



Broadcasting Decision CRTC 2025-76

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Gatineau, 11 March 2025

Arsenal Media Inc.

Various locations in Quebec

Public record: 2024-0071-1

Public hearing in the National Capital Region

5 September 2024

CFEI-FM Saint-Hyacinthe, CFVM-FM Amqui, CFZZ-FM Saint-Jean-sur-Richelieu, CHRD-FM and CJDM-FM Drummondville, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie, and CJOI-FM Rimouski – Change in ownership and effective control

Summary

The Commission approves an application by Arsenal Media Inc. (Arsenal) to change the ownership and control of the French-language commercial radio programming undertakings CFEI-FM Saint-Hyacinthe, CFVM-FM Amqui, CFZZ-FM Saint-Jean-sur-Richelieu, CHRD-FM and CJDM-FM Drummondville, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie and CJOI-FM Rimouski, Quebec. Through this transaction, Arsenal will acquire from Bell Media Inc. the assets necessary to operate these programming undertakings. The Commission also approves Arsenal's request for new broadcasting licences to continue the operation of the above-noted stations.

The Commission finds that approving this transaction is in the public interest, as it will ensure that the stations continue serving the communities of those regions of Quebec.

For the programming undertakings that form part of the present transaction, Arsenal will be subject to the conditions of service set out in Appendix 1 to this decision. In addition, the Commission proposes to make the order set out in Appendix 2 to this decision imposing on the licensee a condition of service, including expenditure requirements. Consistent with subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*, interested persons may make representations only on the proposed orders, set out in Appendix 2, by no later than **21 March 2025**. The licensee may submit a reply to any representations received by no later than **26 March 2025**.

Application

1. On 28 February 2024, the Commission received an application from Arsenal Media Inc. (Arsenal), on behalf of Bell Media Inc. (Bell Media), for authority to change the ownership and effective control of the French-language commercial radio programming undertakings CFEI-FM Saint-Hyacinthe, CFVM-FM Amqui, CFZZ-FM Saint-Jean-sur-Richelieu, CHRD-FM and CJDM-FM Drummondville, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie and CJOI-FM Rimouski, Quebec. Through this transaction, Arsenal will acquire from Bell Media the assets necessary to operate these stations. Arsenal also requested new broadcasting licences to continue the operation of the stations under the same terms and conditions as those currently in effect.
2. Arsenal is owned by Sylvain Chamberland (75.12%) and Gestion DR (24.88%). The effective control is exercised by Sylvain Chamberland, the main shareholder, who is a Canadian.
3. Bell Media is wholly owned by Bell Canada, a subsidiary of the publicly traded corporation BCE Inc. (BCE). The effective control of BCE is exercised by its board of directors.
4. The purchase price for the assets is \$6,500,000. Arsenal proposed a value of the transaction of \$8,461,392, which includes the purchase price and the total value of leases payable over five years. There are no liabilities being assumed nor working capital transferred at closing. Arsenal also proposed a tangible benefits package of \$507,684, which represents the minimum 6% of the proposed value of the transaction.

Interventions

5. The Commission received 12 interventions regarding the application. Details on these interventions are set out in the respective sections below.

Legal framework

6. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act* (the Act). Obtaining a licence to operate a broadcasting undertaking (in this case, radio stations) is a regulatory privilege granted by the Commission. A licensee does not have the authority to transfer a licence to a new operator as they see fit.
7. For this reason, licensees must obtain the Commission's approval before entering into any action, agreement, or transaction that changes, directly or indirectly, the effective control of the radio station. This requirement is set out in subsection 11(4) of the *Radio Regulations, 1986* (the Regulations).
8. When seeking the Commission's approval, the applicant must demonstrate that the benefits of the transaction are commensurate with the size and nature of the transaction and that the application represents the best possible proposal under the circumstances. The Commission will consider the application on its merits and will approve the

transaction if the change in ownership and effective control is in the public interest. The public interest is reflected in the Canadian broadcasting and regulatory policy set out in subsections 3(1) and 5(2) of the Act.

9. Under subsection 18(1) of the Act, the Commission must conduct a public hearing for the issuance of a broadcasting licence. Broadcasting Information Bulletins 2011-222 and 2008-8-2 outline that the Commission generally reviews applications for asset purchases through public hearings, either appearing or non-appearing. Applications are non-appearing where the Commission is satisfied that the applicant and interested parties had an opportunity to present their views and that the written record is sufficient and further discussion is not necessary.

Issues

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 for Canadian ownership and control;
 - whether the proposed transaction is consistent with the Commission's Common Ownership Policy for radio;
 - whether the proposed transaction is in the public interest;
 - the value of the transaction and tangible benefits;
 - the allocation of tangible benefits;
 - whether the proposed transaction fulfills the regulatory requirements; and
 - amendments to certain conditions of service.

Canadian ownership and control

11. Pursuant to paragraph 3(1)(a) of the Act, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. As required by the *Direction to the CRTC (Ineligibility of Non-Canadians)*¹ (the Direction), no broadcasting licence can be issued to a non-Canadian.
12. Arsenal is a corporation incorporated in Quebec. The effective control of Arsenal is exercised by Sylvain Chamberland, the principal shareholder, who is a Canadian. As such, the proposed transaction satisfies the eligibility criteria set out in the Direction.

¹ SOR/97-192, 8 April 1997.

Common Ownership Policy for radio

13. The Revised Commercial Radio Policy² has modified the Common Ownership Policy for radio. It stipulates that in markets³ with eight commercial radio stations or more operating in a given language, a person may be permitted to own or control as many as four stations operating in that language, with a maximum of three stations within one frequency band (FM or AM)
14. Broadcasting Information Bulletin 2010-341 (the Bulletin) states that stations whose markets overlap the market under evaluation must be counted in the number of stations present in that market. Partially overlapping stations may be excluded from this number when the population of the overlapping area represents less than 15% of the population of the market under evaluation. In markets where the population in the overlapping area represents between 5% and 15% of the market, stations can be excluded if they do not accept advertising from local businesses in the market under evaluation. In such cases, the Commission will generally approve an application even if a person exceeds the maximum number of stations allowed in the market, provided that the competitive balance of the market is maintained and the direction of news and public affairs coverage is not affected. Stations will generally be excluded from the calculation of the number of stations in a market if the population in the overlapping area represents less than 5% of the market.
15. Moreover, the Revised Commercial Radio Policy and the Bulletin state that the Commission may grant an exception to the Common Ownership Policy for radio if a person exceeds the maximum number of stations allowed in the market when it concludes that the exception is in the public interest because it provides clear benefits to Canadians and the broadcasting system or is based on serious economic or technical circumstances.
16. Only the markets of CFVM-FM Amqui and CIKI-FM Rimouski (stations subject to the present transaction) and of CHOE-FM and CHRM-FM Matane (stations currently operated by Arsenal) could have compliance issues relating to the Common Ownership Policy for radio following approval of the transaction.

