



Broadcasting Decision CRTC 2015-473

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Reference: 2015-199

Ottawa, 21 October 2015

Parrsboro Radio Society
Parrsboro, Nova Scotia

Application 2014-0910-3, received 9 September 2014

CICR-FM Parrsboro – Licence renewal

*The Commission **renews** the broadcasting licence for the English-language community radio station CICR-FM Parrsboro, Nova Scotia, from 1 January 2016 to 31 August 2017. This short-term licence renewal will allow for an earlier review of the licensee's compliance with its regulatory requirements.*

Application

1. Parrsboro Radio Society (Parrsboro Radio) filed an application to renew the broadcasting licence for the English-language community radio station CICR-FM Parrsboro, Nova Scotia, which expires 31 December 2015.¹

Interventions

2. The Commission received interventions in support of the application, as well as a joint intervention commenting on the application from a group of individuals with an interest in the station (the Interveners). Parrsboro Radio replied to the intervention in comment. The interventions and the licensee's reply can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.
3. The Interveners submitted that they had been excluded as on-air volunteers without having been provided an adequate reason. They indicated that they disagree with how the station is managed and that the present board of directors does not tolerate disagreement. The Interveners believe that those who control and manage the station do not have the required ability and knowledge to comply with the station's regulatory obligations.
4. In addition, the Interveners stated that the station repeats its spoken word programming and that the same newscasts, which consist of news stories that are

¹ The original licence expiry date for the station was 31 August 2015. The licence was administratively renewed until 31 December 2015 in Broadcasting Decision 2015-345.

copied from newspapers and news websites, are broadcast up to 13 times a day. They added that the station broadcasts syndicated newscasts from Fredericton and provides little or no coverage of the Parrsboro Town Council or other community events.

5. Finally, the Interveners suggested that the station's studios be moved out of the private residence of CICR-FM's technical director, who is also the director of Parrsboro Radio, and into a neutral location to provide easier access for volunteers. They also suggested that the station be required to maintain proper logging procedures, provide better spoken word programming and appoint a new volunteer program coordinator who is willing to recruit and train volunteers.

Licensee's reply

6. Parrsboro Radio replied that in the last seven years, it has provided the community with coverage of local events, local news, interaction with schools and school concert programs. It added that the station broadcasts music and interviews with local artists. The licensee did not address the interveners' claims regarding internal logging procedures or the recruitment and training of volunteers.

Background

7. During CICR-FM's first licence term,² the Commission received a number of complaints alleging:
 - a dispute between two boards of directors;
 - meetings held in secret, preventing all members from attending;
 - abusive comments aired on 2 and 3 March 2012;
 - refusal to broadcast public service announcements;
 - mistreatment of volunteers and lack of community access; and
 - failure to meet spoken word and local programming obligations.
8. In complaints received by the Commission in 2012, some board members claimed that they were unable to operate the station as licensed given that a group of members had taken over the station and the equipment, and had locked the directors out of the premises.
9. In a letter sent to the licensee on 9 May 2012, Commission staff indicated that disputes between boards of directors do not fall under the Commission's jurisdiction, but are a matter to be resolved by the parties or the Provincial Court. However, it also stipulated in that letter that the board of directors remains

² The Commission approved an application by Parrsboro Radio to operate a community radio station in Parrsboro in Broadcasting Decision 2008-259.

responsible for the station's compliance with the *Radio Regulations, 1986* (the Regulations) and its conditions of licence, and that as such, the complaints regarding public access, volunteers and all other matters relevant to compliance with the Regulations, applicable policies and CICR-FM's conditions of licence fall under the Commission's jurisdiction.

