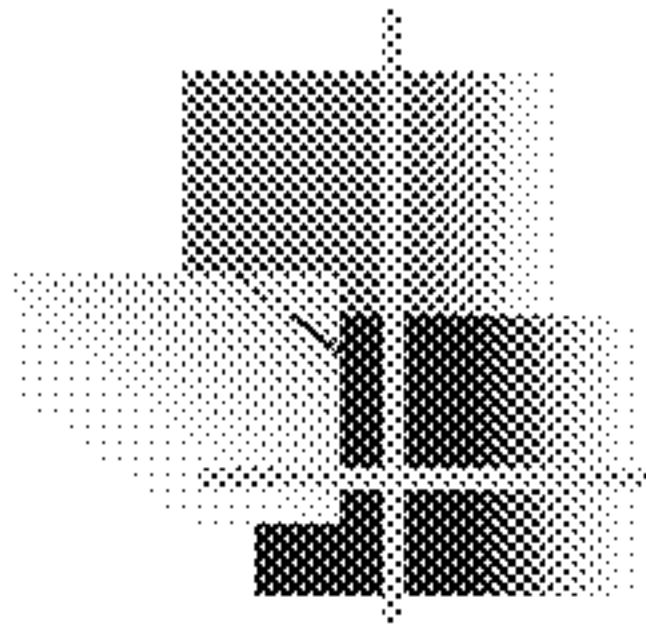
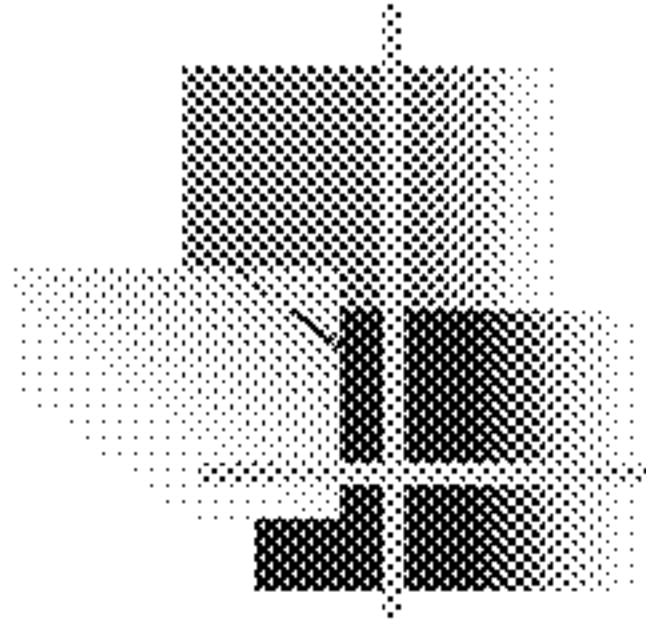


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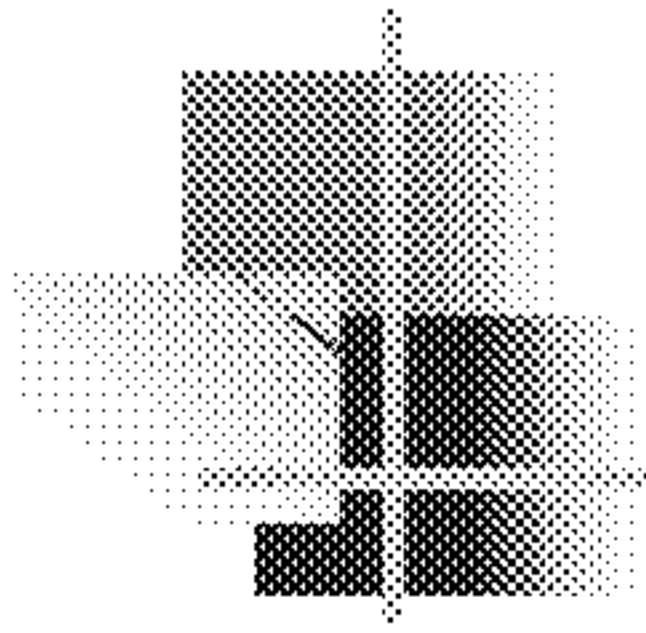
s.18(a)
s.18(b)

- **Background**
- **Actions being considered**
 - Toronto Broadcast Centre Lands Receivable
 - Stingray Digital Group Inc.
 -
 -
 -
- **Decisions Required**
- **Appendices**
 - A. Toronto Broadcast Centre Lands Receivable
 - B. Stingray Digital Group Inc.
 - C.
 - D.



Background

- **In the President's speech to the Empire Club on February 26th, 2009, he indicated that CBC/Radio-Canada (CBC) requires one-time funding in 2009/10 to meet the financial pressures resulting mainly from the downturn in the economy.**
- **The CBC requested that the Government help with some financial flexibility since the CBC has limited borrowing power under the Broadcasting Act. The Government rejected CBC's request.**
- **Therefore, to meet the financial pressures that will peak in September 2009, CBC Management must take steps to monetize cash flows and assets.**



Actions being considered

■ The CBC is in discussions to monetize the following assets:

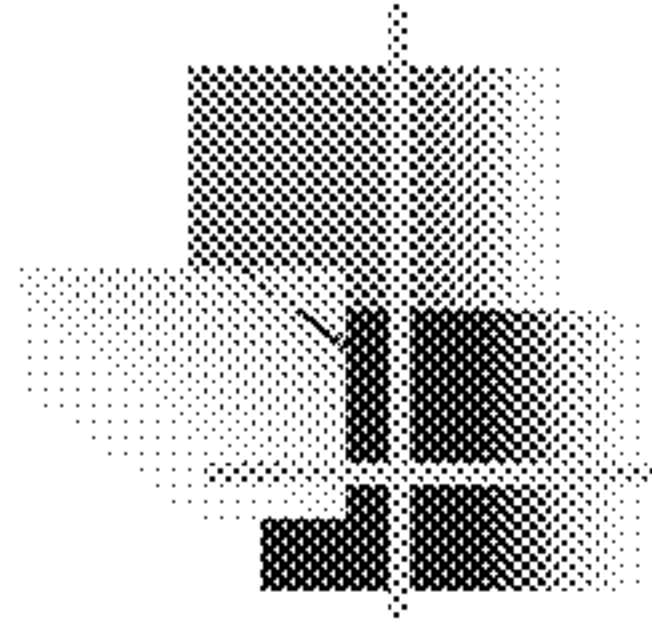
1. Toronto Broadcast Centre Lands Receivables

- ❖ CBC receives **\$11.6 M** annually in Land Rent and Notes receivable related to the Broadcast Centre Lands.
- ❖ This cash flow is receivable for 18 years until 2027 and amounts to **\$209 M**.
- ❖ CBC can monetize this future cash flow in exchange for the Net Present Value in upfront cash.

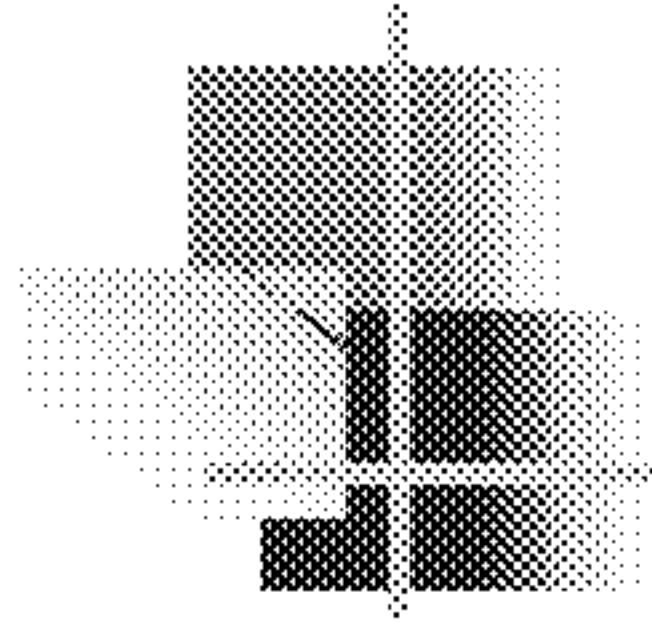
2. Stingray Digital Group Inc. (Stingray)

- ❖ In 2007, CBC sold Galaxie's future cash flows and gave an option for Stingray to purchase Galaxie's assets for a base amount of **\$52.5 M** plus upside, including a Warrant Certificate to purchase 2.5% of Stingray's share capital.
- ❖ The balance owing from Stingray is **\$32.5 M** that is due over the next 3 years. CBC can monetize the **\$21.0 M** balance owing beyond 2009/10 in exchange for the Net Present Value in upfront cash.
- ❖

s.18(a)
s.18(b)

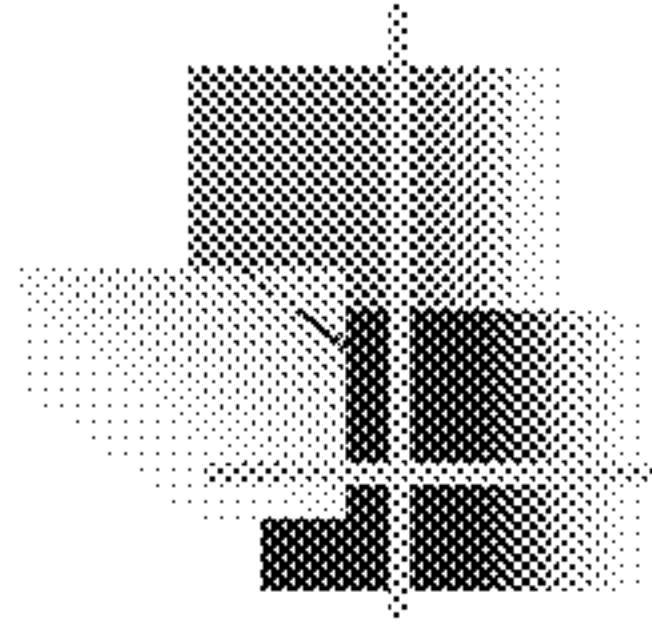


Actions being considered



Actions being considered

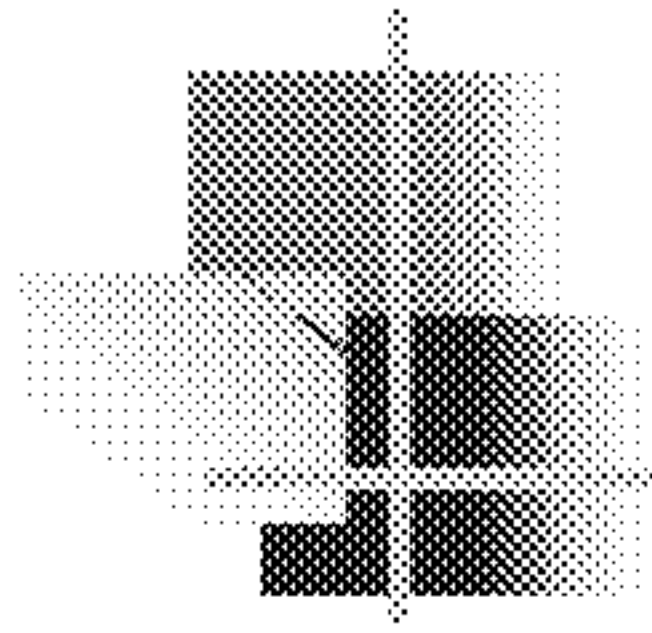
s.18(a)
s.18(b)



Actions being considered

s.18(a)

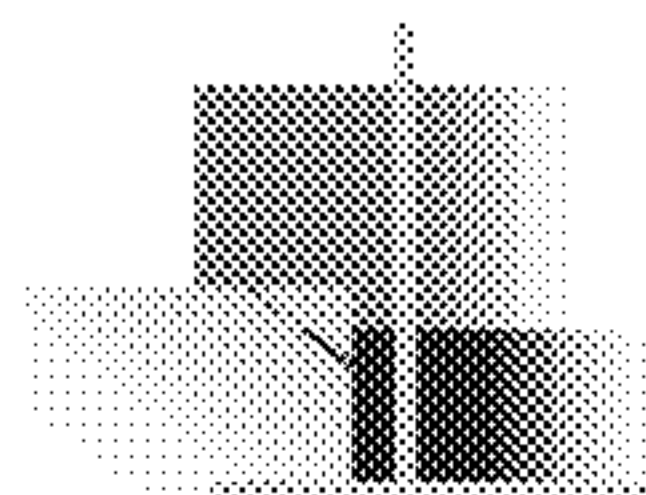
s.18(b)



Actions being considered

s.18(a)

s.18(b)



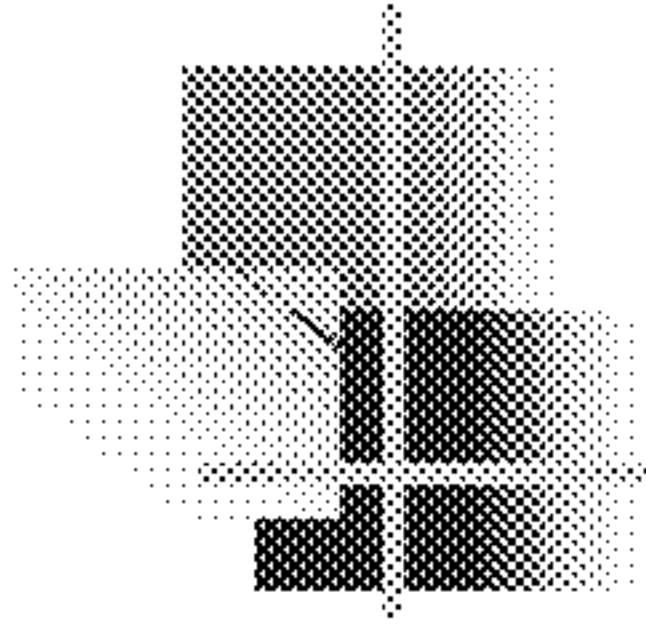
Transmitters/ Tower Assets

Page 787

**is withheld pursuant to sections
est retenue en vertu des articles**

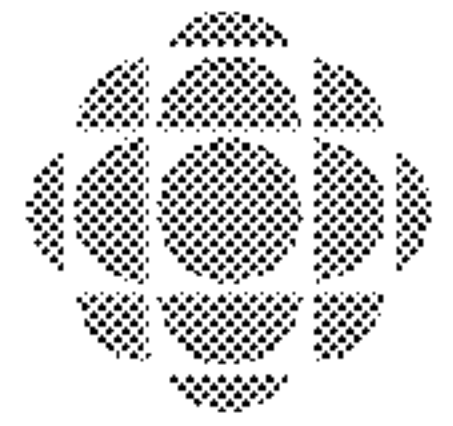
16(2), 18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

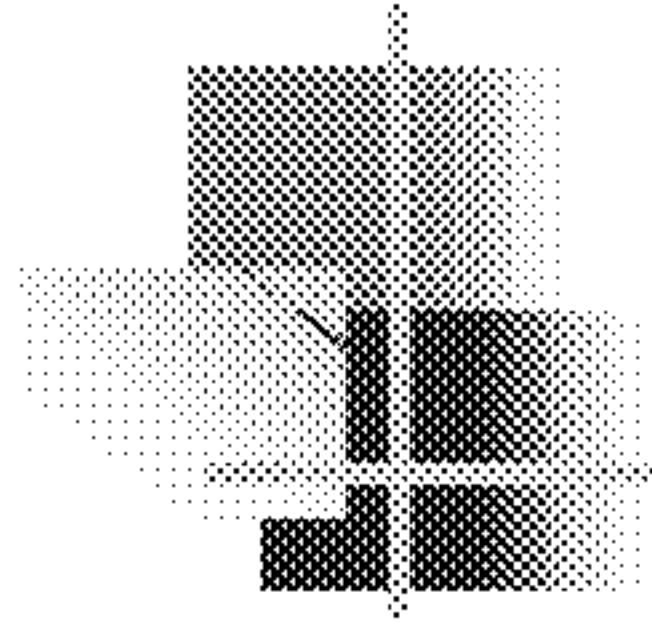


Decisions Required

- **CBC Management is seeking approval, in principle, from the Board of Directors to explore the monetization of assets and cash flows as outlined in this presentation.**
- **This monetization is only acceptable if the Treasury Board and the Department of Finance permit the CBC to retain the cash realized as a result of the monetization.**
 - Discussions are on-going with Government Officials.



- **In the late 1980's, the CBC built the Toronto Broadcast Centre on a portion of the land it owned in Toronto, for which, the CBC makes capital lease payments of \$33.04 M per year until 2027.**
- **The balance of the land was leased to Cadillac Fairview (Cadillac) for 99 years to generate income to offset a portion of the capital lease costs.**
 - The commercial portion of the land was restructured in 2003, which shortened the lease term to end in 2027.

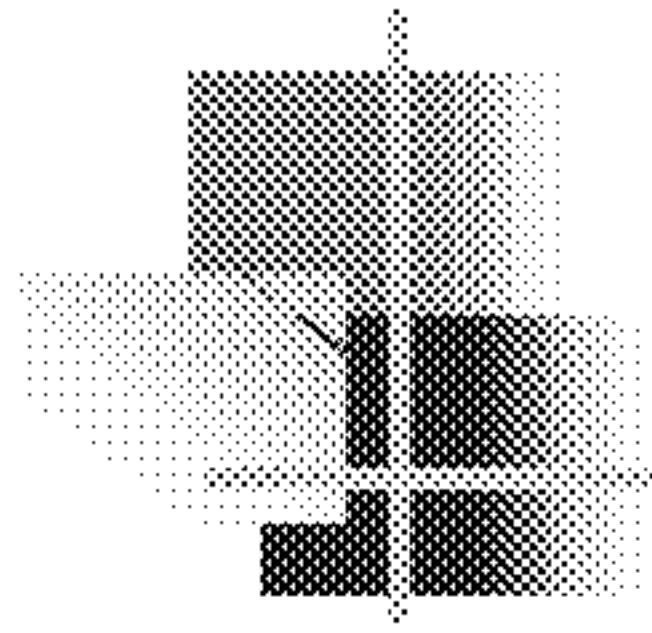


Appendix B

Stingray Digital Group Inc.



- **In December 2007, the CBC entered into an agreement with Stingray Digital Group Inc. to monetize future cash flows of Galaxie. The agreement also included an option to purchase some of the assets related to the Galaxie operations.**



Appendix B

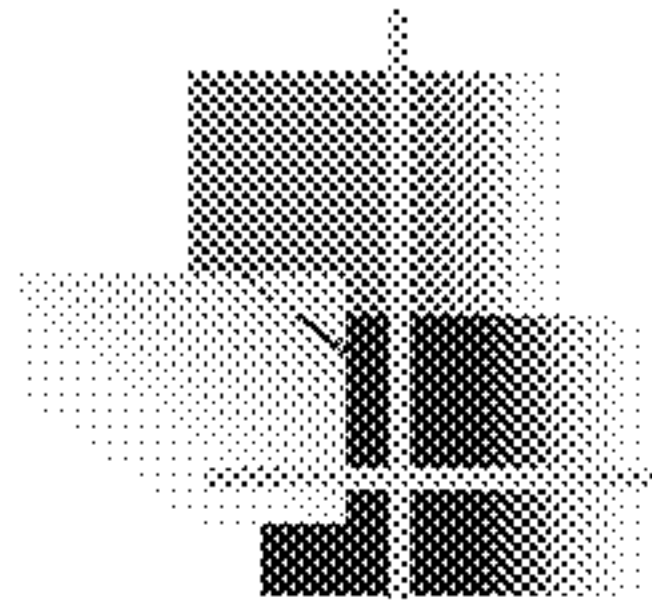
Stingray Digital Group Inc.

s.18(a)
s.18(b)



- **It has been decided not to monetize the funds which will be received in 2009/10, therefore, the balance to monetize is \$21.0 M.**
- **CBC also holds a warrant to purchase up to 1,120,513 common shares in the share capital of Stingray.**

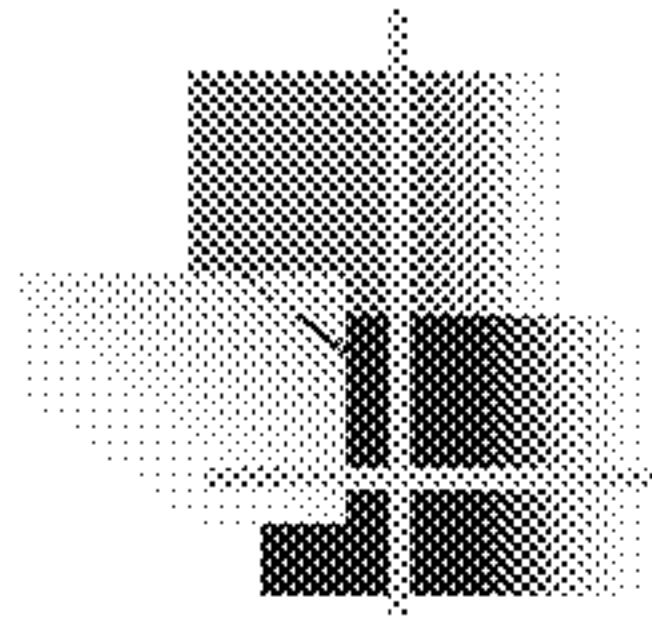
s.18(a)
s.18(b)



Appendix C Sirius Canada



s.18(a)
s.18(b)



Appendix D

Sale of Real Estate Assets

SALE OF ONTREA RECEIVABLES

WHEREAS:

- A. Canadian Broadcasting Corporation (the "**Corporation**") is the owner of the multi-purpose broadcasting facility and related equipment and infrastructure at 250 Front Street West in Toronto, Ontario (the "**Canadian Broadcasting Centre**");
- B. In 2003, the Corporation leased and sold certain lands adjoining the Canadian Broadcasting Centre to Ontrea Inc. and to The Cadillac Fairview Corporation Limited, and in respect of which the Corporation continues to receive periodic installments of the purchase price and rent more particularly described in Schedule "A" annexed hereto (such revenue hereinafter referred to as the "**ONTREA Receivables**");
- C. The ONTREA Receivables appear in the January 31, 2009 financial statements of the Corporation in the amount of \$ 120,685,171
- D. Management has determined that it was in the best interest of the Corporation to explore the possibilities to dispose of the ONTREA Receivables either by way of sale to third parties or through prepayment of the ONTREA Receivables by the original debtors (collectively the "**Purchaser**") (overall the "**Transaction**");
- E. To do so, the Corporation shall have to hire the services of an investment banker to advise as to the value of the ONTREA Receivables, market and obtain offers to sell the ONTREA Receivables;
- F. Furthermore, the Corporation may be asked to participate in the creation of a trust, in-trust bank account or other vehicle to collect the rent and payments under the ONTREA Receivables in order to facilitate their disposition;
- G. In case of a default by the Corporation in depositing and remitting the ONTREA Receivables to the Purchaser as and when such amounts are owed by ONTREA Inc. and The Cadillac Fairview Corporation Limited (a "Default Situation"), the Corporation would agree to repurchase from the eventual Purchaser, when owed, any outstanding ONTREA Receivables to the extent of any deficiency in the payment of its face amount provided however that such buyback provisions will not be applicable to a prepayment Transaction with ONTREA and The Cadillac Fairview Corporation Limited;

- H. The financial terms and price of the Transaction shall have to be agreed upon by this Board prior to delivery and consummation of the Transaction;
- I. Under the *Broadcasting Act*, the Governor in Council will have to authorize the Corporation to sell the ONTREA Receivables and may have to authorize a change of the current agreements to provide for the prepayment by ONTREA Inc. and The Cadillac Fairview Corporation Limited on the ONTREA Receivables.

