



Broadcasting Decision CRTC 2014-181

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Route reference: 2014-47

Ottawa, 17 April 2014

629112 Saskatchewan Ltd.
Saskatoon, Saskatchewan

Application 2013-1468-2, received 5 November 2013

CKBL-FM Saskatoon – Licence renewal

*The Commission **renews** the broadcasting licence for the English-language community radio station CKBL-FM Saskatoon from 1 September 2014 to 31 August 2021.*

Application

1. The Commission received an application from 629112 Saskatchewan Ltd. to renew the broadcasting licence for the English-language commercial radio station CKBL-FM Saskatoon, which expires 31 August 2014. The Commission did not receive any interventions regarding this application.

Non-compliance

2. In Broadcasting Notice of Consultation 2014-47, the Commission indicated that the licensee was in apparent non-compliance with its requirements relating to contributions to Canadian content development (CCD). Specifically, during the 2010–2011 to 2012–2013 broadcast years, the licensee failed to make its full contribution to FACTOR, while in the 2011–2012 and 2012–2013 broadcast years, it did not make its full contribution to the Community Radio Fund of Canada (CRFC), as required by section 15 of the *Radio Regulations, 1986* (the Regulations).
3. The licensee explained that during its audit, the Commission transferred the revenue that CKBL-FM had identified as “other” to the “broadcasting revenues” category. It indicated that since it had not been notified, it was not aware that the station had a shortfall with respect to CCD contributions.
4. The licensee stated that it now understands how expenditures are audited by the Commission. It added that since expenditures will, going forward, be attributed to the broadcasting revenues category, the station should remain in compliance in the future.
5. The Commission notes that the reclassification of certain broadcasting revenues occurred after the licensee’s annual returns were examined. The reclassification

resulted in an increase in revenues and, as a direct consequence, an increase in CCD contributions, which are calculated on the basis of a service's broadcasting revenues.

6. In the context of the renewal application, the reclassification was confirmed with the licensee by Commission letter.
7. The Commission further notes that before discovering the accounting error, the licensee had in fact made the appropriate contributions according to the declared broadcasting revenues, which at the time excluded expenses placed under the "other" category, and believed that it was therefore in compliance. The licensee took the necessary measures to compensate for the shortfall and rectify the situation immediately after being notified of the accounting error.
8. The licensee confirmed that it had made payments to FACTOR and the CRFC to fully cover the amount adjusted according to its broadcasting revenues. The Commission has received proof that these payments have been made.
9. In light of the above, the Commission considers that the licensee is in compliance regarding its CCD contributions for CKBL-FM. It finds it appropriate to grant a full-term renewal to that station.

Conclusion

10. Accordingly, the Commission **renews** the broadcasting licence for the English-language community radio programming undertaking CKBL-FM Saskatoon from 1 September 2014 to 31 August 2021. The licensee shall adhere to the **conditions of licence** set out in Broadcasting Regulatory Policy 2009-62, as amended from time to time.

Reminder

11. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licence renewed in this decision will cease to have any force or effect if the broadcasting certificate issued by the Department of Industry lapses.

Employment equity

12. In accordance with Public Notice 1992-59, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Secretary General

Related documents

- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2014-47, 7 February 2014

- *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009
- *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992

**This decision is to be appended to the licence.*