



Broadcasting Decision CRTC 2006-570

Ottawa, 3 October 2006

United Christian Broadcasters Canada Across Canada

*Application 2005-1134-6
Public Hearing at Edmonton, Alberta
19 June 2006*

UCB Canada Radio 1 – Specialty audio service

*In this decision the Commission **approves** the operation of a new religious English-language specialty audio service.*

The application

1. The Commission received an application by United Christian Broadcasters Canada (UCBC) for a broadcasting licence to operate a national, English-language religious specialty audio service to be known as UCB Canada Radio 1. The proposed service would be available for national distribution by broadcasting distribution undertakings (BDUs) on a digital basis.
2. UCBC proposed to broadcast a Christian music service offering a middle ground “catch all” format directed to families with specific programs for older and younger people. The proposed service would broadcast national news and talk programs as well as specialty music programs such as the *Sunday Morning Hymns of Praise*.
3. UCBC proposed to devote at least 90% of all musical selections aired in each broadcast week to selections drawn from subcategory 35 (Non-classic religious), and to devote a minimum of 15% of its weekly musical selections from category 3 to Canadian musical selections.
4. UCBC also indicated that 35% of all programming would be devoted to spoken word programming with up to 45 hours devoted to religious programs. In addition, 65% of all programming would be devoted to music programming.
5. UCBC made a commitment to adhere to a condition of licence requiring that it comply with the guidelines on balance and ethics set out in *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993 (the Religious Policy), whenever it broadcasts religious programming, as defined in this policy.

Interventions

6. The Commission received numerous interventions in support of this application as well as interventions in opposition by Forerunner Global Media Inc. (Forerunner), Voice of Adventist Radio (VOAR), Sound of Faith Broadcasting (SOF) and Christian Hit Radio Inc. (Christian Hit).
7. Forerunner has been authorized to operate two English-language, religious specialty audio services: one known as Forerunner Radio Network¹ and the other as The National Youth (Radio) Network². To date, neither service has yet commenced operations. In Forerunner's view, UCBC's proposed service would compete directly with the intervener's audio services and have a significant negative impact on their financial viability. Forerunner also claimed that the programming offered by UCBC's proposed service would not be truly national in its nature of service to digital BDU subscribers.
8. Christian Hit is the licensee of CHRI-FM Ottawa, which offers a Christian music service. Christian Hit claimed that UCBC is a company that is based in New Zealand, and that it is proposing to offer a national specialty audio service in Canada from its studios at CKJJ-FM in Belleville. According to Christian Hit, UCBC's proposed service would duplicate Forerunner's specialty audio services. Christian Hit further contended that Forerunner's specialty audio services would offer more Canadian-produced spoken word programming than UCBC's proposed service. In Christian Hit's view, the viability of Forerunner's specialty audio services would be jeopardized by UCBC's more repetitive and foreign-sourced programming, particularly given the small market for religious specialty audio services in Canada. Christian Hit also questioned whether UCBC's proposed service would comply with the balance requirement set out in the Religious Policy.
9. VOAR, an AM radio station that airs religious programming in Mount Pearl, Newfoundland and Labrador, is operated by the Seventh-Day Adventist Church in Newfoundland and Labrador. In VOAR's view, approval of this application would result in a reduction in the diversity of voices in the Canadian broadcasting system. VOAR further contended that granting a broadcasting licence to UCBC to offer a national, Christian family-oriented radio service would cause a competitive disadvantage for individual radio stations, such as VOAR, that currently provide similar programming.
10. SOF is the licensee of three radio stations that provide Christian music services to communities in southern Ontario: CHJX-FM London, CJTW Kitchener and CJFH-FM Woodstock. SOF submitted that Canada's Christian radio market is already too fragmented and expressed concern that the licensing of another Christian radio service would have a negative financial impact on the intervener's radio stations. SOF further argued that, unlike its radio stations, UCBC's proposed service would not offer any local programming and would consequently diminish the exposure of local artists.

¹ *Forerunner Radio Network – Specialty audio service*, Broadcasting Decision CRTC 2003-488, 1 October 2003

² *The National Youth (Radio) Network – Specialty audio service*, Broadcasting Decision CRTC 2003-589, 21 November 2003

