



Broadcasting Decision CRTC 2024-28

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Reference: 2023-129

Ottawa, 9 February 2024

Gospel Music Radio Inc.
Oromocto, New Brunswick

Public record: 2022-0415-5

*Public hearing in the National Capital Region
6 July 2023*

English-language commercial speciality (Religious music) FM radio station in Oromocto

Summary

The Commission **approves** an application by Gospel Music Radio Inc. for a broadcasting licence to operate an English-language commercial speciality (Religious music) FM radio station in Oromocto, New Brunswick.

The Commission proposes to make the orders set out in Appendix 2 to this decision imposing various conditions of service on the licensee. Consistent with subsection 9.1(4) of the *Broadcasting Act*, interested persons may make representations only on the proposed orders by no later than **19 February 2024**. The applicant may submit a reply to any representations received by no later than **26 February 2024**.

Application

1. Gospel Music Radio Inc. (Gospel Radio) filed an application for a broadcasting licence to operate an English-language commercial speciality (Religious music) FM radio station in Oromocto, New Brunswick.
2. Gospel Radio is a not-for-profit corporation controlled by its board of directors.
3. The proposed station would operate at 94.7 MHz (channel 234A1) with an average effective radiated power (ERP) of 250 watts (non-directional antenna with an effective height of the antenna above average terrain [EHAAT] of 22.8 metres).¹

¹ These technical parameters reflect those approved by the Department of Industry (also known as Innovation, Science and Economic Development Canada).

4. Gospel Radio indicated that it would broadcast at least 50.5 hours of local programming on the proposed station each broadcast week, including shows targeting the community with local information, news, events, interviews, on-air talk shows, weather and road reports, local musicians, information from Gagetown military base, and other spoken word programming. Further, the applicant would devote four hours per broadcast week to newscasts, which would include local, regional, national and international news. The applicant indicated that it would broadcast 100% of music from subcategory 35 (Non-classic religious).
5. Gospel Radio proposed to broadcast a higher percentage of Canadian selections than would otherwise be required from subcategory 35 (Non-classic religious) pursuant to paragraph 2.2(3)(b) of the *Radio Regulations, 1986* (the Regulations) that is set at 10%. In particular, it proposed to broadcast a minimum of 35% Canadian content, which would include local, regional and national artists, including emerging, trending and established artists.
6. Additionally, the applicant would devote three hours of musical selections aired each broadcast week to selections by Canadian emerging artists.
7. Gospel Radio submitted letters of support from the mayor of Oromocto and the Premier of New Brunswick for its application.
8. The Commission received an intervention in comment from an individual which emphasized the significance of platforms for Canadian independent and multicultural musicians to showcase their talent, connect with audiences and cultivate their careers. Additionally, the Commission received an intervention in opposition to this application from Faithway Communications Inc. (Faithway). Faithway argued that the market is already well-served by a variety of formats. It added that some members of the board of directors do not have the necessary broadcasting experience. Gospel Radio did not reply to the interventions.

Issues

9. 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.
10. After examining the record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - whether the applicant's ownership structure satisfies the requirements of the *Direction to the CRTC (Ineligibility of non-Canadians)* (the Direction)²;

² SOR/97-192, 8 April 1997.

- whether the use of the frequency 94.7 MHz by the applicant for its proposed station represents an appropriate use of spectrum;
- whether approval of this application would have an undue economic impact on incumbent stations; and
- whether approval of this application would contribute to local representation, increase diversity in the market, and contribute to Canadian content.

