



Broadcasting Decision CRTC 2017-302

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References: Part 1 licence renewal applications posted on 6 March 2017

Ottawa, 24 August 2017

Various licensees

Various locations

CHMM-FM Mackenzie and CFDY-FM Cochrane – Licence renewals

*The Commission **renews** the broadcasting licences for the community radio stations CHMM-FM Mackenzie and CFDY-FM Cochrane from 1 September 2017 to 31 August 2021.*

These short-term renewals will allow for an earlier review of the licensees' compliance with the regulatory requirements.

Applications

1. The Commission received applications to renew the broadcast licences for the community radio stations set out below, which expire 31 August 2017. The Commission did not receive any interventions regarding these applications.

Licensee	Call sign and location	Application
Mackenzie and Area Community Radio Society	CHMM-FM Mackenzie, British Columbia	2016-0726-9
Cochrane Polar Bear Radio Club	CFDY-FM Cochrane, Ontario	2016-1041-0

Non-compliance

2. Section 9(2) of the *Radio Regulations, 1986* (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.
3. Further, as announced in Broadcasting Regulatory Policy 2014-444, the Commission amended various regulations, standard conditions of licence and certain exemption orders to require the mandatory distribution of emergency alert messages by broadcasting undertakings. While all commercial radio broadcasters were required to

participate in the National Public Alerting System (NPAS) by 31 March 2015, the campus, community and Native radio stations were given until 31 March 2016 to participate and comply with related requirements as set out in section 16 of the Regulations.

4. The Commission has examined the record for these applications and notes that in the case of CHMM-FM, the annual return for the 2012-2013 broadcast year did not include the financial statements. With respect to CFDY-FM, no annual returns for the 2013-2014 and 2014-2015 broadcast years were filed with the Commission, and a public alerting system has not been implemented.
5. Mackenzie and Area Community Radio Society indicated that the financial statements may have been missed given that it changed its method of submitting documentation from paper to digital. The licensee has since submitted the financial statements to the Commission.
6. For its part, Cochrane Polar Bear Radio Club indicated that its station CFDY-FM is not lucrative and would not be able to operate if the Commission were to impose additional sanctions. It added that it cannot afford to install emergency alerting equipment and argued that the need is non-existent given that CFDY-FM is located next to a station where an emergency service is available 24/7.
7. In light of the above, the Commission finds Mackenzie and Area Community Radio Society in non-compliance with section 9(2) of the Regulations. Further, the Commission finds Cochrane Polar Bear Radio Club in non-compliance with sections 9(2) and 16 of the Regulations.

Regulatory measures

8. 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 leading to the non-compliance, the arguments provided by the licensee and the actions taken to rectify the situation are also considered.
9. Compliance with deadlines for the filing of complete annual returns is important because it enables the Commission to monitor a licensee's performance and compliance with regulations. Accordingly, it considers the late or incomplete filing of annual returns a serious matter.
10. Moreover, the full participation of the broadcasting industry is important for the NPAS to be effective in safeguarding and warning Canadians. As such, the Commission considers that compliance must be enforced and station compliance in a timely manner will be closely monitored. The Commission could choose to apply other regulatory measures, such as those set out in Broadcasting Information bulletin 2014-608, should the requirements with respect to alerting not be fulfilled.

11. The Commission acknowledges the explanation by Mackenzie and Area Community Radio Society. However, given that this is the second consecutive licence term in which CHMM-FM is in non-compliance with section 9(2) of the Regulations, the Commission finds it appropriate to renew the licence for the station for a short-term period of four years.
12. In addition, the Commission is of the view that Cochrane Polar Bear Radio Club is unwilling to comply with its regulatory requirements. As such, and given the seriousness of the instances of non-compliance, the Commission finds it appropriate to renew the licence for CFDY-FM for a short-term period of four years.
13. Moreover, the Commission requires CFDY-FM to implement a public alerting system by no later than **31 October 2017**. It also requires Cochrane Polar Bear Radio Club to file CFDY-FM's annual returns for the 2013-2014 and 2014-2015 broadcast years by no later than **30 September 2017**. **Conditions of licence** to that effect are set out in the appendix to this decision.

Conclusion

14. In light of all of the above, the Commission **renews** the broadcasting licences for the community radio programming undertakings CHMM-FM Mackenzie, British Columbia, and CFDY-FM Cochrane, Ontario, from 1 September 2017 to 31 August 2021. The **conditions of licence** are set out in the appendix to this decision.
15. The Commission emphasizes the importance it places on licensees' fulfillment of the regulatory requirements. The short-term licence renewals granted in this decision will allow for an earlier review of the licensees' compliance with the Regulations.

Reminders

16. Licensees are responsible for filing complete annual returns on time, including the financial statements. In addition, as set out in Broadcasting Information Bulletin 2011-795, it is the licensees' responsibility to ensure that all appropriate forms and documentation are included with their annual returns and to contact the Commission if further clarification is required.
17. Should the licensees again breach the regulatory requirements, the Commission may consider recourse to additional measures, including the imposition of a mandatory order, or the suspension, non-renewal or revocation of the broadcasting licences under sections 9 and 24 of the *Broadcasting Act*.
18. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licences renewed in this decision will cease to have any force or effect if the broadcasting certificates issued by the Department of Industry lapse.

Secretary General

Related documents

- *Update on the Commission's approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- *Amendments to various regulations, the standard conditions of licence for video-on-demand undertakings and certain exemption orders – Provisions requiring the mandatory distribution of emergency alert messages*, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014
- *Filing annual returns for radio programming undertakings*, Broadcasting Information Bulletin CRTC 2011-795, 20 December 2011

This decision is to be appended to each licence.

Appendix to Broadcasting Decision CRTC 2017-302

Terms, conditions of licence, expectation and encouragement for the community radio programming undertakings CHMM-FM Mackenzie, British Columbia, and CFDY-FM Cochrane, Ontario

Terms

The licence will expire 31 August 2021.

Conditions of licence applicable to each station

1. The licensee shall adhere to the conditions set out in *Standard conditions of licence for campus and community radio stations*, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012, as well as the conditions set out in the licence for the undertaking.

Additional conditions of licence applicable to CFDY-FM Cochrane

2. The licensee shall file its annual returns for the 2013-2014 and 2014-2015 broadcast years by no later than **30 September 2017**.
3. The licensee shall implement a public alerting system by no later than **31 October 2017** and shall provide proof with its annual return by no later than **30 November 2017**.

Expectation

The Commission expects all community and campus 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. Such information may be submitted through the Commission's website.

Encouragement

The Commission considers that community radio stations should be particularly sensitive to employment equity issues in order 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.