Canadian Radio-television and Telecommunications Commission
Conseil de la radiodiffusion et des télécommunications canadiennes

Broadcasting Decision CRTC 2023-414

PDF version

References: Part 1 licence renewal applications posted on 15 March 2023

Ottawa, 15 December 2023

Pattison Media Ltd.
Various locations in British Columbia and Medicine Hat, Alberta

Public record: 2022-0758-9, 2022-0753-9 and 2022-0755-5

CFJC-TV Kamloops and its transmitters, CKPG-TV Prince George and its transmitter, and CHAT-TV Medicine Hat – Licence renewals and licence amendments

Summary

The Commission **renews** the broadcasting licences for the English-language independent conventional television stations CFJC-TV Kamloops, British Columbia, and its transmitters; CKPG-TV Prince George, British Columbia, and its transmitter; and CHAT-TV Medicine Hat, Alberta, from 1 January 2024 to 31 August 2028.

The Commission **approves** the licensee's request to decrease its Canadian programming expenditure requirement for each station from 34% to 30%.

The Commission **denies** the licensee's request to decrease its expenditure requirement on locally reflective news for each station from 27.5% to 25%.

Finally, the Commission **approves** the licensee's request to delete various rebroadcasting transmitters from the broadcasting licences of the three stations.

Applications

1. The Commission has the authority, pursuant to subsections 9(1), 9.1(1) and 11.1(2) 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*, and to make orders respecting expenditures.

2. Pattison Media Ltd. (Pattison) filed applications to renew the broadcasting licences for the following English-language independent conventional television stations and their transmitters,[1] which expire on 31 December 2023:[2]

    - CFJC-TV Kamloops, British Columbia, and its transmitters CFJC-TV-5 Williams Lake, CFJC-TV-6 100 Mile House, and CFJC-TV-11 Quesnel;
    - CKPG-TV Prince George, British Columbia, and its transmitter CKPG-TV-5 Quesnel; and
    - CHAT-TV Medicine Hat, Alberta.

3. The Commission did not receive any interventions in regard to these applications.

4. Pattison also requested to decrease the Canadian programming expenditures (CPE) requirement for each station from 34% to 30%, and to decrease the locally reflective news expenditures requirement for each station from 27.5% to 25% for all three stations.

5. Finally, Pattison requested to delete nine rebroadcasting transmitters from the broadcasting licences of CFJC-TV, CKPG-TV and CHAT-TV.

Issues

6. After examining the record for this application in light of applicable regulations and policies, the Commission considers that it must examine the following issues:

    - the licensee’s apparent non-compliance relating to the provision of described video;
    - the licensee’s request to decrease the CPE requirement for each of its stations;
    - the licensee’s request to decrease its expenditure on locally reflective news for each of its stations; and
    - the licensee’s request to delete various rebroadcasting transmitters for each station.

Apparent non-compliance relating to the provision of described video

7. Pursuant to subsection 9(1) of the old *Broadcasting Act*, the Commission had the authority to issue and renew licences for such terms not exceeding seven years and

[1] In regard to other transmitters currently in operation for these stations, the licensee has requested that they be deleted from the stations’ broadcasting licences. The licensee’s request is addressed further in this decision.

[2] The original licence expiry date for the stations was 31 August 2023. The licences were administratively renewed until 31 December 2023 as a result of Broadcasting Decision 2023-299.

subject to such conditions related to the circumstances of the licensee as it deemed appropriate for the implementation of the broadcasting policy set out in subsection 3(1) of that Act.

8. Paragraph 3(1)(p) of the *Broadcasting Act* declares that programming accessible by persons with disabilities should be provided within the Canadian broadcasting system.

9. Consistent with the authority granted by subsection 9(1), in Appendices 5, 6 and 7 to Broadcasting Decision 2018-478, the Commission imposed the following condition of licence[3] on, respectively, CFJC-TV, CKPG-TV and CHAT-TV:

> 1. The licensee shall adhere to the conditions set out in the broadcasting licence for the undertaking, as well as to the conditions of licence set out in Appendix 1 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, with the exception of condition 14, which is replaced by the following:
>
>> 14. The licensee shall, by 1 September 2019, provide described video for all English- and French-language programming that is broadcast during prime time (i.e., from 7 p.m. to 11 p.m.) and that is drawn from program categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety, 11(a) General entertainment and human interest and 11(b) Reality television, and/or is programming targeting preschool children (0-5 years of age) and children (6-12 years of age).

