Broadcasting Decision CRTC 2023-201

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Reference: Part 1 licence renewal application posted on 27 October 2022

Ottawa, 11 July 2023

Media ClassiQ Inc. Québec, Quebec

Public record: 2022-0413-9

CJSQ-FM Québec - Licence renewal

Summary

The Commission **renews** the broadcasting licence for the French-language commercial specialty radio station CJSQ-FM Québec, Quebec, from 1 September 2023 to 31 August 2029. This short-term renewal will allow for an earlier review of the licensee's compliance with its regulatory requirements.

Application

- 1. The Commission has the authority, pursuant to subsections 9(1) and 9.1(1) of the *Broadcasting Act*, to issue and renew licences and to make orders imposing conditions on the carrying on of a broadcasting undertaking that it considers appropriate for the implementation of the broadcasting policy set out in subsection 3(1) of the *Broadcasting Act*.
- 2. On 10 June 2022, the Commission issued Broadcasting Notice of Consultation 2022-152, which listed radio stations for which the broadcasting licences would expire 31 August 2023 and therefore need to be renewed to continue their operations. In that notice of consultation, the Commission requested that the licensees of those stations submit renewal applications for their broadcasting licences.
- 3. In response, Media ClassiQ Inc. (Media ClassiQ) filed an application to renew the broadcasting licence for the French-language commercial specialty radio station CJSQ-FM Québec, Quebec, which expires 31 August 2023.² The Commission did not receive any interventions in regard to this application.

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¹ As corrected in Broadcasting Notice of Consultation 2022-152-1.

² The original licence expiry date for the station was 31 August 2022. The licence was administratively renewed until 31 August 2023 as a result of Broadcasting Decision 2021-297.

Non-compliance

- 4. Paragraph 10(1)(i) of the old *Broadcasting Act*, which was in effect while the licensee's application was being considered, granted the Commission the authority, in furtherance of its objects, to make regulations requiring licensees to submit to the Commission such information regarding their programs and financial affairs or otherwise relating to the conduct and management of their affairs as the regulations may specify.
- 5. Pursuant to this authority, the Commission made subsection 9(2) of the *Radio Regulations*, 1986 (the Regulations), which requires licensees to file an annual return, including financial statements, by no later than 30 November of a given year for the broadcast year ending the previous 31 August. The specific filing requirements, including the requirement to file financial statements, are set out in Broadcasting Information Bulletin 2011-795 and Circular No. 404.
- 6. Subsection 49(2) of the *Online Streaming Act*, which made a certain number of amendments to the *Broadcasting Act* when it came into force on 27 April 2023, stipulates that any regulation made pursuant to paragraph 10(1)(i) of the old *Broadcasting Act* is deemed to be an order made under section 9.1 of the new *Broadcasting Act*. Accordingly, subsection 9(2) of the Regulations is considered to be a condition of service pursuant to paragraph 9.1(1)(o) of the new *Broadcasting Act*, and licensees continue to be subject to this requirement.
- 7. According to the Commission's records, the licensee submitted its complete annual return for the broadcasting year 2019-2020 on 26 November 2021, after the 30 November 2020 deadline. In response to the Commission's question in regard to this late filing, the licensee indicated, with a screenshot in support, that the annual return for the 2019-2020 broadcast year for CJSQ-FM was submitted on 14 December 2020 through the data collection system, and not 26 November 2021.
- 8. Although the licensee's answer, with the screenshot, is admissible, it does not show that all required documents were submitted on the date indicated by the licensee. Further, the Commission's verifications contradict with the licensee's response. Specifically, the Commission's data collection system shows that some forms, including the Financial Summary, were filed on time on 30 November 2020, but that the Reporting Entity Profile Form Broadcasting (REPB) and the verified financial statements that must be filed at the same time as the annual return, were filed a year later, on 26 November 2021.
- 9. In light of the above, the Commission finds the licensee in non-compliance with subsection 9(2) of the Regulations for the 2019-2020 broadcasting year.

Regulatory measures

10. The Commission's approach to non-compliance by radio stations is set out in Broadcasting Information Bulletin 2014-608. Under that approach, each instance of non-compliance is evaluated in its context and in light of factors such as the number,

- recurrence and seriousness of the instances of non-compliance. The circumstances leading to the non-compliance, the arguments provided by the licensee and the actions taken to rectify the situation are also considered.
- 11. The Commission has examined the public record for this application and noted that the failure to submit the verified financial statements appears to be an error made in good faith. However, given the seriousness of the non-compliance, the Commission finds it appropriate to renew the licence for the station for a short-term period, which will allow for an earlier review of the licensee's compliance with its regulatory requirements.