CIKI-FM Rimouski market

17. Arsenal currently owns the commercial stations CHOE-FM and CHRM-FM in Matane, and upon approval of the transaction, it would also own CFVM-FM Amqui and CJOI-FM Rimouski.

² See Broadcasting Regulatory Policy 2022-332.

³ According to the Regulations, the “market” in the case of an FM station is defined by the theoretical 3 mV/m contour or the central area as defined by Numeris (formerly Bureau of Broadcast Measurement), whichever is smaller. The theoretical 3 mV/m (primary) and 0.5 mV/m (secondary) contours demonstrate the approximate extent of coverage over average terrain. The true coverage of a radio signal may vary, and therefore realistic contours can be created using accepted engineering tools that take into account actual conditions, such as terrain or natural objects, to provide a coverage estimate.

18. In accordance with the Bulletin, since the population of the overlapping areas of the CFVM-FM Amqui and CIKI-FM Rimouski markets and of the CIKI-FM Rimouski and CJOI-FM Rimouski markets each represents more than 15% of CIKI-FM Rimouski's population, these stations must be included in the number of stations serving the CIKI-FM Rimouski market.
19. However, since the population of the overlapping areas of CIKI-FM Rimouski and of CHOE-FM Matane and CHRM-FM Matane markets each represents less than 5% of the population of the CIKI-FM Rimouski market, these two stations should not be included in the evaluation of the number of stations operated by Arsenal in the CIKI-FM Rimouski market.
20. In light of the above, upon approval of the transaction, Arsenal would own three French-language FM stations in the CIKI-FM Rimouski market (i.e., CFVM-FM, CIKI-FM and CJOI-FM), which is consistent with the Common Ownership Policy for radio.

CHOE-FM and CHRM-FM Matane markets

21. Arsenal currently owns CHOE-FM and CHRM-FM, and upon approval of the transaction, would also own CFVM-FM and CIKI-FM, whose markets overlap those of the Matane stations.
22. In accordance with the Bulletin, since the population of the overlapping areas between the CFVM-FM Amqui market and that of the Matane stations represents more than 15% of the population served by the Matane stations, CFVM-FM must be included in the number of stations serving the Matane market.
23. The overlapping areas between the CIKI-FM Rimouski market and that of the Matane stations represent between 5% and 15% of the populations of the CHOE-FM Matane and CHRM-FM Matane markets. As such, the competitive balance of the Matane market and the risk of influence on the orientation of news and public affairs programming must be taken into account when determining whether CIKI-FM must be included in the assessment of the number of stations in the CHOE-FM Matane and CHRM-FM Matane markets.
24. Arsenal stated that less than 3% of CIKI-FM's total local sales come from local Matane businesses, and added that this station does not broadcast public affairs programs specifically aimed at listeners in the Matane market.
25. Further, Arsenal confirmed that plans to maintain CIKI-FM's level for the broadcast of advertising for local Matane businesses, and that it does not plan to change the orientation of news upon approval of the transaction.
26. Therefore, although CIKI-FM constitutes a fourth presence owned by Arsenal on the FM band in the Matane market, the Commission is of the view that Arsenal would remain in compliance with the Common Ownership Policy for radio under the guidelines set out in the Bulletin, given the negligible risk that CIKI-FM's presence would alter the

competitive balance or the orientation of news and public affairs programming in the Matane market.

CFVM-FM Amqui market

27. Arsenal currently owns CHOE-FM and CHRM-FM, and upon approval of the transaction, would also own CIKI-FM. The markets for these three stations overlap that of CFVM-FM Amqui. As such, in accordance with the Bulletin, given that the populations in the overlapping areas of the CFVM-FM market and each of these three markets represent more than 15% of the population of the CFVM-FM Amqui market, Arsenal would own four French-language FM stations broadcasting in the CFVM-FM Amqui market, which would run counter to the Common Ownership Policy for radio.
28. Arsenal therefore proposed two options to support approval of its application to acquire CFVM-FM: an exception to the Common Ownership Policy for radio, or a technical modification to CFVM-FM's parameters to reduce the station's overlap with the markets for the two Matane stations.

Request for an exception to the Common Ownership Policy for radio

29. In support of its request for an exception to the Common Ownership Policy for radio for the CFVM-FM Amqui market, Arsenal proposed to pay \$100,000 in additional tangible benefits over seven years to support the broadcasting system. This sum would be paid as follows:
 - \$7,144 per year to Diffusion Mordicus Inc., a non-profit organization that has been presenting shows in La Matapédia for 40 years; and
 - \$7,143 per year to discretionary initiatives eligible for Canadian content development (CCD).

Modification of CFVM-FM technical parameters

30. In the event the Commission denies the exception request, Arsenal proposed to modify CFVM-FM's technical parameters, considerably reducing the overlapping areas with the markets for CHOE-FM Matane and CHRM-FM Matane to between 5% and 15%, of the population of these stations' markets. Arsenal noted that the proposed technical modifications would generate significant additional costs (estimated at over \$100,000) and would result in CFVM-FM shutting down for several weeks.
31. As such, in accordance with the Bulletin, the competitive balance of the market and the risk of influencing the orientation of news and public affairs programming must be taken into account in determining whether CHOE-FM and CHRM-FM must be considered part of the CFVM-FM Amqui market.
32. Arsenal stated that CHOE-FM and CHRM-FM do not broadcast advertising for local Amqui businesses and do not broadcast news and public affairs programs aimed

specifically at listeners in Amqui. Arsenal stated that it will not change these practices if the transaction is approved.

