



Broadcasting Decision CRTC 2013-428

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Route reference: 2013-220

Ottawa, 22 August 2013

Christian Hit Radio Inc.
Ottawa, Ontario

Application 2012-0086-5, received 24 January 2012

CHRI-FM Ottawa and its transmitters – Licence renewal

*The Commission **renews** the broadcasting licence for the specialty (Christian music) radio station CHRI-FM Ottawa and its transmitters, from 1 September 2013 to 31 August 2018. This short-term renewal will allow for an earlier review of the licensee's compliance with its conditions of licence and the Radio Regulations, 1986.*

Introduction

1. Christian Hit Radio Inc. filed an application to renew the broadcasting licence for the specialty (Christian music) radio station CHRI-FM Ottawa, Ontario and its transmitters CHRI-FM-1 Cornwall and CHRI-FM-2 Pembroke, which expires 31 August 2013.¹
2. The Commission received an intervention from the Province of Ontario related to the participation of the station in the National Public Altering System (NPAS). The public record for this application is available on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
3. As specified in its three-year plan, the Commission will be looking at measures to ensure the participation of Canadian broadcasters and telecommunications services providers in the NPAS. Therefore, the Commission will not impose conditions of licence requiring the participation of broadcasters in the NPAS at this time. However, the Commission expects all licensees to voluntarily participate in the NPAS so that Canadians receive timely warning of imminent perils.

Non-compliance

4. In Broadcasting Notice of Consultation 2013-220, the Commission noted that the licensee was in apparent non-compliance with regard to:

¹ The original expiry date of CHRI-FM's broadcasting licence was 31 August 2012. The licence was administratively renewed until 31 August 2013 as a result of Broadcasting Decision 2012-447.

- its conditions of licence relating to Canadian talent development (CTD) for the 2005-2006 to 2010-2011 broadcast years;
 - section 9(2) of the *Radio Regulations, 1986* (the Regulations) regarding the provision of annual returns by the 30 November deadline for the 2005-2006, 2007-2008 and 2008-2009 broadcast years, and;
 - section 9(2) of the Regulations regarding the provision of complete annual returns for the 2009-2010 broadcast year, in that no financial statements were filed with the return.
5. The licensee was required, by condition of licence, to make annual CTD contributions of \$13,000. However it failed to provide proofs of payments for these contributions. The licensee stated that it was unaware that it was supposed to pay the full amount required under its condition of licence on direct costs related to CTD projects, that it was to provide proof of payment or proof of eligibility of contributions, and that all contributions were to be made to third parties. The licensee indicated that the majority of its required contributions had been on indirect costs associated with CTD.
 6. The licensee also submitted that there had been a misunderstanding with respect to the filing of annual returns. It indicated that it was now aware of the Commission's requirements and would ensure that completed annual returns are filed on time each year.
 7. Section 9(2) of the Regulations requires licensees to file an annual return by 30 November of each year for the broadcast year ending the previous 31 August. The filing requirements, including the requirement to submit financial statements, are set out in Broadcasting Information Bulletin 2011-795.
 8. In the light of the above, the Commission finds the licensee in non-compliance with its condition of licence relating to CTD contributions and with section 9(2) of the Regulations relating to the filing of annual returns on time and with all necessary information.

Regulatory measures

9. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach to non-compliance by radio stations. Specifically, the Commission indicated that each instance of non-compliance would be evaluated in its context and in light of factors such as the quantity, recurrence and seriousness of the non-compliance. The Commission also indicated that it would consider the circumstances of the non-compliance, the arguments provided by the licensee and the measures taken to rectify the situation.
10. The Commission considers that initiatives relating to the development of Canadian content and talent not only help to develop and advance the careers of emerging Canadian artists but will increase the supply of high-quality Canadian music in a

variety of genres and the demand for Canadian music by listeners. Accordingly, it is important that radio licensees make their required contributions.

