



Broadcasting Decision CRTC 2013-432

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Route reference: 2013-220

Ottawa, 23 August 2013

Houssen Broadcasting Ltd.

Moncton, New Brunswick

Application 2012-1338-9, received 24 October 2012

CKOE-FM Moncton – Licence renewal

The Commission renews the broadcasting licence for the specialty (Christian music) radio station CKOE-FM Moncton from 1 September 2013 to 31 August 2019. This short-term renewal will allow for an earlier review of the licensees' compliance with its conditions of licence and the Radio Regulations, 1986.

Introduction

1. Houssen Broadcasting Ltd. (Houssen) filed an application to renew the broadcasting licence for the specialty (Christian music) radio station CKOE-FM Moncton, New Brunswick, which expires 31 August 2013:¹ The Commission did not receive any interventions in connection with this application.

Non-compliance

2. In Broadcasting Notice of Consultation 2013-220, the Commission noted that the licensee was in apparent non-compliance with regard to:
 - its condition of licence relating to Canadian talent development (CTD) contributions for the 2006-2007 and 2008-2009 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, 2006-2007 and 2008-2009 broadcast years; and

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

- section 9(2) of the Regulations regarding the provision of complete annual returns for the 2008-2009 broadcast year, in that the Canadian content development (CCD) form was not filed with the return.²
- 3. In 2006-2007, the licensee contributed \$672 to CTD, which was \$2,328 less than the required contribution of \$3,000 for that year. In 2008-2009, the Commission received no proof of payment demonstrating that payments were made to FACTOR or to the Christian Music Association (CMA). With respect to the 2008-2009 shortfall, the licensee indicated that it had been misinformed concerning the amount of its required contribution and that the station's financial situation was precarious. With respect to the missing proof of payment for 2008-2009, the licensee indicated that it was unaware that the proof of payment had not been filed, and that would it make payments to FACTOR and the CMA if the Commission determined that there had, in fact, been a shortfall.
- 4. Regarding the late filing of annual returns, the licensee indicated that it accepted full responsibility and that the station's president would personally file the annual returns in the future to ensure that they were filed on time.
- 5. 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 CCD forms, are set out in Broadcasting Information Bulletin 2011-795.
- 6. In light of the above, the Commission finds that 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

- 7. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach 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.
- 8. 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 also 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 contribution.

² The Commission replaced the expression "Canadian talent development" with "Canadian content development" in *Commercial Radio Policy 2006* set out in Broadcasting Public Notice 2006-158.

9. The Commission has reviewed the record for this application and notes that although the licensee had CTD contribution shortfalls in certain years, it made additional payments in the 2009-2010 broadcast year so that there was no shortfall over the complete licence term. The Commission is also satisfied that the licensee has taken steps to ensure that it is in compliance during the next licence term.
10. With respect to annual returns, the Commission notes that the licensee has accepted responsibility for the non-compliance. The Commission notes that compliance with deadlines for the filing of complete annual returns is important because it enables the Commission to monitor a licensee's performance with regulations and requirements. Accordingly, it considers the late filing of annual returns to be a serious matter.
11. The Commission reminds that licensee that, as set out in Broadcasting Information Bulletin 2011-795, it is its responsibility to ensure that all appropriate forms and documentation are included with the submission of their annual returns. If further clarification is required, it is the licensee's responsibility to contact the Commission for further direction.
12. Given the circumstances surrounding Houssen's non-compliance, the Commission considers it appropriate to grant a six-year renewal to CKOE-FM.

Conclusion

13. In light of all of the above, the Commission **renews** the broadcasting licence for the specialty (Christian music) radio programming undertaking CKOE-FM Moncton, New Brunswick from 1 September 2013 to 31 August 2019. The licence will be subject to the **conditions of licence** set out in the appendix to this decision. The short-term renewal granted in this decision will allow for an earlier review of the licensee's compliance with its regulatory requirements.

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
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

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

Appendix to Broadcasting Decision CRTC 2013-432

Terms, conditions of licence and encouragement for the specialty (Christian music) radio programming undertaking CKOE-FM Moncton, New Brunswick

Terms

The licence will expire 31 August 2019.

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, 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 92% 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.

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.