Interventions

33. The Commission received three interventions in support of Arsenal's proposal to pay \$100,000 in additional tangible benefits to support the exception request for the CFVM-FM Amqui market. The first was filed by Diffusion Mordicus Inc., which would be the beneficiary of half of this amount. The second was filed by the Mayor of Amqui, who asked the Commission to accept the exception request and the amount proposed by Arsenal. The third was filed by the Chamber of Commerce of La Matapedia Regional County Municipality, which supported Arsenal's desire to inject this sum into the regional cultural scene over the next seven years.
34. The Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ) proposed that tangible benefits be set at 7.5% (rather than 6%) of the value of the transaction in the event of non-compliance with the Common Ownership Policy for radio.
35. According to Groupe Radio Simard, Arsenal's current size already allows it to obtain a significant share of national advertising placement. It added that by acquiring the seven stations subject to this transaction, Arsenal would obtain the majority of national advertising placement outside major centres, further reducing access to national advertising revenues for other operators of regional radio stations in Quebec, including the Groupe Radio Simard stations. Furthermore, should the Commission refuse to authorize the change in the ownership and effective control of the Amqui and Rimouski stations, Groupe Radio Simard stated that it is ready to enter into discussions with Bell Media for the purchase of these stations.
36. In its reply, Arsenal argued that this will be a transfer of advertising placements from Bell Media to Arsenal only in the markets of the stations involved in the transaction, and that this transfer will have no impact on advertising placements in the markets occupied by Groupe Radio Simard. In regard to Rimouski, Arsenal indicated that the status quo will remain, given that Groupe Radio Simard's station CFYX-FM Rimouski already competes with Bell Media stations, and given that this transaction will not change the balance of power in this market.
37. Finally, Arsenal indicated that should its request for an exception and its proposed technical modification be denied, it would ask the Commission to authorize the transaction and would commit, once the transaction is completed, to launch a solicitation process aimed at finding a new buyer for CFVM-FM.

Commission's decision

CFVM-FM Amqui market

38. In the Commission's view, Arsenal's proposal to pay \$100,000 in tangible benefits notably to Diffusion Mordicus Inc. is a solution to Arsenal's advantage, since Diffusion Mordicus Inc. would constitute an important source of advertising for the Amqui station.

The Commission considers that granting an exception to the Common Ownership Policy for radio would not provide clear benefits to Canadians or to the broadcasting system. As such, the Commission considers that this proposal is not in the public interest and would not have a significant impact on the diversity of regional voices.

39. According to the Common Ownership Policy for radio, the transaction cannot be approved without an exception from the Commission. However, the transaction could be approved without an exception if Arsenal follows through on the proposed technical changes for CFVM-FM.
40. In light of the above, the Commission denies the request for an exception to the Common Ownership Policy for radio for the CFVM-FM Amqui market. However, the Commission considers it appropriate to approve the transaction as it relates to CFVM-FM if Arsenal proceeds with its proposed technical modifications for that station. Accordingly, the Commission requires Arsenal, as a **condition of approval**, to submit a request for its proposed technical modifications for CFVM-FM within 30 days of the closing date of the transaction. The Commission recognizes that CHOE-FM and CHRM-FM represent a third and fourth presences that would be held by Arsenal on the FM band in the CFVM-FM Amqui market. It considers, however, that following the technical modifications, Arsenal would remain in compliance with the Common Ownership Policy for radio. In fact, the presence of the Matane stations presents a negligible risk of modifying the competitive balance or the orientation of news and public affairs programs in the CFVM-FM Amqui market.
41. In its intervention, ADISQ proposed setting tangible benefits at 7.5% (rather than 6%) of the value of the transaction in the event of non-compliance with the Common Ownership Policy for radio. The Commission notes that following the implementation of the technical modifications, Arsenal would be in compliance with this policy. The Commission is therefore of the view that it would not be appropriate to impose an additional 1.5% in tangible benefits (for a total of 7.5% of the value of the transaction) as proposed by ADISQ.
42. The transaction complies with the Common Ownership Policy for radio for all other markets involved in this transaction.

Public interest of the proposed transaction

43. When the Commission evaluates whether a proposed transaction is in the public interest, it examines the extent to which the transaction improves the Canadian broadcasting system and contributes to meeting the policy objectives of the Act. Section 3 of that Act describes a broadcasting system that contributes to the creation and presentation of Canadian programming, and through its programming reflects the multicultural and multiracial nature of Canadian society. Furthermore, the programming that the system provides should be drawn from local and regional sources and should ensure that a diversity of news voices is offered to the public.

Position of applicant

44. Arsenal stated that it is interested in acquiring the stations as this will allow it to consolidate its presence in local and regional markets, particularly in the Lower Saint Lawrence, Central Quebec and Montérégie. Arsenal stated that it has expertise in operating radio stations in markets outside major urban centres and considered that this acquisition would help to consolidate its position while meeting the needs of local communities.
45. According to Arsenal, the transaction is in the public interest since it would allow the seven stations involved to develop within a broadcasting group that is well established in several regions of Quebec. Arsenal also highlighted the considerable contribution made to the broadcasting system through the payment of tangible benefits.

Interventions and reply

46. The Conseil provincial du secteur des communications du Syndicat canadien de la fonction publique (CPSC-SCFP) and the Forum for Research and Policy in Communications (FRPC) neither supported nor opposed the transaction but raised concerns regarding jobs. The CPSC-SCFP expressed the concern that Arsenal will cut jobs once the new stations are consolidated with its existing stations. The FRPC raised similar issues in regard to maintaining jobs.
47. In regard to the concerns expressed by the CPSC-SCFP, Arsenal stated its firm intention to put into place dedicated news teams at each of the Rimouski, Matane, and Amqui stations. It added that it would launch news websites in Rimouski and in the Matapedia Valley.

Commission's decision

48. In regard to the concerns expressed by the CPSC-SCFP and the FRPC, the Commission notes that Arsenal proposed employment initiatives in the context of this transaction. More precisely, it plans to hire staff for animation and news positions, as well as an advertising consultant for CFVM-FM. This approach aims to revitalize the station, which currently has no permanent employees, and improve local and regional news. As such, the Commission is satisfied with Arsenal's employment commitments for the stations to be acquired as part of this transaction.
49. Arsenal specified that each station will devote a large part of its programming to the needs of its community and will broadcast news, sports and weather reports, as well as interviews with local and regional news personalities.
50. The Commission notes that approval of the transaction would ensure the survival of stations Bell Media wishes to divest itself of and would generate \$507,684 in tangible benefits that would be directed into the broadcasting system.
51. In light of the above, the Commission finds that approval of this transaction is in the public interest and is consistent with the Canadian broadcasting policy objectives set out

in the Act. With the technical modifications, it is convinced that a diversity of voices will be achieved. In addition, with approval of the transaction, the communities in Quebec will continue to be served by stations operated by an independent broadcaster.

