Broadcasting Decision CRTC 2023-233

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

Ottawa, 31 July 2023

L'Association communautaire fransaskoise de Gravelbourg inc.

Gravelbourg, Saskatchewan

Public record: 2022-0473-3

CFRG-FM Gravelbourg – Licence renewal

Summary

The Commission **renews** the broadcasting licence for the French-language community radio station CFRG-FM Gravelbourg, Saskatchewan, from 1 September 2023 to 31 August 2026. 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 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, l'Association communautaire fransaskoise de Gravelbourg inc. (ACFG) filed an application to renew the broadcasting licence for the French-language community radio station CFRG-FM Gravelbourg, Saskatchewan, which expires 31 August 2023.² The Commission did not receive any interventions in regard to this application.

² 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.



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

Background

- 4. In Broadcasting Decision 2012-704, the Commission found the licensee in non-compliance with subsection 9(2) of the *Radio Regulations*, 1986 (the Regulations) relating to the filing of complete annual returns, including financial statements.
- 5. In Broadcasting Decision 2016-300, the Commission found the licensee in non-compliance with subsection 9(2) of the Regulations relating to the filing of complete annual returns, including financial statements.

Non-compliance

- 6. Paragraph 10(1)(i) of the old *Broadcasting Act*, which was in effect while the licensee's application was being considered, states that the Commission may, in furtherance of its objects, 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.
- 7. Pursuant to this authority, the Commission made subsection 9(2) of 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.
- 8. 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.
- 9. According to Commission records, the annual returns provided to the Commission for the 2016-2017 to 2019-2020 broadcast years did not include financial statements.
- 10. The ACFG explained that there has been some confusion among staff regarding the filing of the financial statements, as CFRG-FM is a component of the ACFG that operates on the fiscal year (from 1 April to 31 March) of the Department of Canadian Heritage (also known as Canadian Heritage), and that closes its books on 31 March. The audit is carried out thereafter, and the ACFG generally obtains the audited report in the summer. CFRG-FM's financial data is therefore included in the ACFG data. In addition, staff shortages contributed to the non-compliance. The licensee explained that it has taken internal measures to ensure that this does not happen again. From now on, two people will be responsible for ensuring that deadlines are met.

11. In light of the above, the Commission finds the licensee in non-compliance with subsection 9(2) of the Regulations for the 2016-2017 to 2019-2020 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 CFRG-FM and the licensee's non-compliance with subsection 9(2) of the Regulations, the Commission understands the challenges faced by a community station serving an official-language minority community. The Commission considers, however, that closer monitoring is required, as the licensee has repeatedly cited staff stabilization challenges and is in non-compliance for a third consecutive licence term with subsection 9(2) of the Regulations. Consequently, the Commission finds it appropriate to renew the broadcasting 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

- 14. In light of all of the above, the Commission **renews** the broadcasting licence for the French-language community radio programming undertaking CFRG-FM Gravelbourg, Saskatchewan, from 1 September 2023 to 31 August 2026.
- 15. 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

16. 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

17. 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

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 <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 – 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 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
- CFRG-FM Gravelbourg, and CIMS-FM Balmoral and its transmitter CIMS-FM-1 Dalhousie – Licence renewals, Broadcasting Decision CRTC 2016-300, 29 July 2016
- Update on the Commission's approach to non-compliance by radio stations,
 Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- Various campus and community radio programming undertakings Licence renewals, Broadcasting Decision CRTC 2012-704, 21 December 2012

- 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 2023-233

Terms, conditions of service, expectations and encouragement for the French-language community radio programming undertaking CFRG-FM Gravelbourg, Saskatchewan

Terms

The licence will expire 31 August 2026.

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*.³

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.

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*.