10. According to Commission records, the licensee provided described video for:

- 82% of the programming that was broadcast on CFJC-TV during prime time in the 2019-2020 broadcast year and 91.4% of the programming broadcast during prime time in the 2020-2021 broadcast year;

- 32% of programming that was broadcast on CKPG-TV during prime time in the 2019-2020 broadcast year and 92.2% of the programming broadcast during prime time in the 2020-2021 broadcast year; and

- 79% of the programming that was broadcast on CHAT-TV during prime time in the 2019-2020 broadcast year and 91.58% of the programming broadcast during prime time in the 2020-2021 broadcast year.

11. The licensee stated that the discrepancy was due, in part, to the use of a third-party software program to process the filing of television logs, which was not configured

[3] Pursuant to subsections 49(1) and 50(2) 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 of service.

properly and misreported described video totals. The licensee noted that the reporting issue was rectified and that corrected reports were submitted for the 2020-2021 broadcast year.

12. However, notwithstanding these revisions, the reports still indicated that certain programs were broadcast during prime time without described video. The issue appeared to be related to the broadcast of U.S. programming received without described video.

13. In Broadcasting Decision 2019-392, the Commission approved an application by Bell Media Inc., Corus Entertainment Inc., and Rogers Media Inc. to amend their conditions of licence relating to described video and the requirement to provide described video for all English- and French-language programming that is broadcast during prime time with the exception of U.S. programming received without described video less than 24 hours prior to air. While other licensees quickly applied to have their respective described video requirements amended to mirror the Commission's determination in Broadcasting Decision 2019-392, Pattison did not.

14. When Commission staff informed Pattison of the apparent instances of non-compliance in late 2021, the licensee stated that it was not aware it had to apply separately for a similar amendment to its condition on described video. Rather, it seemed of the view that this exclusion was applicable to all licensees on which a described video requirement has been imposed. However, Pattison subsequently filed an application to amend the condition of licence relating to described video, which the Commission approved in Broadcasting Decision 2022-66.

15. The Commission is of the view that Pattison should have known that an amendment application was required to change its regulatory requirements, and the amendment granted in 2022 cannot excuse the non-compliance that precedes this date.

16. In light of the above, the Commission finds the licensee in non-compliance with the above-noted condition relating to described video for the 2019-2020 and 2020-2021 broadcast years. Given that this is Pattison's first instance of non-compliance with the condition, that it is in compliance with all of its other requirements, and that the non-compliance is related to an issue that was subsequently addressed in a separate proceeding, the Commission finds that no further measures are warranted at this time, beyond an additional reporting requirement.

17. For the purposes of monitoring the broadcasting system and ensuring the achievement of policy objectives, including those relating to accessibility, the Commission has the authority to impose monitoring and reporting requirements on licensees. Accordingly, and pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **orders** Pattison Media Ltd., by **condition of service**, to keep reports of all U.S. programs received without described video, and to submit this report upon request. A template document reflecting the requirements of this report will be made available to the licensee. The specifics of this condition are set out in the appendix to this decision.

Canadian programming expenditures

18. Pattison is currently required[4] to devote to the acquisition of or investment in Canadian programming a minimum of 34% of the previous broadcast year's gross revenues of each of CFJC-TV, CKPG-TV and CHAT-TV. The licensee requested to decrease the CPE requirements for each station from 34% to 30%.

19. Pattison stated that maintaining its current level of CPE would put an unfair burden on its stations that operate in some of Canada's smallest television markets. The licensee expressed concerns over decline in revenues and uncertainty regarding funding from the Independent Local News Fund (ILNF). According to Pattison, its stations would not be viable without ILNF funding.

20. Pattison added that, with a 34% CPE requirement, its stations face one of the highest CPE requirements amongst Canada's independent local television stations, a requirement that is even higher than that of large ownership groups.

21. During its last licence renewal, Pattison proposed a CPE requirement of 34% for each station. At the time, it stated that this level approximated the average expenditure levels achieved by the three stations during the period covering the 2013-2014 through 2016-2017 broadcast years. In Broadcasting Decision 2018-478, the Commission approved Pattison's proposal.

22. Given the context in which the licensee operates, and that its CPE requirement is higher than the minimum 30% imposed on large ownership groups in English-language markets, the Commission finds that it would be appropriate to reduce, slightly, the minimum CPE requirements for CFJC-TV, CKPG-TV and CHAT-TV. The licensee has historically performed at a high level in this regard, irrespective of its minimum required CPE level, even in spite of the challenges brought on by the pandemic, and the Commission does not anticipate that granting this amendment will create a materially negative impact on Canadian production.