On a motion duly moved and seconded,

IT IS RESOLVED THAT:

(Approving Transaction) The Corporation be and is hereby authorized to (i) seek and obtain offers to purchase the ONTREA Receivables or to prepay the rent and purchase price owed pursuant to such receivables with a view to procure to the Corporation the best possible proceeds of disposition of the ONTREA Receivables, (ii) agree to buy back any unsatisfied ONTREA Receivables at face value in the case of a Default Situation, the whole being subject to

- i. the approval of the Governor in Council if and when required;
- ii. the approval of the financial terms and price of the Transaction by this Board; and
- iii. the Corporation not being otherwise prevented from retaining for its own corporate use the proceeds of disposition of the ONTREA Receivables; (collectively the "Conditions").

(Approving Hiring of Investment Banker) The Corporation be and is hereby authorized to hire the services of an investment banker pursuant to a request for proposal issued in accordance with the internal procurement policies of the Corporation, upon terms and conditions acceptable to the Corporation and to enter into an agency agreement, upon terms and conditions acceptable to the Corporation, with the chosen investment banker;

(Approving Maintenance of Trust Account) To the extent required, the Corporation be and is hereby authorized to create and maintain a bank account with a financial institution to which the Corporation would direct Ontrea Inc. and The Cadillac Fairview Corporation Limited to deposit payments from ONTREA Receivables and for the Corporation to remit same to Purchaser.

(Approving the negotiation of the Transaction Documents) The Corporation be authorized to negotiate and eventually enter into all the required ancillary documents in order to give effect to the Transaction (hereafter the "Transaction Documents"), subject only to the Conditions above and any other reasonable terms and conditions reasonably agreed to by the Corporation and the Purchaser.

(Approving the signing of Treasury Board Submission and Transaction Documents) Any one of the President and CEO, or the Senior Vice President, Corporate Strategy and Business Partnerships together with the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to (i) sign and execute on behalf of the Corporation the Transaction Documents (ii) sign and file the Treasury Board submission to obtain the required Order in Council and (iii) if required to sign and file the Treasury Board application to obtain the permission to retain the proceeds of the sale of the ONTREA Receivables for its own Corporate use and beyond any carry-over provision typically allowed annually to the Corporation by Treasury Board policies.

(Further authority) Any one of the Senior Vice President, Corporate Strategy and Business Partnerships, the Vice President and Chief Financial Officer or the Vice-President, Chief Legal Officer or their respective delegates are hereby authorized for and on behalf of the Corporation to take any and all action, to do all things, to execute under the corporate seal of the Corporation or otherwise such instruments and documents and to deliver all instruments, documents and materials as are necessary or desirable or convenient and proper to give effect to the foregoing resolutions.

MOTION CARRIED

SCHEDULE "A"

DESCRIPTION OF ONTREA RECEIVABLES

The ONTREA receivables consist of the following 2 leases and 2 promissory notes:

1. Phase I Retail Lease
 2. Phase I Tower Lease
 3. Phase II Note
 4. Phase III Commercial Note
- Phase I Retail Lease: Tenant is **Simcoe Front Developments Limited** and the annual rent is \$ 450,000 until May 1, 2027 including an option to purchase the underlying lands for \$ 100,000.
 - Phase I Tower Lease: Tenant is **WSIB Joint Venture** and the annual rent is \$ 5,599,819.44 with an option to purchase the underlying lands for \$ 2,000,000.
 - Phase II Note: Issued by **ONTREA Inc.** on December 1, 2003 for an original principal amount of \$ 51,386,951.82, bearing interest at 7.15% and maturing May 01, 2027.
 - Phase III Commercial Note: Issued by **ONTREA Inc.** on December 1, 2003 for an original principal amount of \$ 5,314,632.89, bearing interest at 7.15% and maturing May 01, 2027.
 - The outstanding principal on the Leases is \$ 63,127,660 on January 31, 2009.
 - The outstanding principal on the Notes is \$ 57,476,086 on January 31, 2009.

Notes on the debtors under the ONTREA receivables:

- **Simcoe Front Developments Limited** is a nominee of The Cadillac Fairview Corporation Limited.

- **WSIB Joint Venture** is a joint venture composed of: (i) The Cadillac Fairview Corporation Limited (through its nominee, Simcoe Front Developments Limited) as to 25%, and 799549 Ontario Inc., a wholly-owned subsidiary of the Workplace Safety and Insurance Board, as to 75%.
- **ONTREA Inc.** is a wholly owned subsidiary of the Ontario Teachers' Pension Plan Board (OTPP) and was established in 1991 to provide OTPP with a vehicle to invest in real estate. OTPP was created by the provincial government in 1990 as an independent corporation to assume the management of the defined benefit pension plan of teachers in Ontario. OTPP is governed by the Teachers' Pension Act, with the government of Ontario and the Ontario Teachers' Federation jointly responsible for setting plan benefit and contribution levels. (Taken from DBRS web site).
- **The Cadillac Fairview Corporation Limited** is, since December 1999, also a wholly owned subsidiary of the Ontario Teachers' Pension Plan Board.

**Pages 800 to / à 808
are withheld pursuant to sections
sont retenues en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

Board of Directors
March 16 and 17, 2009

Subject Matter

SNC-Lavalin ProFac Inc. – Extension of the current agreement for an additional period of seven (7) years.

Background

The agreement covers provision by SNC-Lavalin ProFac of real-estate management, project management and lease management services for all CBC/Radio-Canada buildings across Canada. The contract was awarded in 1997 after a lengthy bidding process. The Board of Directors approved the first renewal, as well as the second, most recent one ending of March 31, 2013.

s.18(a)
s.18(b)
s.20(1)(c)
s.20(1)(d)

The offer is based on an extension to last seven (7) years, i.e., until March 2020.

s.21(1)(b)

Objective and Rationale

s.21(1)(d)

Type of Contract

This is an amendment to modify a real estate service agreement and is effective on April 1st 2009.

Overview of Parties

SNC-Lavalin ProFac Inc. enjoys an excellent reputation in the industry, and provides services to other large public-sector organizations.

Financial Terms

[Empty box]

s.18(a)

Start Date and Term

s.18(b)

Amendment would start on April 1, 2009 and would end on March 31, 2020.

s.20(1)(c)

s.20(1)(d)

Special Clauses

Authorized Signatories

Two of the following three officers:

- President (CEO);
- Vice-President, and Chief Financial Officer; or
- President of the Real Estate Division.

Proposition of Resolution by the Board to authorize recommended signatories attached.

Remark/Risk evaluation/Critical issues

s.21(1)(b)

s.21(1)(d)

CBC Policies applicable to this transaction

2.3.6	Procurement
2.3.8	Delegation of Financial Authority
2.9.3	Delegation of Signing Authority

For decision prior to negotiation

For decision after negotiation

X

Prepared by

Name: Michel Saint-Cyr, President of Real Estate Division
Date: Feb. 27, 2009

Management recommendation

Management recommends that the Board of directors approve the extension of the current services agreement for a period of seven years, in accordance with the above-mentioned financial conditions and according to the terms of the agreement.

Last discussed at the Board

Date: November 17, 2006
Decision made: The second renewal was approved by the Board of Directors.

Next steps

Finalizing and signing of an amendment to the Agreement with SNC-Lavalin ProFac Inc.



SNC-Lavalin ProFac Proposal to extend the Services Agreement

**Presented to the Board of Directors
March 16/17, 2009**

Agenda

- Situation
- Challenge
- Questions

Situation – Current Contract

- In 1997, after a 2 year procurement process, CBC/Radio-Canada entered into a five-year agreement with SNC-Lavalin ProFac. The agreement included two five-year renewal options that were exercised by the Corporation.
- The last renewal option will expire on March 31, 2013.
- The key terms and conditions of the present contract are:

s.18(a)
s.18(b)
s.20(1)(c)
s.20(1)(d)

Situation – What is the SNC-Lavalin ProFac Offer

s.18(a)
s.18(b)
s.20(1)(c)
s.20(1)(d)

Situation – What is the SNC-Lavalin ProFac Offer (cont.)

s.18(a)
s.18(b)
s.20(1)(c)
s.20(1)(d)

Situation – Why Should the Offer Be Accepted?

Given the above, we recommend accepting SNC-Lavalin ProFac's offer and putting together an amended services agreement.

s.18(a)
s.18(b)
s.20(1)(c)
s.20(1)(d)

Risks

s.21(1)(b)
s.21(1)(d)

Questions

Questions?

Appendix A: Scope of Services

- Property Management
 - Repair & Maintenance (e.g. heating/cooling, electrical panels, life safety equipment, generators, etc.);
 - Utilities (e.g. management and payment of utilities);
 - Service properties (e.g. cleaning, snow removal);
 - Call centre (e.g. call receipt and dispatch);
 - Information management.

- Project Management

- Leasing & Lease Administration
 - Prime interface with the tenants;
 - Review and payment for services provided by Landlord.

Pages 821 to / à 822
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18(a), 18(b), 20(1)(c), 20(1)(d)

of the Access to Information Act
de la Loi de l'accès à l'information

Corporate Secretariat

CBC  **Radio-Canada**
Secrétariat général

**RESOLUTION: APPROVAL OF EXTENSION OF SNC-LAVALIN PROFAC
INC. (hereinafter: "Profac") AGREEMENT**

**DULY ADOPTED AT THE: 368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
TORONTO, ONTARIO
March _____, 2009**

On a motion duly moved and seconded

IT IS RESOLVED THAT the Board of Directors hereby approves the extension of the term of the property and facilities management services agreement with SNC-Lavalin Profac Inc. for an additional seven (7) year period, i.e. until 2020,

MOTION CARRIED

s.21(1)(b)

Page 824

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est retenue en vertu des articles**

18(a), 18(b), 20(1)(b), 20(1)(c), 20(1)(d), 21(1)(b), 21(1)(d)

**of the Access to Information Act
de la Loi de l'accès à l'information**

and things as such officers or delegates may in their absolute discretion determine to be necessary or desirable to carry out the foregoing resolutions inclusive of this resolution, including without limitation all documents and actions necessary in connection with or in implementation of the transactions contemplated in the amendment with such changes thereto as any two officers shall determine and otherwise in form and substance acceptable to such officers of the Corporation, the execution and delivery of any such amendment in accordance with the provisions of this paragraph being conclusive evidence of such determination and acceptance.

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
February 25, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Mr. Shaun Poulter, Senior Director, Government Relations
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
February 25, 2009**

The Chair called the meeting to order at 6:00 p.m. (EST).

The Chair thanked everyone for participating on such short notice and all those present agreed to waive proper notice of the meeting.

UPDATE ON FINANCIAL SITUATION

The President and CEO presented a comprehensive oral report to Board members on recent developments surrounding the financial situation of the Corporation. In particular, he outlined in detail the strategy being pursued by management along the lines discussed at the January Board meeting, for the Corporation. In his remarks, he covered the following topics:

- A review of the financial situation as presented at the January Board meeting
- The meeting with union leadership following the January Board meeting
- The SET budget planning sessions held in February
- The various meetings, correspondence, and ongoing dialogue with the Minister of Canadian Heritage and other Government officials

s.21(1)(b)

During the course of his update, the President responded to questions and comments from Board members on: (

At the conclusion of his report, Mr. Lacroix asked Board members for their views on the approach being taken, adding that he welcomed any guidance they might offer regarding any aspect of the strategy or its execution.

As a group, Board members endorsed both the strategy and the approach, commending the President on the hard work and efforts to date. They emphasized, in their individual comments, the importance of maintaining focus,

firstly, on CBC/Radio-Canada's unique role as the public broadcaster, and secondly, on the long term best interests of the Corporation.

The President and CEO thanked the Directors for their thoughtful advice and wise counsel on this issue.

Lastly, the President and CEO briefly outlined the plans for the upcoming Board meeting in Toronto, noting that the material would be delivered just before the meeting to ensure that the most current information was provided to the Board.

On behalf of the Board, the Chair thanked Mr. Lacroix for his very thorough briefing.

CONCLUDE

There being no further business, the meeting concluded at 7:10 p.m.

DRAFT

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
January 29, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

Mr. Peter Charbonneau

ALSO ATTENDING:

Ms. Katya Laviolette, Vice-President, People and Culture
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer

Other participants as identified in the minutes.

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
January 29, 2009**

The Chair called the meeting to order at 8:20 a.m.

The Chair thanked everyone for participating on such a short notice and all those present agreed to waive proper notice of the meeting.

APPOINTMENT OF A CORPORATE EXECUTIVE

The Human Resources and Compensation Committee met immediately prior to the Board meeting. The Corporation is seeking to fill the position of Chief Financial Officer. The candidate's biography was shared with Board members. The candidate has a professional designation in accounting and is fully bilingual. She has the advantage of knowing the Corporation by virtue of her current position with the Pension Fund of the Corporation. The President and CEO indicated that he had the opportunity of several meetings with the candidate and thought that she would be a good fit for the organization.

Committee Chair indicated that the Committee had received assurances from management with respect to ensuring a proper transition both at the Corporation's level and at the Pension Fund and that the recruitment firm had completed a comprehensive evaluation of the candidate as well as a reference background check. A brief discussion ensued with respect to background and proper transition with current incumbent.

On a motion duly moved and seconded,

IT IS RESOLVED THAT on a recommendation of the Human Resources and Compensation Committee and the President and CEO, the Board of Directors approves (i) the appointment of Ms Suzanne Morris to the position of Vice President, Finance and chief financial officer at a date to be determined by the President and CEO; (ii) the appointment of Ms Suzanne Morris as a Corporate Executive entitled to all the benefits accruing to such position as per the Corporation's policies and by-laws, effective March 2, 2009; and (iii) the continuance of Ms Charbonneau as a Corporate Executive entitled to all the benefits generally accruing to such position as per the Corporation's policies and by-laws until the end of her employment with the Corporation on or about August 1st, 2009.

MOTION CARRIED

Having no further business to be discussed, the meeting ended at 8:35 am.

DRAFT

**367th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Montreal, Quebec
January 19-20, 2009**

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. George Smith, Senior Vice-President, Corporate Priorities and Implementation
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Ms. Johanne Charbonneau, Vice-President and CFO
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Mr. Ray Carnovale, Vice-President and Chief Technology Officer
Ms. Katya Laviolette, Vice-President, People and Culture
Mr. Michel Saint Cyr, President, Real Estate Division
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

Other participants as identified in the minutes.

**367th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Montreal, Quebec
January 19-20, 2009**

The Chair called the meeting to order at 9:30 a.m.

IN CAMERA WITH PRESIDENT AND CEO

The Board met in camera with the President and CEO to discuss several topics. There were no matters reported to the Corporate Secretary for inclusion in the minutes.

The in camera session concluded and members of management joined the meeting.

FINANCIAL UPDATE AND PROPOSED CORPORATE PRIORITIES 2009-2011

Neal McEneaney, Executive Director, Finance and Administration Management, English Services, Peter St. Onge, Executive Director, Finance and Management Services, French Services, and Stan Staple, Director, Research and Strategic Analysis, joined the meeting.

A comprehensive document, covering each of the key sections of the presentation, and serving as the foundation for the Board's discussion, was distributed to the Board in advance of the meeting. The President and CEO introduced this presentation, recapping what has transpired, both within CBC/Radio-Canada and externally, since the Board met in November to discuss strategic priorities for the Corporation. He then invited Johanne Charbonneau to present the financial update.

Financial Update

Ms. Charbonneau presented highlights of the material circulated in advance covering:

- Economic update
- Financial results to November 30, 2008
- Preliminary results to December 31, 2008
- Cash flow forecast to March 31, 2009
- Managing to year end
- Budgetary pressures – 2009-2010

Ms. Charbonneau reviewed in detail each of the components under the heading Budgetary pressures – 2009-2010, namely:

Richard Stursberg and Sylvain Lafrance each commented on the specifics of rights costs implications for their respective areas.

s.21(1)(a)

s.21(1)(b)

Media Priorities and Outlook

Sylvain Lafrance and Richard Stursberg presented the priorities and outlook for French and English Services respectively.

Mr. Lafrance offered comments on the following topics related to the French Services position:

- 2008-2009 targets and results to date
- Financial issues
- Competitive situation
- Impact of the economic conditions on priorities
- Overall plan for French Services
- Three key priorities for 2009-2011 and beyond

Mr. Lafrance reviewed in some detail the key objectives and related initiatives associated with the priorities identified for French Services; namely, (i) people – make employees, creativity and efficiency central to our activities, decisions and management; (ii) programming - deliver multi-platform programming grounded in 21st century realities and help redefine the brand; and (iii) pushing forward - put in place a profitable, sustainable and efficient economic model.

Mr. Stursberg provided his perspective on corresponding topics in relation to the English Services situation, addressing:

s.21(1)(a) 2008-2009 targets and performance to date

s.21(1)(b)

Key priorities for 2009-2011
The 2009-2010 financial challenge

In particular, Mr. Stursberg addressed these key priorities for English Services: (i) people – continue to engage employees with direct and frequent communication; further develop positive employee and labour relations; reflect diversity within our workplace and on air within our programming;

(iii) pushing forward – implement a long term financial plan with measurable performance indicators; fully integrate multi-platform content use and implement technical improvements to enhance the on-line experience.

During their presentations, Mr. Lafrance and Mr. Stursberg responded to questions and comments from Directors about: (i) the vision for Radio-Canada and criteria for success;

Corporate Priorities

Michel Tremblay reviewed the emerging priorities as presented to the Board in November 2008 and outlined the changes that had resulted from the discussion of priorities at the SET retreat. The President and CEO provided some additional context to the proposed changes and invited members of management to comment in greater detail on the specifics of strategic initiatives and related performance measures for each priority.

Katya Laviolette, George Smith and Bill Chambers addressed the strategic initiatives for priorities within the first of the Three P's – People; namely; (i) recruit, train, retain and empower a skilled workforce; (ii) reflect Canada's diversity within; (iii) build an improved relationship with the unions; and (iv) communicate and engage our people.

Richard Stursberg and Sylvain Lafrance commented on the priorities for the second of the Three P's – Programming; which are: (i) reinforce our position as a Canadian content company delivering content across all platforms; (ii) strengthen position in the regions, using blend of platforms to deliver appropriate services; and (iii) increase representation of Canada's diverse communities in our programming and in our workforce.

Lastly, the President and CEO, together with Michel Tremblay and Ray Carnovale, covered the priorities for the third of the Three P's – Pushing Forward; including: (i) build a sustainable economic model; (ii) enhance transparency through real time reporting; and (iii) invest in the appropriate technologies and infrastructure to optimize reach.

s.21(1)(b)

s.21(1)(c)

Key Risks and Opportunities

Johanne Charbonneau outlined the elements of the risk management program in place at CBC/Radio-Canada and presented an overview of the key risks and opportunities associated with each of the Three P's – People Programming and Pushing Forward.

Next Steps

The President and CEO then outlined the next steps and key outputs, referencing the submission of the Corporate Plan, the budget approval, the launch of the CRTC licence renewal process, the submission of the Annual Report, and the CRTC licence renewal hearing.

To conclude the discussion, the Chair invited each Board member to share their individual impressions and perspective on the strategic directions and the Corporate Plan document. Board members indicated their overall support for the approach taken (particularly the steps taken to obtain financial flexibility) and for the focus of the strategic priorities, as outlined within the Three P's: People, Programs and Pushing Forward, and offered some suggestions on the

articulation of the strategy in the Corporate Plan document. The President and CEO confirmed that management would take the Board's comments into account in preparing the final version of the Corporate Plan for submission to the Government.

On behalf of the Board, the Chair thanked management for its excellent work in bringing forward the strategic plan.

APPROVAL OF CORPORATE PLAN

Michel Tremblay acknowledged the useful input received from Board members on the content and presentation of the Corporate Plan, adding that it would be reflected in the next version of the document. Management commented that the January 31, 2009 document might be subject to further revision after the details of the federal budget and its impact on the financial position of the Corporation are known. On that basis and subject to those provisos, the Board approved the Corporate Plan document.

