

CanWest may face appeal

The country's largest media union may appeal the CRTC's approval of the Atlantis acquisition.

By STEVE RENNIE, CP

OTTAWA -- Canada's largest media union may appeal a ruling by the federal broadcast regulator that gave the go-ahead to a \$2.3-billion takeover of one of the country's top entertainment companies by CanWest Global Communications, with a substantial investment from Wall Street.

The Communications, Energy and Paperworkers union of Canada said yesterday the CRTC's decision on CanWest's acquisition of Alliance Atlantis Communications skirts foreign ownership restrictions since Goldman Sachs is putting up most of the money for the deal.

"I just don't know of any other companies where those people holding the equity aren't going to have any kind of serious influence on the direction of the company, particularly if the company finds itself in any sort of difficulty," said Peter Murdoch, the union's vice-president of media.

"Once you invest in something, you want to make sure that that company is going to return on your investment."

Murdoch said the union plans to decide early in the new year whether to appeal the decision.

The nationalist Council of Canadians also said yesterday it's considering joining an appeal of the CRTC's ruling.

"The council normally doesn't get involved in that sort of thing, although it's a possibility for us this time because we feel so strongly about the issue," said council board member Garry Neil.

Two avenues of appeal could be the federal cabinet or the Federal Court of Canada. There is a 90-day window under the Broadcasting Act in which to launch a petition to cabinet.

Cabinet has been open to appeals on CRTC rulings.

Cabinet instructed the CRTC in May 2006 to reconsider a controversial policy for voice-over-Internet-phone services. Although the federal regulator ended up sticking to its decision, it agreed to take another look at the broader issue of regulations that restrict former monopolies such as Bell Canada.