Value of the transaction and tangible benefits

52. The Commission ensures that the public interest is served by requiring that the purchasing company make financial contributions to CCD that are proportionate to the size and nature of the transaction. These contributions are known as “tangible benefits.” The Commission’s policy on tangible benefits is set out in the Tangible Benefits Policy⁴. Tangible benefits serve the public interest because they increase the quantity and quality of Canadian programming and support the creation, distribution and promotion of such programming. Since the Commission does not solicit competing applications for changes to the ownership or effective control of broadcasting undertakings, the Commission requires that applicants propose tangible benefits when they seek the Commission’s approval to change the effective control of radio and television programming services.
53. The amount of tangible benefits payable depends on the value of the transaction. In the case of radio stations, tangible benefits represent at a minimum 6% of the value of the transaction. The Commission looks at the value of the transaction as a whole, including the value of gross debt, working capital to be transferred at the close of the transaction, ancillary agreements, and any leases assumed by the purchaser for real property (buildings, studios and offices) and transmission facilities. The value of leases is calculated over a period of five years. These elements, if applicable, are added to the purchase price.
54. Arsenal proposed a value of the transaction of \$8,461,392. This amount includes the purchase price (\$6,500,000) and the total value of the leases payable over five years (\$1,961,392). No debt or working capital will be assumed.
55. The Commission notes that the value of the transaction proposed by the applicant is consistent with the Commission’s general approach. The Commission has calculated the value of the transaction at \$8,461,392, itemized as follows:

Purchase Price	\$6,500,000
Debt	\$0
Assumed leases over five years	\$1,961,392
Working capital	\$0
Value of the transaction	\$8,461,392

⁴ See Broadcasting Regulatory Policy 2014-459.

Allocation of tangible benefits

56. Arsenal proposed a tangible benefit package of \$507,684, which represents the minimum 6% of the proposed value of the transaction.

57. As per the Revised Commercial Radio Policy, tangible benefits must be paid over seven consecutive broadcasting years and be allocated as follows:

- 3% to the Canadian Starmaker Fund and Fonds RadioStar;
 - 60% to the Canadian Starmaker Fund and 40% to Fonds RadioStar
- 1.5% to FACTOR and Musicaction;
 - 60% to FACTOR and 40% to Musicaction
- 1% to any eligible CCD initiative at the discretion of the purchaser; and
- 0.5% to the Community Radio Fund of Canada (CRFC).

58. In regard to the allocation of funds, Arsenal requested an exception to the Revised Commercial Radio Policy in regard to the 60-40% ratios. It proposed to pay the tangible benefits over seven consecutive broadcast years, as follows:

- 3% to the Fonds RadioStar;
- 1.5% to Musicaction;
- 1% to any eligible CCD initiative at the discretion of the purchaser; and
- 0.5% to the CRFC.

59. Arsenal indicated that it is requesting an exception because the stations to be acquired are French-language commercial radio stations. Arsenal noted that French-language music is not or is hardly consumed, despite the efforts of Quebec broadcasters, and that it would be better to keep the money in the French-language system to allow the music industry to compete on a level playing field.

60. Arsenal specified that, as indicated in the Tangible Benefits Policy, the amounts allocated to discretionary initiatives may be left to the buyer's discretion. Arsenal plans to support initiatives that have an impact on the local communities served by its stations and that meet the Commission's eligibility criteria.

Interventions

61. ADISQ supported Arsenal's request for an exception to the Revised Commercial Radio Policy in regard to the allocation of funds to Fonds RadioStar and Musicaction, given their precarious situations, especially that of Fonds RadioStar. ADISQ also stated that the

imbalance of resources between English- and French-language funds runs counter to the objectives of the Act. It added that it will take time for the solutions proposed by the Commission in Broadcasting Regulatory Policies 2022-332 and 2024-121 regarding the predicament facing French-language funds to have an effect. In ADISQ's view, it is important in the meantime to give the funds, and particularly Fonds RadioStar, the support they need to fulfill their mission while contributing to a financial rebalance of the English- and French-language funds. In this specific situation, ADISQ considered that the public interest would be served by granting an exception.

62. According to the FRPC, a portion of the tangible benefits should be allocated to the Broadcast Participation Fund (BPF) to ensure the financial stability of this fund.
63. The Public Interest Advocacy Centre (PIAC) expressed concern over the lack of detail in the application regarding the allocation of tangible benefits. Moreover, it deplored the self-serving aspect of Arsenal's proposal given that the applicant indicated it would support local initiatives chosen at its discretion. It considered that the portion allocated to eligible CCD initiatives (1%) should instead be allocated to the BPF and to the Broadcast Accessibility Fund (BAF) in equal shares of 0.5%. PIAC argued that the BPF and BAF are underfunded and essential to public participation in broadcasting proceedings, which helps the Commission make informed decisions. Further, PIAC submitted that since Arsenal did not specify its exercise of discretion in adequate detail to exclude the possibility that it might serve its own interests and has thereby excluded the ability to assess whether it is an incremental measure, it would be in the public interest to order Arsenal to allocate this portion to the BPF and to the BAF.

Commission's decision

64. The Commission notes that the 60-40% ratios were adopted by the Commission in 2022 as part of the Revised Commercial Radio Policy. The Commission noted that the situation had changed since the publication of the Tangible Benefits Policy, with greater unpredictability in the number and size of ownership transactions within each language market. It therefore considered that all of the funds would benefit from more predictable and consistent allocations between the Canadian Starmaker Fund and Fonds RadioStar and between FACTOR and Musicaction.
65. As these allocations were adopted in 2022, the Commission considers that approving this type of exception could destabilize the financing of the broadcasting system, which is already experiencing economic difficulties.
66. In regard to ADISQ's comment on the imbalance between funds and Arsenal's argument regarding French-language music, the Commission notes that all ownership transactions are subject to this allocation and therefore make a financial contribution to the funds of both language markets.
67. As it has done in the past, the Commission may choose to exercise its discretion and depart from this policy when it considers that the public interest would be furthered by granting an exception, depending on the file before it.