On a motion duly moved and seconded,

IT IS RESOLVED THAT the Corporate Plan be and is hereby approved.

MOTION CARRIED

Stan Staple withdrew from the meeting.

Francine Allaire, Director, TV Drama and Feature Films, Jean Pelletier, Senior Director, Content, Public Affairs, Features and Documentary, Information French Television, and François Messier, Director, Sports Television, joined the meeting.

FRENCH SPECIALTY SERVICES

Sylvain Lafrance introduced the members of his team joining the meeting for this agenda item and together with his team, presented highlights of the document circulated in advance, covering:

Quebec cable/DTH TV market
Overview of French specialty services and their profitability
Mandate of services proposed by Radio-Canada

Next steps and financial assumptions
Impact on French Services strategic plan
Key dates

s.68.1

s.68.1

s.18(b)

s.21(1)(b)

s.68.1

After discussion, the Board approved the proposals.

On motion duly made and seconded,

MOTION CARRIED

ADJOURNMENT

The meeting adjourned at 4:20 p.m. on January 19, 2009.

The meeting resumed at 9:30 a.m. on January 20, 2009.

APPROVAL OF MINUTES

On a motion duly moved and seconded,

IT IS RESOLVED THAT the minutes of the Board of Directors meeting held on November 18-19, 2008 meeting be and are hereby approved.

MOTION CARRIED

MATTERS ARISING FROM PREVIOUS MEETINGS

There were no matters to report.

PRESIDENT'S REPORT

The President and CEO delivered his report to the Board during the in camera session. No matters were reported to the Corporate Secretary for inclusion in the minutes.

CHAIR'S REPORT

s.19(1)

Mr. Casgrain provided a report on his activities since the November Board meeting, referencing a number of meetings and other events comprising his schedule. In particular, he highlighted the following: (i) meeting with the Minister's Chief of Staff; (ii) attending a recording session at the invitation of (iii) meeting with and (iv) on-going consultation with the President and CEO on financial matters.

APPROVAL OF CONTRACTS

Ray Carnovale outlined the two proposals for the Board's consideration.

Bell Canada – LAN Switches

s.18(a)

s.18(b)

s.20(1)(b)

s.20(1)(d)

MOTION CARRIED

Bell Canada – Long Distance, Leased Services and Mobility Services

On a motion duly moved and seconded,

s.18(b)

s.20(1)(b)

s.20(1)(d)

MOTION CARRIED

HEALTH, SAFETY AND ENVIRONMENT INTERIM REPORT

Michèle Parent, Executive Director, Organizational Health and Wellness, joined the meeting.

Ms. Parent presented an overview of the report. The complete document was circulated to the Board in advance of the meeting. The report covered the following topics:

Disability Management, Health and Safety and Health and Wellness
 Overview of absenteeism – costs, days, and causes
 Major accomplishments in health and safety, disability management, health and wellness
 Plans for the future

Environment
 Review of Incidents
 Major accomplishments
 Plans for the future

s.21(1)(b)

Crisis Management
 Review of Incidents
 Major Accomplishments
 Plans for the future

The Chair thanked Ms. Parent for her report.

With the exception of the President and CEO and the Corporate Secretary, all members of management withdrew from the meeting.

NOMINATING AND GOVERNANCE COMMITTEE REPORT (IN CAMERA)

Peter Herrndorf, Chair of the Committee, presented the report.

Annual Public Meetings

Further to its discussion at the October 30, 2008 meeting, the Committee requested an update on the planning underway for an annual public meeting of the Corporation. While awaiting a formal plan, the Committee reiterated its view that the Corporation should hold its first annual public meeting in 2009.

Director Training for 2009

The Committee reviewed the details of the fairly extensive training offered to Directors to date in fiscal 2008-2009, covering the fundamentals of CBC/Radio-Canada and its operations. Given the extent of this training and the challenges of the Board's workload in the coming months, the Committee concluded that further training topics should be addressed as the need arises - based upon emerging issues. Suggestions are welcomed from Board members on the topics to be covered.

With respect to the comprehensive external Director education programs (i.e. those offered by the Institute of Corporate Directors and the Directors College), each Director will be contacted to ascertain their intention to pursue such a program so that the Corporate Secretariat can facilitate registration and any other associated administrative details.

Appointment of New Board Member to Board Committees

The Committee reviewed the proposed appointment of Peter Charbonneau as:

- (i) Chair of the Audit Committee, and

(ii) A member of the Standing Committees on French and English Language Broadcasting and the Special Committee on Real Estate Projects

and recommended that the Board approve these appointments, effective immediately.

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Nominating and Governance Committee, the Board hereby approves the appointment of Peter Charbonneau as (i) Chair of the Audit Committee, and (ii) a member of the Standing Committees on French and English Language Broadcasting and the Special Committee on Real Estate Projects, effective immediately, to serve until the next annual meeting of the Corporation (June 2009) or until a replacement is appointed.

MOTION CARRIED

Privy Council Office Survey on Crown Corporation Director Remuneration

The Chair of the Board received a letter from the Deputy Clerk of the Privy Council inviting his participation in a survey on the remuneration for Directors of Crown Corporations. A copy of the letter and accompanying survey document was distributed to each Director to provide their input. The Corporate Secretariat will compile the responses and forward the material under the signature of the Chair.

Administration of the Compensation Regime for the Chair of the Board

The Chair of the Board withdrew from the meeting for the presentation of this item.

As part of its role, the Committee was invited to review the current administration of the compensation regime for the Chair of the Board to determine whether, in light of current best practices, any enhancements were advisable at this time.

The annual retainer as well as the per diem amount for the Chair are determined by the Order in Council appointing him or her.

Consistent with guidelines established by the Privy Council Office/Treasury Board Secretariat and practices in other Crown Corporations, the Committee concluded that the per diem amount should apply to Board and Committee meetings as well as to a reasonable number of days for analytical or representational activities on behalf of the Corporation.

After discussion, the Committee determined that, initially, the Corporation should establish a maximum of _____ per year for the Chair to perform his duties. The Chair shall continue to present regular invoices with the actual number of days spent and the related activities (specified in general terms).

The Chair of the Audit Committee will resume responsibility for approving the Chair's invoices.

The Chair thanked Mr. Herrndorf for his report.

The Chair of the Board rejoined the meeting.

HUMAN RESOURCES AND COMPENSATION COMMITTEE REPORT (IN CAMERA)

Edna Turpin, Chair of the Committee, presented the report.

Amendment to Pension Plan Trust Deed

The Committee was briefed on the reasons for the proposed amendments and recommended the Board approve them.

On a motion duly moved and seconded,

IT IS RESOLVED THAT on recommendation from the Human Resources and Compensation Committee, the Board of Directors hereby approves the amendments to the Pension Plan Trust Deed as outlined, a copy of which shall be filed with the original of these minutes as Exhibit B.

IT IS FURTHER RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors hereby approves the ratification of (i) Mr. George C B Smith as one of the Corporation's management representatives to the Pension Board of trustees until the end of his current term or until a replacement is appointed and (ii) when a new Vice-President and Chief Financial Officer is appointed, the ratification of Ms. Johanne Charbonneau as the other one of the Corporation management representative to the Pension Board of Trustees until the end of her term or until a replacement is appointed.

MOTION CARRIED

Mr. Herrndorf and Ms. McQueen abstained from voting on this motion.

Ratification of CMG Mandate

The Committee was briefed on the rationale for the proposed mandate and recommended that the Board approve it.

On a motion duly moved and seconded,

s.18(b)

s.21(1)(b)

s.21(1)(d)

MOTION CARRIED

Ratification of STARF Mandate

The Committee was briefed on the rationale for the proposed mandate and recommended that the Board approve it.

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves the renewal of the collective agreement with the STARF

MOTION CARRIED

Approval of Corporate Executives Termination Framework

The Committee was briefed on the proposed policy dealing with termination of Corporate Executives and recommended the Board approve the policy as presented. After further discussion at the Board meeting, certain revisions to the policy were proposed and adopted by the Board.

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves the policy on Corporate Executive Departure, as revised by the Board, a copy of which shall be filed with the original of these minutes as Exhibit C.

MOTION CARRIED

The Chair thanked Ms. Turpin for her report.

CONCLUDE

Having no further business to discuss, the meeting concluded at 11:45 a.m.

Page 845

**is withheld pursuant to sections
est retenue en vertu des articles**

18(b), 20(1)(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

Audit Committee

March 11, 2009

s.18(a)

s.18(b)

s.20(1)(b)

Subject matter

Project Vision - Additional Funding Request

Background

ETN Go-Live date was supposed to be September 29, 2008. However, the Sintec Media product was not technically ready to go live. ETN went live on January 26, 2009, which caused additional costs.

Information on the matter

This is definitely the last request for funding for Vision Phase I. Since the Go-Live of the English Television Network, the project is essentially complete.

See attached for additional information.

For decision



For information



Prepared by

Name: Riyaz Tejpar, Project Manager – Vision

Date: February 24, 2009

Management recommendation

Last discussed at the Board

Next steps

N/A

Fiscal Year 2009 Additional Funding Request --

s.18(a)
s.18(b)
s.20(1)(b)

s.18(a)
s.18(b)
s.20(1)(b)

Schedule A

**RESOLUTION for Project Vision
Audit Committee – March 11, 2009**

IT IS RESOLVED THAT the Audit Committee hereby recommends that the Board of Directors approve additional funding for the Vision Project in the amount of _____ bringing the total approved funding for the Vision Project to :

Corporate Secretariat



s.18(a)
s.18(b)
s.20(1)(b)

RESOLUTION: **ADDITIONAL FUNDING REQUEST FOR VISION PROJECT**

DULY ADOPTED AT THE: **368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
TORONTO, ONTARIO
March 17, 2009**

On a motion duly moved and seconded,

IT IS RESOLVED THAT on the recommendation of the Audit Committee the Board of Directors hereby approves additional funding for the Vision Project in the amount of _____ bringing the total approved funding for the Vision Project to _____

MOTION CARRIED

**Board of Directors
Human Resources and Compensation Committee
(March 16 and 17, 2009)**

Subject matter

Bargaining mandate with the Syndicat des communications de Radio-Canada (SCRC)

Background

The collective agreement between the SCRC and CBC/Radio-Canada expires March 29, 2009. As of March 10, 2009, the parties will negotiate its renewal.

Information on the matter

Document explaining the key issues

For decision:



For information:

Prepared by

Name: George C. B. Smith
Date: February 27, 2009

Management recommendation

Last discussed at the Board

Date:
Decision made:

Anticipated project completion date: February 28, 2009
(If contract, indicate date of expiry): _____

s.18(b)
s.21(1)(b)
s.21(1)(d)



**SYNDICAT DES COMMUNICATIONS
DE RADIO-CANADA (SCRC)**

This union represents all staff working in program production and presentation. This includes on-air staff and all those primarily involved in program design, preparation, coordination, and finalization in the province of Quebec and in Moncton, excluding producers.

s.21(1)(b)

s.21(1)(d)

s.23



s.21(1)(b)

s.21(1)(d)

2009 BARGAINING CONTEXT

KEY MANAGEMENT ISSUES

NEW FLEXIBILITY IN OPERATIONS

The Corporation must continue its efforts to develop an environment that provides the flexibility needed to manage operations effectively while meeting the growing challenges of its competitive environment and public service mission, all within its financial parameters.



s.21(1)(b)
s.21(1)(d)

368th MEETING OF THE BOARD OF DIRECTORS

**March 16 – 17, 2009
Toronto, Ontario**

LOCATION

**Toronto Broadcasting Centre
250 Front Street
3C-300 Conference Centre
(3rd floor)
Tel: (416) 205-2140
Fax: (416) 205-6444**

**Intercontinental Hotel
225 Front Street
Tel.: (416) 597-1400
Fax: (416) 597-8128**

368^e RÉUNION DU CONSEIL D'ADMINISTRATION

**Les 16 et 17 mars 2009
Toronto (Ontario)**

LIEU

**Centre canadien de radiodiffusion
250, rue Front
Salle de conférences 3C-300
(3^e étage)
Tél. : (416) 205-2140
Télécopieur : (416) 205-6444**

**Hôtel Intercontinental
225, rue Front
Tel: (416) 597-1400
Fax: (416) 597-8128**

Monday, March 16, 2009

09:00 Meeting of the Human Resources and Compensation Committee
(3rd floor – Room 3C-300)

12:30 Conclude

LUNCH

13:00 Meeting of the Board of Directors
(3rd floor – Room 3C-300)

17:00 Adjournment

18:30 Board Dinner (In-Camera)
Azure Restaurant – Turquoise Room – Intercontinental Hotel

Le lundi 16 mars 2009

9 h Réunion du Comité des Ressources humaines et de la rémunération
(3^e étage – salle 3C-300)

12 h 30 Conclusion

DÉJEUNER

13 h Réunion du Conseil d'administration
(3^e étage – salle 3C-300)

17 h Levée de la séance

18 h 30 Dîner du Conseil (huis clos)
Restaurant Azure – Salon Turquoise Hôtel Intercontinental

Tuesday, March 17, 2009

08:30 Meeting of the Board of Directors
resumes
(3rd floor – Room 3C-300)

LUNCH

15:00 Conclude

Le mardi 17 mars 2009

8 h 30 Reprise de la réunion du Conseil
d'administration
(3^e étage – salle 3C-300)

DÉJEUNER

15 h Conclusion

**369th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Ottawa, Ontario – May 12 - 13, 2009**

Tuesday, May 12, 2009

ITEM	START TIME	LEAD BY	MOTION REQUIRED	DOCUMENT
1. In Camera	14:00 (60 min)	Hubert T. Lacroix All		
2. Approval of minutes of the March 17, 2009 meeting and of the conference call meetings of March 20th, 2009, April 1 st , 2009 and April 23 rd , 2009	15:00 (5 min)	Tim Casgrain	YES	YES
3. Matters arising from previous meetings	15:05 (5 min)	All		
4. Report on implementation of Budget and Recovery Plan	15:10 (90 min)	Hubert T. Lacroix Suzanne Morris Richard Stursberg Sylvain Lafrance Katya Laviolette		
5. News reorganization at CBC/Radio-Canada	16:40 (90 min)	Richard Stursberg Sylvain Lafrance		YES
Adjourn	18:30			

**369th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Ottawa, Ontario – May 12 - 13, 2009**

s.21(1)(b)

Wednesday, May 13, 2009

ITEM	START TIME	LEAD BY	MOTION REQUIRED	DOCUMENT
6. In Camera	08:00 (30 min)	Hubert T. Lacroix All		
7. Human Resources and Compensation Committee Report (In Camera)	08:30 (60 min)	Edna Turpin		
<ul style="list-style-type: none"> • President and CEO's performance Assessment • President and CEO's objectives • Approve 2008-09 Performance Review results for Corporate Executives 			YES	(At meeting)
			YES	(At meeting)
			YES	(At meeting)
8. Chair's Report	09:30 (15 min)	Tim Casgrain		
9. Report on implementation of Budget and Recovery Plan (Continued)	09:45 (45 min)	Hubert T. Lacroix Suzanne Morris Richard Stursberg Sylvain Lafrance Katya Laviolette		
s.18(b)				
10.	10:30 (45 min)	Michel Tremblay	YES	YES
11. Review of Journalistic Standards and Practices	11:15 (20 min)	Esther Enkin		YES
12. Update on Balance and Fairness Study	11:35 (20 min)	Richard Stursberg Sylvain Lafrance		
13. Strategic Review	11:55 (30 min)	Suzanne Morris		YES
14. Audit Committee Report	12:25 (45 min)	Peter Charbonneau		
<ul style="list-style-type: none"> • Report on Pension Plan • Television Network Operation Centre Project • Radio Central Presentation and Satellite Distribution Project • Television DTV Outputs Project • Vancouver Project 			YES	YES
			YES	YES
			YES	YES
			YES	YES
15. Revised Calendar of meetings – 2009 & 2010	13:10 (5 min)	Tim Casgrain	YES	YES
16. Nominating and Governance Committee Report	13:15 (10 min)	Peter Herrndorf		
<ul style="list-style-type: none"> • Amendments to By-laws • Creation of Strategic Planning Committee 			YES	YES
			YES	YES
Next meeting – June 22 & 23, 2009 Ottawa, Ontario				
Conclude	14:00			

**369th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
Ottawa, Ontario – May 12 - 13, 2009**

UPDATES/INFORMATION

- a) Summary of Government Funding (10 year operating & capital) – Suzanne Morris
- b) Labour Relations Update – Katya Laviolette
- c) Workforce Distribution – Michel Hamelin
- d) President's Signing Resolution – Pierre Nollet
- e) Annual Report Presentation – Bill Chambers
- f) Risk Management Update – Suzanne Morris
- g) Capital Plan Update – Ray Carnovale

**Pages 866 to / à 867
are withheld pursuant to sections
sont retenues en vertu des articles**

18(a), 18(b)

**of the Access to Information Act
de la Loi de l'accès à l'information**

VANCOUVER REDEVELOPMENT PROJECT

Approval of additional funding

WHEREAS:

- A. Canadian Broadcasting Corporation (the "Corporation"), at its Board of Directors meeting of May 5, 2005 approved the redevelopment of the existing CBC/Radio-Canada facilities located in the City of Vancouver at a total net cost of _____ to the Corporation;
- B. The Corporation, at its Board of Directors meeting of November 21, 2007 approved additional funding for the Vancouver Redevelopment Project in an amount of _____ bringing the total approved funding for the Vancouver Redevelopment Project to _____;
- C. Management actually reduced that amount to _____ in fall of 2007, as expenses for legal costs were offset against the sale price, reducing the budget by a similar amount;
- D. The Corporation, at its Board of Directors meeting of September 24, 2008 approved additional funding for the Vancouver Redevelopment Project in an amount of _____ bringing the total approved funding for the Vancouver Redevelopment Project to _____;
- F. In response to the Audit Committee's expressed concerns about the cost overruns on this project, management, in conjunction with Internal Audit, will provide the Chair of the Audit Committee with regular monthly updates on the project status until completion.

On a motion duly moved and seconded:

- s.18(a)
- s.18(b)
- s.21(1)(a)
- s.21(1)(c)

Board of Directors

May 13, 2009

Subject matter

Summary of Government Funding (10 years – operating and capital).

Background

The attached provides a 10-year historical overview of the Corporation's parliamentary appropriations as at April 28, 2009. The approved reference levels for 2010-2011 and beyond are also provided.

Information on the matter

See attached.

For information



Prepared by

Name: Suzanne Morris

Date: April 28, 2009

Management recommendation

Not required.

Last discussed at the Board

Date: March 16, 2009

Decision made: N/A

Next steps

Not required.

Anticipated project completion date: _____

(If contract, indicate date of expiry): _____

CBC'S PARLIAMENTARY APPROPRIATIONS
(\$ Thousands)

	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	Forecast		
											2010/11	2011/12	2012/13
Operating Appropriation (Note 1)	789,666	852,821	861,744	862,460	914,197	955,410	955,722	955,731	1,009,120	1,002,661	1,016,415	1,016,415	1,016,415
One-time funding adjustments:													
Transfer from Capital appropriation	13,090	(15,170)	(7,459)	3,636	1,112	9,277	9,277	9,277	9,276	9,276	0	0	0
Transfer to Capital appropriation	(13,298)			(40,921)	(10,538)	(8,456)	(42,676)	(27,344)	(13,622)	(8,575)	(9,233)	(9,941)	(10,704)
Funding for PILT increases	300												
Program Integrity Funding - Asbestos	4,000												
Funding to strengthen & revitalize programs		60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000				
Transfers from Cdn. Heritage (CCOL) (Note 2)		2,500	2,120	2,000	2,000	0	2,000	1,900	2,000				
Reprofiling		(60,000)	20,000	40,000	(20,000)	0			20,000				
Cost increases for 2002 Canada Day		1,027											
Funding for RCI (Note 3)			15,520										
Expenditure Review Reduction (Budget 2003)			(10,000)		(10,000)		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Expenditure Review Reduction (Budget 2007)									(6,638)	(9,483)	(11,854)	(14,680)	(14,680)
Unavoidable new costs (Note 4)	300	253											
Total Operating Appropriation	793,958	860,604	887,432	892,986	906,774	906,939	874,023	888,564	1,070,106	1,043,879	976,309	981,764	971,604
Capital Appropriation	101,809	100,311	97,631	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331	92,331
One-time funding adjustments:													
Transfer to Operating appropriation	(13,090)			(3,636)	(1,112)	(9,277)	(9,277)	(9,277)	(9,276)	(9,276)			
Transfer from Operating appropriation	13,298		7,459	40,921	10,538	8,456	42,676	27,344	13,622	8,575	9,233	9,941	10,704
Reprofiling of vote from 99/00 to 00/01	25,000												
Reprofiling of vote from 00/01 to 01/02	(23,000)				(6,000)								
Reprofiling of vote from 04/05 to 05/06							10,000						
Reprofiling of vote from 05/06 to 06/07													
Total Capital Appropriation	104,917	100,681	105,620	129,616	96,767	87,610	136,730	150,398	99,677	81,639	100,864	102,272	103,036
Waiting Capital Appropriation	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
TOTAL APPROPRIATION	802,875	965,285	1,048,622	1,066,611	1,078,369	1,097,749	1,114,753	1,105,962	1,170,413	1,129,519	1,081,173	1,088,036	1,089,640
Less Reprofiling Decision (Capital)	(2,000)	(23,000)	(20,000)	(40,000)	6,000	4,000	(10,000)	(10,000)	(20,000)				
Less Reprofiling Decision (Operating)													
TOTAL APPROPRIATION AVAILABLE FOR REGULAR OPERATIONS	800,875	942,285	1,028,622	1,026,611	1,082,369	1,101,749	1,104,753	1,105,962	1,150,413	1,129,519	1,081,173	1,088,036	1,089,640

Note 1 The operating appropriation includes retroactive and in-year salary funding adjustments up to and including 2010-11.