Applicant's ownership structure

11. The *Broadcasting Act* states that the Canadian broadcasting system shall be effectively owned and controlled by Canadians. In the case of a not-for-profit corporation, the Direction specifies that, to be qualified as Canadian, the chief executive officer (CEO), or where the corporation has no CEO, the person performing functions that are similar to the functions performed by a CEO, and not less than 80% of the directors must be Canadians.
12. In response to a request from Commission staff regarding clarification on who will act as CEO, the applicant confirmed that Gordon Wilson, a Canadian, will serve as president and CEO of Gospel Radio and will be responsible for, among other duties, the expansion of the radio station and the general supervision of its affairs.
13. Therefore, based on the information filed, the Commission finds that the president and CEO, and 83% of the directors of Gospel Radio are Canadians as per the definition in the Direction.
14. In light of the above, the Commission finds that Gospel Radio is Canadian, and consequently it is eligible to hold a broadcasting licence.

Appropriate use of spectrum

15. The Department of Industry (also known as Innovation, Science and Economic Development Canada) has granted conditional technical acceptability of the proposed station. As such, the applicant's proposal adheres to the rules governing FM spectrum coordination.
16. The use of the proposed frequency would remove its availability from Oromocto and the surrounding areas, however there are other frequencies available that could provide similar or greater coverage. The applicant's proposed station would therefore not use the last available frequency in the area and would have a negligible impact on the availability of frequencies in Oromocto and surrounding areas.
17. In light of the above, the Commission finds that the use of the frequency 94.7 MHz by the applicant for its proposed FM radio station represents an appropriate use of spectrum.

Economic impact on incumbent stations

18. The town of Oromocto is part of Sunbury County in New Brunswick and is located 20 km southeast of Fredericton.
19. The applicant projected modest advertising revenues supplemented by non-advertising sources. As such, the advertising revenues projected would represent a negligible portion of the revenues of the five commercial stations operating in the market.
20. In its opposing intervention, Faithway argued that the gospel music format has been well-served in the Greater Fredericton area since 2005. It is of the view that the applicant is attempting to enter the Fredericton market with an additional commercial radio station which will be in competition with existing broadcasters who are recovering from both the COVID-19 pandemic and the current state of the economy.
21. The Commission notes that there were two commercial specialty (Religious music) radio stations serving Fredericton at the time of this application (CJRI-FM, which is no longer in operation, and CIXN-FM) and that there is no overlap between the primary contours of these stations and the primary contour of the proposed new station. Therefore, the principal marketing activities of the stations will be conducted in distinct and separate markets.
22. In light of the above, given that the overlap between primary contours of the applicant and incumbent stations is small, and that the applicant's projected revenues from local advertising would be a small percentage of those of the commercial market, the Commission does not find that this application would likely have an economic impact on incumbent stations.

Local representation, programming diversity and contribution to Canadian content

23. In Broadcasting Public Notice 2008-4, the Commission indicated that the Canadian broadcasting system should ensure that audiences have access to a diversity of programming, especially local, regional and national content.
24. The applicant indicated that in each broadcast week, the station would broadcast at least 50.5 hours of local programming. It would devote four hours per broadcast week to newscasts, which would include local, regional, national and international news. In addition to newscasts, at least once a broadcast week, Gospel Radio intends to have a program dedicated to local news. The station would also offer a community bulletin board, and give local leaders an opportunity to speak to the audience on a regular basis.
25. The Commission notes Gospel Radio's proposal to broadcast 35% of Canadian selections, which is significantly over the 10% requirement for content from subcategory 35 (Non-classic religious), pursuant to subsection 2.2(3)(b) of the Regulations.

