



Broadcasting Decision CRTC 2023-202

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Reference: Part 1 licence renewal application posted on 22 November 2022

Ottawa, 11 July 2023

Northern Lights Entertainment Inc.
Iqaluit, Nunavut

Public record: 2022-0789-4

CKGC-FM Iqaluit – Licence renewal

Summary

The Commission **renews** the broadcasting licence for the predominantly English-language commercial radio station CKGC-FM Iqaluit, Nunavut, from 1 September 2023 to 31 August 2027. 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 subsection 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 2022-152,¹ which listed radio stations for which the broadcasting licences would expire 31 August 2023 and therefore needed 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, Northern Lights Entertainment Inc. (Northern Lights) filed an application to renew the broadcasting licence for the predominantly English-language commercial radio station CKGC-FM Iqaluit, Nunavut, which expires 31 August 2023.² The Commission did not receive any interventions in regard to this application.

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.

Background

4. In Broadcasting Decision 2020-296, the Commission found the licensee in non-compliance with the following:
 - condition of licence 2 set out in the appendix to Broadcasting Decision 2016-276, which required the filing of complete annual returns for the 2010-2011 through 2015-2016 broadcast years;
 - condition of licence 3 set out in the appendix to Broadcasting Decision 2016-276 regarding the broadcast of Canadian content category 2 (Popular Music) musical selections;
 - subsection 9(2) of the *Radio Regulations, 1986* (the Regulations) relating to the filing of annual returns for the 2016-2017 through 2018-2019 broadcast years;
 - subsection 8(5) of the Regulations relating to the requirement to retain clear and intelligible audio recordings; and
 - paragraph 9(3)(a) of the Regulations relating to the requirement to provide an accurate self-assessment report.

Non-compliance

Condition of licence 2 relating to the filing of certain annual returns

5. In Broadcasting Decision 2016-276, the Commission found the licensee in non-compliance with subsection 9(2) of the Regulations. To address this non-compliance, pursuant to its authority under subsection 9(1) of the old *Broadcasting Act* to impose conditions of licence, the Commission imposed a condition of licence requiring the filing of the station's annual returns for the 2010-2011 through 2015-2016 broadcast years.
6. In Broadcasting Decision 2020-296, the Commission found the licensee in non-compliance with both its condition of licence related to the filing of previous annual returns and with subsection 9(2) of the Regulations. In that decision, the Commission imposed a condition of licence requiring the licensee to file complete annual returns for the 2010-2011 through 2015-2016 broadcast years, along with any missing annual returns, by 30 November 2020.
7. According to Commission records, the licensee's annual returns for the 2010-2011 through the 2014-2015 broadcast years were not submitted and the annual returns for the 2015-2016 and 2016-2017 broadcast years were filed in the fall of 2021, after the 30 November 2020 deadline. Moreover, the financial statements for the 2016-2017 broadcast year were not submitted.
8. The licensee indicated that its non-compliance with the filing of annual returns was the result of a combination of issues, one of them being the COVID-19 pandemic. It

also indicated that it relies on a third-party accounting firm for the filing of annual returns. The licensee stated that the accounting firm was aiming to file the missing annual returns for the 2011-2012 through 2014-2015 broadcast years, but that information for previous years was unavailable.

9. The licensee noted that it has filed complete annual returns on time for the past five years and that it remains in dialogue with the accounting firm to continue maintaining full compliance going forward.
10. In light of the above, the Commission finds the licensee in non-compliance with condition of licence 2 set out in Appendix 1 to Broadcasting Decision 2020-296 and with subsection 9(2) of the Regulations.

Self-assessment report

11. 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.
12. Pursuant to this authority, the Commission made paragraph 9(3)(a) of the Regulations, which specifies that a licensee shall submit the information required by the station self-assessment report when requested by the Commission.
13. 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, paragraph 9(3)(a) 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.
14. According to Commission records, inaccuracies and discrepancies in the licensee's self-assessment report resulted in a 1.9% difference with the music list of the week of 3 to 9 October 2021.
15. The licensee stated that the discrepancies were a combination of both a clerical error and a misunderstanding of qualification of Canadian musical selections. The licensee indicated having made corrections so that this error would not occur in the future.
16. In light of the above, the Commission finds the licensee in non-compliance with paragraph 9(3)(a) of the Regulations.