Note 2 Expected CCOL funding was not transferred from Canadian Heritage in 2005-06.

Note 3 Funding for RCI was previously provided through a contribution agreement with Canadian Heritage. Starting in 2003-04, funding forms part of CBC's appropriation and is shown in the base appropriation in 2004-05 and future years.

Note 4 Permanent funding adjustments for unavoidable new costs, merit and salary increases are reflected in the base operating appropriation.

Board of Directors
(May 12 & 13, 2009)

Subject matter

Labour Relations Update

Background

This is a standing item on the Board of Directors' agenda which provides the status of CBC's collective agreements.

Information on the matter

Not applicable.

For decision

For information

Prepared by

Name: **Michel Hamelin**

Date: **May 12, 2009**

Management recommendation

Not applicable.

Last discussed at the Board

Date: **March 16, 2009**

Decision made:

Next steps

Anticipated project completion date: N/A

(If contract, indicate date of expiry) :

s.18(b)

s.21(1)(c)

**Industrial Relations Update for the Board of Directors' Meeting
May 12-13, 2009**

AGREEMENTS PRESENTLY BEING NEGOTIATED

SYNDICAT	Effective Date	# of Members	Central Issues
NATIONAL FILE			
SCRC (Syndicat des communications de Radio-Canada)	Mar. 27, 2006– Mar. 29, 2009	approx 1,390	An agreement in principle signed on March 20 was ratified by STARF members on April 6 by a majority of 96%. The parties plan to officially sign before mid-May.
STARF (Syndicat des techniciens et artisans du réseau français)	April 3, 2006– March 31, 2009	approx 1,335	
UDA (Union des artistes)	Nov. 14, 2005– Nov. 13, 2009	N/A	
ENGLISH FILE			
WGC (Writers Guild of Canada) <u>Television and Radio Agreement</u>	Sept. 1, 1998– August 31, 2000	N/A	Agreements were to expire August 31, 2000. Parties agreed to extend until further notice.
ENGLISH FILE			
IATSE (International Alliance of Theatrical, Stage Employees and Moving Picture Machine Operators of the United States and Canada) (Stagehands)	No agreement since 1994	3	

NEGOCIATED COLLECTIVE AGREEMENTS

UNION		Effective Dates of Collective Agreement	Number of Members
NATIONAL FILE			
APS	Association of Professionals and Supervisors	July 1, 2008– June 30, 2013	646
AFM	The American Federation of Musicians of the United States and Canada (AFM)	April 1, 2006 – March 31, 2010	N/A
ENGLISH FILE			
CMG	Canadian Media Guild	April 1, 2009– March 31, 2014	5,141
ACTRA	Alliance of Canadian Cinema, Television and Radio Artists (Performers)	July 1, 2005– June 30, 2010	N/A
FRENCH FILE			
SCRC (Unit 1)	Syndicat des communications de Radio-Canada	March 27, 2006 – March 29, 2009	1,390
STARF (Unit 2)	Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada	April 13, 2006 – March 31, 2009	1,336
UDA	Union des artistes	November 14, 2005 – November 13, 2009	N/A
SARTEC	Société des auteurs de la radio, de la télévision et du cinéma	July 10, 2006 – July 9, 2010	N/A
SPACQ	Société professionnelle des auteurs et des compositeurs du Québec	January 8, 2007 – January 7, 2011	N/A
AR	Association des réalisateurs	October 1, 2007 – December 11, 2011	380
SCFP	Canadian Union of Public Employees	October 1, 2007 – September 26, 2010	662

Board of Directors

(May 12-13, 2009)

Subject matter

Workforce Information

Background

The attached documents present the total workforce in terms of full time equivalent (FTE) broken down by:

- Each Media component with a comparison to beginning of fiscal year.
- Geographic location (map of Canada)

Information on the matter

Attached

For decision

For information

Prepared by

Name: Katya Laviolette

Date: April 16, 2009

Management recommendation

N/A

Last discussed at the Board

Date:

Decision made:

Next steps

Anticipated project completion date:

(If contract, indicate date of expiry):

Conseil d'administration

(12 et 13 mai 2009)

Sujet

Information sur la main-d'oeuvre

Contexte

Les documents en annexe présentent la main-d'œuvre totale exprimée en équivalent à temps plein (ETP) et ventilée par :

- chaque composante média (avec une comparaison par rapport au début de l'exercice financier);
- lieu géographique (carte du Canada).

Renseignements connexes

Voir document joint

Décision à prendre **À titre d'information**

Préparé par

Nom : Katya Laviolette

Date : le 16 avr. 09

Recommandation de la direction

N/A

Dernière discussion au Conseil

Date :

Décision prise à cette occasion :

Suivi

Date prévue de l'achèvement du projet : _____
(Indiquer la date de fin du contrat) : _____

TOTAL WORKFORCE / EFFECTIF TOTAL

Full Time Equivalent / Équivalent temps plein

Month / Mois : March / mars 2009 (March 29, 2009 / Le 29 mars 2009)							
	Permanent (a,b)	Temporary Temporaire (a,b)	Contract Contractuel (a,b)	Short term Court terme (d)	TOTAL *		
						TOTAL Begin. FYR 2008/09 Début de l'exercice 2008/09 **	Variance Écart
English Services/ Services anglais	3 297	117	436	374	4 224	4 351	-127
French Services/ Services français	3 017	309	415	702	4 443	4 379	64
Corporate/ National	1 012	57	178	16	1 263	1 290	-27
TOTAL	7 326	483	1 029	1 092	9 930 *	10 020 **	-90

* 9,930 FTE/EPT = 10,722 head count / effectifs réels.

** March 30, 2008: 10,020 FTE/EPT = 10,913 head count / effectifs réels.

Notes:

(a) Employees on leave of absence are excluded. / Les employés en absence autorisée sont exclus.

(b) FTE is based on the full-time / part-time percentage of the employee's working schedule. /

L'EPT est basé sur le pourcentage temps plein / temps partiel de l'horaire de travail des employés.

(d) Includes casual + short term contract. FTE is based on the total days worked over a four week period. /

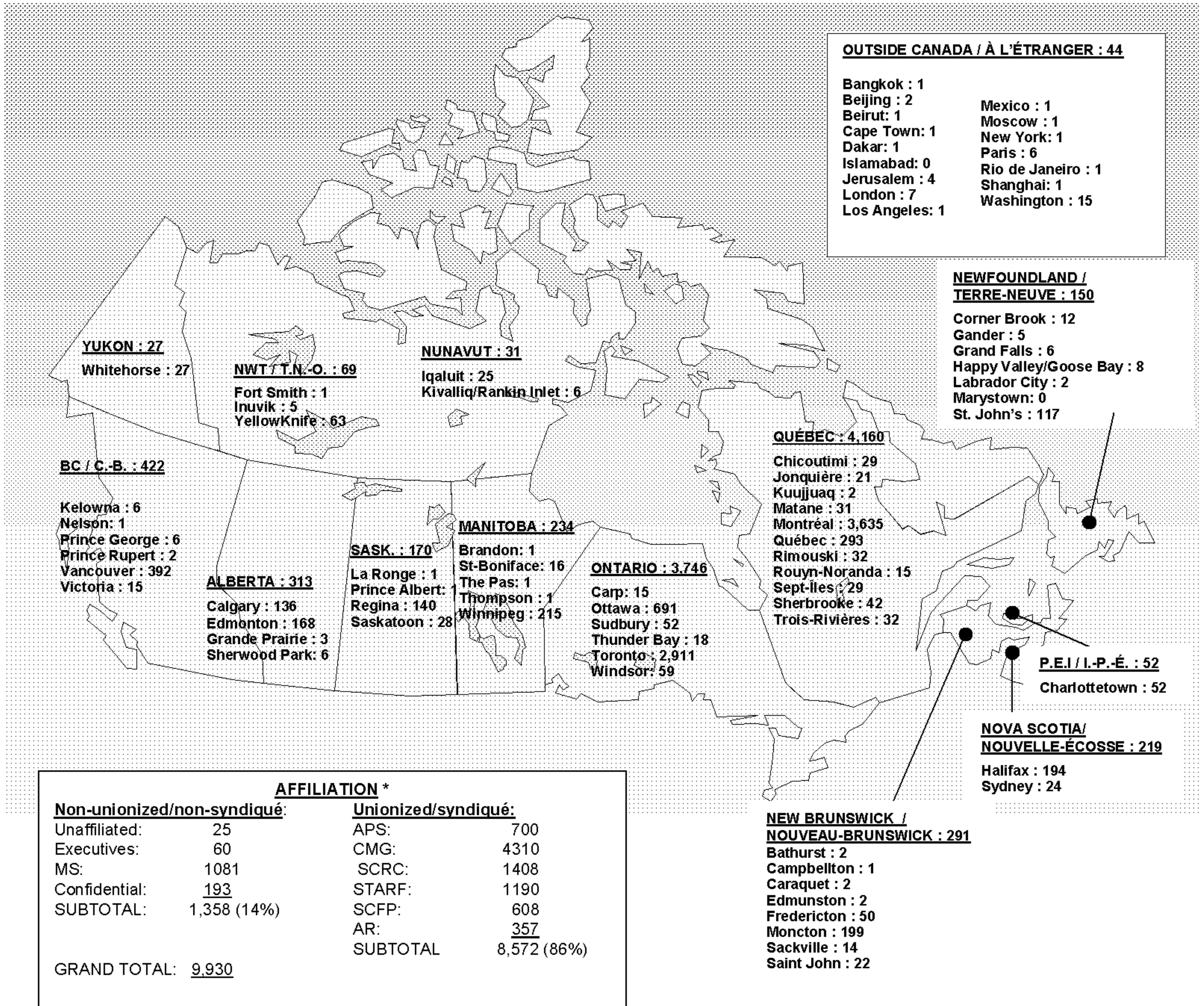
Comprend les occasionnels et les contractuels courte durée. L'EPT est basé sur le total des jours travaillés durant une période de quatre semaines.

The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

CBC Map / Carte de la SRC

Full Time Equivalent / Équivalent temps plein

March 2009 / mars 2009



Total FTE/ETP 9,930 = Head count / effectifs réels 10,722

* The sum of the details may not balance with the totals due to rounding / La somme du détail peut différer des totaux en raison de l'arrondissement.

Board of Directors
May 12-13, 2009

Subject matter

President and CEO's Signing Authority

Background

In June 2008 the Board approved the attached signing authority.

Information on the matter

At the request of Board members, we are attaching, as a standing item, the actual signing resolution for reference purposes.

For decision

For information

Prepared by

Name: Pierre Nollet
Date: April 24, 2009

Management recommendation

Last discussed at the Board

Next steps

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

On a motion duly moved and seconded

WHEREAS the President and CEO requires sufficient authority to carry out his/her functions; and

WHEREAS the Board reviews and approves the Capital and Operating budgets each and every year; and

WHEREAS the authority granted to the President and CEO shall be carried out within the limits of the approved budgets and in accordance with the provision of the Corporation's By-laws and the Broadcasting Act;

IT IS THEREFORE RESOLVED THAT the President and CEO directly or through his/her delegate be and is hereby authorized to decide, enter into or commit on behalf of the Corporation in respect of:

1. *(acquisition or disposition of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$4 million, when covered by Section 48(2) of the Broadcasting Act;
2. *(leasing of real property)* any matters which have a financial value* or consideration to the Corporation of up to \$15 million, when covered by Section 48(2) (b) of the Broadcasting Act and Order in Council number P.C. 2002-1582 dated September 24, 2002;
3. *(programming)* any matter relating to the acquisition, production, co-production, distribution or financing of programs, or any media placement or advertising agreements that has a financial value* or consideration to the Corporation of up to \$10 million and that commits the Corporation for a period of 4 years or less;
4. *(revenue generating)* any matter where the main objective is to generate revenues and which requires the Corporation to invest up to \$15 million and commits the Corporation for a period of 4 years or less;
5. *(general)* any other matters which have a financial value or consideration to the Corporation of up to \$5 million save and except when Governor in Council approval or Minister of Finance approval is required, pursuant to Section 46 and 46.1 of the Broadcasting Act.

PRESIDENT'S SIGNING AUTHORITY RESOLUTION

For greater certainty, the above authority does not include the authority to:

- a) agree to or enter into new business ventures on behalf of the Corporation;
- b) discontinue or cease the operations of a division or business unit; or
- c) dispose of a significant portion of the assets of a division or business unit.

IT IS FURTHER RESOLVED THAT the President directly or through his/her delegate be and is empowered and directed, in the name and on behalf of the Corporation to make, execute and deliver and to do all such acts and things as are necessary or appropriate to effect the foregoing resolution and to execute all agreements, undertakings, documents, instruments or certificates in the name and on behalf of the Corporation in connection with the authority contemplated in the foregoing resolution and any acts or things heretofore done or made or documents heretofore executed and delivered which effect the foregoing resolution are in all respects approved, ratified and confirmed.

* Financial value includes the value of any option as if exercised.

Board of Directors

Subject matter

Annual Report 2008-2009: draft texts and tables.

Background

Following submission to the Board in November 2008 of Corporate Communications' proposal for the 2008-2009 Annual Report, the key texts and tables for the Annual Report are being presented in DRAFT form to the Board for information. The end product will, of course, be enhanced by design features and graphic display illustrating this year's theme, "Great Successes. Greater Challenges."

Information on the matter

See attached texts.

For decision

For information

Prepared by

Name: Martine Ménard and Bill Chambers
Date: May 4, 2009

Recommendation

That Corporate Communications continue to refine and verify these texts and tables, while continuing research, writing and design work for the Annual Report.

Last discussed at the Board

Date: November 2008
Decision made: To proceed with proposed, concise bilingual tumble Annual Report.

Next steps

Continued research, writing and refinement of all proposed draft texts and tables and preparation of visuals, for information and approval of the Board of Directors and the Senior Executive Team in June 2009. The Financial section of the Annual Report will be provided to the Board by Finance in June 2009.

DRAFT

Annual Report 2008-2009



CBC/Radio-Canada

DRAFT

at May 2009

DRAFT

Message from the President and CEO

Every time I speak to groups or to individual Canadians, I am reminded again that there are three key facts about CBC/Radio-Canada that should be common knowledge, but are not.

The first “hidden” fact is this: today’s CBC/Radio-Canada is far more than television and radio. We now offer audiences programming on [29] services, from television and radio to the Internet and satellite radio, from digital audio to streaming video on mobile devices, and more. We’ve been pioneers in new services and platforms because we’re committed to giving audiences the Canadian programming they want, wherever and however they want it. In a time of thousands of channels, stations and sites, it’s critical for Canadians to have access to their own culture on all the media platforms they use.

This brings me to the second key fact about CBC/Radio-Canada: the per capita cost to Canadians of funding all of our [29] services is less than 10 cents per day — about \$34 dollars annually. Think about the yearly cost of your cable service, or your newspaper subscription. Surely much more than \$34 a year.

And what do Canadians get for their \$34 a year? They get a national public broadcaster that helps bring an increasingly diverse nation together. The unique role of CBC/Radio-Canada is to reflect the nation’s diversity of voices and perspectives, and to help people across the country learn from and about one another. This in turn helps Canadians form their individual, social and political identities. In this regard, CBC/Radio-Canada helps counter the risk of social diversity becoming fragmentation and isolation.

Other Western countries invest much more in public broadcasting than does Canada. In a 2009 study, the Nordicity Group Ltd. found that among 18 major Western nations, the average annual per capita funding for the national public broadcaster was \$76. Canada ranked fourth from last, although CBC/Radio-Canada broadcasts in two official languages and across six time zones. Compared to CBC/Radio-Canada’s \$34 per capita annually, the BBC receives \$124 per Briton, and funding in France is \$65 (and soon to be \$77) per capita.

Unprecedented success and financial crisis: a year of paradox

Here’s the third largely unknown CBC/Radio-Canada fact, which is related to the second: our business model is broken. By that I mean that it can no longer provide us with adequate resources to deliver all of the services that Canadians want from their public broadcaster.

This despite the unprecedented success of our programming. Other conventional broadcasters are facing stagnant or shrinking audiences, yet CBC Television this year achieved an 8.9 per cent share, up from 6.7 per cent three years ago. This marks the first time in our history that a Canadian-only prime-time schedule has beaten a predominantly American prime-time schedule. CBC Television is now the second-most-watched network in Canada. Télévision de Radio-Canada has maintained its prime-time market share of 19.9 per cent, despite competitors' many reality shows and the plethora of specialty channels. Our radio services have never had better ratings: a combined share of 14.1 per cent for CBC Radio and of 19.4 per cent for Radio de Radio-Canada. This strength carries over into our non-conventional services; for example, *CBC.ca* alone has 4.8 million unique visitors monthly, and its audiences are downloading close to two million of our podcasts every month.

Why then are we facing a financial crisis? We and other Canadian conventional television broadcasters depend on advertising revenues that were steadily declining even before the global economic downturn hit in mid-2008. The current economic crisis has only accelerated this decline — it did not cause it.

This year our shortfall in advertising revenues was \$__ million. We were not alone in being affected — Canada's main private television networks all announced major layoffs and service cuts.

By freezing spending and slashing costs, we were able to balance our books for 2008-2009. But we anticipate that our advertising revenues will continue to be weak in 2009-2010, despite our increased market share in both English and French television. At the same time, our commercial revenue from sources other than advertising, which amounts to about \$250 million annually, will also come under pressure. Fixed expenses required to improve the quality of our programming will rise next year by \$50 to \$60 million. And a combination of Government funding reduction, changing regulatory requirements, the gap between Treasury Board salary funding and actual increased salary costs, and aging infrastructure will result in an additional \$15 to \$25 million in additional costs.

So, at the start of the 2009-2010 fiscal year, we faced a total estimated shortfall of \$171 million — a figure that will increase dramatically without the planned sale of \$125 million in corporate assets. Unlike private broadcasters, the Corporation cannot borrow money to manage its way through a cyclical downturn. For every dollar of revenue we lose, we must immediately cut a dollar. So we had no choice but to make deep cuts to our people and our programming to balance our budget.

Cuts guided by key priorities

Our choices were very difficult. We had to eliminate 800 positions, reducing staff at many stations across the country. Some programs had to be cancelled; others were scaled back; and there will be more repeat broadcasts.

Although painful, the cuts we made were guided by the three key priorities we identified this year: People, Programming, and Pushing Forward.

To protect our people, we limited the need for layoffs as much as possible. Yet 60 per cent of our overall budget goes to salaries, so some cuts were unavoidable. We are now working closely with our unions to find creative ways of reducing the number of job cuts required to meet our budgetary target.

The need to cut positions was particularly discouraging because this year we made excellent progress on what has been for me a personal priority — building stronger and more collaborative relationships with our employees and with our unions, to which some 87 per cent of our employees belong. Three significant negotiations were successfully concluded this year: first, through interest-based bargaining, we reached a five-year agreement with the Association of Professionals and Supervisors (APS) that was approved by more than 96 per cent of APS membership, The APS president noted that the process had been “a great step towards mutual understanding.” Second, we signed with the Canadian Media Guild a new agreement that its president said “changed the perception each had of the other as the enemy;” And third, through interest-based bargaining for the fourth time in a row, without dispute and before the contract expiry date, we reached an agreement with the Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada (STARF). We are listening to each other in a way we can build from, acknowledging that although we have different perspectives, we have the same objective — to make CBC/Radio-Canada as successful as it can be for Canadians. I’m grateful to everyone who has been willing to put aside past perceptions and commit to forging new relationships based on mutual trust and respect. This new way of talking to each other is essential to getting us through the challenges we now face, and we will continue to work on the relationships.

We protected our programming in two ways.

First we limited the effect of the cuts on our regional broadcasting by channeling 80 per cent of the cuts to our national networks. This allowed us to keep our regional footprint intact across the country, [with no closure of stations].

Will the regional cuts affect our audiences? Absolutely. When you take several dedicated, creative and passionate people out of a regional station, you affect the services that audiences in that region receive. When you change the nature of your regional noon radio show and reduce it to one hour, audiences notice the

difference. I understand why many Canadians are worried about how the cuts will affect services in their communities.

Second, we reaffirmed our commitments to keeping our English and French radio services commercial-free and to preserving CBC Television's exclusively Canadian line-up in the 8:00-11:00 p.m. portion of prime time, and Télévision de Radio-Canada To do otherwise would be to weaken essential elements of our identity.

To ensure we continue to push forward, we committed to maintaining our strategic investments in new platforms and services. Canadians have come to expect their national public broadcaster to lead the evolution of Canadian broadcasting. To stay relevant, we must continue to make those investments.

Maintaining our strategic direction

The cuts we have been forced to make will slow but not stop our progress towards becoming an even more relevant and dynamic national public broadcaster. This strategic direction has three components.

First, rather than being a broadcaster with separate and discrete media lines, we are becoming a content company in which everyone collaborates and shares resources to generate deeper, richer content that we make available to audiences whenever, wherever and however they want it.

An example of what this looks like in action was our multiplatform coverage of the 2008 Federal Election. On radio and television we broadcast Election analysis, profiles and reports; but on the Internet, Canadians could get much more, from streaming video and audio to in-depth riding-level profiles and results from an interactive map. A *Reality Check* site put the candidates' promises and statements to the test. A *Voter Toolkit* provided specific information as to where and how Canadians could vote. Through our websites, we acted as the nation's public forum: thousands debated local issues in fora created for every riding — in fact, there were over 10,000 comments posted in these areas of the site alone. *En ligne, Citoyens* linked Francophones across the country in a discussion about the issues. Canadians asked questions directly to political candidates, and they posted thousands of their own photos and videos. We had over a quarter of a million postings to our sites. This is how we engage audiences today.