26. In Broadcasting Regulatory Policy 2022-332 the Commission established an expectation for commercial radio stations to devote, in each broadcast week, at least 5% of their musical selections to Canadian emerging artists. The Commission notes that Gospel Radio proposed to dedicate at least three hours per broadcast week to emerging artists by playing their music, interviewing them and providing access to their content on its website. It also indicated that it would help develop local music by sponsoring workshops with industry professionals, when it has the finances to do so, and promote local recordings in the Southern and Country Gospel music industry.
27. Gospel Radio proposed to provide programming diversity by offering the first dedicated service to Oromocto. The introduction of a new specialty commercial radio station would add a unique voice to the commercial radio offering for Oromocto, would benefit local artists and would provide programming not already offered to the residents. Additionally, the Commission is of the view that the introduction of this new station would promote plurality of ownership within the Canadian broadcasting system with the addition of a new, independent voice in the radio sector.
28. Subsection 15(2) of the Regulations sets out the basic contributions to Canadian content development (CCD) that radio licensees must make. As part of applications for new licences, applicants may commit to making additional CCD contributions that are over and above those required by the Regulations. The applicant did not propose any over-and-above CCD contributions, however it stated that it would contribute to Canadian content through emerging artist airplay, providing links to various artists and music play lists to its website, conducting live interviews, and exceeding the minimum requirement for broadcasting Canadian content.
29. In light of the above, the Commission finds that the proposed station would contribute to local representation and diversity of musical and spoken word programming in Oromocto, as well as contribute to Canadian content.

Conclusion

30. In light of all of the above, the Commission **approves** the application by Gospel Music Radio Inc. for a broadcasting licence to operate an English-language commercial speciality (Religious music) FM radio station in Oromocto, New Brunswick. The licence will expire **31 August 2030**.
31. The terms of licence, expectations and encouragement applicable to this licensee are set out in Appendix 1 to this decision.
32. The Commission notes that 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.

33. The Commission also proposes to make certain orders pursuant to subsection 9.1(1) of the *Broadcasting Act*. The specifics of the conditions of service contained in these orders are described below and are set out in Appendix 2. Consistent with subsection 9.1(4), interested persons may make representations only on the proposed orders by no later than **19 February 2024**, and the applicant may submit a reply to any representations received by not later than **26 February 2024**. The Commission will issue final orders following the close of the comment period and its review of the submissions of the parties, if any.
34. Interested persons who wish to make representations on the proposed orders may do so on the Commission's [public proceeding webpage](#).

The proposed orders

Standard conditions of service

35. There are standard conditions of service that apply to all undertakings of a particular class. In this case, the Commission considers it appropriate that the licensee should adhere to the standard conditions of service for commercial radio stations set out in the appendix to Broadcasting Regulatory Policy 2022-334, with the exception of condition of service 7, which would be replaced by the following:

The station shall be operated 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.

36. Further, 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*. The Commission considers it appropriate for the licensee to also adhere to these as conditions of service.
37. Accordingly, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **proposes to order** Gospel Music Radio Inc., by **condition of service**, to adhere to the standard conditions of service set out in the appendix to Broadcasting Regulatory Policy 2022-334, as well as to all applicable requirements set out in the Regulations, that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.

Religious programming

38. Gospel Radio committed to adhere to a condition of service requiring it to devote 100% of its programming to musical selections drawn from content subcategory 35 (Non-classic Religious). The Commission notes that where a licensee of a radio station operating in a Specialty (religious) format undertakes to broadcast 30% or

more of its music from content subcategory 35, it generally requires the licensee adhere to certain guidelines set out in Public Notice 1993-78.

39. In light of the applicant's commitment and of the Commission's general approach, and pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **proposes to order** Gospel Music Radio Inc., by **condition of service**, to:

- Devote, in each broadcast week, 100% of all musical selections broadcast to musical selections drawn from content subcategory 35 (Non-classic Religious); and
- Adhere to the guidelines set out in section III.B.2.a) and IV of Public Notice 1993-78.

Broadcast of emergency alerts

40. The purpose of the emergency alerting framework set out in Broadcasting Regulatory Policy 2014-444 is to ensure that alerts are available to as many Canadians as possible. In that policy, the Commission stated that the full participation of the broadcasting industry is important for the National Public Alerting System (NPAS) to be effective in safeguarding and warning Canadians.

41. The Commission has implemented obligations in respect of the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444. Compliance involves implementing the public alerting system for each of the licensee's transmitters, and ensuring that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages be installed and programmed to properly account for the applicable contour (as set out in paragraph 16(2)(b) of the Regulations) of the station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.

