



Broadcasting Decision CRTC 2013-403

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Route reference: 2013-220

Ottawa, 14 August 2013

MZ Media Inc.
Toronto, Ontario

Application 2012-1342-0, received 24 October 2012

CFZM Toronto – Licence renewal

*The Commission **renews** the broadcasting licence for the commercial radio station CFZM Toronto from 1 September 2013 to 31 August 2020.*

Introduction

1. The Commission received an application by MZ Media Inc. (MZ Media) to renew the broadcasting licence for the commercial radio station CFZM Toronto, which expires 31 August 2013.¹
2. The Commission received an intervention from the Province of Ontario relating to the participation of the station in the National Public Alerting System (NPAS). The public record for this application can be found on the Commission's website at www.crtc.gc.ca under "Public Proceedings."
3. As specified in its three-year plan, the Commission will be looking at measures to ensure the participation of Canadian broadcasters and telecommunications service providers in the NPAS. Therefore, the Commission will not impose conditions of licence requiring the participation of broadcasters in the NPAS at this time. However, the Commission expects all licensees to voluntarily participate in the NPAS, so that Canadians receive timely warnings of imminent perils.

Non-compliance

4. In Broadcasting Notice of Consultation 2013-220, the Commission noted that the licensee was in apparent non-compliance with the requirement to file an annual return by 30 November for the 2008-2009 broadcast year.
5. Section 9(2) of the *Radio Regulations, 1986* requires licensees to file an annual return by 30 November of each year for the broadcast year ending the previous 31 August.

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

The specific filing requirements, including the requirement to submit financial statements, are set out in Broadcasting Information Bulletin 2011-795.

6. In the present case, MZ Media did not file its annual return for CFZM by the 30 November 2009 deadline. The licensee indicated that the late filing was due to the high workload associated with its acquisition of another radio station on 30 April 2008. Numerous corporate transactions and ongoing audits were not completed before the 30 November deadline and therefore the annual return could not be submitted on time.
7. Based on the preceding, the Commission finds the licensee in non-compliance with the requirement to file its annual return by 30 November 2009 for the 2008-2009 broadcast year.

Regulatory measures

8. In Broadcasting Information Bulletin 2011-347, the Commission announced a revised approach to non-compliance by radio stations. Specifically, the Commission indicated that each instance of non-compliance would be evaluated in its context and in light of factors such as the quantity, recurrence and seriousness of the non-compliance. The Commission also indicated that it would consider the circumstances of the non-compliance, the arguments provided by the licensee and the measures taken to rectify the situation.
9. The Commission notes that timely compliance with reporting requirements is important because it allows the Commission to monitor licensee performance and compliance with its regulations and obligations, as well as to gather statistics for assessing the industry and preparing monitoring reports on which the industry relies.
10. The Commission has reviewed the record for this application and notes the licensee's explanation for the non-compliance. The Commission is of the view that the late filing of the annual return was an isolated incident as there were no subsequent non-compliance issues identified in the current licence term. The Commission is therefore confident that the necessary measures have been put in place to ensure future compliance. Given the circumstances surrounding MZ Media's non-compliance for CFZM, the Commission considers it appropriate to grant a full-term renewal to the station.

Conclusion

11. In light of all of the above, the Commission **renews** the broadcasting licence for CFZM Toronto from 1 September 2013 to 31 August 2020. The terms and **conditions of licence** are set out in the appendix to this decision.

Tangible benefits

12. In Broadcasting Decision 2008-73, the Commission approved the application by MZ Media Inc. to acquire from Primetime Radio Inc. the assets of CFZM (then CHWO) Toronto and for a broadcasting licence to continue the operation of the undertaking. As a result of this transaction, MZ Media was required by condition of licence to expend tangible benefits totaling \$506,002 over seven broadcast years. The Commission notes that the licensee has contributed \$289,144 in tangible benefits as required by its condition of licence and that there remains a sum of \$216,858 to be expended. A **condition of licence** with respect to the remaining expenditures is included in the appendix to this decision.

Reminder

13. Pursuant to section 22 of the *Broadcasting Act*, the Commission reminds the licensee that the broadcasting licence will cease to have any force or effect if the broadcasting certificate issued by the Department of Industry lapses.

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
- *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
- *CHWO Toronto – Acquisition of assets*, Broadcasting Decision CRTC 2008-73, 31 March 2008

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

Appendix to Broadcasting Decision CRTC 2013-403

Terms, conditions of licence, encouragement and expectation for the commercial radio programming undertaking CFZM Toronto, Ontario

Terms

The licence will expire 31 August 2020.

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.
2. As an exception to the percentage of Canadian musical selections set out in sections 2.2(8) and 2.2(9) of the *Radio Regulations, 1986* (the Regulations), the licensee shall:
 - a) 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:
 - i) in that broadcast week, excluding those periods referred to in paragraphs (b)(i) and (b)(ii), devote 30% or more of its musical selections from content category 2 to Canadian selections broadcast in their entirety; and
 - ii) between 6 a.m. and 6 p.m., in the period beginning on Monday of that week and ending on Friday of the same broadcast week, excluding those periods referred to in paragraphs (b)(i) and (b)(ii), devote 30% or more of its musical selections from content category 2 to Canadian selections broadcast in their entirety.
 - b) in those periods of category 2 music:
 - i) consisting exclusively of music composed before 1956, devote a weekly average of 2% or more of its musical selections from content category 2 broadcast during those periods to Canadian selections broadcast in their entirety;
 - ii) consisting of 90% or more, but not exclusively, of music composed before 1956, devote a weekly average of 10% or more of its musical selections from content category 2 broadcast during those periods to Canadian selections broadcast in their entirety.

For purposes of this condition, the terms “broadcast week,” “content category” and “musical selection” shall have the meanings set out in section 2 of the Regulations.

With regard to the above-noted condition of licence, whenever requested by the Commission to submit information concerning the station’s broadcasting of Canadian music, the licensee must ascertain the date of composition of the selections it

broadcasts and must identify the programming periods which include the broadcast of pre-1956 music and musical selections released before 1 January 1981 but after 1955.

3. With respect to the tangible benefits related to the acquisition approved in *CHWO Toronto – Acquisition of assets*, Broadcasting Decision CRTC 2008-73, 31 March 2008, the licensee shall expend \$72,286 in each of the 2012-13, 2013-14 and 2014-15 broadcast years, to be allocated as follows:
 - \$36,143 to Radio Starmaker Fund;
 - \$24,095 to FACTOR; and
 - \$12,048 to the Music Theatre Performance program at The Sheridan Institute of Advanced Learning and Technology.

Encouragement

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

Expectation

The Commission expects the licensee to meet its commitments to separate news facilities and a separate news focus for the station CFZM as compared to CFMZ-FM.