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\$100 MILLION REFUND BEING SOUGHT FOR CANADIAN CABLE TV SUBSCRIBERS

OTTAWA--"The federal government has an obligation to investigate what has occurred between the Canadian Radio-Television Telecommunication Commission (CRTC) and the cable television industry", said Dan McTeague, M.P., at a press conference where Cable Watch Citizens' Association announced it will file a complaint with the CRTC requesting refunds for millions of Canadian cable TV subscribers.

"The CRTC provided cable companies with a generous financial incentive to act as "tax collectors" for a new Canadian program production fund. The CRTC allowed cable operators to charge subscribers twice as much as they "voluntarily contribute" to the Cable Production Fund. However, cable companies neglected to notify their customers about this. This is totally unacceptable. Subscribers have a right to know what they are paying for and to have their interests protected. These rights have been completely ignored", said McTeague.

"It appears there was a combined effort by the CRTC and the cable TV industry to pull the wool over the eyes of subscribers about the Fund and the bonus provided those companies who contribute to it. The CRTC also failed to notify Canadians of the hearing where this "tax" was placed on the agenda. Canadians were effectively eliminated from participating in what is suppose to be a public process and had no input in a decision about what was to be done with their money", added McTeague.

"Parliament did not give the CRTC the authority to introduce this "tax". It also did not give the CRTC the authority under the Broadcasting Act to regulate cable rates in a manner which enables cable companies to become "tax collectors" for this Fund while keeping half of the money they obtained for unspecified purposes. Subscribers are being forced to pay the cable industry \$600 million over the next five years to provide only \$300 to the Fund. The CRTC could have simply ordered the companies to contribute \$300 million to the Fund directly. Moreover, some subscribers are paying 57 times more than others to the Fund. This is a further indication of the unfairness involved", said McTeague.

"Millions of Canadian cable TV subscribers deserve refunds and the CRTC should be held accountable for their actions in this regulatory shell game", concluded McTeague.

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