68. The Commission recognizes that support for local initiatives plays an important role in meeting the needs of the local communities served by radio stations.
69. In regard to the proposals by PIAC and the FRPC, although there are other useful and important initiatives in the broadcasting sector, the Commission notes that Arsenal opted not to direct funds to the BPF or the BAF.
70. Public participation in Commission proceedings is of great importance. A diversity of evidence informs the Commission's work in fulfilling its mandate to regulate and supervise the broadcasting system. Obtaining evidence from individual consumers or from organizations advocating in the public interest helps the Commission make informed, evidence-based decisions with far-reaching impacts.
71. In its [Regulatory plan to modernize Canada's broadcasting framework](#), the Commission stated its intention to launch a consultation to explore new ways to fund the participation of groups that represent the public interest to better facilitate their participation in Commission proceedings. The Commission intends to launch that consultation in the coming weeks and encourages individuals and groups to participate.
72. As explained in the Revised Commercial Radio Policy, contributions to tangible benefits are likely to decline in coming years due to a decrease in the number of new radio stations and ownership transactions. In addition, CCD contributions from these transactions cannot be considered a stable source of funding for eligible funds and initiatives. As such, recipients of the various funds described in this policy rely on these contributions to manage the funding they receive. In these circumstances, the Commission is not convinced that it would be in the public interest to depart from regulatory policy in order to reallocate these funds to other initiatives to the detriment of current beneficiaries.
73. Moreover, the allocation of tangible benefits was recently revised to take into account the needs of the various beneficiaries, whether they are organizations or initiatives supporting Canadian artists and their work. The Commission sees no reason that would justify departing from the Tangible Benefits Policy and from the Revised Commercial Radio Policy and its refusal that Arsenal allocate the discretionary portion to initiatives eligible for CCD contributions.
74. In light of the above, the Commission finds that the amount of the tangible benefits package proposed in the application is appropriate but denies Arsenal's requested exception in regard to the allocation. The Commission finds it appropriate to modify the allocation to align it with that set out in the Tangible Benefits Policy and the Revised Commercial Radio Policy.
75. The modernized Act now includes express provisions for the imposition of expenditure requirements. Tangible benefits must therefore be imposed by an order made under paragraph 11.1(2) of the Act. As a result, the Commission considers it appropriate to order Arsenal, by condition of service, to pay \$507,684 in tangible benefits, to be paid in

equal instalments over seven consecutive broadcast years, under the Tangible Benefits Policy and the Revised Commercial Radio Policy.

Regulatory requirements

CFVM-FM Amqui – Apparent non-compliance in regard to music programming

76. According to Commission records, for CFVM-FM, the licensee is in apparent non-compliance with subsection 2.2(5) of the Regulations, which requires a licensee of a commercial station operating in the French language to devote, in a broadcast week, at least 65% of content category 2 (Popular Music) vocal musical selections to musical selections in the French language broadcast in their entirety.
77. Based on an analysis of the list of montages broadcast on CFVM-FM during the 9 to 15 April 2023 broadcast week, certain montages did not appear to comply with the requirements relating to the broadcast of musical montages as set out in Broadcasting Information Bulletin 2011-728. An examination of the montages revealed that no specific theme was identified, and that there did not seem to be any common theme linking the musical selections. In addition, the requested montages contained few or no excerpts from Canadian musical selections or from French-language musical selections. This constitutes an inappropriate use of montages as identified in paragraph 18 of Broadcasting Information Bulletin 2011-728.
78. Consequently, each of the excerpts broadcast that were more than one minute in length was added to the total number of musical selections broadcast during the broadcast week monitored, which reduced the percentage of French-language vocal musical selections from 68% to 58% for that broadcast week. As such, for the 9 to 15 April 2023 broadcast week, the licensee is in apparent non-compliance with subsection 2.2(5) of Regulations for the broadcast week of 9 to 15 April 2023.

Applicant's position

79. Arsenal indicated that following the performance assessment, Bell Media, in a letter sent to the Commission, reiterated it was convinced that the broadcast of montages on CFVM-FM during the broadcast week in question constituted an appropriate use of montages and complied with paragraphs 15 and 16 of Broadcasting Information Bulletin 2011-728.
80. Arsenal stated that it had implemented a rigorous process for its music programming to ensure compliance with its obligations. It added that audits are done each week by the musical programming department and that an additional margin of error is added to avoid discrepancies.

Commission's decision

81. Although the Commission may demonstrate tolerance, it considers that the important differences regarding the thresholds cannot be ignored.

82. In light of the above, the Commission finds the licensee in non-compliance with subsection 2.2 (5) of the Regulations for the broadcast week of 9 to 15 April 2023.
83. Failing to comply with obligations to broadcast Canadian content and French-language vocal musical selections has the potential to cause harm to the Canadian broadcasting system as it not only deprives Canadian artists of royalties but also of airplay, which in turn reduces their exposure to audiences.
84. In the Commission's view, it would be appropriate to impose a condition of service requiring the licensee to make additional CCD contributions, in order to compensate the broadcasting system for losses caused by its non-compliance with requirements relating to the broadcast of French-language vocal musical selections.
85. Consequently, to address the losses incurred by the broadcasting system, the Commission considers it appropriate to order Arsenal, by condition of service, to contribute to CCD an amount of \$2,435.97 during the 2024-2025 broadcast year, allocating 60% to FACTOR and 40% to Musicaction.

Local programming

Applicant's position

86. Arsenal indicated that the minimum threshold for the weekly local programming it proposes to broadcast is 42 hours for each station during each broadcast week.
87. Arsenal specified that each station would devote a large portion of its programming to the needs of its community. The morning and drive-home shows would consist mainly of talk programming: news and sports bulletins, weather and interviews with local and regional newsmakers, members of the arts and culture community, and members of the economic sphere. It added that each day the stations would promote cultural and community events. Arsenal specified that since the stations are located outside major urban centres, special attention would also be given to seasonal realities (road conditions, fire danger index, spring tides, etc.) and other realities for each of the communities.
88. Arsenal added that in the mornings and afternoons, the seven stations would present musical programs targeting people at work (in offices and factories and during the commute). Focused on entertainment, these programs would present in particular news and weather bulletins, but also information on cultural and artistic life. They would also be an important showcase for the promotion of French-language songs and of emerging and Indigenous artists.

Interventions and reply

89. According to ADISQ, this transaction would grant significant powers to Arsenal, and must be accompanied by certain guarantees, particularly in regard to promoting French-language music. It added that the transaction would allow Arsenal to establish itself as a major player in Quebec radio, giving it a significant influence on the Mediabase charts. ADISQ indicated that for Arsenal to become an important showcase for promoting

French-language songs and emerging and Indigenous artists, it would be important to allocate sufficient resources to diversified and quality musical programming. In its view, teams dedicated to music programming must be implemented, and close links and regular exchanges must be established with the music industry, especially with those responsible for programming. ADISQ also noted the risk of music programming overlapping among the various stations Arsenal would own in the Matane and Amqui markets.