23. Further, the Commission considers that a minimum CPE requirement of 30% of the previous broadcast year's gross revenues for each station would help level the playing field for the independent conventional television stations.

24. In light of the above, the Commission **approves** Pattison's request to decrease its minimum CPE requirement from 34% to 30% for each of CFJC-TV, CKPG-TV and CHAT-TV.

25. Accordingly, and pursuant to subsection 11.1(2) of the *Broadcasting Act*, the Commission **amends** Pattison Media Ltd.'s **conditions of service** to specify that it must devote to the acquisition of or investment in Canadian programming a minimum of 30% of the previous broadcast year's gross revenues of each of CFJC-TV, CKPG-

---

[4] See conditions set out in Appendices 5, 6 and 7 to Broadcasting Decision 2018-478.

TV and CHAT-TV. The specifics of this amended condition are set out in the appendix to this decision.

Locally reflective news

26. In Broadcasting Regulatory Policy 2016-224, the Commission noted the importance of local news content. Further, to help ensure that local television stations have the financial resources to continue providing high-quality local news and information and that there is no erosion of local news in various markets, it stated its intention to rebalance the resources already present in the broadcasting system. In that regulatory policy, the Commission determined that locally reflective news[5] expenditures would be determined at the licence renewal of a station and based on historical levels.

27. The Commission notes that Pattison, at the time of its stations' previous licence renewals, proposed a locally reflective news expenditure requirement of 27.5% for each station. At the time, the licensee noted that this represented an average of the minimum expenditure levels achieved by the three stations during that licence term. This proposal was approved by the Commission in Broadcasting Decision 2018-478.

28. In its applications, Pattison requested to decrease its expenditure requirement on locally reflective news for each station from 27.5% to 25% of gross revenues from the previous broadcast year.

29. In support of its request, the licensee expressed concerns over declines in revenues, the negative impact of the COVID-19 pandemic and the uncertainty with the future of ILNF funding.

30. Pattison added that the Commission should be mindful that the imposition of any expenditure or exhibition requirements based solely on historical levels has the potential to limit financial and operational flexibility going forward and inadvertently limit innovation. The licensee further argued that higher expenditure requirements could preclude the implementation of future news production efficiencies, which would limit the amount of locally reflective news an organization might be able to produce.

31. In Pattison's view, a minimum expenditure level of 25% of each station's gross revenues from the previous broadcast year would ensure that the stations continue to focus significant resources on locally reflective news. It added that this percentage would still represent an average minimum expenditure level among the highest of all independent local television stations.

32. In regard to Pattison's concerns regarding ILNF funding, the Commission notes that as a result of Bell Canada's acquisition of V Interactions inc. approved by the Commission in Broadcasting Decision 2020-116, the former V stations were removed from the ILNF. Consequently, the share of funding allocated to V Interactions inc.

---

[5] Footnotes applies only to the French-language version of this decision.

and its stations were dispersed to the 19 remaining ILNF-eligible stations. Furthermore, the ILNF recently received a lump sum payment as a result of the transfer of the effective control of the broadcasting undertakings licensed to Shaw Communications Inc. to Rogers Communications Inc., approved by the Commission in Broadcasting Decision 2022-76.

33. Given the significant importance of news programming for the Canadian broadcasting system, the possibility that the implementation of the *Online Streaming Act* may provide additional support for the production of such programming, and the fact that Pattison has been granted additional flexibility as far as CPE is concerned, the Commission considers that it may be premature at this time to approve any requests to decrease required expenditures on locally reflective news.

34. In light of the above, the Commission **denies** the licensee's request to decrease its expenditure requirement on locally reflective news for each station from 27.5% to 25% of gross revenues from the previous broadcast year.

Deletion of rebroadcasting transmitters

35. In its applications, the licensee requested to delete the following rebroadcasting transmitters from the broadcasting licences for CFJC-TV, CKPG-TV and CHAT-TV:

    - CFJC-TV: CFJC-TV-3 Merritt, CFJC-TV-4 Clinton, CFJC-TV-8 Chase, CFJC-TV-12 Nicola and CFJC-TV-19 Pritchard, British Columbia;
    - CKPG-TV: CKPG-TV-1 Hixton and CKPG-TV-4 Mackenzie, British Columbia; and
    - CHAT-TV: CHAT-TV-1 Pivot, Alberta and CHAT-TV-2 Maple Creek, Saskatchewan.

36. The licensee stated that the transmitters it is requesting to delete have reached the end of useful service life and are too costly to maintain.