42. Further to these obligations, the Commission considers it appropriate that the licensee be required to implement the National Public Alerting System (NPAS) in the manner set out in the Regulations by the date of the station's launch and to file a letter attesting to the implementation of the NPAS.

43. Accordingly, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **proposes to order** Gospel Music Radio Inc., by **condition of service**, to implement the NPAS **by the station's launch** and to make the appropriate associated information filings.

Canadian content development contributions

44. As noted above, the applicant did not propose any over-and-above CCD contributions. However, the applicant must adhere to the requirements relating to contributions to CCD set out in section 15 of the Regulations, as amended from time to time.

Reminder

Local news

45. 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.
46. 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 applicant 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 applicant to ensure that a reasonable amount of daily local news and information is made available to those communities.

Secretary General

Related documents

- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022
- *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2022-333, 7 December 2022
- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022
- *Amendments to various regulations, the standard conditions of licence for video-on-demand undertakings and certain exemption orders - Provisions requiring the mandatory distribution of emergency alert messages*, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014
- *Diversity of voices – Regulatory policy*, Broadcasting Public Notice CRTC 2008-4, 15 January 2008
- *A review of certain matters concerning radio*, Public Notice CRTC 1995-60, 21 April 1995
- *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993

This decision is to be appended to the licence.

Appendix 1 to Broadcasting Decision CRTC 2024-28

Terms, expectations and encouragement for the English-language commercial speciality (Religious music) FM radio programming undertaking in Oromocto, New Brunswick

Terms

The licence will expire 31 August 2030.

The station will operate at 94.7 MHz (channel 234A1) with an average effective radiated power of 250 watts (non-directional antenna with an effective height of antenna above average terrain [EHAAT] of 22.8 metres).

Pursuant to subsection 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry (also known as Innovation, Science and Economic Development Canada) notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

Furthermore, the Commission will only issue a licence for this undertaking once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be in operation by no later than **9 February 2026**. To request an extension, the applicant must submit a written request to the Commission at least 60 days before that date, using the form available on the Commission's website.

Expectations

Cultural diversity

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

Canadian content

The Commission expects the licensee to devote a minimum of 35% of its musical selections to Canadian selections.

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.

Appendix 2 to Broadcasting Decision CRTC 2024-28

Conditions of service for the English-language commercial speciality (Religious music) FM radio programming undertaking in Oromocto, New Brunswick

The Commission proposes to make orders imposing the following conditions of service, including contribution requirements, on Gospel Music Radio Inc. in respect of the new English-language commercial speciality (Religious music) FM radio programming undertaking in Oromocto, New Brunswick, pursuant to subsection 9.1(1) of the *Broadcasting Act*.

Conditions of service

1. The licensee shall adhere to the conditions of service set out in the appendix to *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 of service 7, which is replaced by the following:

The station shall be operated 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.

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. The licensee shall, in each broadcast week, devote 100% of all musical selections broadcast to musical selections drawn from content subcategory 35 (Non-classic religious).
4. Where the licensee broadcasts religious programming as defined in the *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993, the licensee shall adhere to the guidelines set out in section III.B.2.a) and IV of that public notice with respect to the provision of balance and ethics in religious programming, as amended from time to time.
5. The licensee shall implement the National Public Alerting System (NPAS) **by the station's launch** in the manner set out in section 16 of the *Radio Regulations, 1986*, and in *Amendments to various regulations, the standard conditions of licence for video-on-demand undertakings and certain exemption orders – Provisions requiring the mandatory distribution of emergency alert messages*, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014.

The licensee shall file a letter with the Commission to attest to the implementation date of its NPAS **within 14 days after installation of the alerting equipment**. This letter must also contain evidence that the system is properly configured to receive and distribute alerts from the National Alert Aggregation and Dissemination (NAAD) System (e.g. an attestation by a CEO, president or person exercising a similar supervisory role in the licensee's operations, as to the installation of functioning alerting equipment).