90. In its intervention, the FRPC confirmed that it is in favour of the transaction, provided that the hours of local programming are maintained or increased.
91. The CPSC-SCFP recommended that the Commission add a condition of service under paragraph 9.1(1) of the Act through which at least 42 hours of local programming and one hour 25 minutes (85 minutes) of local news would be provided each broadcast week. In its view, this would ensure that the benefits promised to local communities by Arsenal would be realized. In addition, since Arsenal could benefit from the temporary fund supporting the production of local news by commercial radio stations outside the designated markets of Montréal, Toronto, Vancouver, Calgary, Edmonton and Ottawa-Gatineau (approved in Broadcasting Regulatory Policy 2024-121), the CPSC-SCFP was all the more convinced that this condition of service would be necessary given that Arsenal could obtain sums enabling it to fulfill this obligation.
92. Arsenal stated that the issues raised by the CPSC-SCFP are the same as those it raised during the consultation process that led to the development of the Revised Commercial Radio Policy. Moreover, in Arsenal's view, updating the definition of local programming (specifically, requiring a minimum number of hours of local news) as requested by the CPSC-SCFP would take flexibility away from broadcasters and could harm their ability to remain competitive.
93. Arsenal also noted that commercial radio stations must produce 42 hours of local programming each week if they wish to be allowed to sell advertising in a market. It added that since the majority of regional revenues are derived from local advertising, it would not be beneficial for a broadcaster not to comply with this obligation.
94. Arsenal strongly opposed additional conditions. It considered that the definition of local programming is sufficiently clear and already includes the obligation to broadcast a certain amount of local news.

Commission's decision

95. Local programming is important to the broadcasting system, and the Commission expects radio stations to reflect the communities they serve through the programming they broadcast. As an incentive to broadcast local programming, commercial FM radio stations that do not serve a single-station market can only solicit or accept local advertising if they devote at least one-third of their programming (equivalent to 42 hours) to local programming, which can include both spoken word and musical content. A standard condition of service to that effect is set out in the appendix to Broadcasting Regulatory Policy 2022-334.

96. In recent decisions and processes, the Commission has reminded radio licensees that a station must incorporate into its local programming spoken word material of direct and particular interest to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local activities and events. In addition, the Commission encourages licensees to ensure that a reasonable amount of daily local news and information is made available to these communities.
97. Given that Arsenal indicated that the minimum local programming threshold for each station would be 42 hours, and given that this is the minimum number of hours required to solicit or accept local advertising, the Commission is of the view that it is not necessary to impose a condition of service to this effect.

Licence terms

98. The licences for CFZZ-FM, CHRD-FM, CJDM-FM, CIKI-FM and its transmitter CIKI-FM-2, and CJOI-FM expire 31 August 2030. The licence for CFEI-FM expires 31 August 2027, and the licence for CFVM-FM expires 31 August 2026.
99. Under paragraph 9(1) of the Act, the Commission has the authority to grant licences to operate a broadcasting undertaking, and to amend licences.
100. The Commission wishes to harmonize the end of licence periods for all seven stations and minimize the administrative burden of the licence renewal process for both the buyer and the Commission. As a result, upon surrender of the licences currently held by Bell Media, the Commission considers that it would be appropriate to issue new broadcasting licences to Arsenal, valid until 31 August 2030, for all of the stations involved in the transaction.

Amendments to conditions of service

Commercially reasonable access to advertising periods

Arsenal's application

101. Arsenal confirmed that it wishes to remove the condition of service, specific to Bell Media, relating to commercially reasonable access to advertising periods, applicable to all stations involved in this transaction:

The licensee shall provide commercially reasonable access to advertising availabilities to unrelated operators of broadcasting undertakings and to unrelated telecommunications service providers.

102. This condition was imposed on BCE-owned radio stations in the context of Broadcasting Decision 2013-310 so that commercially reasonable access to advertising opportunities would be provided to all competitors.

Commission's decision

103. In Broadcasting Decision 2013-310, the Commission approved an application by Astral Media inc. (Astral) for authority to change the effective control of Astral's broadcasting undertakings to BCE (BCE-Astral transaction).
104. The Commission acknowledged in that decision that following the acquisition of Astral's services, BCE would control a significantly large advertising inventory, both on television and radio, and would be in a position to limit access to valuable advertising space by its competitors. The Commission therefore considered it necessary to impose the condition of service relating to commercially reasonable access to advertising periods on all stations related to BCE.
105. The Commission is of the view that this condition of service is neither applicable nor necessary for Arsenal, since the objective of that condition was to take into account BCE's size and market power, which does not apply to Arsenal. As a result, the Commission considers it appropriate not to impose this condition of service for all of the stations implicated in this transaction.

Bell Media Indie Artist initiative

Arsenal's application

106. CFVM-FM is currently subject to a condition of service relating to its participation in the Bell Media Indie Artist initiative to the filing of annual reports for this project. Arsenal requested that this condition of service be removed given that this commitment of Bell Media stemmed from the transaction with Astral in 2013. Arsenal specified that it wished to obtain a licence for which the conditions are harmonized with those of its other properties in Quebec, consistent with Broadcasting Regulatory Policy 2022-334.
107. In regard to CHRD-FM, CIKI-FM, CJDM-FM and CJOI-FM, in Broadcasting Decision 2023-167, the Commission reminded the licensee of its commitment to participate in the Bell Media Indie Artist initiative, and of the annual reports it must file in this regard, as set out in Appendix 5 to Broadcasting Decision 2013-310. Arsenal specified that it does not wish to renew the commitment to participate in this initiative or to file annual reports for the initiative.
108. The Commission also reminded Bell Media that for CIKI-FM and its transmitter CIKI-FM-2, and for CJDM-FM, it must file yearly reports on its commitments to devote 25% of the French-language vocal musical selection broadcast during each broadcast week to selections by emerging Canadian artists, as set out in Appendix 5 to Broadcasting Decision 2013-310.
109. Finally, Arsenal confirmed that all of the stations that fall under by the present application will devote, during each broadcast week, at least 5% of musical selections to musical selections by emerging Canadian artists broadcast in their entirety, in accordance with the Commission's decision set out in the Revised Commercial Radio Policy.