37. The Commission notes that licences, such as those held by Pattison, are authorizations to broadcast, not obligations to do so. In other words, while the Commission has the discretion to refuse to revoke such authority, it cannot generally direct a licensee to continue to operate transmitters.

38. In light of the above, the Commission **approves** the licensee's request to delete the above-noted rebroadcasting transmitters from the broadcasting licences for CFJC-TV, CKPG-TV and CHAT-TV.

Conclusion

39. In light of all of the above, the Commission **renews** the broadcasting licences for the English-language independent conventional television programming undertakings CFJC-TV Kamloops, British Columbia, and its transmitters CFJC-TV-5 Williams

Lake, CFJC-TV-6 100 Mile House and CFJC-TV-11 Quesnel; CKPG-TV Prince George, British Columbia, and its transmitter CKPG-TV-5 Quesnel; and CHAT-TV Medicine Hat, Alberta, from 1 January 2024 to 31 August 2028.

40. With respect to the conditions of service imposed in this decision, given that these renewal applications were filed and published prior to the coming into force of the new *Broadcasting Act*, and that interested parties had an opportunity to comment on the issues raised by the applications, including described video compliance, minimum CPE levels, and the deletion of rebroadcasting transmitters as part of that process, the Commission considers the public Part 1 proceeding sufficient to achieve the purposes of the publication and consultation requirement set out in subsection 9.1(4) and 11.1(7) of the new *Broadcasting Act* in this case.

41. Pursuant to subsections 49(1) and 50(2) 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*, or subsection 11.1(2) in the case of expenditure requirements. As such, the conditions of licence for this licensee became conditions of service and continue to apply to the licensee except as amended above.

42. For ease of reference and in light of paragraphs 17 and 25 of this decision, the Commission has set out the **conditions of service** for this licensee 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 licences for the undertakings. The formal broadcasting licences documents issued to Pattison will be amended to reflect the deletion of the transmitters approved in this decision.

Force and effect of broadcasting licences

43. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licences 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.

Employment equity

44. Because this licensee is subject to the *Employment Equity Act* and files reports with the Department of Employment and Social Development (also known as Employment and Social Development Canada), its employment equity practices are not examined by the Commission.

Secretary General

Related documents

- *Various conventional and educational television programming undertakings, community programming services, discretionary services, on-demand services and terrestrial broadcasting distribution undertakings – Administrative renewals*, Broadcasting Decision CRTC 2023-299, 29 August 2023

- *Shaw Communications Inc. – Change of ownership and effective control*, Broadcasting Decision CRTC 2022-76, 24 March 2022

- *CFJC-TV Kamloops, CKPG-TV Prince George and CHAT-TV Medicine Hat – Licence amendments*, Broadcasting Decision CRTC 2022-66, 14 March 2022

- *V Interactions inc. – Change in ownership and control*, Broadcasting Decision CRTC 2020-116, 3 April 2020

- *Amendment proposed by Bell Media Inc., Corus Entertainment Inc. and Rogers Media Inc. to their condition of licence that requires prime time programming to be broadcast with described video*, Broadcasting Regulatory Policy CRTC 2019-392, 3 December 2019

- *Various independent conventional television programming undertakings – Licence renewals*, Broadcasting Decision CRTC 2018-478, 18 December 2018

- *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016

This decision is to be appended to each licence.

Appendix to Broadcasting Decision CRTC 2023-414

Terms, conditions of service, expectations and encouragements for the English-language independent conventional television programming undertakings CFJC-TV Kamloops, British Columbia, and its transmitters CFJC-TV-5 Williams Lake, CFJC-TV-6 100 Mile House and CFJC-TV-11 Quesnel; CKPG-TV Prince George, British Columbia, and its transmitter CKPG-TV-5 Quesnel; and CHAT-TV Medicine Hat, Alberta

Terms

The licence will expire 31 August 2028.

Conditions of service

1. The licensee shall adhere to the standard conditions of service set out in Appendix 1 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016, with the exception of condition 14, which is replaced by the following:

   14. The licensee shall provide described video for all English- and French-language programming that is broadcast during prime time (i.e., from 7 p.m. to 11 p.m.) and that is drawn from program categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety, 11(a) General entertainment and human interest and 11(b) Reality television, and/or is programming targeting preschool children (0-5 years of age) and children (6-12 years of age) with the exception of U.S. programming received without described video less than 24 hours prior to air. Such programs will be broadcast with described video for any repeat airings scheduled greater than 24 hours from delivery.

   Further, the licensee shall adhere to the requirements set out in the broadcasting licence for the undertaking.