The second component of our strategic direction is to continue to be the most important creator and distributor of Canadian content across all media platforms. Despite having almost unlimited choices, audiences are choosing our many services for one reason: our Canadian content. Audiences recognise that CBC/Radio-Canada is the home of Canadian content. Indeed, no other network even comes close.

The third component is our ongoing commitment to remain deeply rooted in Canada's regions. Our connection to the regions is an essential part of our mandate. If we receive more resources, or if our commercial revenues bounce back and hold, we will put people and dollars back into the regions.

Towards a sustainable future

We have achieved remarkable success with our programming, increasing audiences across all our services despite a very challenging and constantly changing broadcasting environment. And we are implementing a strategy that will lead to greater success in the future. Yet I am compelled to report that unless we are able to develop a sustainable revenue model in the near future, CBC/Radio-Canada's ability to fulfil its mandate will be seriously at risk.

Recent initiatives from the CRTC and the Government will help address some of the challenges that all conventional broadcasters face. The new Canada Media Fund, for example, should offer increased support for first-run, prime-time Canadian programming that is original, of high quality, and broadcast on a host of platforms. And the CRTC's Local Programming Improvement Fund (LPIF) will mean better local services, if it focuses on smaller markets and is based on each broadcaster's track record in investing in specific communities.

Another part of the solution will fall into place if the CRTC decides to give conventional television broadcasters access to fee-for-carriage — a type of subscriber fee revenue that specialty channels have received for years. We feel that it is in the interest of Canadian audiences for fee-for-carriage to be tied to specific priorities, like improved local services and increased Canadian programming, that would be included in a broadcaster's conditions of license.

To allow for adequate time to review fee-for-carriage and other major policy issues, the CRTC announced in April 2009 that it would grant one-year administrative license renewals for all conventional broadcasters. It had been the CRTC's intention to require public broadcasters to file renewal applications in May 2009 and to proceed with public hearings to consider these applications in September 2009.

With the CRTC now evaluating fee-for-carriage and other potential remedies to the financial crisis facing conventional broadcasters, CBC/Radio-Canada believes that the time is right for the CRTC and the Government to also consider a further initiative that is urgently required for the national public broadcaster.

A new era for public broadcasting?

As I hope I made clear in my discussion of the failure of our business model, a new model is required if CBC/Radio-Canada is to continue to fulfil its obligations to Canadians under the *Broadcasting Act*. What form might that new model take?

For several years we have been making the case for the Government to commit to negotiating a new contract with Canadians for CBC/Radio-Canada. This contract would be similar to the multiyear arrangements that define service expectations and commit matching funding levels for the BBC, as well as for national public broadcasters in Ireland, South Africa and other countries. The contract would be developed after extensive consultations with Canadians to answer two fundamental questions: What do Canadians want from their national public broadcaster, and how will these services be paid for?

This contract with Canadians would give CBC/Radio-Canada the financial certainty we need to continue to meet our mandate requirements and to plan effectively for the future. And it would make us even more accountable to Government and to Canadians.

To think of what CBC/Radio-Canada could achieve with adequate, stable and long-term funding is very exciting. Driven by the creativity and passion for public broadcasting of our people, we would lead the Canadian broadcasting industry into a future of virtually unlimited opportunity. I believe that this is what Canadians expect and indeed deserve from their national public broadcaster.

Message from the Chair

This has been a particularly challenging year for CBC/Radio-Canada, as it has been for all Canadian broadcasters and indeed for all sectors of our economy. Despite ongoing success with audiences across all our services, at the end of the fiscal year we had to make difficult decisions.

The loss of up to 800 valued colleagues will be felt by everyone at CBC/Radio-Canada. Similarly, our audiences will be affected by cuts to programs and services that they highly value. In this difficult time, everyone at CBC/Radio-Canada appreciates Canadians' strong support for public broadcasting, expressed in many ways and across the country.

Serious financial challenges are the reality for CBC-Radio-Canada, as they are for our competitors and for our advertisers, and we have no choice but to adapt. Our President and senior executive team have developed, with input from the Board of Directors, a strategy that preserves as far as possible the Corporation's ability to serve Canadians now and into the future.

For the Board of Directors, this was a year of change and renewal as the terms of several Board members concluded and new members were selected. As part of the member selection process, I worked closely with the Government to define the skills and experience required on the Board. New members gained insight about the Corporation and its challenges from senior managers, who delivered a comprehensive and cost-effective in-house briefing program as an adjunct to regular Board meetings. At these regular meetings, the Board offered its guidance and oversight to senior management on the Corporation's priorities and operations. I wish to extend my thanks to all the new and returning Board members for their contributions and for their commitment to public broadcasting.

During difficult economic times, the need for a reliable, trusted source of information increases. This is a critical role for CBC/Radio-Canada. The national public broadcaster acts as a unifying force by offering in-depth analysis of the stories and issues that matter to Canadians, and by expressing shared values and a shared identity. Through its programming, services and diverse personnel, it also reaches out to new Canadians, helping them to better understand and integrate into their adopted country. To meet the changing needs and preferences of our audiences, we're increasingly giving audiences access to our Canadian content via a deeper, on-demand and interactive relationship.

Reaching more Canadians in more ways than ever before with the content they want and indeed need — this is the foundation of the Corporation's success, today and into the future.

Board of Directors

In accordance with the *Broadcasting Act*, the Board of Directors is responsible for the management of the Corporation. The Board is made up of 12 members, including the Chair and the President and CEO, who are appointed by the Government.

Tim W. Casgrain
Chair
Toronto, Ontario

Hubert T. Lacroix
President and CEO
Montréal, Québec

Linda Black
Law Enforcement Review Board of Alberta
Calgary, Alberta

Peter D. Charbonneau
General Partner
Skypoint Capital Corporation
Ottawa, Ontario
(since December 2008)

George Cooper
Senior Partner
McInnes Cooper
Halifax, Nova Scotia
(since May 2008)

Hélène F. Fortin
Partner
Demers Beaulne, S.E.N.C.R.L.
Montréal, Québec
(until December 2008)

The Honourable Joseph Handley
Former Premier of the Northwest Territories
Yellowknife, Northwest Territories
(since May 2008)

Peter Herrndorf
President and CEO
National Arts Centre
Ottawa, Ontario

Patricia A. McIver
Chartered Accountant
Richardson Partners Financial Limited
Vancouver, British Columbia
(since June 2008)

Trina McQueen
President
Hutton-Belleville Inc.
Toronto, Ontario

Brian R. Mitchell
Managing Partner
Mitchell Gattuso
Montréal, Québec

Rémi Racine
CEO and Executive Producer
Artificial Mind & Movement
Montréal, Québec

K. (Rai) Sahi
Chairman and CEO
Morguard Corporation
Toronto, Ontario
(until May 2008)

Dr. Edna Turpin
Executive Consultant
St. John's, Newfoundland and Labrador

Board of Directors Yearly Attendance

April 2008-March 2009

Board Member	Board	Nominating and Governance	Human Resources and Compensation	Audit	Standing	Special Committee On Real Estate
Tim W. Casgrain	6/6	N/A	6/6	4/4	3/3	1/1
Hubert T. Lacroix	6/6	N/A	6/6	N/A	2/3	1/1
Linda Black	6/6	3/3	N/A	N/A	3/3	1/1
Peter Charbonneau ¹⁾	2/2	N/A	N/A	1/1	N/A	N/A
George Cooper ²⁾	4/5	2/3	N/A	N/A	2/3	1/1
Hélène Fortin ³⁾	2/2	N/A	N/A	2/2	1/1	1/1
Joseph Handley ⁴⁾	5/5	3/3	N/A	N/A	3/3	1/1
Peter Herrndorf	6/6	3/3	N/A	N/A	1/3	1/1
Patricia McIver ⁵⁾	3/4	N/A	N/A	2/3	1 / 2	N/A
Trina McQueen	6/6	N/A	N/A	4/4	2/3	1/1
Brian Mitchell	6/6	N/A	N/A	5/5	3/3	1/1
Rémi Racine	6/6	N/A	6/6	N/A	3/3	1/1
Edna Turpin	6/6	N/A	6/6	5/5	3/3	1/1

This report lists attendance from April 1, 2008 to March 31, 2009.

- 1) Peter Charbonneau was appointed December 22, 2008.
- 2) George Cooper was appointed May 9, 2008.
- 3) Hélène Fortin resigned September 5, 2008.
- 4) Joseph Handley was appointed May 9, 2008.
- 5) Patricia McIver was appointed June 18, 2008.

Governance

Highlights

Appointment of New Board Members

The Board of Directors of CBC/Radio-Canada underwent a significant transition in 2008-2009 with six new Directors joining during the year. This was a 50 per cent turnover in Board membership and, as such, posed challenges to ensure that new members were properly equipped within a relatively short timeframe to assume the stewardship of the Corporation. To accomplish this, the Corporation offered a series of comprehensive briefings on a range of topics, including: key aspects of the broadcasting industry in Canada; the Canadian regulatory environment; and, CBC/Radio-Canada operations.

During the year:

Linda Black, of Calgary, Alberta, was appointed to replace Yasmin Jivraj.

Brian Mitchell, of Montréal, Québec, was appointed to replace Johanne Brunet.

George Cooper, of Halifax, Nova Scotia, was appointed to replace Bernd Christmas.

Hon. Joseph Handley, of Yellowknife, Northwest Territories, was appointed to replace K. (Rai) Sahi.

Patricia McIver, of Vancouver, British Columbia, was appointed to replace Mary McNeil.

Peter Charbonneau, of Ottawa, Ontario, was appointed to replace Hélène Fortin.

Board Committees

Standing Committees on English- and French-language Broadcasting

These Committees are established pursuant to Section 45 of the *Broadcasting Act*. Their mandate is directed to monitoring the fulfilment by the Corporation of its French- and English-language broadcasting responsibilities and its overall mandate, as set out in the *Act*.

Audit Committee

The Audit Committee mandate includes oversight of the integrity of the Corporation's financial information and reporting, the framework of internal controls and risk management, and the audit process.

Nominating and Governance Committee

The Nominating and Governance Committee mandate centres on the Board's governance framework, supporting guidelines and processes. Topics covered include: Terms of Reference for the Board, the Board Chair, the President and CEO, individual Directors, and Board Committees; the process for Board assessment; Board succession; Board orientation and training; and Code of Conduct and Conflict of Interest rules for Directors.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee has oversight responsibility with respect to all aspects of the Corporation's Human Resources strategies, including Human Resources policies, executive compensation, succession planning, industrial relations, health and safety, and the environment.

Special Committee on Real Estate Projects

The Special Committee on Real Estate Projects was established in June 2008 and given responsibility for monitoring the Corporation's major real estate projects in Montréal, Toronto and Vancouver.

Director Compensation

The current rules for Director Compensation are as follows:

The Chair of the Board is compensated in accordance with the terms of the Order –in Council appointing him/her.

Directors (excluding the Chair of the Board and the President and CEO) receive meeting fees for attendance (in person) at Board and Committee meetings in accordance with the following fee schedule:

Board	\$2,000 per meeting (to a maximum of six meetings per year)
Audit Committee	\$1,300 per meeting (to a maximum of six meetings per year)
All other Committees	\$1,000 per meeting (to a maximum of four meetings per year)

For additional meetings of the Board or a Committee, the meeting fee is \$625 per meeting.

For conference call meetings of the Board or a Committee, the meeting fee is \$250.

Directors are entitled to receive only one meeting fee for each day (24 hours) even if they attend more than one meeting during that period.

Directors do not receive an annual retainer for serving as a Board member of CBC/Radio-Canada.

For meetings held in 2008-2009, the total amount paid in Director compensation was \$154,237.50.

Public Accountability

CBC | Radio-Canada has an obligation to report to Canadians on the fulfilment of its commitments. This is accomplished using a variety of communications channels and vehicles.

Open and Transparent

For example, CBC/Radio-Canada accounts for its activities through the Minister of Canadian Heritage to Parliament, through its Annual Report and Corporate Plan Summary, to the Canadian Radio-television and Telecommunications Commission (CRTC) through year-end reports and annual financial returns, and to stakeholders through ongoing dialogue and interaction and CBC/Radio-Canada websites.

Here are examples of reporting instruments:

- Annual Report of CBC/Radio-Canada to the Canadian Radio-television and Telecommunications Commission (CRTC)
- Annual Reporting to Parliamentary Committees (Canadian Heritage, Official Languages, Public Accounts, Senate Committees)
- CBC| Radio-Canada Corporate Plan and Corporate Plan Summary
- CBC| Radio-Canada Annual Report
- Auditor General Special Examination Report
- Auditor General Annual Attest Audit
- Annual Report to the Department of Human Resources and Skills Development Canada (HRSDC) Employment Equity
- Implementation of Section 41 of the *Official Languages Act* Report
- Public Accounts of Canada
- Posting of business travel and hospitality expenses of Chair, President and Vice-Presidents on corporate website

Journalistic Standards and Practices

CBC|Radio-Canada has an extensive code of Journalistic Standards and Practices and solid editorial control mechanisms to guide its employees and to ensure that those working on its programming remain balanced and accurate in their on-air perspectives and reporting. Complaints from the public that are not resolved at the program level to the satisfaction of the complainants are examined and dealt with by the Corporation's two independent Ombudsmen. The Ombudsmen are completely independent of CBC|Radio-Canada programming staff and programming management and report directly to the President of the Corporation and, through the President, to the Corporation's Board of Directors. The role of the Ombudsman is pivotal in strengthening the

national public broadcaster's accountability and transparency to Canadians. The Ombudsmen can be reached at:

The Ombudsman, English Networks, CBC|Radio-Canada, PO Box 500, Station A, Toronto ON M5W 1E6 (ombudsman@cbc.ca); and,

Bureau de l'ombudsman, Services français, CBC|Radio-Canada, CP 6000, Montréal QC H3C 3A8 (ombudsman@radio-canada.ca).

Codes of Conduct

CBC|Radio-Canada employees at all levels and across the Corporation are expected to adhere to the Code of Conduct and policies governing their behaviour in such areas as: conflict of interest and ethics; whistleblowing; official languages; harassment; and political activity. A selection of the Corporation's Human Resources policies is available for viewing online at: <http://www.cbc.radio-canada.ca/docs/policies/index.shtml>.

Access to Information

CBC/Radio-Canada became subject to the *Access to Information Act* on September 1, 2007. Section 68.1 of the legislation contains specific safeguards to protect the journalistic, creative and programming independence that is fundamental to a successful national public broadcaster. Similar protection has been afforded to other public broadcasters, such as the British Broadcasting Corporation and the Australian Broadcasting Corporation, under comparable legislation in those jurisdictions.

Since September 1, 2007, CBC/Radio-Canada has received in excess of 750 requests for records relating to a wide range of subjects. This is well beyond the volume of requests anticipated, based upon benchmarking of other comparable organisations. Responding to this volume of requests has posed a significant challenge for the Corporation. To address the situation, a number of steps have been taken to position the Corporation to meet its obligations under the legislation, efficiently and effectively.

CBC/Radio-Canada Services

CBC/Radio-Canada is the only Canadian broadcaster delivering a comprehensive range of radio, television, Internet, satellite-based services, in both English and French plus eight Aboriginal languages, to all Canadians. The Corporation's broadcasting reach extends across Canada and around the world, offering high-quality distinctive content by, for and about Canadians, however and wherever they want it.

TELEVISION

CBC TELEVISION Canada's leading 24-hour English-language network of ground-breaking news, information, sports, and entertainment programming produced by, for and about Canadians, for more than 55 years.

CBC NEWSWORLD The country's first and most-respected 24-hour all-news and information English-language television service. Live news updates throughout the day keep Canadians informed about the world, while award-winning documentaries delve even deeper into it. By subscription.

BOLD Be daring. Be **bold** Canada's 24-hour English-language digital television service pushes the boundaries with innovative drama and comedy, the world's best performing arts and exclusive coverage of sporting events. By subscription.

DOCUMENTARY Provocative and compelling, *documentary* is the première English-language digital television service delivering the best in Canadian and international docs, films and series – 24 hours a day. By subscription.

TÉLÉVISION DE RADIO-CANADA The pre-eminent cross-country French-language television network connecting Canadians with popular and high-quality original programming, including news, current affairs, arts and culture, and programs for children and youth.

RÉSEAU DE L'INFORMATION DE RADIO-CANADA (RDI) The leader in French-language 24-hour news and information for Canadians, RDI links Francophones across the country with in-depth reporting and top-notch current affairs programming, including documentaries and interviews. By subscription.

CBC NORTH | RADIO-CANADA NORD Bringing together, via the airwaves, the diverse communities that make up Canada's vast North, and broadcasting award-winning radio and television services in English, French and eight Aboriginal languages.

ARTV A rich blend of arts and culture, showcasing the best in film, theatre, music, dance, visual arts, and more, all brought together on one vibrant French-language television channel. By subscription.

TV5MONDE The première worldwide French-language television network, TV5MONDE encompasses 10 broadcast partners across the globe and creates a space dedicated to public expression. It airs programming that increases awareness of the diversity of cultures and points of view.

RADIO AND SATELLITE

CBC RADIO ONE Canada's English-language information service, where the country turns for its local, national and international news, current affairs, documentaries, arts and culture, on radio and Sirius Satellite Radio Channel 137. Commercial-free and reflecting the true lives of Canadians, no matter where they live.

CBC RADIO 2 Music music music. Commercial-free and ready to transport listeners with a mix you won't hear anywhere else. Classical, jazz, world beat, pop, and much more. An English-language network, with music that speaks to all.

CBC RADIO 3 If it's new, you'll find it here. Catch the next big thing on this showcase of emerging, commercial-free Canadian music via the Internet at radio3.cbc.ca, podcast and Sirius Satellite Radio Channel 86. English-language.

PREMIÈRE CHAÎNE From one end of the country to the other, Première Chaîne is Canada's commercial-free French-language radio network, offering listeners a truly diverse mix of information and cultural programming. Engaged in its environment while being open to the world, it enlightens and entertains.

ESPACE MUSIQUE French-language musical radio that accompanies you night and day with a multitude of diverse styles and rhythms – classical, jazz, vocal, world music, and emerging artists. Commercial-free and always engaging.

BANDE À PART Rock, pop, hip hop, alternative, punk, electronica – the explosion of French-language music is at the heart of this commercial-free, 24-hour network, where Canadian artists are front and centre. Find it on Radio at Espace musique, on the Internet at bandeapart.fm, via podcast, and Sirius Satellite Radio Channel 87.

PREMIÈRE PLUS Listen in on original French-language programming and the best of Première Chaîne's news, current affairs and cultural broadcasts – with the luxury of no commercials. In partnership with Radio Canada International and Radio France International, across North America on Sirius Satellite Radio Channel 94.

SPORTS EXTRA The only French-language sports service on satellite radio. Get the real scoop from expert hosts and analysts from the Radio-Canada sports team. Amateur and pro – everything is fair game on Sirius Satellite Radio Channel 96.

RADIO CANADA INTERNATIONAL (RCI) Canadian voices have been extending across the planet since 1945 with this commercial-free international radio service, now broadcasting information and cultural programs in seven languages via the Internet, digital and analogue shortwave, satellite, and hundreds of partner stations worldwide.

RCI PLUS Reflecting Canada and its vibrant multicultural population in seven languages on Sirius Satellite Radio Channel 95. Try out a new language thanks to programming from Radio Canada International, as well as from national and international partners.

CBC NORTH | RADIO-CANADA NORD Bringing together, via the airwaves, the diverse communities that make up Canada's vast North, and broadcasting award-winning radio and television services in English, French and eight Aboriginal languages.

INTERNET

CBC.ca One of Canada's most popular and comprehensive English-language media websites, with up-to-the-minute news and information, streaming audio and video, sports highlights, Web-only interactive features, multimedia archives, and much more.

Radio-Canada.ca Don't miss a minute of Canada's favourite French-language radio and television content from Radio-Canada – all online. Constantly updated news and information, and unique new media and Web features ensure that each visit is dynamic and different.

CBC RADIO 3 If it's new, you'll find it here. Catch the next big thing on this showcase of emerging, commercial-free Canadian music via the Internet at radio3.cbc.ca, podcast and Sirius Satellite Radio Channel 86. English-language.

BANDE À PART Rock, pop, hip hop, alternative, punk, electronica – the explosion of French-language music is at the heart of this commercial-free, 24-hour network, where Canadian artists are front and centre. Find it on radio at Espace musique, on the Internet at *bandeapart.fm*, via podcast, and Sirius Satellite Radio Channel 87.

RCI VIVA Giving the world a window on Canada, Radio Canada International's commercial-free Web radio service broadcasts in seven languages at *rciviva.ca*. It's a true gateway to this country for new and aspiring immigrants, with information to help them discover Canada.

ESPACE CLASSIQUE The sweet sounds of continuous classical music, commercial-free, and customised just for you. This Web radio service at *radio-canada.ca/espaceclassique* introduces you to new talent, even as it shines the spotlight on timeless favourites.

ESPACE JAZZ Web radio just became jazzier on Espace musique. For continuous jazz, customise your listening by genre, instrument or mood.

EXTENDING OUR REACH

GALAXIE Tune in on your television to 45 channels of continuous music, talk-free and commercial-free. No musical stone is left unturned for the pop star, jazz hound or classical buff in your household. More than six million subscribers are already part of the Galaxie family.

CBC RECORDS | LES DISQUES SRC This in-house recording label partners with Canada's pre-eminent musicians, releasing about eight new homegrown CDs annually. With 29 Junos and one Grammy Award to its credit, CBC Records is one of the most recognised independent labels in the country.

WIRELESS | SERVICES SANS FIL For those who prefer the small screen... the *really* small screen. CBC | Radio-Canada offers WAP and SMS messaging services, delivering some of our most popular interactive content to personal digital assistants and cell phones.