Commission's decision

110. Bell Media's commitments relating to the Bell Media Indie Artist initiative also stem from the BCE-Astral transaction. In the context of that transaction, the Commission expressed the view that specific commitments to provide airplay for and to promote emerging Canadian artists and their music are significant elements to consider in assessing the quality of applications for new broadcasting licences during competitive processes or for transfer of ownership and control.
111. At the time of the BCE-Astral transaction, the Commission did not require that a minimum percentage of airtime be devoted to the broadcast of musical selections by emerging Canadian artists. In the Revised Commercial Radio Policy, the Commission specified its expectations regarding the broadcast of music by these Canadian artists.
112. The Commission expects commercial radio stations that are not already required by condition of service to broadcast music by emerging artists to devote, during each broadcast week, at least 5% of their musical selections to selections from Canadian emerging artists broadcast in their entirety. The Commission also expects commercial radio licensees subject to this expectation to report annually on how they have met the above expectation, including the percentage of selections by 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. Commercial radio licensees should also be able to provide, upon request, information such as a list of all titles, artists and International Standard Recording Code (ISRC) numbers.
113. Given the Commission's new expectations regarding the broadcast of musical selections by emerging artists and the fact that the Bell Media Indie Artist initiative is administered by Bell Media, the Commission finds it appropriate not to impose the condition of service on CFVM-FM and not to reiterate the reminders to participate in the Bell Media Indie Artist initiative for CHRD-FM, CIKI-FM, CJDM-FM and CJOI-FM.

Condition of service relating to the solicitation of advertising

114. CIKI-FM (and its transmitter CIKI-FM-2) and CJOI-FM must comply with a condition of service requiring the licensee to refrain from soliciting advertising in markets that fall outside its primary coverage area.⁵

Interventions

115. ADISQ considered that removing the conditions of service and commitments relating to the Bell Media's Indie Artist initiative would be detrimental to the music industry since this initiative allowed artists to benefit from major visibility. It considered that Arsenal must make certain commitments to mitigate these inconveniences. ADISQ appreciated the proposals put forward by Arsenal, in particular those relating to the broadcast of Indigenous musical selections, meeting the expectation of devoting at least 5% of musical

⁵ See condition of service 6 in the appendix to Broadcasting Decision 2023-167.

selections to emerging artists, and continuing its work with emerging artists (including through on-air interviews, reports on its news platforms, partnerships with local concert broadcasters and the presentation of information on cultural and artistic life). ADISQ invited Arsenal to work with the industry to facilitate the implementation of these proposals.

116. Groupe Radio Simard stated that the condition of service relating to advertising for the Rimouski stations must be maintained if the Commission approves this transaction.
117. Arsenal indicated that this condition of service was implemented when CIKI-FM opened in 1988 to protect the Baie-Comeau stations and added that it is no longer relevant 36 years later. Arsenal specified that it operates its stations throughout Quebec and is not subject to any conditions of service requiring it not to solicit advertising outside its main service area.

Commission's decision

118. In the Commission's view, an expectation relating to the solicitation of advertising for the Rimouski and Amqui stations would be more appropriate given the number of Arsenal stations in these markets.
119. Accordingly, the Commission finds that it would be appropriate not to impose this condition of service for CIKI-FM (and its transmitter CIKI-FM-2) and CJOI-FM, but to add an expectation in this regard for all of the stations in the Rimouski and Amqui markets.

Conclusion

120. In light of all of the above, the Commission approves the application by Arsenal Media Inc., on behalf of Bell Media Inc., for authority to change the ownership and effective control of the French-language commercial radio programming undertakings CFEI-FM Saint-Hyacinthe, CFVM-FM Amqui, CFZZ-FM Saint-Jean-sur-Richelieu, CHRD-FM and CJDM-FM Drummondville, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie, and CJOI-FM Rimouski, Quebec.
121. Arsenal must notify the Commission of the close of the transaction and file with the Commission the final agreement(s) for the transaction within 30 days of the closing of the transaction. Upon surrender of the licences currently held by Bell Media, the Commission will issue new broadcasting licences to Arsenal, which will expire 31 August 2030.
122. Further, the Commission **requires**, as a **condition of approval** of the present application, and therefore before any licence is issued, Arsenal Media Inc. to file its application for technical amendments for CFVM-FM Amqui within 30 days of the closing date of the transaction.

Conditions of service

123. The Commission makes the following orders consistent with the existing conditions of service.
124. The Commission notes that it updated the standard conditions of service for commercial FM radio stations in Broadcasting Regulatory Policy 2022-334. As a result, the Commission considers it appropriate to require Arsenal to adhere to these updated standard conditions so that those for the various stations are consistent with those of other FM stations.
125. Further, pursuant to subsection 49(2) of the *Online Streaming Act*, 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*. As a result, the Commission considers it appropriate to require that the licensee adhere to these requirements as conditions of service.
126. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Arsenal Media Inc., by **condition of service**, to adhere to the standard conditions of service for commercial FM radio stations 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 paragraphs 10(1)(a) or 10(1)(i) of the old Act.
127. For CFZZ-FM Saint-Jean-sur-Richelieu, CFEI-FM Saint-Hyacinthe and CHRD-FM Drummondville, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Arsenal Media Inc., by **condition of service**, to ensure that in any broadcast week where at least 90% of musical selections from content category 2 (Popular Music) that the licensee broadcasts are selections released before 1 January 1981, the licensee shall devote 30% or more of its musical selections from content category 2 throughout the broadcast week and between 6:00 a.m. and 6:00 p.m. from Monday to Friday to Canadian selections broadcast in their entirety.
128. In addition, pursuant to subsection 11.1(2) of the Act, the Commission also **orders** Arsenal Media Inc., by **condition of service**, to pay tangible benefits in the amount of \$507,684, to be paid in equal instalments over seven consecutive broadcast years. Further, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Arsenal Media Inc., by **condition of service**, to file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the Regulations.
129. 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 prohibition on transfer. The licensee shall, therefore, also adhere to any such requirements set out in the broadcasting licence for the undertaking.
130. The terms as well as the specifics of these conditions of service are set out in Appendix 1 to this decision.