Requests for logs and records (regarding spoken word programming)

10. As a result of these complaints, Commission staff sent a letter dated 9 March 2012 to the licensee requesting that it provide copies of the recorded material for the spoken word programming broadcast on CICR-FM on 2 and 3 March 2012.
11. Following receipt of CICR-FM's recordings, which also included music programming, Commission staff sent another letter to the licensee on 22 March 2012 reiterating its request to provide a recording containing strictly spoken word programming for those two days. Subsequently, the licensee submitted the recording for spoken word programming for 2 March 2012. However, the recording provided for 3 March 2012 contained over 17 hours of material that included programming other than spoken word.
12. On 16 April 2012, Commission staff sent a third letter to the licensee requesting copies of only spoken word programming for 3 March 2012. The Commission stated that the licensee may have failed to comply with sections 9(4)(b) and 8(6) of the Regulations. The Commission did not receive any other recorded material.

Requests for logger tapes and other material (regarding performance evaluation/monitoring)

13. In a separate letter dated 9 March 2012, Commission staff requested that the licensee provide logger tapes and other material (list of musical selections, program logs and a self-assessment report) relating to CICR-FM's programming for the broadcast week of 26 February to 3 March 2012. Parrsboro Radio submitted a DVD that was damaged and therefore unreadable. Moreover, it provided neither the information requested regarding the list of musical selections nor the program logs, which prevented Commission staff from analyzing the station's programming.
14. Commission staff thereafter sent another letter on 5 April 2012 in which it stated that the material filed did not appear to meet the requirements of the Regulations regarding the provision of complete logs and records and of other requested information, and that failure to furnish the required information could result in further breach of sections 8(1)(c), 8(4), 8(6), 9(3) and 9(4) of the Regulations.
15. On 17 April 2012, the licensee provided some of the material requested by Commission staff. However, the reply lacked essential material needed to allow proper monitoring of the station. Specifically, the licensee failed to provide a complete self-assessment report, a music list and a program log, all of which are crucial elements required under the Regulations.

Non-compliance

16. In Broadcasting Notice of Consultation 2015-199, the Commission stated that the licensee was in apparent non-compliance with:
- sections 8(1)(c), 8(4) and 8(6) of the Regulations relating to the provision of complete logs and records and logger tapes;
 - sections 9(3) and 9(4) of the Regulations regarding the obligation to provide all information relevant to the Commission's request; and
 - section 9(2) of the Regulations with respect to the filing of annual returns for the 2008-2009, 2009-2010, 2011-2012, 2012-2013 and 2013-2014 broadcast years.

Provision of complete logs and records

17. As part of CICR-FM's renewal application, the Commission questioned Parrsboro Radio on its apparent non-compliance with the provision of logs and records, specifically with respect to the 2 and 3 March 2012 spoken word programming. The licensee responded that this matter had already been addressed by the president of Parrsboro Radio in 2012 when the recordings were sent. In a second reply letter, the licensee changed its previous answer by indicating that these requests had been addressed by an individual who is no longer a volunteer at the station, and that a new reliable board of directors is now in place. Parrsboro Radio also indicated that it had installed a new recording system and had put measures in place to ensure CICR-FM's full compliance, which are reviewed weekly by a panel. Finally, the licensee stated that the station should not be found in non-compliance on account of events that transpired in previous years under a different board.
18. Although the licensee provided recordings for 2 and 3 March 2012, these recordings were not what had been specifically requested and therefore could not be analyzed by Commission staff. While the licensee submitted the correct information for 2 March 2012 after the second request, it never provided the recording for 3 March 2012. Moreover, Commission staff was forced to request the information on three separate occasions, and the licensee's responses to Commission staff's requests for information dated 23 January and 18 February 2015 lacked clarity. The Commission notes Parrsboro Radio's lack of accountability for events that occurred during the administration of the station under the previous board of directors.
19. In light of the above, the Commission finds Parrsboro Radio in non-compliance with section 8(6) of the Regulations relating to the provision of complete logs and records.