2. The licensee shall keep reports (including the following: air date, start and end time, duration, program title, episode title/number, first airing, U.S. air date, delivery date, repeat airing date, and details on whether or not the episode included described video) of all U.S. programs received without described video and broadcast during prime time, including U.S. programming received without described video prior to the 24-hour exemption threshold that the licensee is required to describe. This report must be submitted upon request.

3. The licensee shall adhere to all applicable requirements set out in the *Television Broadcasting Regulations, 1987*, that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.[6]

4. In accordance with paragraph 90 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the television station is declared to be a "designated local television station." The station will maintain this designation for the duration of the licence term as long as the television station remains in operations.

5. In accordance with *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016, the licensee shall devote, in each broadcast year, not less than 27.5% of the station's previous broadcast year's gross revenues to investments in locally reflective news or on acquisition thereof.

6. In each broadcast year of the licence term, excluding the final year:

   a. the licensee may expend an amount on locally reflective news that is up to 5% less than the minimum required expenditure for the station for that year;

   b. where the licensee expends an amount for the station for that year on locally reflective news that is greater than the minimum required, the licensee may deduct that amount from the minimum required expenditure for the station in one or more of the remaining years of the licence term; and

   c. during the licence term, the licensee shall ensure that the station expends on locally reflective news the total of the minimum required expenditures calculated in accordance with condition 5.

7. The licensee shall broadcast at least 5.25 hours of locally reflective news on the station in each broadcast week.

8. The licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming a minimum of 30% of the previous broadcast year's gross revenues of the station.

9. Subject to condition 10, the licensee may claim, in addition to its expenditures on Canadian programming:

   a. a 50% credit against its Canadian programming expenditure requirements for the station for expenditures made on Canadian programming produced by an

---

[6] 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*.

Indigenous producer and claimed as Canadian programming expenditures for the station during that broadcast year;

b. a 25% credit against its Canadian programming expenditure requirements for the station for expenditures made on Canadian programming produced by an official language minority community producer and claimed as Canadian programming expenditures for the station during that broadcast year. The licensee may claim the credit if:

- the programming is produced in the province of Quebec and the original language of production is English; or

- the programming is produced outside the province of Quebec and the original language of production is French.

10. The licensee may claim the credits calculated in accordance with condition 9 until the expenditures made on Canadian programming for the station produced by Indigenous producers and by official language minority community producers, including credits, reach a maximum of 10% of the Canadian programming expenditure requirement for the station.

11. In regard to Canadian programming expenditures:

a. In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to 5% less than the minimum required expenditure for the station for that year calculated in accordance with condition of service 8; in such case the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for the station for that year, the full amount of the previous year's under-expenditure.

b. In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming that is greater than the minimum required expenditure for the station, the licensee may deduct that amount from the minimum required expenditure for the station in one or more of the remaining years of the licence term.

c. Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming, at a minimum, the total of the minimum required expenditures for the station calculated in accordance with condition of service 8.

Definitions

For the purposes of these conditions of service:

The term "broadcast year" shall have the same meaning as that set out in the *Television Broadcasting Regulations, 1987*.

“Indigenous producer” means an individual who self-identifies as Indigenous, which includes First Nations, Métis and Inuit, and is a Canadian citizen or resides in Canada, or an independent production company in which at least 51% of the controlling interest is held by one or more individuals who self-identify as Indigenous and are Canadian citizens or reside in Canada.

“Local programming” means programming produced by either local stations with local personnel or locally based independent producers, that is of interest to the community or market served (i.e., locally relevant).

“Locally reflective news” means programming that meets the criteria set out in paragraphs 56 to 58 of *Policy framework for local and community television*, Broadcasting Regulatory Policy CRTC 2016-224, 15 June 2016.

“Official language minority community (OLMC) producer” means a company that meets the definition of “independent production company” and that, if operating in the province of Quebec, produces original English-language programming, or if operating outside of the province of Quebec, produces original French-language programming. To be considered an OLMC producer in Canada, a production company must:

a. if it produces original programming in English, have its head office in Quebec and be owned and operated by a resident of Quebec;

b. if it produces original programming in French, have its head office outside Quebec and be owned and operated by a resident outside of Quebec.

Expectations

Standard expectations

The standard expectations applicable to this licensee are set out in Appendix 1 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016.

Cultural diversity

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

Encouragements

Standard encouragements

The standard encouragements applicable to this licensee are set out in Appendix 1 to *Standard requirements for television stations, discretionary services, and on-demand services*, Broadcasting Regulatory Policy CRTC 2016-436, 2 November 2016.