Regulatory measures

17. 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.
18. The Commission has examined the public record for this application and notes the licensee's willingness to ensure the station's compliance with regulatory requirements. However, given the seriousness of the various instances of non-compliance along with the recurrence of the licensee's non-compliance with its condition of licence relating to the filing of annual returns and paragraph 9(3)(a) of the Regulations, the Commission finds that it would be appropriate to renew the broadcasting licence for CKGC-FM for a short-term period, which will allow for an earlier review of the licensee's compliance with its regulatory requirements.
19. The Commission acknowledges the licensee's stated commitment to file the missing annual returns and is of the view that a condition of service for the filing of annual returns for the 2010-2011 to 2015-2016 broadcast years is no longer warranted. However, the Commission encourages the licensee to work with Commission staff to ensure the filing of any missing annual returns.

Conclusion

20. In light of all of the above, the Commission **renews** the broadcasting licence for the predominantly English-language commercial radio programming undertaking CKGC-FM Iqaluit, Nunavut, from 1 September 2023 to 31 August 2027.
21. 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

22. 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. Should the licensee continue to be in non-compliance with regulatory requirements, the Commission may consider recourse to additional measures, including the issuance of a mandatory order, or the revocation, non-

renewal or suspension of the licence pursuant to sections 9 and 24 of the *Broadcasting Act*.

Annual returns

23. Licensees are responsible for filing complete annual returns on time, including financial statements. 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.

Radio monitoring materials

24. The Commission is charged with the supervision and regulation of the Canadian broadcasting system. The submission of complete and accurate radio monitoring materials enables the Commission to conduct an analysis of a station's programming to verify compliance with the Regulations and conditions of service. The retention of these radio monitoring materials makes it possible for the Commission to investigate a station's programming in the case of complaints. As such, any licensee that does not file the requested material in a timely manner, files material that is incomplete or does not file the material at all, affects the ability of the Commission to adequately perform its duty to independently confirm the licensee's adherence to its regulatory obligations. These filings also become important indicators of whether the licensee has the willingness, ability and knowledge necessary to bring itself into compliance and maintain such compliance.

Local news

25. 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.
26. 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

27. 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

28. 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
- *CKGC-FM Iqaluit and CKIQ-FM Iqaluit – Licence renewals and issuance of mandatory orders*, Broadcasting Decision CRTC 2020-296 and Broadcasting Orders CRTC 2020-297 and 2020-298, 25 August 2020
- *CKGC-FM and CKIQ-FM Iqaluit – Licence renewals*, Broadcasting Decision CRTC 2016-276, 20 July 2016
- *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

This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2023-202

Terms, conditions of service, expectations and encouragements for the predominantly English-language commercial radio programming undertaking CKGC-FM Iqaluit, Nunavut

Terms

The licence will expire 31 August 2027.

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. 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 paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.³
3. As an exception to sections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations), the licensee shall devote at least 40% of its musical selections from content category 2 (Popular Music) in each broadcast week and between 6:00 a.m. and 6:00 p.m. from Monday to Friday to Canadian selections broadcast in their entirety.

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

4. The licensee shall adhere to *Policy regarding open-line programming*, Public Notice CRTC 1988-213, 23 December 1988.
5. The licensee shall make at least 50% of the contribution referred to in section 15(2) of the *Radio Regulations, 1986*, to FACTOR or Musicaction, with the remainder to be allocated to the Iqaluit Music Society and/or other eligible initiative(s), as per the meaning ascribed to this term by section 15(1) of the same regulations, for the development of local talent.

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*.

Expectations

Cultural diversity

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

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.

Encouragements

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.

The Commission encourages the licensee to work with Commission staff to ensure the filing of any missing annual returns.