Licensee's replies

11. In reply to Forerunner, UCBC submitted that its proposed specialty audio service would be focused on the family and would therefore differ markedly from the intervener's specialty audio services. Accordingly, UCBC maintained that its proposed service would not compete directly with the intervener's services. In addition, UCBC confirmed that it would continue to develop high-quality, Canadian-produced programs. It added that it would invest in its national news service, which has been developed in Canada, and continue to make that service available to any local radio station. UCBC stated that it is committed to providing a Christian radio service to areas where it may be economically or simply impossible to establish a viable, local radio station.
12. In response to Christian Hit, UCBC stated that it is a not-for-profit company, and that it is incorporated in Canada. UCBC also indicated that its proposed specialty audio service would broadcast from a studio that has already been built and is separate from the one used for CKJJ-FM. UCBC further maintained that its music programming is not repetitive and added that some overseas radio stations are considering playing some of its Canadian talk programs as well as new Canadian Christian music, produced as a direct result of UCBC's broadcasting. Moreover, UCBC affirmed that it is aware of its responsibility to provide balanced spoken word programming and indicated that it is committed to searching out alternative points of view.
13. In response to VOAR, UCBC maintained that its proposed service would feature uniquely Canadian stories. UCBC stated that it does not believe it will be or should be the only Christian provider with a national licence and looks forward to sharing the national platform with many other Christian services. It also indicated that it is committed to providing a national service that extends to regions that are currently not covered by terrestrial signals.
14. In response to SOF, UCBC stated that there are still many areas of Canada that do not receive any radio services that offer Christian, family-oriented programming from a Canadian perspective. UCBC stated that new technologies give program providers a number of new platforms from which to deliver their broadcasts in an economically viable manner. In this regard, UCBC affirmed that it is committed to encouraging artists wherever they are in Canada and submitted that its proposed service would give local artists exposure across Canada.

Commission's analysis and determination

15. The Commission has carefully considered the interventions and the applicant's replies.

16. The Commission is satisfied that UCBC is eligible to hold a broadcasting licence in accordance with *Direction to the CRTC (Ineligibility of non-Canadians)*, P.C. 1997-486, 8 April 1997, amended by P.C. 1998-1268, 15 July 1998. The Commission notes that UCBC's proposed Christian, family-oriented programming would include a significant amount of news and talk programs directed to families. Accordingly, the Commission is of the view that UCBC's proposed specialty audio service would not duplicate or compete directly with Forerunner's specialty audio services, and would not have an undue negative impact on existing local radio services, or national specialty audio services. Furthermore, the Commission is satisfied that approval of UCBC's application would increase the diversity of radio programming available nationally.
17. Based on its examination of this application, the Commission finds that the proposal is in conformity with all applicable terms and conditions announced in *New licensing framework for specialty audio programming services*, Broadcasting Public Notice CRTC 2002-53, 12 September 2002. Accordingly, the Commission **approves** the application by United Christian Broadcasters Canada for a broadcasting licence to operate the UCB Canada Radio 1 programming service.
18. In accordance with UCBC's commitment, the Commission is imposing a **condition of licence**, as set out in the appendix to this decision, requiring UCBC to comply with the guidelines on balance and ethics set out in the Religious Policy, whenever it broadcasts any religious programming as defined in this policy.
19. The licence will expire 31 August 2013, and will be subject to the **conditions** set out in the appendix to this decision.

Issuance of the licence

20. The Commission will issue a licence once the applicant has satisfied the Commission, with supporting documentation, that the following requirements have been met:
 - the applicant has entered into a distribution agreement with at least one licensed distributor; and
 - the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 3 October 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before that date.

Employment equity

21. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the applicant to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2006-570

Conditions of licence

1. The licensee shall provide a national, English-language, religious specialty audio service offering a Christian music format targeted to families. The service shall offer national news and talk programs (to a maximum of 35%) as well as specialty music programs. A minimum of 65% of all programming shall be devoted to music programming.
2. A minimum of 90% of all musical selections broadcast during each broadcast week shall be devoted to selections drawn from content subcategory 35 (Non-classic religious), as set out in *Revised content categories and subcategories for radio*, Public Notice CRTC 2000-14, 28 January 2000.
3. At least 15% of the category 3 musical selections broadcast in each broadcast week shall be Canadian selections that are scheduled in a reasonable manner throughout each broadcast day.
4. A maximum of 45 hours of the programming in each broadcast week shall be religious programming.
5. 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 sections 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.
6. The licensee shall adhere to the *Broadcasting Licence Fee Regulations, 1997* if its revenues derived from broadcasting activities exceed the threshold amount of \$2 million.
7. The licensee shall adhere to the provisions of the Canadian Association of Broadcasters' (CAB) *Broadcast code for advertising to children* and to the CAB's *Sex-role portrayal code for television and radio programming*, as amended from time to time and approved by the Commission.
8. The licensee shall adhere to sections 2.2, 3, 4, 6, 7, 8 and 9(2) of the *Radio Regulations, 1986*.

For the purposes of the conditions of this licence, the terms "broadcast day", "broadcast week", "Canadian selection", "content category" and "musical selection" shall have the same meaning as that set out in the *Radio Regulations, 1986*.