2008-2009 Highlights

CBC Radio

- CBC Radio One and CBC Radio 2 achieved an all-time combined record audience share — 14.1 per cent — up from last year's record combined share of 13.4 per cent. Numerous programs are at historic highs.
- All local CBC Radio One morning shows in major English-speaking markets were ranked either first (Calgary, Halifax, Ottawa, Toronto) or second (Winnipeg, Vancouver), with 20 of the 22 shows ranked in the top three in their respective markets.
- CBC Radio recorded and broadcast more live music than ever before — over 1,000 hours and 725 acts, from classical to popular, including aboriginal and diverse.
- CBC Radio 2 launched four online streams of continuous music — classical, jazz, Canadian composers, and Canadian songwriters.
- CBC Radio's commitment to program review and development produced 200 program pitches, 20 pilots and 12 broadcast shows or series.
- CBC Radio helped raise donations of over four million dollars for charity and 15,000 turkeys for underprivileged families during December alone.
- CBC Radio 2's Obama Playlist, inviting audiences to recommend Canadian music selections for the new President, received worldwide coverage — 131 international newspaper and television stories in Britain and the US reached 41 million people.
- Canada Reads again helped raise the winner to first place on the Canadian bestsellers list, and significantly promoted the four runners-up. Media coverage — 200 stories read by 50 million people.
- XX national and international awards.

CBC Television

- CBC Television achieved its highest 2+ prime-time audience share since 1999-2000 — 8.7 per cent — up almost a full percentage point from a high of 7.8 per cent last year.
- The network increased its 2+ regular season (weeks 5-29) prime-time audience share by almost two full percentage points over that of Global Television with its predominantly American prime-time schedule.
- CBC News: The National (news portion) increased its audience by 19 per cent over 2007-2008, with the full-hour program up by 18 per cent over last year.
- Major audiences increases over the previous year: Dragon's Den (up 55 per cent and 103 per cent over its première season); The Nature of Things (up 37 per cent); Doc Zone (up 16 per cent); and Marketplace (up 21 per cent).
- Rick Mercer Report — averaged a 2+ audience of over one million this season.
- CBC's Hockey Night in Canada Anthem Challenge truly engaged Canadians who submitted 14,685 entries.
- XX national and international awards.

CBC.ca

- Canada's most popular English-language news and media site again — 4.8 million unique visitors per month (comScore).
- Averaged approximately 750,000 weekly streams — 575,000 video and 175,000 audio.
- Over 280,000 registered members posted a total of over 1.9 million comments — a monthly average of 260,000 with a single-day record of 16,000 posts. On an average workday, 4,800 individual users participated.
- Over 2.1 million "recommends" related to posted comments.

CBC Radio and CBC Television

- CBC Radio and CBC Television co-productions again increased audiences on both platforms, with CBC Radio programs *Q* and *Canada Reads* developed for television audiences on **bold**.

Radio de Radio-Canada

- * Radio de Radio-Canada maintained last year's performance levels — its strongest since 1984.
- * In fall 2008, Radio de Radio-Canada had 1,434,000 listeners, the biggest reach in its history. It captured a 19.4 per cent share of French-language radio listening in markets served.
- In fall 2008, a number of Première Chaîne regional morning shows increased their audience share: Québec City (+5 per cent), Rouyn (+4 per cent) and Matane (+3 per cent). In Montréal, the morning program tied for highest ratings, obtaining an audience share of 21 per cent (BBM Fall).
- Espace musique launched the Web radio program *Espace jazz*. Visitor traffic to the site doubled, with a monthly average of 60,000 visits.
- Over 80 films from 22 countries were submitted to RCI's *Migr@tions* competition.

Télévision de Radio-Canada

- The strong results achieved in recent years were maintained during the 2007-2008 regular season.
- Radio-Canada remained the network to watch for major cultural events, broadcasting the Géméaux awards (average of 1.4 million viewers), the ADISQ gala (average of 1.7 million viewers), the Jutra awards (average of 655,000 viewers), and Les Oliviers (average of XXX million viewers). The new series, *Les Parent*, was a big hit, with an average viewership of XXX million (audience share of approximately XXX per cent). Popular current affairs programs show no signs of slowing down: *L'épicerie*, *La facture* and *Découverte* reached audiences of XXX, XXX and XXX respectively.
- In fall 2008, regional editions of the 6:00 p.m. *Téléjournal* saw their audience share increase: Ottawa-Gatineau (+4.3 per cent), Quebec City (+2.6 per cent), Trois-Rivières (+4.4 per cent), and Moncton (+9.3 per cent).

Internet and Digital Services

- The number of visits to *Radio-Canada.ca* rose from XXX to XXX.
- Radio-Canada provides a cellphone-enabled news site with headlines sent by SMS, as well as live and on-demand RDI content, 24 hours a day.

Radio-Canada (all services)

- On all of its platforms, Radio-Canada followed the events and festivities marking the 400th anniversary of the founding of Québec City.
- Radio-Canada Musique, the biggest integrated music initiative in the public broadcaster's history, was launched in October 2008.
- Radio-Canada provided distinctive coverage of the Beijing Olympics. On average, our Olympic coverage drew a daily television audience share of 28 per cent over the entire programming day. The opening ceremony was watched by over a million viewers (average share of 45 per cent). The Beijing 2008 site had 56 per cent more traffic than the Athens 2004 site.

People and Culture: Building and Strengthening Our Team

- The People and Culture portfolio was created, and Katya Laviolette named as Vice-President, to strategically recruit, develop and retain talented employees in the context of a limited pool of new talent, an aging population, an increasingly competitive market, and the need to ensure a diverse workforce.
- Future strategies include improving internal culture, ensuring that employees' contributions are valued, providing training and development, and rebuilding management-employee relationships.
- The President and CEO regularly met with employees and the unions, strengthening working relationships for the advancement of the Corporation's strategic and operational performance.
- Employees from different regions and segments helped refine the Corporation's vision and strategy at the May 2008 forum, *Challenge Us!* The emerging theme, "accelerated change," will call upon employees' creativity and competence.
- Leaders' Forum, November 2008, engaged senior executives and managers in the strategic planning process, with results informing the Corporation's Strategic Plan.
- Collective agreements were reached with the Association of Professionals and Supervisors (APS), the Canadian Media Guild (CMG) and the Syndicat des technicien(ne)s et artisan(e)s du réseau français (STARF).

Organisational Health and Wellness

- The Environmental Lead Team again minimised the impact of our operations on the environment, engaging employees in the effort and monitoring environmental performance. Achievements this year included reduced energy consumption, cell phone recycling and our first annual internal environment report. Next year's initiatives include paper reduction.
- During Healthy Workplace Month, waste reduction, healthy habits, mental health, and sound workstation ergonomics were promoted.
- Nearly 230 ergonomic assessments were conducted and 40 workshops held on topics such as office or camera operator ergonomics and safe lifting techniques.
- The two-year Respect in the Workplace project concluded, with 96 per cent of employees attending one of the 600 workshops jointly facilitated by managers and unionised employees.
- The sixth annual corporate influenza vaccination program reached 26 per cent of our employees in 26 cities.
- The National Crisis Management Team continued to develop programs for emergency preparedness, corporate security and business continuity planning, to ensure employee's protection at home and abroad. Special projects included an employee emergency information line, and Olympics and pandemic preparedness.

Merchandising

- The Merchandising Division brought in nearly \$10 million again this year from national and international sales related to content licensing, CD and DVD sales and distribution, digital downloads, books, clothing, and authorised merchandise. These revenues fund services for our audiences.

Key Performance Indicators

Measuring Performance

CBC|Radio-Canada introduced a new performance measurement system in 2006 which linked measures of performance to each corporate priority. The development of these performance indicators means that it is now possible for the Government and Canadians to examine CBC|Radio-Canada's annual performance results, its performance against targets, as well as performance trends.

All of our corporate performance indicators reported in the following pages are linked to our eight corporate priorities which were first developed in 2002. In addition to these indicators, CBC Radio-Canada's main television and radio networks use programming indicators to assess performance against targets.

New Corporate Priorities: People, Programs and Pushing Forward

CBC/Radio-Canada introduced a new strategic framework in 2008-2009, arrived at through extensive consultation with employees and the Senior Executive Team, and through consideration of the findings from an in-depth review of the environment in which the Corporation operates. This input clearly pointed to the need to focus on three key issues: people — our key asset; programs — our core competency; and pushing forward — to meet current challenges and exploit opportunities.

Next year, all of the Corporation's performance indicators will be linked to the new corporate priorities (the 3Ps) and published in the 2009-2010 Annual Report.

Corporate Measures of Performance

Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results	
CONTENT	CANADIAN CONTENT				
	• CBC Television ¹	Broadcast day	80%	75%	80%
		Prime time (Monday-Sunday, 7:00-11:00 p.m.)	81%	80%	85%
	• Télévision de Radio-Canada ¹	Broadcast day	79%	79%	80%
		Prime time (Monday-Sunday, 7:00-11:00 p.m.)	89%	89%	90%
	• CBC Radio ²	Broadcast day	99%	99%	99%
		Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%	100%	100%
	• Radio de Radio-Canada ³	Broadcast day	100%	100%	100%
		Prime time (Monday-Friday, 6:00-9:00 a.m.)	100%	100%	100%
	NUMBER OF AWARDS				
		CBC Television	220	190	198
		Télévision de Radio-Canada ⁴	29	30	31
		CBC Radio	140	100	120
		Radio de Radio-Canada	6	6	10
DISTINCTIVENESS					
	• Main television and radio networks	89%	90%	89%	

¹ Based on previous broadcast year.

² CBC Radio One and CBC Radio 2 combined.

³ Première Chaîne and Espace musique combined.

⁴ Internal productions only.

DRAFT

Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results
REGIONAL REFLECTION AND THE CHANGING FACE OF CANADA	Programs produced in regions for regions	86,200 hours	83,700 hours	87,223 hours
	Programs produced in regions for networks	11,000 hours	12,600 hours	10,084 hours
	CBC/Radio-Canada usage by visible minority (18+)	82%	87%	83%
	Visible minority staff CBC/Radio-Canada ⁵	Number of staff 544	Number of staff 560	Number of staff 556
SUSTAINABILITY OF CANADIAN SCHEDULES	Television advertising revenue ⁶	\$310 million	\$348 million	\$101.25 million
	Expenditures on Canadian programming	95% of programming budget	95% of programming budget	XX% of programming budget
EFFICIENCY	Self-generated revenues ⁷	\$131 million	\$123 million	\$XXX million
	Programming expenditures	82% of total budget	82% of total budget	XX% of total budget
CREATIVE HUMAN RESOURCES	Commitment to training and development CBC/Radio-Canada	\$ per employee 1,005	\$ per employee 1,005	\$ per employee 1,015
	Employee satisfaction (periodic) CBC/Radio-Canada	n/a	78%	80% ⁸

⁵ Excludes short-term employees.

⁶ Only the main networks, excluding Internet revenues.

⁷ Includes primarily Galaxie, **bold**, Internet advertising revenues, and program sales, but not advertising revenues.

⁸ The last employee survey was conducted by HayGroup in 2004. This figure is drawn from Hubert T. Lacroix's 2008 *Challenge Us!* initiative. Employees rated CBC/Radio-Canada as a national public broadcaster, not as an employer.

DRAFT

Corporate Priority	Indicator	2007-2008 Results	2008-2009 Targets	2008-2009 Results
STRATEGIC PARTNERSHIPS	Number of joint ventures/partnerships CBC/Radio-Canada	15	17	19
COLLABORATION	Expenditures on cross-media programming	\$9.7 million	\$10 million	\$XX million
STRONG STAKEHOLDER RELATIONSHIPS	Opinion leaders' overall impression of CBC/Radio-Canada	77% favourable ⁹	n/a ¹⁰	n/a ¹⁰
	Opinion leaders' general impression of CBC/Radio-Canada as being an essential service	87% agreement ⁹	n/a ¹⁰	n/a ¹⁰
	Canadians' satisfaction levels with main television and radio networks	89%	89%	89%
	Relevance to stakeholders ¹¹	Percentage of Canadians using our services 86%	Percentage of Canadians using our services 86%	Percentage of Canadians using our services 87%

⁹ *CBC/Radio-Canada Opinion Leader Survey*, March 2008, conducted by Phoenix Strategic Perspectives Inc.

¹⁰ This survey is conducted every second year and was not conducted in 2008-2009.

¹¹ Percentage of Canadians using main CBC/Radio-Canada television, radio and websites.

Media Lines' Targets and Results

English Services

CBC/Radio-Canada's English Services comprise CBC Television, CBC Newsworld, **bold**, *documentary* (majority controlled), CBC Radio One, CBC Radio 2, CBC Radio 3, and multiple digital platforms including *CBC.ca*. All of these services report to the Executive Vice-President for English Services, allowing an integrated approach for better planning and sharing of resources and programming across the media lines, and the achievement of savings and synergies.

The year 2008-2009 was tremendously successful for English Services, with the achievement of unprecedented audience numbers and growth on all platforms.

CBC Radio's Strategic Objectives

In order to best serve Canadians, CBC Radio established four strategic priorities for 2008-2009: continue the ongoing renewal of CBC Radio One; continue the repositioning of CBC Radio 2; create and pursue new platform opportunities; and, extend local service to underserved communities.

These priorities were designed to increase listener satisfaction, particularly with CBC Radio One and CBC Radio 2 (measured under Mandate/Listener Satisfaction below); serve the public (measured under National Reach and Share, indicating the extent of usage by the Canadian public); fulfil important mandate goals (measured under Mandate below); and, maintain and improve the quality of CBC Radio's services (assessed by the continuous process of program review).

CBC Radio – Performance Indicators

	CBC Radio 2008-2009 Targets	CBC Radio 2008-2009 Results
Cost		
• Cost of programming ¹	• \$119 million	• TBD
Audience²		
• CBC Radio One and CBC Radio 2 Combined reach	• 3.8 million	• 4.1 million
• CBC Radio One and CBC Radio 2 Combined share	• 12.2%	• 14.1%
Mandate CBC Radio One		
• Satisfaction ³	• 62%	• TBD
• Essential ³	• 84%	• TBD
• Regionally reflective ³	• 70%	• TBD
• Relevance: Has programs I want to listen to ³	• 60%	• TBD
Program Review		
• Pitches received and processed	• 150	• 200
• Pilots made	• 15	• 20
• New shows or new series debuted	• 5	• 12

1. Programming & production basis.
2. BBM Fall Survey.
3. [note will detail FIATS survey period]

CBC Television's Strategic Objectives

CBC Television focused on its core strategies in 2008-2009, which have yielded significant success since being introduced in 2004-2005, in order to continue to provide Canadians with high-quality programming. Specifically, CBC Television targeted four strategic priorities this year: sustain the commitment to Canadian entertainment; strengthen the news offer; build on great sport franchises; and, deepen the relationship with Canadians where they live.

To measure its success in achieving its objectives, CBC Television set out four main performance indicators with targets, as shown in the following table. Among the results was an increase in the viewing share of CBC Television, particularly in prime time when television is primarily consumed. The network also worked to preserve its distinctive place in Canadian broadcasting through increased audience usage (measured under Audience below); the maintenance of an offering of diverse programming (measured under Public Value/Differentiation) as well as high-quality programming as judged by viewers (measured under Public Value/Public Perception). To successfully pursue its priorities, the network needed to manage its financial situation, including pursuing self-generated revenues and managing its financial resources effectively (measured under Revenue and Cost).

CBC Television – Performance Indicators

	CBC Television 2008-2009 Targets	CBC Television 2008-2009 Results
Public Value		
<ul style="list-style-type: none"> Differentiation¹ Public Perception 	<ul style="list-style-type: none"> Maintain ratio Each program >60% (top 3 box score) 	<ul style="list-style-type: none"> TBD TBD
Audience		
<ul style="list-style-type: none"> CBC Television prime-time share regular season 	<ul style="list-style-type: none"> 8.0% 	<ul style="list-style-type: none"> either 8.6% or 8.7% (data not confirmed for relevant period by BBM Nielsen)
Revenue		
<ul style="list-style-type: none"> Advertising and other miscellaneous revenues 	<ul style="list-style-type: none"> \$258 million 	<ul style="list-style-type: none"> TBD²
Cost		
<ul style="list-style-type: none"> Cost of programming³ 	<ul style="list-style-type: none"> \$484 million 	<ul style="list-style-type: none"> TBD

1. Based on percentage of titles.

2. As a result of a downturn in the economy generally and a precipitous decline in the media advertising market specifically, CBC Television's self-generated revenues (comprising advertising, subscription and other revenues) fell short of targeted goals by \$xx million, or XX%.

3. Programming and production basis.

CBC.ca's Strategic Objectives

CBC.ca, as part of CBC Digital Programming & Business Development area, continues to play a key role in the development of a secondary commercial market and distribution network for CBC programming. In 2008-2009, *CBC.ca*'s strategic priorities were: continue to increase traffic by concentrating on new content offers and site-wide use of Web 2.0 and social media features; increase revenues through the introduction of new digital revenue sources; continue multiplatform content development, focusing on further integration with CBC programming and Media Sales; further enhance site reliability and stability.

Performance against each of these objectives is noted in the following table.

CBC.ca – Performance Indicators

CBC.ca 2008-2009 Targets	CBC.ca 2008-2009 Results
Increase Traffic	<ul style="list-style-type: none"> • Most recent unique visitors of 4.8 million is 14.5% up from <i>CBC.ca</i> twelve-month average of 4.2 million. • Most recent page views count of 89.3 million is 22.9% up from <i>CBC.ca</i> twelve-month average of 72.6 million. • Second place Canadian online sports publisher* behind <i>TSN.ca</i>. <i>* Excluding foreign content providers and any content aggregators.</i> • Averaging approximately 750,000 weekly streams experienced (575,000 weekly video streams and 175,000 audio streams).
Implement Web 2.0 and social media features	<ul style="list-style-type: none"> • <i>CBC.ca</i> drew over 280,000 registered members who posted over 1.9 million comments. <i>CBC.ca</i> had over 2.1 million “recommends” related to posted comments. • On an average workday 4,800 individual users actively participated in our online community.
Increase revenues	<ul style="list-style-type: none"> • Increased syndication revenues from launch of Apple iTunes Canada, Olympics and wireless.
Enhance reliability and stability of CBC's online presence	<ul style="list-style-type: none"> • Digital Programming & Business Development continued development of a universal media player, offering an improved user experience for both audio and video, shared Web distribution platform with Radio-Canada, and initial phase of a content creation tool for digital publishing.
Support the development and implementation of a multiplatform strategy	<ul style="list-style-type: none"> • Four new CBC Radio 2 online streams launched on September. • Initial phase development of mobile and “widget” syndication of <i>CBC.ca</i> content. • Created new Director of Platform Strategy role responsible for common <i>CBC.ca</i>-Radio Canada vendor solutions and negotiations, including bandwidth, social media, digital publishing, and Web metrics.

English Services' Future Directions

Continue to Grow CBC Television Audience Share

- Protect CBC Television's audience share by targeting 8.5 per cent for 2009-2010.
- Maintain commitment to Canadian entertainment programming.
- Continue to build sports programming strength.

Maintain CBC Radio One and Grow CBC Radio 2 Audience Share

- Maintain leadership in local morning and afternoon programs.
- Continue to be rooted in local and regional community life.
- Continue CBC Radio 2 relaunch with distinctive and diverse Canadian musical genres.
- Investigate a new small stations staffing model for future growth.

Continue CBC News Renewal

- Continue the renewal of an integrated multiplatform and continuous service offering news and analysis to Canadians when and where they want it.
- Continue to build on recent audience success with supper hour local news programming.
- Renew national and local news as well as CBC Newsworld.

Strengthen Position in the Regions

- Organise resources to locally serve the greatest number of Canadians as possible, given current financial circumstances.
- Enhance local news service on all three media platforms.

Invest in New Platforms

- Launch more specialty channels, such as Current TV.
- Invest in Web infrastructure.
- Enhance *CBC.ca*'s reliability and functionality through the development of new platform features.
- * Offer content on new platforms, such as mobile devices, streaming and podcasts.

French Services

CBC/Radio-Canada's French Services comprise Télévision de Radio-Canada, Réseau de l'information de Radio-Canada (RDI), Première Chaîne, Espace musique, Espace classique, Bande à part, Radio Canada International (RCI), RCI viva, and *Radio-Canada.ca*. All of these services report to the Executive Vice-President for French Services. This integrated approach facilitates the development of a global vision of French Services that recognises the individual strengths and distinctive character of each media line while promoting the overarching goal of improving the quality of the democratic and cultural life of Canadians. The Corporation is also a partner in ARTV and TV5Monde.

Radio de Radio-Canada's Strategic Objectives

Over the past five years, Radio de Radio-Canada's Première Chaîne and Espace musique have continued to expand their listenership, as illustrated by the audience level indicator. In 2008-2009, both networks maintained their strong results compared to the previous two years. Also in 2008-2009, Espace musique achieved its objective of supporting the Canadian music industry by investing \$5.5 million in the production of concerts to be aired on its network. French Services had the overall objective of consolidating its regional roots: for Radio de Radio-Canada, this translated into maintaining a high level of investment in the regions.

Radio de Radio-Canada – Performance Indicators

	Radio de Radio-Canada 2008-2009 Targets	Radio de Radio-Canada 2008-2009 Results
Maintain an optimal listenership <ul style="list-style-type: none">• Combined audience shares of Première Chaîne and Espace musique	<ul style="list-style-type: none">• Between 14% and 16%	<ul style="list-style-type: none">• 19.4%
Continue our commitment to Canadian musicians <ul style="list-style-type: none">• Budget invested in musical production for Espace musique	<ul style="list-style-type: none">• \$5.5 million	<ul style="list-style-type: none">• \$5.6 million
Invest in the regions <ul style="list-style-type: none">• Maintain our level of investment in regional production	<ul style="list-style-type: none">• 45%	<ul style="list-style-type: none">• 47%
Evaluate the performance of all employees in relation to objectives	<ul style="list-style-type: none">• Between 90% and 100%	<ul style="list-style-type: none">• Between 90% and 100%

Télévision de Radio-Canada's Strategic Objectives

In 2008-2009, Télévision de Radio-Canada focused on objectives whose performance is measured in four indicator categories: audience, financial, reflecting the diversity of contemporary Canada, and human resources.