Provision of logger tapes and other material

20. As part of CICR-FM's renewal application, the Commission also asked the licensee to comment as to why it had failed to submit the logger tapes and other material for the week of 26 February to 3 March 2012 when initially requested by Commission staff.
21. The licensee once again indicated that this issue had been addressed by the president of Parrsboro Radio in 2012 and that the logger tapes had been sent twice. It also stated that this had happened three years ago, before the arrival of the present board of directors. Parrsboro Radio indicated that it has put measures in place to ensure the station's compliance, which would be reviewed weekly by a panel, and that it now has a new logger program that serves to ensure that when recorded material is requested, it would be made available to the Commission.
22. Although the licensee has put in place a new logger program to ensure future compliance with the Regulations, the Commission notes the licensee's absence of accountability for events that happened prior to the election of the new board of directors. Further, the answers provided by the licensee did not address the failure to file a complete self-assessment report, the music list and program logs, all of which are crucial elements required under the Regulations for Commission staff to conduct a proper monitoring of the station.
23. In light of the above, the Commission finds Parrsboro Radio in non-compliance with sections 8(1)(c), 8(4) and 8(6) of the Regulations relating to the provision of complete logger tapes.

Requests for information

24. The Commission notes the lack and inadequacy of the licensee's responses to Commission staff's requests for information dated 23 January and 18 February 2015. In its responses dated 11 February and 9 March 2015, Parrsboro Radio failed to provide adequate reasons for why it had not submitted the material requested by Commission staff in 2012. Moreover, it did not specify what measures it had put in place to ensure CICR-FM's full compliance with its regulatory obligations and conditions of licence in the new licence term. These answers are an important indicator of whether the licensee has the required ability and knowledge to comply with the regulatory obligations in the future.
25. Accordingly, the Commission finds Parrsboro Radio in non-compliance with sections 9(3) and 9(4) of the Regulations relating to the obligation to provide all information relevant to the Commission's request.

Provision of annual returns

26. 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 file financial statements, are set out in Broadcasting Information Bulletin 2011-795.
27. Parrsboro Radio filed the annual returns for the 2008-2009, 2009-2010 and 2011-2012 broadcast years after the 30 November deadline. Moreover, it did not include its financial statements as part of the annual returns for the 2011-2012, 2012-2013 and 2013-2014 broadcast years.
28. In response to a letter from Commission staff dated 23 January 2015, the licensee provided the missing financial statements for the 2011-2012, 2012-2013 and 2013-2014 annual returns on 11 February and 9 March 2015. It argued that the station was operated by volunteers only who were unaware of the importance of filing complete annual returns. It further indicated that the board of directors would now be in charge of this task and that it would ensure that complete annual returns are filed on time.
29. Given the foregoing, the Commission finds Parrsboro Radio in non-compliance with section 9(2) of the Regulations relating to the filing of annual returns for the 2008-2009, 2009-2010, 2011-2012, 2012-2013 and 2013-2014 broadcast years.

Regulatory measures

30. The Commission's approach to non-compliance by radio stations is set out in Broadcasting Information Bulletin 2014-608. Under that approach, each instance of non-compliance is evaluated in its context and in light of factors such as the quantity, recurrence and seriousness of the non-compliance. The circumstances, the arguments provided by the licensee and the actions taken to rectify the situation are also to be considered.
31. As set out in Broadcasting Regulatory Policy 2014-554, for stations that are in or appear to be in non-compliance, the following measures may be applied on a case-by-case basis depending on the nature of the non-compliance:
 - renew the licence for a short term;
 - impose additional conditions of licence;
 - call the licensee to a public hearing to respond to and discuss apparent non-compliance;
 - following a public hearing, issue a mandatory order requiring the licensee to comply with regulatory requirements. Such orders are made orders of the Federal Court and can be enforced through contempt of court proceedings;
 - suspend the licence;