11. The Commission has considered the record for this application and notes that the licensee's total shortfall with respect to CTD over six broadcast years would amount to \$78,000. However, the licensee is a not-for-profit charitable organization registered with Revenue Canada. As such it is not required to make Canadian content development (CCD) contributions under the revised CCD regime set out in section 15 of the Regulations that replaced the CTD regime and came into effect in 2008-2009 broadcast year. The licensee could have submitted an application to amend its condition of licence so that it was not required to make CTD contributions beginning in 2008-2009. The Commission is therefore of the view that it would be appropriate to require the licensee to make up its CTD shortfalls only for the 2005-2006, 2006-2007 and 2007-2008 broadcast years. A **condition of licence** requiring the licensee to make up this shortfall, which totals \$39,000, within 90 days of the date of this decision is set out in the appendix.
12. With respect to annual returns, the Commission notes the explanation provided by the licensee. However, it reminds the licensee that, as stated in Broadcasting Information Bulletin 2011-795, it is its responsibility to ensure that all appropriate forms and documentation are included with the submission of its annual return. If further clarification is required, it is the licensee's responsibility to contact the Commission for further direction.
13. The Commission is satisfied that the licensee has put measures in place to ensure future compliance with requirements related to the filing of annual returns.
14. Given the circumstances surrounding the non-compliance for Christian Hit Radio Inc., the Commission considers it appropriate to grant a five-year renewal for CHRI-FM. This short-term renewal will allow for an earlier review of the licensee's compliance with its conditions of licence and with the Regulations.

Conclusion

15. The Commission **renews** the broadcasting licence for the specialty (Christian music) radio programming undertaking CHRI-FM Ottawa, Ontario and its transmitters CHRI-FM-1 Cornwall and CHRI-FM-2 Pembroke from 1 September 2013 to 31 August 2018. The licence will be subject to the **conditions of licence** set out in the appendix to this decision.

Secretary General

Related documents

- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2013-220, 7 May 2013

- *Various radio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2012-447, 17 August 2012, as corrected by Broadcasting Decision CRTC 2012-447-1, 22 August 2012
- *Filing annual returns for radio programming undertakings*, Broadcasting Information Bulletin CRTC 2011-795, 20 December 2011
- *Revised approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2011-347, 26 May 2011

**This decision is to be appended to the licence.*

Appendix to Broadcasting Decision CRTC 2013-428

Terms, conditions of licence and encouragement for the specialty (Christian music) radio programming undertaking CHRI-FM Ottawa, Ontario and its transmitters CHRI-FM-1 Cornwall and CHRI-FM-2 Pembroke

Terms

The licence will expire 31 August 2018.

Conditions of licence

1. The licensee shall adhere to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, as amended from time to time, with the exception of condition of licence 7.
2. 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, as amended from time to time, and *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
3. During each broadcast week, at least 80% of all musical selections shall be drawn from subcategory 35 - Non-classic religious, as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
4. All programming drawn from subcategory 11 (News) must be broadcast in the English language and a maximum of 10% of programming from subcategory 12 (Spoken Word - Other) may be broadcast in the French language.
5. During each broadcast week, a minimum of 12% of all musical selections drawn from category 3 (Special Interest Music) as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time, must be Canadian.
6. During each broadcast week, a minimum of 10% of all musical selections broadcast during ethnic program periods must be Canadian.
7. During each broadcast week, all advertising material shall be broadcast in the English language, with the exception of a maximum of 15 minutes of French-language advertising.
8. During each broadcast week, the licensee shall broadcast a maximum of 20% hit material as defined in *Policy regarding the broadcast of hits by English-*

language FM radio stations, Broadcasting Regulatory Policy CRTC 2009-61, 11 February 2009, as amended from time to time.

9. The licensee shall expend \$39,000 on parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006 and provide proof of this payment **within 90 days of the date of this decision**.

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 issues in its hiring practices and in all other aspects of its management of human resources.