Under the first indicator, the shares and overall satisfaction index show that Télévision de Radio-Canada achieved its audience growth objective, while maintaining a high-quality offering. Our financial indicators reflect the effectiveness of business objectives aimed primarily at optimising resources: we invested the bulk of funds in programming, while maximising all available financial leverage, public revenues and outside funding sources. The reflection and diversity indicators are linked to the objective of consolidating regional roots, represented here by an increase in the average number of regionally produced programming hours broadcast nationally, as well as a better reflection of cultural diversity through a more representative workforce.

Télévision de Radio-Canada – Performance Indicators

	Télévision de Radio-Canada 2008-2009 Targets	Télévision de Radio-Canada 2008-2009 Results
Audience		
<ul style="list-style-type: none"> Overall audience appreciation with programming (“On a scale of 0 to 10, how would you rate Radio-Canada programming?”) 	<ul style="list-style-type: none"> 7.0% 	<ul style="list-style-type: none"> 6.8
<ul style="list-style-type: none"> Combined audience shares for Télévision de Radio-Canada and RDI 	<ul style="list-style-type: none"> Between 15% and 20% At least 13% for Télévision de Radio-Canada 	<ul style="list-style-type: none"> Total of 17.2% 14.3% Télévision de Radio-Canada 2.9% RDI
Financial		
<ul style="list-style-type: none"> Percentage of financial resources invested in programming 	<ul style="list-style-type: none"> 80% 	<ul style="list-style-type: none"> 79%
<ul style="list-style-type: none"> Achievement of advertising revenues, main network only 	<ul style="list-style-type: none"> \$100 million 	<ul style="list-style-type: none"> \$101.25 million
<ul style="list-style-type: none"> Maintain Canadian Television Fund funding at previous years’ levels for independent productions broadcast on Télévision de Radio-Canada 	<ul style="list-style-type: none"> \$27.5 million 	<ul style="list-style-type: none"> \$30.6 million
Reflection of diversity		
<ul style="list-style-type: none"> Annual weekly average for regional programs on the network 	<ul style="list-style-type: none"> 7 hours 	<ul style="list-style-type: none"> 8 hours
<ul style="list-style-type: none"> Increase in the percentage of employees considering themselves to be part of a visible minority (network and regions) 	<ul style="list-style-type: none"> 3.7% 	<ul style="list-style-type: none"> 2.3%
Human Resources		
<ul style="list-style-type: none"> Evaluation of the performance of all employees in relation to objectives 	<ul style="list-style-type: none"> Between 90% and 100% 	<ul style="list-style-type: none"> 100%

Radio-Canada.ca's Strategic Objective

In 2008-2009, Radio-Canada made it a top priority to become a leader in digital platforms. *Radio-Canada.ca's* action plan, whose results are described in the table below, allowed Radio-Canada to offer digital content in a spirit of innovation while maintaining its core values as a public broadcaster.

Radio-Canada.ca – Performance Indicators

Radio-Canada.ca 2008-2009 Targets	Radio-Canada.ca 2008-2009 Results
<ul style="list-style-type: none">• Make Radio-Canada a leader on digital platforms.	<ul style="list-style-type: none">• Audio and video streams on <i>Radio-Canada.ca</i> increased dramatically in 2008-2009. The number of visits rose by 35% compared to 2007-2008, with increases of over 90% in certain months.• Over the year, Radio-Canada substantially enriched its live and on-demand audio and video offerings by increasing the number of radio and television rebroadcasts, adding webcasts of sports events and presenting novel content like the Web series, <i>Mère indigne</i>.• During the 2008 Olympic Games in Beijing, <i>Radio-Canada.ca</i> listed results in real time and, for the first time, offered a live simulcast of Olympic television programming and the option of following 12 competitions (live or on-demand) via the Audio/Video console. The Beijing 2008 site had a 56% increase in traffic compared to the Athens 2004 site.• Radio-Canada continued its strategy to increase its visibility, rolling out content on an unprecedented number of platforms (YouTube, Twitter, Dailymotion, Facebook, Sympatico, Telus and, soon, iTunes).• The average monthly number of unique Canadian visitors viewing the site from home rose to 1,135,000 in 2008-2009.

French Services' Future Directions

Radio-Canada has developed a three-year strategic plan with four priorities:

- Increase public participation, as well as our accountability to Canadians, in our programs and management.
- Deliver multiplatform programming grounded in 21st-century realities and help redefine the brand.
- Put in place a profitable, sustainable and efficient economic model.
- Make employees, creativity and efficiency central to our activities, decisions and management (partners, clients, employees, Canadians).

This plan reflects Radio-Canada's vision to become a total media organisation — one that is a leading creator and broadcaster of multimedia content in the French-speaking world.

Galaxie's Strategic Objectives

Galaxie is a commercial-free digital pay audio service offering 45 channels of continuous music without talk. The network has built an enviable reputation as a source of high-quality music programming for the more than 7.3 million households that subscribe to it in Canada. In December 2007, CBC/Radio-Canada named Stingray Digital Group as its Affiliate Relations Agent for the Galaxie service and granted an option to Stingray for the purchase of certain assets related to Galaxie. In February 2009, Stingray exercised its option to purchase certain Galaxie assets and as of March 31, 2009, a number of distribution agreements with Canadian Broadcast Distribution Undertakings (BDUs) were transferred to Stingray.

Galaxie – Performance Indicators

Galaxie 2008-2009 Targets	Galaxie 2008-2009 Results
<ul style="list-style-type: none">• Secure the profitability of the Galaxie service.	<ul style="list-style-type: none">• Implement and manage the affiliate relations agency agreement with Stingray Digital Media Group to help Galaxie grow its business in Canada and provide growth opportunities in other markets, including the United States and Europe.• Now reaching more than 7.3 million subscribers in Canada.• Developed service enhancements including an updated television onscreen presentation.• Jointly with Stingray Digital, developed a Music Video on Demand service offering for Canadian BDUs.• Continued to focus on the commercial background music business with new partners identified in Canada and the United States.• Exploring additional distribution platforms such as the Apple iPhone.

Galaxie's Future Directions

For 2009-2010, the CBC will continue working with Stingray Digital Group following the exercise of its option to acquire Galaxie assets and to service distributors whose distribution agreements remain with CBC/Radio-Canada.

Radio Canada International

Radio Canada International (RCI), CBC/Radio-Canada's international radio service, broadcasts in [nine] languages via the Internet, digital and analogue shortwave, satellite, and some 400 partner stations worldwide.

RCI – Performance Indicators

	RCI 2008-2009 Targets	RCI 2008-2009 Results
Continue RCI's shift to a multimedia and multiplatform model	<ul style="list-style-type: none"> Projects completed 	<p>The national and international <u>Migr@tions</u> competition:</p> <ul style="list-style-type: none"> Over 200 films submitted from 22 countries, across five continents. Posting of the microsite and broadcast of the films; increased traffic on the RCI viva site, heightened awareness for the RCI brand thanks to a strong communications campaign in Canada and abroad (press kit available), as well as the broadcast of a number of excerpts on YouTube, with links to RCI viva. Production of an RCI catalogue with 80 new films (40 in English and 40 in French); screening of some of these films on the TV5Monde site and at several events in Canada and abroad. Creation of a spinoff product — <i>Migrations 14–17</i> — with the support of Québec's education and immigration departments. Production of the series <i>A New Face for Beijing / Le nouveau visage de Pékin</i>. Production and launch of the RCI viva/Beijing microsite. Screening at the Pacific Cinémathèque in Vancouver and the Toronto International Real Asian Film Festival. Production of the series, <i>À ciel ouvert</i>. Production and posting of the RCI viva/ACO microsite. Screening of documentaries at Lafontaine Park, as part of the Pan Africa International Festival (Vues d'Afrique). Major visibility of the initiative in Canada's French-language media, even a year after the launch of the site. Production of the series <i>Seeing Double / Voir double</i> and simulcast with RDI. Development of new multimedia products: <i>L'Érable à Palabres</i> and <i>MLMB Road Show</i>. Broadcast of <i>Tam-tam Canada</i>, <i>Tam-tam weekend</i> and <i>Courrier mondial</i> on Première Chaîne; launch of the weekly radio program <i>Masala Canada</i> for a South Asian audience (in English); production of <i>Diversity Makers</i>, a multimedia documentary in English, co-produced by member countries of the Asia-Pacific Institute for Broadcasting Development (AIBD); participating countries: Canada, the Maldives, Pakistan, Sri Lanka, India, Nepal, Bangladesh, the Philippines, Malaysia, and Indonesia.

Expand RCI's rollout by continuing multiplatform productions

- Distribution and broadcast of RCI's multiplatform products, both at home and abroad.
- Greater use of partner sites and virtual communities (iTunes, YouTube, Facebook) to raise the visibility of RCI products (creation of RCI pages and friend groups).
- Development of a new, more interactive site *RC/viva.ca* where various linguistic communities can come together.

Audit Committee

(May 6, 2009)

Subject matter

Risk Management Update

Background

The Annual Risk Management report was presented and approved at the last Audit Committee meeting on March 11, 2009.

The Audit Committee requested regular updates on the management of CBC/Radio-Canada's key risks.

Information on the matter

See attached document

For decision**For information****Prepared by**

Name: Suzanne Morris
date: April 20, 2009

Management recommendation**Last discussed at the Board**

Date: March 11, 2009
Decision made: Annual Risk Management report was presented.

Next steps

Risk Management Update

As at April 20, 2009

Presentation to the
CBC/Radio-Canada
Audit Committee

Stéphane Rivest
Finance & Administration
May 6, 2009

s.18(a)
s.18(b)
s.21(1)(b)

2
April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009
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s.68.1

s.21(1)(b)

s.18(a)

s.18(b)

3
April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009

s.68.1

April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009
	s.68.1		
<p><u>7. Regulatory Decisions</u> <u>a) Licence Review</u> Licences expire August 2009</p> <p><u>b) Regulatory Environment</u> <u>New cable/satellite regulations for distribution</u></p>	<p>Set appropriate expectations and successfully negotiate a set of licence conditions that reflects our mandate and is in keeping with available resources.</p> <p>Lever all CBC platforms and content to negotiate the best possible carriage and rate terms.</p>	<p>Regulatory Affairs</p> <p>French Services English Services</p>	<p>We have made a formal request to the Canadian Radio-Television and Telecommunication Commission (CRTC) for a 1-year extension of our licenses. Still awaiting written response but verbal indications are positive to our request.</p> <p>On March 25th, the House of Commons Standing Committee on Canadian Heritage launched a study on the evolution of Canada's TV industry and its impact on local communities. The study will cover: funding, fee for carriage, the transition to digital programming, the role of the federal government and the impact of local broadcasting.</p>

s.18(a)

s.18(b)

s.21(1)(b)

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009

s.18(a)
s.18(b)
s.21(1)(b)

s.68.1

s.18(a)

s.18(b)

s.21(1)(b)

7

April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009
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s.21(1)(b)

s.21(1)(d)

April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009

s.21(1)(b)

s.21(1)(d)

10

April 20, 2009

Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009
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Risks	Strategies Identified	Components Responsible to Manage Risk	Status Update as at April 20, 2009
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s.18(a)
s.18(b)
s.21(1)(b)

Board of Directors
May 6, 2009

s.18(a)
s.18(b)
s.21(1)(b)

Schedule A

Subject matter

Update to the 3-year Capital Plan

Background

Information on the matter

For decision

For information

Prepared by

Name: Raymond J. Carnovale
Date: April 17, 2009

Recommendation

Last discussed at the Board

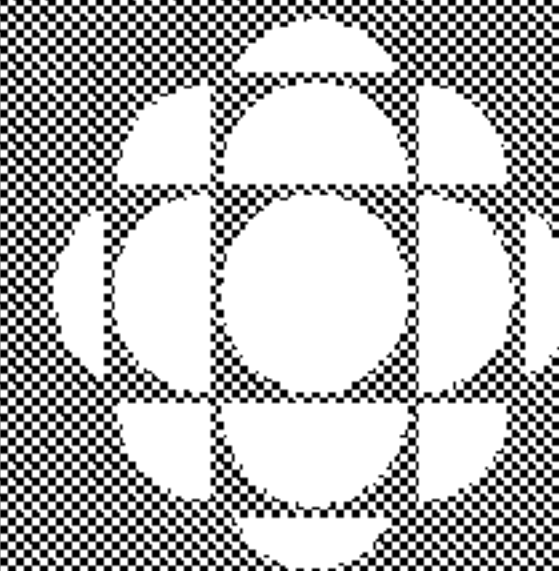
Date: March 16, 2009
Decision made:

Next steps

Update to the 2009/2010 Capital Plan

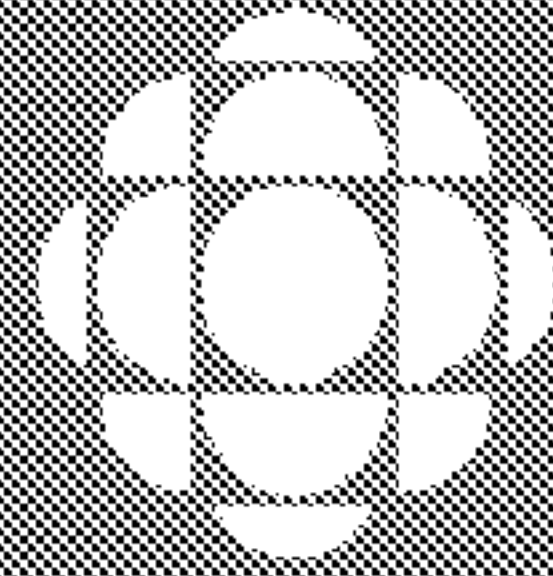
Board of Directors Presentation

May 6th 2009



s.18(a)
s.18(b)
s.21(1)(b)

Context



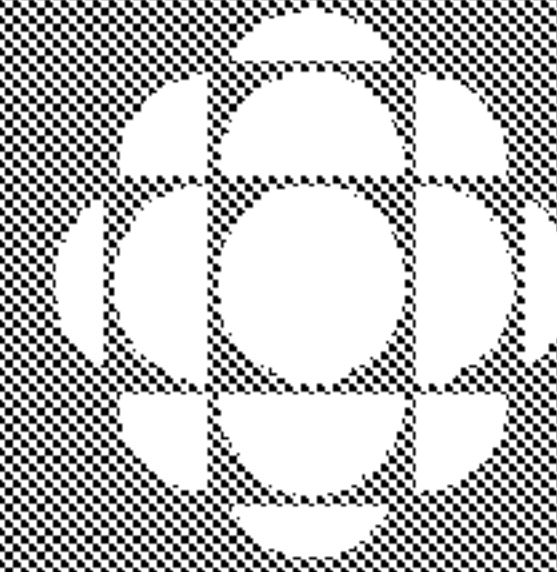
May 6th, 2009

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2

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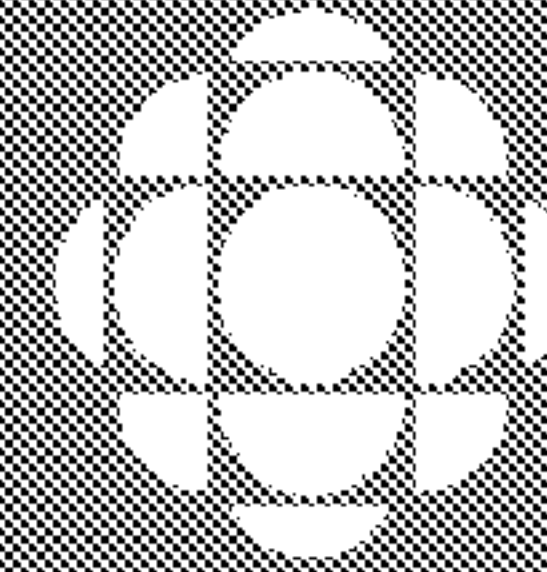
Context



- The remaining changes represent small spending delays in various projects.
- In all cases the changes do not pose unmanageable risks.
- The next 2 slides are updates to financial charts presented in March.

s.18(a)

Part 5.3 Recommended Capital Budget

2009/2010 Recommended Capital Budget
and 3-Year Plan Highlights (cont'd)

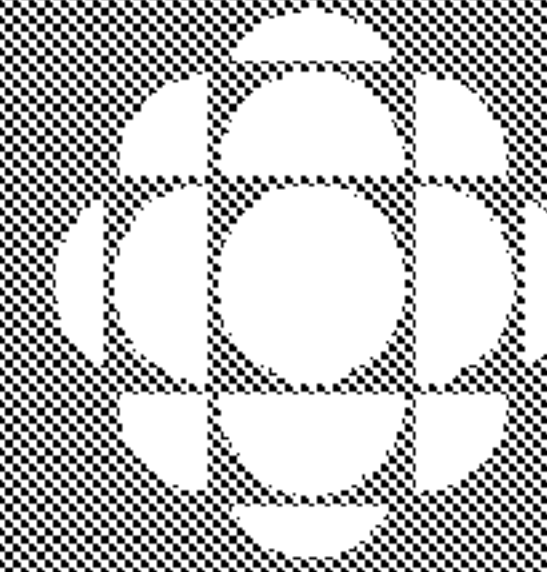
2009/10 TO 2011/12 CAPITAL INVESTMENT PLAN

	Budget 2009/10	Forecast 2010/11 2011/12		Total	% of 3-Year Plan
CAPITAL INVESTMENT PLAN¹					
Production Infrastructure					
Enterprise Systems & Technology Infrastructure					
Presentation, Collection, Distribution & Delivery					
Property Management					
Fleet and Minor Capital Purchases					
Corporate Contingency					
TOTAL CAPITAL INVESTMENT PLAN					
Base Capital Appropriation					
Toronto Broadcast Centre Mortgage (capital portion)					
Operating Loans/(Repayments) ²					
Affiliates Replacement Funding from operating reserve and other sources					
Galaxy Proceeds to assist capital pressures:					
Specialty Services Repayments to capital					
Proceeds resulting from capital projects					
Other Minor Vote Transfers					
TOTAL AVAILABLE CAPITAL FUNDING					
Planned Increase / (Decrease) to Exceed Available Resources³					

s.18(a)
s.18(b)
s.21(1)(b)

Part 5.3 Recommended Capital Budget

Projects > \$5 M



PROJECTS APPROVED (in \$000's)							
Projects	BOD approval date (1)	2009/10	2010/11	2011/12	3-Year Total (2)	All Years Total (3)	Original Budget
Mission Critical:							
Vision							
Desktop Radio							
Upgrade CDI - Montreal							
Payback initiatives:							
Cogeco Disaffiliation							
Growing the business							
Vancouver Renovation ⁽⁴⁾	Sept 23, 2008	18 731	235	0	18 966	78 949	
Ottawa Consolidation	Jan 22, 2002	1 540	0	0	1 540	49 205	
Edmonton Consolidation	July 22, 2002	747	0	0	747	15 700	
Quebec Consolidation	Nov 26, 2002	42	0	0	42	20 885	
Subtotal - Projects Approved		52 469	13 213	2 255	67 937	310 121	
PROJECTS PLANNED (in \$000's)							

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL**

April 1st, 2009

PRESENT:

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. George Cooper	
Mr. Peter Charbonneau	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. George Smith, Senior Vice-President, Corporate Priorities and Implementation
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Ms. Katya Laviolette, Vice-President, People and Culture
Mr. Shaun Poulter, Senior Director, Government Relations
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
CONFERENCE CALL
April 1st, 2009**

s.18(b)
s.21(1)(b)
s.21(1)(c)

The Chair called the meeting to order at 10:30 a.m.

The Chair thanked everyone for participating on short notice and all those present agreed to waive proper notice of the meeting.

UPDATE ON THE CORPORATION'S RECOVERY PLAN

The Chair advised that the purpose of the meeting was to update Board members on the implementation of the recovery plan as adopted by the Board of Directors. The President and CEO indicated that the debrief would cover three key aspects following the Announcement of the Recovery Plan:

The President and CEO reported that following the announcement, the Minister indicated in an interview that the Corporation would receive its \$60 million for fiscal 2009-10.

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**is withheld pursuant to sections
est retenue en vertu des articles**

21(1)(b), 21(1)(c)

**of the Access to Information Act
de la Loi de l'accès à l'information**

**368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
TORONTO, ONTARIO
MARCH 16 – 17, 2009**

Mr. Timothy W. Casgrain	Chair
Mr. Hubert T. Lacroix	President and CEO
Ms. Linda Black	
Mr. Peter Charbonneau	
Mr. George Cooper	
Hon. Joseph Handley	
Mr. Peter Herrndorf	
Ms. Patricia McIver	
Ms. Trina McQueen	
Mr. Brian Mitchell	
Mr. Rémi Racine	
Ms. Edna Turpin	

REGRETS:

None

ALSO ATTENDING:

Mr. Richard Stursberg, Executive Vice-President, English Services
Mr. Sylvain Lafrance, Executive Vice-President, French Services
Mr. George Smith, Senior Vice-President, Corporate Priorities and Implementation
Mr. Michel Tremblay, Senior Vice-President, Corporate Strategy and Business Partnerships
Mr. Pierre Nollet, Vice-President, Corporate Secretary and Chief Legal Officer
Ms. Johanne Charbonneau, Vice-President and CFO
Mr. Bill Chambers, Vice-President, Branding, Communications and Corporate Affairs
Mr. Ray Carnovale, Vice-President and Chief Technology Officer
Ms. Katya Laviolette, Vice-President, People and Culture
Mr. Michel Saint Cyr, President, Real Estate Division
Ms. Suzanne Morris, Vice-President and CFO Designate
Ms. Meg Angevine, Compliance Officer and Associate Corporate Secretary
Ms. Francine Letourneau, Chief of Staff, Office of the President and CEO

Other participants as identified in the minutes.