The proposed orders

131. As stated above, to remedy losses to the broadcasting system caused by non-compliance with subsection 2.2(5) of the Regulations, the Commission considers it appropriate to order Arsenal make a contribution to CCD. Accordingly, pursuant to subsection 11.1(2) of the Act, the Commission **proposes to order** Arsenal Media Inc., by **condition of service**, to make a contribution of \$2,435.97 to CCD in the 2024-2025 broadcast year, allocating 60% of the amount to FACTOR and 40% to Musicaction. Further, pursuant to subsection 9.1(1) of the Act, the Commission **proposes to order** Arsenal Media Inc., by **condition of service**, to file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the Regulations.
132. The specifics of the proposed condition of service for CFVM-FM Amqui are set out in Appendix 2 to this decision (condition 5).
133. The Commission notes that this application, including the matters set out in the above orders, with the exception of those relating the CCD contribution, was subject to a public proceeding that provided both the applicant and other interested parties notice of and an opportunity to make representations with respect to the proposed orders. The Commission is satisfied that, in this case, the public proceeding was sufficient to achieve the purposes of the publication and consultation requirement set out in subsections 9.1(4) and 11.1(7) of the Act.
134. In regard to the proposed order in paragraph 131 for CCD contributions, consistent with subsections 9.1(4) and 11.1(7) of the Act, interested persons may make representations only on the proposed order by no later than **21 March 2025**, and the licensee may submit a reply to any representations received by no later than **26 March 2025**. The Commission will issue a final order following the close of the comment period and its review of the submissions of the parties, if any.

Reminders

Force and effect of broadcasting licences

135. Pursuant to section 22 of the Act, the broadcasting licences will cease to have any force or effect if the broadcasting certificates issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

Local news

136. 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.

137. Although the Revised Commercial Radio Policy 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 licensee that its stations, in their 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 licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

National Public Alerting System

138. 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. The licensee must implement the public alerting system for each of its transmitters, and ensure 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 stations as well as that of any rebroadcasting transmitter that may appear on the licence for those stations.

Employment equity

139. In accordance with Public Notice 1992-59, the licensee should consider employment equity in its hiring practices and in all other aspects of its management of human resources.

140. The Commission notes that amendments to the *Broadcasting Act* resulting from the *Online Streaming Act* place greater emphasis on the inclusion of equity-deserving communities and individuals in the broadcasting system. As a result, the Commission may examine its diversity-related policies in the context of the consultations on inclusion and diversity announced in its Regulatory plan to modernize Canada's broadcasting framework. In the meantime, the Commission encourages the licensee to consider the amendments to the *Broadcasting Act* when making operational decisions.

Secretary General

Related documents

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2024-148, 2 July 2024
- *The Path Forward – Supporting Canadian and Indigenous content through base contributions*, Broadcasting Regulatory Policy CRTC 2024-121, 4 June 2024
- *Various commercial radio stations in British Columbia and Quebec – Licence renewals*, Broadcasting Decision CRTC 2023-167, 1 June 2023

- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022
- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022
- *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- *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
- *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013
- *Requirements for the broadcast of radio montages*, Broadcasting Information Bulletin CRTC 2011-728, 24 November 2011
- *New service objectives for the processing of broadcasting and telecommunications applications as of 1 April 2011*, Broadcasting and Telecom Information Bulletin CRTC 2011-222, 1 April 2011
- *Revised guidelines for the application of the Common Ownership Policy for Radio*, Broadcasting Information Bulletin CRTC 2010-341, 4 June 2010
- *A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings – Change in the manner of issuing related information bulletins*, Broadcasting Information Bulletin CRTC 2008-8-2, 6 December 2013
- *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992

This decision and the appropriate appendices are to be appended to each licence.

Appendix 1 to Broadcasting Decision CRTC 2025-76

Terms, conditions of service, expectations and encouragements for the French-language commercial radio programming undertakings CFEI-FM Saint-Hyacinthe, CFVM-FM Amqui, CFZZ-FM Saint-Jean-sur-Richelieu, CHRD-FM and CJDM-FM Drummondville, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie and CJOI-FM Rimouski, Quebec

Terms

The licences will expire 31 August 2030.

Conditions of service applicable to all stations

1. The licensee shall adhere to the conditions 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, as well as 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. In order to fulfill its commitment relating to tangible benefits, the licensee shall pay, in equal payments over seven consecutive broadcast years and by no later than **31 August** of each year, a total amount of \$507,684, allocated as set out in paragraphs 4 and 48 of *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014 and at paragraph 160 of *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.

The licensee shall file all proof of payment and eligibility regarding these contributions each year and shall do so in a form deemed acceptable by the Commission pursuant to subsection 9(2) of the *Radio Regulations, 1986*.

Additional condition of service applicable to CFEI-FM Saint-Hyacinthe, CFZZ-FM Saint-Jean-sur-Richelieu and CHRD-FM Drummondville, Quebec

4. The licensee shall, as an exception to the percentage of Canadian musical selections set out in subsections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations), in any broadcast week where at least 90% of musical selections from content category 2 (Popular Music) that it broadcasts are selections released before 1 January 1981:
 - devote, in that broadcast week, 30% or more of its musical selections from content category 2 to Canadian selections broadcast in their entirety; and

- devote, between 6:00 a.m. and 6:00 p.m., in the period from Monday to Friday of the same broadcast week, 30% or more of its musical selections from content category 2 to Canadian selections broadcast in their entirety.

The licensee will also be responsible for specifying, on the music lists it provides to the Commission, the year of release for all musical selections it broadcasts.

For the purposes of this condition, the terms “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meanings as those set out in the Regulations.

Expectations applicable to all stations

Cultural diversity

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

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.

Expectation applicable to CFVM-FM Amqui, CIKI-FM Rimouski and its transmitter CIKI-FM-2 Sainte-Marguerite-Marie and CJOI-FM Rimouski, Quebec

Advertising

The licensee shall refrain from soliciting or accepting local advertising in the markets located outside its primary coverage areas.

Encouragements applicable to all stations

Employment equity

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 2025-76

Proposed condition of service for the French-language commercial radio programming undertaking CFVM-FM Amqui, Quebec

The Commission proposes to make an order imposing the following condition of service, including expenditure requirements, on Arsenal Media Inc. in respect of the French-language commercial radio programming undertaking CFVM-FM Amqui, Quebec, pursuant to subsections 9.1(1) and 11.1(2) of the *Broadcasting Act*.

Conditions of service

5. The licensee shall make an over-and-above contribution to Canadian content development of \$2,435.97 in the 2024-2025 broadcast year, allocating 60% of the amount to FACTOR and 40% to Musicaction.

The licensee shall file all proof of payment and eligibility regarding this contribution each year and shall do so in a form deemed acceptable by the Commission pursuant to subsection 9(2) of the *Radio Regulations, 1986*.