



Broadcasting Decision CRTC 2013-664

PDF version

Route reference: 2013-307

Ottawa, 10 December 2013

King's Kids Promotions Outreach Ministries Inc.
Fort McMurray, Alberta

Application 2013-0143-1, received 24 January 2013

CKOS-FM Fort McMurray – Licence renewal

*The Commission **renews** the broadcasting licence for the religious specialty radio station CKOS-FM Fort McMurray from 1 January 2014 to 31 August 2018. This short-term renewal will allow for an earlier review of the licensee's compliance with its conditions of licence and with the Radio Regulations, 1986.*

Introduction

1. King's Kids Promotions Outreach Ministries Inc. (King's Kids) filed an application to renew the broadcasting licence for the religious specialty radio station CKOS-FM Fort McMurray, Alberta, which expires 31 December 2013.¹ The Commission received interventions in support of this application.

Non-compliance

2. In Broadcasting Notice of Consultation 2013-307, the Commission noted that the licensee was in apparent non-compliance with its condition of licence relating to Canadian talent development² (CTD) contributions for the 2007-2008 to 2011-2012 broadcast years and with section 9(2) of the *Radio Regulations, 1986* (the Regulations) relating to the filing of complete annual returns for the 2010-2011 broadcast year.

Development and promotion of Canadian talent

3. The licensee was required, by condition of licence, to contribute \$7,800 in each of the 2007-2008 and 2008-2009 broadcast years, \$8,832 in the 2009-2010 broadcast year and \$10,150 in each of the 2010-2011 and 2011-2012 broadcast years to the development and promotion of Canadian talent. For these broadcast years, the

¹ The original expiry date of CKOS-FM's broadcasting licence was 31 August 2013. This licence was administratively renewed until 31 December 2013 in Broadcasting Decision 2013-418.

² In Broadcasting Public Notice 2006-158, the Commission replaced the expression "Canadian talent development" with "Canadian content development".

licensee had shortfalls of \$7,800, \$7,300, \$984, \$10,150 and \$5,040, respectively, totaling \$31,714.

4. The licensee did not provide an explanation for these instances of apparent non-compliance, but confirmed that there were shortfalls in each of the five broadcast years in question. The Commission notes that the licensee has since made up the shortfalls and has submitted the necessary proof of payment.
5. In light of the above, the Commission finds the licensee in non-compliance with its condition of licence relating to CTD contributions for the 2007-2008 to 2011-2012 broadcast years.

Filing of annual returns

6. 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 specific filing requirements, including the requirement to submit financial statements, are set out in Broadcasting Information Bulletin 2011-795.
7. The annual return filed by the licensee for the 2010-2011 broadcast year did not contain financial statements. In response to this apparent non-compliance, the licensee explained that since its fiscal year ends on 31 December, the return was filed before it had received the financial statements for the station. The Commission notes that it has since received these financial statements.
8. To prevent future non-compliance, the licensee stated that it has employed a full-time general manager who, along with the chairman of the board, is responsible for ensuring that the station meets its conditions of licence and regulatory requirements.
9. In light of the above, the Commission finds the licensee in non-compliance with section 9(2) of the Regulations relating to the filing of complete annual returns for the 2010-2011 broadcast year.

Regulatory measures

10. 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.
11. 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 to increase the supply of high-quality Canadian music in a variety of genres and the demand for Canadian music by listeners. Accordingly, it is

important that radio licensees make their required contributions to the development of Canadian content and talent.

12. The Commission notes that since the licensee is a not-for-profit organization, it is not subject to the requirements set out in section 15 of the Regulations relating to Canadian content development contributions. However, it also notes that the licence was granted through a competitive process³ and that the commitment made by King's Kids to CTD during this process was an important factor in granting it a licence.
13. The Commission further notes that timely compliance with reporting requirements is important because it allows the Commission to monitor licensee performance and compliance with its regulations and requirements, as well as to gather statistics for assessing the industry and preparing monitoring reports on which the industry relies. Accordingly, it considers annual returns that are incomplete and/or filed late to be a serious matter.
14. The Commission has reviewed the record for this application and is satisfied with King's Kids' explanations and the measures that it has put into place to address the non-compliance. However, given the nature and extent of the non-compliance, the Commission finds that a short-term renewal for CKOS-FM is appropriate.

Conclusion

15. In light of all of the above, the Commission **renews** the broadcasting licence for the religious specialty radio programming undertaking CKOS-FM Fort McMurray, Alberta, from 1 January 2014 to 31 August 2018. The terms and **conditions of licence** are set out in the appendix to this decision.
16. The Commission emphasizes the importance it places on a licensee's fulfillment of its regulatory obligations. The short-term renewal granted in this decision will allow for an earlier review of the licensee's compliance with its conditions of licence and the Regulations.

Reminder

17. 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

- *Various radio programming undertakings – Administrative renewals*, Broadcasting Decision CRTC 2013-418, 19 August 2013

³ See Broadcasting Decision 2006-629.

- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2013-307, 25 June 2013
- *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
- *Christian music FM radio station in Fort McMurray*, Broadcasting Decision CRTC 2006-629, 15 November 2006

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

Appendix to Broadcasting Decision CRTC 2013-664

Terms, conditions of licence and encouragement for the religious specialty radio programming undertaking CKOS-FM Fort McMurray, Alberta

Terms

The licence will expire 31 August 2018.

Conditions of licence

1. The licensee shall adhere to the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009, as amended from time to time, with the exception of condition of licence 7.
2. The licensee shall operate the station within the Specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice 1995-60, 21 April 1995, as amended from time to time, and *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
3. The licensee shall ensure that at least 90% of all musical selections broadcast each broadcast week are drawn from subcategory 35 (Non-classic religious), as defined in *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010, as amended from time to time.
4. As an exception to the percentage of Canadian musical selections set out in section 2.2(3) of the *Radio Regulations, 1986*, the licensee shall devote at least 15% of all content category 3 (Special Interest Music) musical selections broadcast each broadcast week to Canadian selections and schedule them in a reasonable manner throughout each broadcast week.

For the purposes of this condition, “broadcast week,” “Canadian selection,” “content category” and “musical selection” shall have the same meanings as set out in the *Radio Regulations, 1986*.

5. Where the licensee broadcasts religious programming as defined in *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.

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.