OTTAWA - A funding organization that pays public-interest groups for taking part in hearings held by the Canadian Radio-television and Communications Commission, the federal broadcasting regulator, says it is running out of money and may have to close.

The Broadcasting Participation Fund said in a statement that the lack of money may mean it can't pay those groups to take part in forthcoming CRTC hearings on the federal government's online streaming and online news bills, known as C-11 and C-18, which are expected to become law within months.

The fund is an independent body set up by the CRTC to administer payments to organizations representing noncommercial interests, so they can advocate at the regulator's proceedings.

In its statement, the fund said it "stands at a critical juncture," with less than $330,000 left to distribute. It added that the two bills are likely to result "in a significant number of complex hearings as early as this year."

The fund's board is preparing to suspend the fund's operations this summer and close it permanently next year unless it receives an injection of cash, according to the statement.

Michael Geist, the University of Ottawa's Canada Research Chair in internet law, said creators who post on YouTube should be able to participate in CRTC hearings on the implementation of the streaming bill. But he said they may not be able to do so if the fund closes down and can't compensate them for taking part.

"It's these kinds of groups of creators that need support," he said.

Private broadcasters have to pay into the fund, but have no influence over who receives the money. The fund says an anticipated $725,439 payment from Rogers, after its takeover of Shaw Communications, will be insufficient to keep the fund afloat for the next two years.

Robin Jackson, the fund's chair, told The Globe and Mail she asked the federal Heritage Department and the CRTC for a bridging loan in 2021, after warning them of the fund's precarious financial situation. She said the fund did not receive any money.

The CRTC's remit is expected to be expanded considerably with the passage of bills C-11 and C-18, prompting more hearings.

Bill C-11 will give the CRTC the power to regulate online platforms such as YouTube, Netflix and Spotify, which under the new law would have a duty to promote Canadian content and fund Canadian creative work.

The bill is in its final stage in the Senate, and could become law within the month.

The CRTC will also have an expanded role after the passage of Bill C-18, the online news bill, which is now in the Senate.

The bill, which is expected to become law by this fall, would make Google and Facebook pay news organizations for reusing their work or posting links to it.

Under that legislation, the CRTC would oversee a regime for enabling news organizations to make deals with the tech giants. Some news organizations, including The Globe, have already made such agreements.
Monica Auer, executive director of the Forum for Research and Policy in Communications, said bills C-11 and C-18 will probably lead to complex CRTC proceedings.

"These are going to be difficult hearings. They are going to be extensive. Just the hearing component is going to last weeks," she said.

The Broadcasting Participation Fund faced questions last year after news media learned that it had paid $500,000 to the Community Media Advocacy Centre, an anti-racism group, for participating in proceedings held by the CRTC.

Laith Marouf, whom CMAC employs as a senior consultant, was condemned by Prime Minister Justin Trudeau, cabinet ministers and MPs after it emerged that he had sent a series of derogatory tweets about "Jewish white supremacists," francophones and Black and Indigenous public figures. Mr. Marouf participated personally in CRTC hearings.

The CRTC subsequently launched a review of who is eligible to receive payments for taking part in its hearings.