



Broadcasting Decision CRTC 2021-55

PDF version

Reference: Part 1 licence renewal application and Part 1 application posted on
30 October 2020

Ottawa, 10 February 2021

**Bell Media Inc. and 8384819 Canada Inc., partners in a general partnership
carrying on business as Bell Media Regional Radio Partnership**
Montréal, Quebec

Public record for these applications: 2019-0889-9 and 2019-0857-6

CKGM Montréal – Licence renewal and licence amendments

*The Commission **renews** the broadcasting licence for the English-language commercial AM radio station CKGM Montréal from 1 March 2021 to 31 August 2027.*

*The Commission **denies** the licensee's request to amend CKGM's condition of licence relating to local programming in order to reduce the amount of local programming broadcast from 96 hours to 63 hours per broadcast week.*

*In addition, the Commission **approves** the licensee's request to delete CKGM's condition of licence relating to over-and-above Canadian content development contributions.*

Licence renewal

1. The Commission has the authority, pursuant to section 9(1) of the *Broadcasting Act*, to issue and renew licences for such terms not exceeding seven years and subject to such conditions related to the circumstances of the licensee as it deems appropriate for the implementation of the broadcasting policy set out in section 3(1) of the *Broadcasting Act*, as well as to amend such conditions on application of the licensee.
2. Consistent with that authority, the Commission **renews** the broadcasting licence for the AM English-language commercial radio programming undertaking CKGM Montréal, Quebec, from 1 March 2021 to 31 August 2027.¹ The terms and **conditions of licence** are set out in the appendix to this decision.

Licence amendment – Local programming

3. Among other things, section 3(1) of the *Broadcasting Act* requires programming provided by the Canadian programming system to be drawn from local, regional, national and international sources (section 3(1)(i)(ii)) as well as to be reflective of

¹ The original licence expiry date for the station was 31 August 2020. The licence was administratively renewed until 28 February 2021 as a result of Broadcasting Decision 2020-284.

Canadian attitudes, opinions, ideas and values (section 3(1)(d)(ii)), and to serve the needs and interests, and reflect the circumstances and aspirations of all Canadians (section 3(1)(d)(iii)). It also requires each element of the broadcasting system to contribute to the creation and presentation of Canadian programming as appropriate (sections 3(1)(e) and (s)). In accordance with these aspects of the broadcasting policy and pursuant to its authority in section 9(1) of the *Broadcasting Act*, the Commission has imposed conditions of licence regarding local programming, on radio stations.

Licensee's request

4. Bell Media Inc. and 8384819 Canada Inc.,² partners in a general partnership carrying on business as Bell Media Regional Radio Partnership (Bell Media Regional Radio Partnership) filed an application (2019-0857-6) to amend CKGM's condition of licence relating to local programming, set out in Appendix 4 to Broadcasting Decision 2013-611. The condition of licence is as follows:

4. The licensee shall ensure that at least 96 hours of the programming broadcast during the broadcast week is devoted to local programming as defined in paragraph 207 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.
5. Specifically, the licensee requested to reduce the amount of local programming to be broadcast from 96 hours to 63 hours per broadcast week.
6. The licensee indicated that CKGM's typical broadcast week consists primarily of locally-produced programming on weekdays from 6 a.m. to midnight. It added that a portion of this content is focused on local sports franchises—the Montréal Canadiens, the Montréal Alouettes and the Montréal Impact³—and that the station broadcasts the games of all three franchises, including pre- and post-game coverage. The licensee indicated that the station also broadcasts approximately 6 to 10 hours of locally-produced programming on weekends. Finally, it specified that CKGM offers local perspectives, including from local experts, on a range of out-of-market sports news and events.
7. Bell submitted that while it is committed to providing its audience with comprehensive sports coverage, the obligation to broadcast at least 96 hours of local programming during each broadcast week can at times require it to make programming decisions that result in Montréal sports fans being deprived of live play-by-play coverage of compelling sporting events, since such coverage is typically not considered local programming.

² Bell Media Inc. and 8384819 Canada Inc. are collectively referred to in this decision as “the licensee” of CKGM.

³ On 14 January 2021, the Montréal Impact changed its name to Club de Foot Montréal.

8. Finally, the licensee submitted that the broadcast of live professional and amateur sporting events as they happen is the most in-demand programming by sports fans. Therefore, it argued that a reduction in the local programming requirement from 96 to 63 hours would offer CKGM the flexibility to add non-local programming such as national and international live sporting events programming to the program line-up where appropriate.