- not renew the licence;
 - revoke the licence.
32. The Commission considers that the issues and range of the non-compliance described above are extremely serious and relate to fundamental aspects of the broadcasting regulatory system and of Parrsboro Radio's broadcasting licence. The timely filing of complete annual returns, the provision of complete program logs and records, and responding to Commission inquiries are fundamental to the Commission's ability to monitor a radio station's compliance performance and verify its compliance with the Regulations and its conditions of licence. These filings become important indicators of whether the licensee has the willingness, ability and knowledge necessary to bring itself into compliance and maintain such compliance. Radio frequencies are a limited public resource. Holding a broadcasting licence is a privilege, and broadcasters are required to abide by a number of regulations and conditions of licence to operate a radio station.
33. Further, while the licensee indicated that the non-compliance occurred under a previous board of directors, it remains responsible for the compliance of its service with the Regulations, its conditions of licence and the Community radio policy at all times.
34. Given the nature and extent of the non-compliance, a short-term licence renewal until 31 August 2017 for CICR-FM is appropriate.
35. Should the licensee again breach its regulatory requirements during the upcoming licence term, the Commission may consider recourse to additional measures as noted above, including suspension, non-renewal or revocation of the broadcasting licence for CICR-FM under sections 9 and 24 of the *Broadcasting Act* (the Act).

Other issues

36. The Commission is concerned that the licensee was unable to provide details or respond to the intervention in comment relating to the training of volunteers at the station. The training and recruitment of volunteers serve as an indication of the importance that a licensee places in this area since these individuals are integral to ensuring that a station operates in compliance with its regulatory requirements. Although the licensee indicated that it had appointed a volunteer coordinator, it appears that the role of this position consists mainly of interviewing and selecting volunteers.
37. Further, the Commission is concerned by the allegation that volunteers can be locked out of CICR-FM's premises, given that the station's studios are situated in a private residence.

Conclusion

38. In light of all of the above, and in the absence of any previous non-compliance, the Commission **renews** the broadcasting licence for the English-language community radio programming undertaking CICR-FM Parrsboro from 1 January 2016 to 31 August 2017. This short-term renewal will allow for an earlier review of the licensee's compliance with its regulatory requirements. The licensee shall adhere to the **conditions of licence** set out in Broadcasting Regulatory Policy 2012-304 as well as to the **conditions** set out in the broadcasting licence for the undertaking.
39. In addition, to address the general absence of details provided by the licensee related to its station's policies and plans to ensure future compliance, the Commission **directs** the licensee to file, pursuant to section 9(4) of the Regulations, within 60 days of the date of this decision, a report setting out the station's internal policies and procedures regarding:
- mechanisms for dealing with complaints;
 - responsibilities for the implementation of regulatory requirements;
 - the recruitment of volunteers;
 - the training of volunteers; and
 - access to the station's studios by volunteers.
40. This report will allow the Commission to assess any future complaints received regarding the station's operations and will be used to evaluate the licensee's ability to comply with its regulatory requirements and the Community radio policy during the next licence term.

Filing of ownership information

41. As set out in Broadcasting Regulatory Policy 2010-499, the Commission expects all community and campus radio station licensees to file yearly updates on the composition of their boards of directors. These annual updates can be submitted at the time of submission of annual returns, following annual board of directors' elections or at any other time. As noted in Appendix 3 to that policy, licensees may submit such documentation via the Commission's website.

Employment equity

42. The Commission considers that community radio stations should be particularly sensitive to employment equity issues to reflect fully the communities they serve. It encourages the licensee to consider these issues in its hiring practices and in all other aspects of its management of human resources.

Reminder

43. Pursuant to section 22 of the Act, the broadcasting licence renewed in this decision will cease to have any force or effect if the broadcasting certificate issued by the Department of Industry lapses.

Secretary General

Related documents

- *CICR-FM Parrsboro – Administrative renewal*, Broadcasting Decision CRTC 2015-345, 29 July 2015
- *Notice of applications received*, Broadcasting Notice of Consultation CRTC 2015-199, 15 May 2015
- *Update on the Commission’s approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- *A targeted policy review of the commercial radio sector*, Broadcasting Regulatory Policy CRTC 2014-554, 28 October 2014
- *Standard conditions of licence for campus and community radio stations*, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012
- *Filing annual returns for radio programming undertakings*, Broadcasting Information Bulletin CRTC 2011-795, 20 December 2011
- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010
- *Community radio station in Parrsboro*, Broadcasting Decision CRTC 2008-259, 19 September 2008

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