Conclusion

- 12. In light of all of the above, the Commission **renews** the broadcasting licence for the French-language commercial specialty radio programming undertaking CJSQ-FM Québec, Quebec, from 1 September 2023 to 31 August 2029.
- 13. Pursuant to subsection 49(1) of the *Online Streaming Act*, the conditions of licence that existed prior to the date of royal assent of that Act are deemed to be conditions imposed under an order made pursuant to section 9.1 of the new *Broadcasting Act*. As such, the conditions of licence for this licensee became conditions of service and continue to apply to the licensee. For ease of reference, the **conditions of service** for this licensee are set out in the appendix to this decision. Further, the formal broadcasting licence document issued to a licensee may set out additional requirements for the undertaking, relating to, for example, technical parameters or prohibitions on transfer. The licensee shall also adhere to any such requirements set out in the broadcasting licence for the undertaking.

Reminders

14. The Commission reminds the licensee that it must comply at all times with the requirements set out in the *Broadcasting Act*, the Regulations, its licence and its conditions of service.

Annual returns

15. Licensees are responsible for filing complete annual returns on time. As set out in Broadcasting Information Bulletin 2011-795, it is the licensee's responsibility to ensure that all appropriate forms and documentation are included with its annual returns, and to contact the Commission if further clarification is required.

Local news

16. Radio stations are an important daily source of local news and information for communities. Carrying on a broadcasting undertaking 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.

17. Although Broadcasting Regulatory Policy 2022-332 does not specify a minimum level of weekly news to be broadcast, it does specify the type of spoken word material that must be included as part of a station's local programming. In accordance with that regulatory policy, the Commission reminds the licensee that its station, in its local programming, must incorporate spoken word material of direct and particular relevance to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. In addition, the Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

Force and effect of broadcasting licences

18. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licence renewed in this decision will cease to have any force or effect should the broadcasting certificate issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

Practical guide for radio licence renewals

19. To learn more about the Commission's review of compliance with requirements relating to radio licences, and about the radio renewal process, please consult the Commission's Practical guide to radio licence renewals.

Secretary General

Related documents

- Revised Commercial Radio Policy, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022
- Call for licence renewal applications Submission of renewal applications for broadcasting licences of radio stations expiring on 31 August 2023 – Regular renewal process, Broadcasting Notice of Consultation CRTC 2022-152, 10 June 2022, as corrected by Broadcasting Notice of Consultation CRTC 2022-152-1, 18 August 2022
- Various commercial radio programming undertakings Administrative renewals, Broadcasting Decision CRTC 2021-297, 30 August 2021
- *Update on the Commission's approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- Filing annual returns for radio programming undertakings, Broadcasting Information Bulletin CRTC 2011-795, 20 December 2011
- Requirements for the Filing of Financial Statements with the Broadcasting Annual Return, Circular No. 404, 23 August 1994

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2023-201

Terms, conditions of service, expectations and encouragement for the French-language commercial specialty radio programming undertaking CJSQ-FM Québec, Quebec

Terms

The licence will expire 31 August 2029.

Conditions of service

- 1. The licensee shall adhere to the conditions of service set out in *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022, with the exception of condition 7. Further, the licensee shall adhere to the requirements set out in the broadcasting licence for the undertaking.
- 2. The licensee shall adhere to all applicable requirements set out in the *Radio Regulations*, 1986, that were made under paragraphs 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.³
- 3. The licensee shall operate the station within the Specialty format as defined in *A review of certain matters concerning radio*, Public Notice CRTC 1995-60, 21 April 1995, in conjunction with *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2022-333, 7 December 2022.
- 4. The licensee shall devote, in each broadcast week, a minimum of 20% of its musical selections from content category 3 (Special Interest Music) that it broadcasts to Canadian selections broadcast in their entirety and schedule them in a reasonable manner throughout each broadcast day.

For the purpose of this condition, the terms "broadcast day," "broadcast week," "Canadian selection," "content category" and "musical selections" shall have the same meanings as those set out in the *Radio Regulations*, 1986.

Expectations

Cultural diversity

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

³ Pursuant to subsection 49(2) of the *Online Streaming Act*, which made a certain number of amendments to the *Broadcasting Act* when it came into force on 27 April 2023, any regulation made under paragraphs 10(1)(a) or (10(1)(i) of the old *Broadcasting Act* is deemed to be an order made under section 9.1 of the new *Broadcasting Act*.

Canadian emerging artists

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to devote, in each broadcast week, at least 5% of the station's musical selections to selections from Canadian emerging artists broadcast in their entirety. The licensee should report annually on how it has met this expectation, including the percentage of selections from Canadian emerging artists out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the definition of "Canadian emerging artist" is the same as that set out in paragraph 346 of Broadcasting Regulatory Policy 2022-332.

Indigenous musical selections

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to include Indigenous musical selections on the station's playlist. The licensee should report annually on the amount of Indigenous content aired on the station throughout the broadcast year (i.e., from 1 September to 31 August), including the percentage of Indigenous musical selections out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the licensee may use the provisional definition of "Indigenous-Canadian musical selection" set out in paragraph 441 of Broadcasting Regulatory Policy 2022-332 to determine whether a musical selection can be considered an Indigenous musical selection.

Encouragement

In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity in its hiring practices and in all other aspects of its management of human resources.