Commission's analysis and decision

9. In Broadcasting Public Notice 2006-158, the Commission specified that at least one-third (i.e., a minimum of 42 hours per broadcast week) of the programming broadcast by FM radio stations in competitive radio markets must be local programming. However, the Commission reiterated in that public notice that it would continue to refrain from imposing specific minimum local programming requirements for AM stations and would continue to consider local programming requirements for these stations on a case-by-case basis.
10. Local programming includes programming that originates with the station or is produced separately and exclusively for the station. It does not include programming received from another station and rebroadcast simultaneously or at a later time, nor does it include network or syndicated programming that is five minutes or longer unless it is produced either by the station or in the local community by arrangement with the station. In their local programming, licensees must include spoken word material of direct and particular relevance to the community served, such as local news, weather and sports, and the promotion of local events and activities.
11. In Broadcasting Decision 2013-310, the Commission approved a change in effective control of Astral Media inc.'s broadcasting undertakings to BCE Inc. (BCE). Given that, as a result of that transaction, an exception to the common ownership policy for the Montréal radio market was granted, the Commission imposed a number of conditions of approval, which included a requirement for BCE to submit an application to add conditions of licence for CKGM to ensure that it would maintain its current format, that not less than 90% of the programming broadcast during each broadcast day would be drawn from content categories 1 (Spoken Word), 4 (Musical Production) and 5 (Advertising) as defined in Broadcasting Regulatory Policy 2010-819, and that not less than 96 hours of programming broadcast each broadcast week would be devoted to local programming as defined in the 2006 Commercial Radio Policy.⁴ The Commission stated at the time that CKGM's niche format, combined with the respective programming formats of Bell's other stations in the market, would mitigate the impact that granting this exception would have on the competitive state of the market. To ensure that CKGM remains a sports station, BCE stated that it would accept conditions of licence to ensure that not less than 96 hours of programming broadcast each week is devoted to local programming.

⁴ Conditions of licence 2, 3 and 4 set out in Appendix 4 to Broadcasting Decision 2013-611.

12. The coverage of professional and amateur sports events outside Montréal is, for the most part, programming content that would not qualify as local programming. The Commission acknowledges that during certain times of the year, the coverage of live sporting events could bring challenges to CKGM in establishing its weekly schedule in a way that meets its local programming requirement. However, the station can broadcast 30 hours of non-local programming per broadcast week out of a possible total of 126 hours. The Commission considers that this level allows for a significant amount of non-local content and provides sufficient flexibility for the station's programming offering.
13. Further, the Commission considers that the station's condition of licence relating to local programming was an important factor in the approval of an exception to the common ownership policy. By authorizing at this time the requested amendment to this condition of licence, which was imposed in 2013 to mitigate the impact of the exception to the common ownership policy, the Commission would substantially reduce the mitigation measure put in place to justify such an exception. Therefore, the Commission is of the view that reducing CKGM's local programming requirement is not appropriate.
14. In light of the above, the Commission **denies** the licensee's request to amend CKGM's condition of licence relating to local programming in order to reduce the amount of local programming that it must broadcast each broadcast week from 96 hours to 63 hours.

Licence amendment – Canadian content development

15. Sections 3(1)(e) and (s) of the *Broadcasting Act* declare that each element of the Canadian broadcasting system shall contribute in an appropriate manner to the creation and presentation of Canadian programming and that private networks and programming undertakings should, to an extent consistent with the financial and other resources available to them, contribute significantly to the creation and presentation of Canadian programming. Consistent with these objectives and pursuant to its authority under section 9(1) of the *Broadcasting Act*, the Commission has imposed conditions of licence regarding contributions to Canadian content development (CCD).
16. In Broadcasting Decision 2013-310, the Commission approved BCE's proposal to devote \$245,000 over the next seven broadcast years (\$35,000 per broadcast year) to CCD initiatives that would benefit the radio sector, with an emphasis on emerging artists from Montréal's English-language minority community. A condition of licence to that effect was first imposed in Broadcasting Decision 2013-310 and was maintained in Broadcasting Decision 2013-611.⁵

⁵ Condition of licence 6 set out in Appendix 4 to Broadcasting Decision 2013-611.

17. In its licence amendment application, Bell requested that the Commission delete the above-noted condition of licence relating to over-and-above CCD, since at the end of the 2019-2020 broadcast year, the requirement would be fulfilled.

