

Canadian Radio-television and Telecommunications Commission

Broadcasting Decision CRTC 2023-204

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

Ottawa, 12 July 2023

Chetwynd Communications Society

Chetwynd and Dawson Creek, British Columbia

Public record: 2022-0529-4

CHET-FM Chetwynd and its transmitter CHAD-FM Dawson Creek – Licence renewal

Summary

The Commission **renews** the broadcasting licence for the English-language community radio station CHET-FM Chetwynd, British Columbia, and its transmitter CHAD-FM Dawson Creek 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 2022-151,¹ 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, Chetwynd Communications Society (CCS) filed an application to renew the broadcasting licence for the English-language community radio station CHET-FM Chetwynd, British Columbia, and its transmitter CHAD-FM Dawson Creek,² which

² In Broadcasting Decision 2019-156, the Commission approved applications by CCS to amend the broadcasting licence for CHET-FM in order to add rebroadcasting transmitters in Hudson's Hope and Tumbler Ridge. CCS ultimately chose not to proceed and, in November 2021, advised that the



¹ As corrected in Broadcasting Notice of Consultation 2022-151-1.

expires 1 September 2023.³ The Commission received an intervention in support of this application from the National Campus and Community Radio Association (NCRA).

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 in 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. In Broadcasting Decision 2019-156, the Commission indicated that some of the annual returns for CHET-FM had been filed late and that the financial statements to be included with each annual return, which were due by 30 November of each year, were missing. According to Commission records, the financial statements for the 2014-2015, 2015-2016 and 2016-2017 broadcast years were filed on 27 March 2019. In addition, CCS has not yet filed financial statements for the 2020-2021 broadcast year, for which the filing deadline was 30 November 2021.
- 8. CCS indicated that, due to changes in the management of the station (specifically, the death of the former general manager in 2019 and the departure of the previous secretary general), the station's general manager had not been aware of the filing issues identified in Broadcasting Decision 2019-156.

implementation of these two transmitters had been cancelled. CHAD-FM Dawson Creek is currently the only transmitter that rebroadcasts the programming of CHET-FM.

³ The original licence expiry date for the station was 31 August 2021. The licence was administratively renewed until 31 August 2022 as a result of Broadcasting Decision 2020-381 and until 31 August 2023 as a result of Broadcasting Decision 2021-299.

- 9. With respect to the 2020-2021 broadcast year, the licensee indicated that the board member responsible for submitting the annual returns submitted the return for that broadcast year on 26 November 2021, but was asked on 15 February 2022 to resubmit the Radio Station Financial Summary Form (form 1110). It further indicated that the board member responsible for this submission became ill and was admitted to hospital, and did not submit the form. The licensee stated that the new general manager was not aware that this form had not been submitted. It added that the station's general manager and its bookkeeper later attempted to submit the 2020-2021 return but had difficulties with the online portal and did not regain access until 17 October 2022, which was shortly before the licensee had intended to resubmit this return, that is, on or before 31 October 2022.
- 10. CCS indicated that two employees are now responsible for ensuring that the annual reports are completed in a timely manner. It added that the new general manager has read Broadcasting Information Bulletin 2014-608, which updates the Commission's approach to non-compliance by radio stations, and is aware both of the severity of this issue and the need to take immediate action. The licensee added that the return for the 2021-2022 broadcast year was begun in a timely manner and submitted by the appropriate deadline.
- 11. In light of the above, the Commission finds the licensee in non-compliance with subsection 9(2) of the Regulations for the 2014-2015 to 2016-2017 and 2020-2021 broadcast years.

Regulatory measures

- 12. 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.
- 13. In regard to CHET-FM and the licensee's non-compliance with subsection 9(2) of the Regulations, the Commission considers that CCS is now aware that submitting late or incomplete annual returns (including financial statements) is unacceptable and that it has taken appropriate measures to rectify the situation by assigning two employees to take charge of filing future submissions on time. In addition, the NCRA, which intervened in support of this application, indicated that it provides regulatory support to its member stations. To that end, the NCRA has provided CCS with reference documents and access to online compliance training programs. CHET-FM has also joined a program run annually by the NCRA in order to provide member stations with additional information and support as they complete their required filings. As such, the Commission considers that CCS should be able to meet these filing deadlines in future.

- 14. The Commission also acknowledges that the current general manager had no involvement in the late submission of three financial statements (specifically, those for the 2014-2015 through 2016-2017 broadcast years) and was unable, due to the above-mentioned changes in and absence of station personnel, to determine the reason for these late submissions. Further, the Commission acknowledges that the licensee resubmitted form 1110 as requested and filed a complete annual return (including financial statements) for the 2021-2022 broadcast year in advance of the filing deadline. Nonetheless, the three late financial statements were filed well after deadline (by over a year), and the statements for the 2020-2021 broadcast year have not yet been filed.
- 15. Given that this is the first licence term in which CHET-FM has been found to be in non-compliance with subsection 9(2) of the Regulations, 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. Further, the Commission **directs** the licensee to file the financial statements for the 2020-2021 broadcast year by no later than **30 September 2023**.

Conclusion

- 16. In light of all of the above, the Commission renews the broadcasting licence for the English-language community radio programming undertaking CHET-FM Chetwynd, British Columbia, and its transmitter CHAD-FM Dawson Creek from 1 September 2023 to 31 August 2029.
- 17. 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 considered to be made pursuant to section 9.1 of the new Broadcasting Act. As such, the condition of licence for this licensee became a condition of service and continues 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

18. 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.

Importance of filing annual returns and financial statements

19. 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.

Force and effect of broadcasting licences

20. 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 certificates issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

Practical guide for radio licence renewals

21. 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 <u>Practical guide to radio licence renewals</u>.

Secretary General

Related documents

- Call for licence renewal applications Submission of renewal applications for broadcasting licences of radio stations expiring on 31 August 2023 – Simplified renewal process, Broadcasting Notice of Consultation CRTC 2022-151, 10 June 2022, as corrected by Broadcasting Notice of Consultation CRTC 2022-151-1, 18 August 2022
- Various campus and community radio programming undertakings -Administrative renewals, Broadcasting Decision CRTC 2021-299, 30 August 2021
- Various radio programming undertakings Administrative renewals, Broadcasting Decision CRTC 2020-381, 27 November 2020
- CHET-FM Chetwynd New transmitters in Hudson's Hope and Tumbler Ridge, Broadcasting Decision CRTC 2019-156, 16 May 2019
- 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 2023-204

Terms, conditions of service, expectations and encouragement for the English-language community radio programming undertaking CHET-FM Chetwynd, British Columbia, and its transmitter CHAD-FM Dawson Creek

Terms

The licence will expire 31 August 2029.

Conditions of service

- 1. The licensee shall adhere to the conditions of service set out in *Standard conditions of licence for campus and community radio stations*, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012. 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*.⁴

Expectations

Cultural diversity

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

Updates on boards of directors of community and campus radio stations

The Commission expects all community and campus licensees to file yearly updates on the composition of their boards of directors. These annual updates can be submitted at the time of submission of annual returns, following annual board of directors' elections or at any other time. Such information may be submitted through the Commission's website.

Encouragement

The Commission considers that community radio stations should pay particular attention to employment equity in order to reflect fully the communities they serve. It encourages the licensee to consider employment equity in its hiring practices and in all other aspects of its management of human resources.

⁴ 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*.