**368th MEETING OF THE BOARD OF DIRECTORS
CANADIAN BROADCASTING CORPORATION
TORONTO, ONTARIO
MARCH 16 – 17, 2009**

The Chair called the meeting to order at 1:00 p.m.

IN CAMERA WITH PRESIDENT AND CEO

The Board met in camera with the President and CEO to discuss several topics. There were no matters reported to the Corporate Secretary for inclusion in the minutes.

The in camera session concluded and members of management joined the meeting.

**PRESENTATION AND APPROVAL OF THE 2009-2010 OPERATING,
WORKING CAPITAL AND CAPITAL BUDGETS**

Neal McEneaney, Executive Director, Finance and Administration Management, English Services, Huguette Lavalée, Senior Director, Finance and Administration Management, French Services, and Michael Mooney, Senior Director, Comptrollership and Operations, Finance and Administration joined the meeting. Comprehensive materials covering all aspects of the presentation were distributed to Board members in advance of the meeting.

s.18(a)

s.18(b)

s.21(1)(b)

s.18(a)

s.18(b)

s.21(1)(b)

Corporate Priorities

Ms. Charbonneau briefly reviewed the strategic priorities captured under the three headings of People, Programs and Pushing Forward, as follows:

People – retention and succession planning; diversity within; relationships with the unions.

Programs – delivering high-quality Canadian content; emerging and new platforms; regional presence.

Pushing Forward – new economic model; reporting to the public; investments in technology, real estate and broadcast infrastructure.

Enterprise Risk Management

Ms. Charbonneau introduced the risk management section of the presentation, noting that the emphasis was on capturing the major risks facing the Corporation, as opposed to the individual ranking assigned to each risk. She then reviewed the 2009-2010 key risks, adding that these had been presented and discussed in detail at the March Audit Committee meeting.

Media Strategic Plans

Sylvain Lafrance and Richard Stursberg outlined the key elements of the 2009-2010 business plans respective strategies for English and French Services and the operating and capital budgets for both services, addressing the following topics:

- Global Plan –2008-2009 in review and 2009-2010 targets
- Financial context and key elements of the strategy
- Budget allocation and details of cuts
- Specific measures
- Financial pressures and solutions proposed

The priorities associated with each strategy were identified as well as the corresponding performance measures to track progress.

In their review of the financial context for the French and English services, Mr. Lafrance and Mr. Stursberg referenced :

They also presented background information on the economics of the Corporation's business, covering the cost and revenue structure of the different services and program genres as well as the comparative production costs of regional and network programming. Johanne Charbonneau reviewed the financial pressures facing CBC/Radio-Canada, as outlined in the written material, providing the background and explanation for each one.

Operating Budget – Recovery Plan

s.18(a)
s.21(1)(b)
s.21(1)(d)

Ms. Charbonneau then presented the two solutions proposed for the Board's consideration, detailing the specifics of the one recommended by management and the rationale for the recommendation that the Board adopt the solution involving the sale of assets to generate additional funds. She explained that this solution would: (i) keep the Corporation on strategy; (ii) minimize disruption to the core business during this economic downturn; (iii) minimize job losses; and (iv) place CBC/Radio-Canada in a better competitive position coming out of the recession.

Capital Budget

Johanne Charbonneau provided highlights of the capital budget, covering the following topics: (i) the context for this budget; (ii) the linkages between capital funding and strategic directions; (iii) the elements needed to make the plan work; and (iv) specifics of the recommended capital budget and the three year capital plan.

Impact on People

Katya Laviolette reviewed the material detailing the impact of the proposed budget on employees, addressing the following topics in her presentation: (i) the number of employee positions involved in each business sector of the Corporation; (ii) the steps planned to reduce the impact, using a variety of cost

s.21(1)(b)

s.21(1)(d)

APPROVAL OF MINUTES

Mr. Nollet referred to a proposed change in the minutes to reflect the intent of the motion regarding the amendment to the Pension Plan Trust Deed and outlined the rationale for it.

On a motion duly moved and seconded,

IT IS RESOLVED THAT the minutes of the Board of Directors meeting held on January 19-20, 2009 be approved as amended and that the minutes of the Board of Directors conference call meetings held on January 29, 2009 and February 25, 2009 be and are hereby approved as circulated.

MOTION CARRIED

CHAIR'S REPORT

Mr. Casgrain provided a report on his activities since the January Board meeting, referencing a number of meetings and other events comprising his schedule. He stated that his primary focus during the period had been to support the President and CEO in his efforts to persuade the Government to afford the Corporation greater financial flexibility.

s.19(1)

In addition, Mr. Casgrain highlighted the following: (i) his attendance at the Politics and the Pen dinner, where he met with . . . ; (ii) the appointment of a new CFO for the CBC/Radio-Canada Pension Fund; and (iii) his appointment as the Chair of the Pension Fund Board of Trustees.

AUDIT COMMITTEE REPORT

Mr. Peter Charbonneau, Chair of the Committee, presented the report. In his introductory remarks, he referenced the following matters: (i) the in camera session at the outset of the meeting to discuss several items related to the Audit Committee's process; (ii) introduction of the new CFO, Suzanne Morris; and (iii) the CFO report.

Additional Funding for Vision Project

The Vision project achieved its final milestone on January 26, 2009 with the successful Go-Live of English Television. Ray Carnovale and Internal Audit

reported to the Audit Committee on the final stages of this project and the Committee offered its congratulations to Mr. Carnovale and the entire project team for their efforts.

s.18(a)

s.20(1)(b)

On a motion duly moved and seconded

MOTION CARRIED

Postponement of Special Examination

At the suggestion of the Office of the Auditor General, it has been proposed that the Special Examination that was slated to begin in 2009, with a report expected in 2010, be postponed (to begin in 2011 with a report expected in 2012). The Audit Committee recommended its approval by the Board. Board members were advised that the text of the resolution was changed slightly to reflect the fact that between the date of the Audit Committee meeting and the date of the Board meeting, the amendment to the Financial Administration Act received Royal Assent.

On a motion duly moved and seconded

Whereas the Corporation adopted a motion in November 2008 to cause the Auditor General to carry out the next special examination pursuant to section 138 of the Broadcasting Act with an intended date for the report of March 2010;

Whereas both the Corporation and the Auditor General see the benefit in postponing the special examination due to extraordinary circumstances;

Whereas a recent amendment to the Financial Administration Act provides that a special examination shall be carried out at least once every 10 years (such amendment having received Royal Assent on March 12, 2009);

Whereas the last special examination for the Corporation was carried out in 2005;

IT IS RESOLVED THAT the Corporation rescinds its motion of November 16th, 2008 causing a special examination to be carried out by the Auditor General of Canada in accordance with section 138 of the *Financial Administration Act*, with an expected report in March 2010;

IT IS FURTHER RESOLVED THAT a special examination be carried out by the Auditor General of Canada in accordance with section 138 of the *Financial Administration Act*, whereby the plan for the special examination will include the criteria to be applied, and will be submitted by the Auditor General of Canada to the Audit Committee of the Board in mid 2011, with the report to the Board on the results of the special examination expected in fall of 2012.

MOTION CARRIED

s.18(a)

s.20(1)(b)

Approval of Contracts

After discussion, the Committee approved the following contracts:

HRG Travel Agency Contract -

InterfaceFlor Canada Inc.

Presentation on Key Risks

Johanne Charbonneau and Stephane Rivest presented a review of the 2008-2009 key risks together with a report on the 2009-2010 key risks and action plans. The top 16 risks for CBC/Radio-Canada were reviewed together with comments on the plans for managing and mitigating them. A summary of this report was included as part of the 2009-2010 budget presentation to the Board. Lastly, an overview of the insurance coverage maintained by the Corporation was provided to the Committee.

Internal Audit Plan for 2009-2010

The plan was presented by Michel Maisonneuve and included the planning methodology, details of the process audits and special projects to be completed, and the time involved. Mr. Maisonneuve also identified the linkages between the key risks for the Corporation and the internal audits planned. After discussion, the Committee approved the plan as submitted.

Other Reports and Presentations

In addition, the Committee received the following reports/presentations: (i) Quarterly Internal Audit Report (3rd Quarter); (ii) Financial Management Report as at January 31, 2009; (iii) Update on International Financial Reporting Standards Project; (iv) Update on Annual Attest Audit; and (v) Options for next actuarial evaluation of the Pension Plan. With respect to a proposed actuarial

evaluation of the pension plan as at December 31, 2008, the Board endorsed the Committee's view that, if the Trustees of the Pension Plan decide to conduct an actuarial valuation as at December 31, 2008, the Board should confirm its support for the Trustees' decision.

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Audit Committee the Board of Directors, in the event that the Trustees of the Pension Plan decide to conduct an actuarial valuation as at December 31, 2008, hereby confirms its support for the Trustees' decision.

s.19(1)

MOTION CARRIED

Lastly, Mr. Charbonneau reported that the Audit Committee met in camera with each of the Internal Auditor, the Office of the Auditor General, and the CFO.

The Chair thanked Mr. Charbonneau for his report.

ADJOURNMENT

The meeting adjourned at 7:00 p.m. on March 16, 2009.

The meeting resumed at 8:00 a.m. on March 17, 2009.

HUMAN RESOURCES AND COMPENSATION COMMITTEE REPORT (IN CAMERA)

Edna Turpin, Chair of the Committee, presented the report. The following motions were passed during the in camera presentation of the report and noted by the Secretary who was in attendance for this portion of the in-camera meeting.

Approval of Management/APS and Confidential Employees Compensation and Incentive Budget for 2009-2010

On a motion duly moved and seconded

s.18(b)

s.21(1)(b)

s.21(1)(d)

s.18(a)
s.21(1)(b)
s.21(1)(d)

MOTION CARRIED

**Approval of Executive Management Compensation and Incentive Budget
for 2009-2010**

On a motion duly moved and seconded

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee the Board of Directors approves a base salary freeze for VP's and Executives for 2009.

MOTION CARRIED

Board members raised the following concerns in considering the treatment of performance pay in a downsizing exercise:

s.21(1)(b)

s.21(1)(d)

Voluntary Retirement Incentive Program

Ms. Laviolette explained to the Committee the context of the Voluntary Retirement Incentive Program and all Board members were provided with the relevant documentation at the meeting. Ms. Laviolette outlined the motivation for the plan, referencing the necessity to maintain a certain diversity of the workforce. She stated that meetings would be held with the unions to discuss the specific details of the program, with a view to determining if additional changes were required.

On a motion duly moved and seconded

WHEREAS it is in the best interest of the Corporation to minimize the impact of potential lay-offs by approving a Voluntary Retirement Incentive Program;

WHEREAS the Minister's approval may be required in respect of this Program;

WHEREAS unions may have alternatives to offer to this Program or alternatively may have improvements to offer for management's consideration;

WHEREAS the Human Resources and Compensation Committee must be delegated the power to approve any variation to this program and report same to the following Board meeting;

IT IS RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves the Voluntary Retirement Incentive Program, filed with the original of these minutes as Exhibit A;

IT IS FURTHER RESOLVED THAT on the recommendation of the Human Resources and Compensation Committee, the Board of Directors hereby approves By-law 17.1 and its schedule I-2009 or any variance thereto as the Human Resources and Compensation Committee may approve from time to time, exercising the delegated authority from the Board to do so

and further approves that, to the extent required, Management be authorized to seek Ministerial approval for such By-law.

The text of By-Law 17.1 and its Schedule I-2009 shall be filed together with the original of these minutes as Exhibit B.

MOTION CARRIED

SCRC Mandate

On a motion duly moved and seconded

s.18(b) **IT IS RESOLVED THAT** on the recommendation of the Human Resources
s.21(1)(b) and Compensation Committee, the Board of Directors hereby approves
s.21(1)(d) the renewal of a collective agreement

MOTION CARRIED

The Chair thanked Ms. Turpin for her report.

IN CAMERA WITH THE PRESIDENT AND CEO

The President and CEO met again with the Board in camera to continue the discussion on budget and financial matters. No matters were reported to the Corporate Secretary for inclusion in the minutes.

PRESENTATION AND APPROVAL OF THE 2009-2010 OPERATING, WORKING CAPITAL AND CAPITAL BUDGETS CONT'D.

The Board then proceeded to examine in detail the impact of the budget cuts on both English and French media services. Richard Stursberg and Sylvain Lafrance provided a detailed presentation on the choices proposed for the two

services, referring to the confidential documents distributed to Board members and highlighting the impact of the proposed cuts in the areas of television, radio, and news.

Mr. Stursberg highlighted the following plans:

Mr. Lafrance, in his comments, noted that:

A lengthy exchange between Directors and management followed, raising a number of discussion points. Among the issues discussed were:

s.18(b)

s.21(1)(b)

s.68.1

The Board reviewed in depth the choices made in each area of the Corporation, in its efforts to achieve the appropriate balance between the following: (i) English and French Services; (ii) television and radio; (iii) the networks and the regions; and (iv) new media and traditional media. The Board observed that it was extremely difficult to make meaningful comparisons between the budgets for English and French Services, in order to assess whether the burden of the cuts had been distributed equitably between them. In addition, the Board recognized the other important factors to be weighed, including: (i) staying on strategy to the greatest extent possible; (ii) minimizing the impact on employees, especially in terms of job losses; (iii) maintaining local presence; (iv) continuing to serve minority language populations; and (v) preserving CBC/Radio-Canada's role as national public broadcaster.

s.18(b)

s.21(1)(b)

After the presentation, the Board congratulated management for its excellent work in the preparation of the budgets and supporting materials. In particular, the Board expressed its heartfelt thanks to Ms. Johanne Charbonneau for her presentation, noting that it would be the last presentation by Ms. Charbonneau as Vice-President and CFO.

Lastly, Bill Chambers outlined the key elements of the communication plan developed to manage communications with employees, government, and external stakeholders. Mr. Chambers responded to questions from Directors on the specifics of the plan and the timing of various elements. The Board deferred further discussion to the in camera session.

Mr. McEneaney and Ms. Lavalée withdrew from the meeting.

MONETIZATION OF CASH FLOWS AND ASSETS

Bill Atkinson, Executive Director, Business Development, joined the meeting.

Michel Tremblay and Bill Atkinson reviewed the material distributed to Board members in advance and provided a written summary at the meeting on the transactions contemplated. In their presentation, they addressed the following:

s.18(a)

s.18(b)

s.21(1)(b)

On a motion duly moved and seconded

IT IS RESOLVED THAT the Board of Directors hereby approves the monetization of the cash flows and assets as set out below, each in accordance with the terms and conditions set out in the corresponding

Supplementary Resolution as indicated, with a copy of such Supplementary Resolution to remain attached to the original of these minutes as an Appendix:

ONTREA Cash Flow	Supplementary Resolution in Appendix 1
Stingray Receivables	Supplementary Resolution in Appendix 2
Sirius Assets	Supplementary Resolution in Appendix 3
Real Property/Other Assets	Supplementary Resolution in Appendix 4

MOTION CARRIED

The Chair thanked Mr. Tremblay and Mr. Atkinson for their presentation. Mr. Atkinson withdrew from the meeting.

PROFAC 7-YEAR CONTRACT EXTENSION

Michel Saint-Cyr outlined the background and context of the proposed renewal of the contract with ProFac for facilities and project management services for CBC/Radio-Canada. In particular, he presented details of the following: (i) the rationale for the proposed extension/renewal at this time; (ii) the terms of the renewal; and (iii) the advantages to CBC/Radio-Canada.

Management responded to questions from Board members about: (i) the implications of renewing this contract

s.20(1)(b)
s.21(1)(b)

The Board deferred its decision on the contract to permit further discussion in camera.

MATTERS ARISING FROM PREVIOUS MEETINGS

There were no matters to report.

IN CAMERA WITH THE PRESIDENT AND CEO

The President and CEO met with the Board in camera to continue the discussion on budget and financial matters and to deal with the report of the Human Resources and Compensation Committee. The following matters were reported to the Secretary for inclusion in the minutes.

APPROVAL OF THE 2009-2010 OPERATING, WORKING CAPITAL AND CAPITAL BUDGETS

After further discussion, the Board approved the budgets as presented.

On a motion duly moved and seconded

WHEREAS:

- A. Management presented the 2009-10 Business Plans to the Board, a copy of which shall be filed together with the original of these minutes as Exhibit "C";
- B. The Board has reviewed the Corporate Priorities, Strategic Plans, Enterprise Wide Risk Management and the Financial Context all as further described in the Business Plans;
- C. The Board was also fully apprised of the Recovery Plans and the Reduction Programs;
- D. The Board is approving, simultaneously with the Business Plans and the related budgets, several transactions to enable implementation of the Recovery Plans and to balance the Budget.

IT IS RESOLVED THAT:

s.18(a)

- A. The Board hereby approves the Business Plans inclusive of the Recovery Plans and the Reduction Programs as presented;

- D. The President and CEO or the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to do everything in their power to implement the Business Plans.

MOTION CARRIED (two abstentions)

CREATION OF STRATEGIC COMMITTEE

After discussion, the Board concluded that a new committee, the Strategic Committee, should be established, whose role will be to review the role of the public broadcaster, with particular focus on such elements as news, regions, international coverage, commercial revenues, and the contract with Canadians. The terms of reference for the committee and its proposed membership will be presented to the Board in May for consideration and approval.

CONCLUDE

Having no further business to discuss, the meeting concluded at 3:00 p.m.

SALE OF ONTREA RECEIVABLES

WHEREAS:

- A. Canadian Broadcasting Corporation (the "**Corporation**") is the owner of the multi-purpose broadcasting facility and related equipment and infrastructure at 250 Front Street West in Toronto, Ontario (the "**Canadian Broadcasting Centre**");
- B. In 2003, the Corporation leased and sold certain lands adjoining the Canadian Broadcasting Centre to Ontrea Inc. and to The Cadillac Fairview Corporation Limited, and in respect of which the Corporation continues to receive periodic installments of the purchase price and rent more particularly described in Schedule "A" annexed hereto (such revenue hereinafter referred to as the "**ONTREA Receivables**");
- C. The ONTREA Receivables appear in the January 31, 2009 financial statements of the Corporation in the amount of \$ 120,685,171
- D. Management has determined that it was in the best interest of the Corporation to explore the possibilities to dispose of the ONTREA Receivables either by way of sale to third parties or through prepayment of the ONTREA Receivables by the original debtors (collectively the "**Purchaser**") (overall the "**Transaction**");
- E. To do so, the Corporation shall have to hire the services of an investment banker to advise as to the value of the ONTREA Receivables, market and obtain offers to sell the ONTREA Receivables;
- F. Furthermore, the Corporation may be asked to participate in the creation of a trust, in-trust bank account or other vehicle to collect the rent and payments under the ONTREA Receivables in order to facilitate their disposition;
- G. In case of a default by the Corporation in depositing and remitting the ONTREA Receivables to the Purchaser as and when such amounts are owed by ONTREA Inc. and The Cadillac Fairview Corporation Limited (a "Default Situation"), the Corporation would agree to repurchase from the eventual Purchaser, when owed, any outstanding ONTREA Receivables to the extent of any deficiency in the payment of its face amount provided however that such buyback provisions will not be applicable to a prepayment Transaction with ONTREA and The Cadillac Fairview Corporation Limited;
- H. The financial terms and price of the Transaction shall have to be agreed upon by this Board prior to delivery and consummation of the Transaction;

- I. Under the *Broadcasting Act*, the Governor in Council will have to authorize the Corporation to sell the ONTREA Receivables and may have to authorize a change of the current agreements to provide for the prepayment by ONTREA Inc. and The Cadillac Fairview Corporation Limited on the ONTREA Receivables.

IT IS RESOLVED THAT:

(Approving Transaction) The Corporation be and is hereby authorized to (i) seek and obtain offers to purchase the ONTREA Receivables or to prepay the rent and purchase price owed pursuant to such receivables with a view to procure to the Corporation the best possible proceeds of disposition of the ONTREA Receivables, (ii) agree to buy back any unsatisfied ONTREA Receivables at face value in the case of a Default Situation, the whole being subject to

- i. the approval of the Governor in Council if and when required;
- ii. the approval of the financial terms and price of the Transaction by this Board; and
- iii. the Corporation not being otherwise prevented from retaining for its own corporate use the proceeds of disposition of the ONTREA Receivables; (collectively the "Conditions").

(Approving Hiring of Investment Banker) The Corporation be and is hereby authorized to hire the services of an investment banker pursuant to a request for proposal issued in accordance with the internal procurement policies of the Corporation, upon terms and conditions acceptable to the Corporation and to enter into an agency agreement, upon terms and conditions acceptable to the Corporation, with the chosen investment banker;

(Approving Maintenance of Trust Account) To the extent required, the Corporation be and is hereby authorized to create and maintain a bank account with a financial institution to which the Corporation would direct Ontrea Inc. and The Cadillac Fairview Corporation Limited to deposit payments from ONTREA Receivables and for the Corporation to remit same to Purchaser.

(Approving the negotiation of the Transaction Documents) The Corporation be authorized to negotiate and eventually enter into all the required ancillary documents in order to give effect to the Transaction (hereafter the "Transaction Documents"), subject only to the Conditions above and any other reasonable terms and conditions reasonably agreed to by the Corporation and the Purchaser.

(Approving the signing of Treasury Board Submission and Transaction Documents) Any one of the President and CEO, or the Senior Vice President, Corporate Strategy and Business Partnerships together with the Vice President and Chief Financial Officer or their respective delegates, for and on behalf of the Corporation be and are hereby authorized to (i) sign and execute on behalf of the Corporation the Transaction Documents (ii) sign and file the Treasury Board