Commission's analysis and decision

18. The Commission has reviewed Bell's payments toward its over-and-above CCD contribution obligation and notes that the licensee paid its required over-and-above CCD contributions each year until the 2019-2020 broadcast year, the last year it was required to do so. As such, Bell is in compliance with its regulatory obligations set out in the above-noted condition of licence.
19. In light of the above, the Commission finds that deleting that condition of licence for CKGM would be appropriate and **approves** the licensee's request.

Reminders

Tangible benefits

20. The Commission reminds the licensee that it must pay any remaining tangible benefits stemming from the ownership transaction approved in Broadcasting Decision 2013-310, subject to the revised allocation of certain of those benefits as approved in Broadcasting Decision 2015-243.

Local news and local programming

21. Local radio stations are an important daily source of local news and information for communities. Holding a broadcasting licence comes with conditions, regulatory obligations and responsibilities, which include contributing to the Canadian broadcasting system by ensuring that Canadians have access to local programming that reflects their needs and interests and informs them of important current issues.
22. In its application, Bell did not propose to broadcast any news during each broadcast week on CKGM.
23. Although Broadcasting Public Notice 2006-158 does not specify a minimum level of local programming to be broadcast by AM stations, it does specify that all licensees will be required, in their licence renewal applications, to address local programming and to describe how the service they provide meets the particular needs and interests of their local communities. In accordance with that public notice, the Commission reminds the licensee that the above-noted station, in its local programming, must incorporate spoken word material of direct and particular relevance to the communities served. In addition, the Commission encourages the licensee to make available to those communities a reasonable amount of daily local programming in order to ensure that the station provides a satisfactory level of local service.

Force and effect of broadcasting licences

24. 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

25. Because the licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development, its employment equity practices are not examined by the Commission.

Secretary General

Related documents

- *Various radio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2020-284, 21 August 2020
- *Applications related to tangible benefits*, Broadcasting Decision CRTC 2015-243, 9 June 2015
- *Various commercial radio stations – Licence renewals*, Broadcasting Decision CRTC 2013-611, 15 November 2013
- *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013
- *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy 2010-819, 5 November 2010
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2021-55

Terms, conditions of licence and expectation for the English-language commercial radio programming undertaking CKGM Montréal, Quebec

Terms

The licence will expire 31 August 2027.

Conditions of licence

1. The licensee shall adhere to the conditions of licence set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, as well as to the conditions set out in the broadcasting licence for the undertaking.
2. The licensee shall operate CKGM Montréal as an English-language commercial AM radio programming undertaking whose programming is dedicated predominantly to all aspects of sports, including coverage of professional and amateur sports events, sportscasts, magazine shows, interviews, commentaries, documentaries, audience participation and open-line programming, instruction and training programs and other programs that promote physical fitness. CKGM will devote its programming principally to Canadian sports coverage.
3. The licensee shall ensure that at least 90% of the programming broadcast during each broadcast day consists of programs drawn from content categories 1, 4 and 5 as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010.
4. The licensee shall ensure that at least 96 hours of the programming broadcast during the broadcast week is devoted to local programming as defined in paragraph 207 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.
5. As an exception to the percentage of Canadian musical selections set out in sections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986*, in any broadcast week where at least 90% of musical selections from content category 2 (Popular Music) that the licensee broadcasts are selections released before 1 January 1981, the licensee shall devote 30% or more of its musical selections from content category 2 throughout the broadcast week and between 6 a.m. and 6 p.m. from Monday to Friday to Canadian selections broadcast in their entirety.

The licensee will also be responsible for specifying on the music lists it provides to the Commission the year of release for all musical selections it broadcasts.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the meanings set out in the *Radio Regulations, 1986*.

6. The licensee shall provide commercially reasonable access to advertising availabilities to unrelated operators of broadcasting undertakings and telecommunications service providers.
7.
 - a) The licensee shall pay tangible benefits in respect of any shortfall in the tangible benefits for the radio broadcasting undertakings to be divested by BCE Inc. (BCE) in accordance with *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013, between \$11.05 million attributed to those undertakings and the aggregate value of the tangible benefits to be paid by purchasers of those undertakings as determined by the Commission in the decision approving the transfer of those undertakings by BCE (“shortfall”).
 - b) In the event of a shortfall, the licensee shall file with the Commission a proposal for the payment of the resulting tangible benefits within 30 days of the Commission's decisions approving the transfer of the last of those undertakings by BCE.

Expectation

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices