



## Broadcasting Decision CRTC 2017-360

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Reference: Part 1 licence renewal application posted on 30 March 2017

Ottawa, 12 October 2017

**Cochrane Christian Radio**  
Cochrane, Ontario

*Application 2016-0567-7*

### **CFCJ-FM Cochrane – Licence renewal**

*The Commission **renews** the broadcasting licence for the English-language low-power commercial specialty (Christian music) radio station CFCJ-FM Cochrane from 1 January 2018 to 31 August 2024.*

#### **Application**

1. Cochrane Christian Radio filed an application to renew the broadcasting licence for the English-language low-power commercial specialty (Christian music) radio station CFCJ-FM Cochrane, which expires 31 December 2017.<sup>1</sup> The Commission did not receive any interventions regarding this application.

#### **Non-compliance**

2. As set out in the appendix to Broadcasting Decision 2011-258, the licensee was required by condition of licence to contribute \$500 in each broadcast year to Canadian content development (CCD) for a total of \$3,500 over seven consecutive broadcast years, in addition to any basic annual CCD contributions required under section 15 of the *Radio Regulations, 1986*.
3. According to the Commission's records, the licensee incurred a total CCD shortfall of \$600 over its licence term.
4. The licensee stated that it had struggled because of its newness to the processes. It apologized and requested the Commission's understanding, noting that when shortfalls were identified, it had made efforts to make payments, albeit at times late.
5. Based on the preceding, the Commission finds the licensee in non-compliance with its condition of licence relating to CCD contributions for the current licence term.

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<sup>1</sup> In Broadcasting Decision 2017-318, the broadcasting licence for CFCJ-FM was administratively renewed from 1 September to 31 December 2017.

## Regulatory measures

6. 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.
7. In this particular case, the non-compliance resulted in a CCD shortfall of \$600. Under its approach to non-compliance, the Commission may impose a condition of licence requiring the licensee to pay an additional CCD contribution as a remedial measure for the harm caused to the broadcasting system.
8. When questioned about the possibility of imposing an additional CCD contribution of \$600, the licensee stated that in light of the contributions it had made to catch up with the accumulated arrears from contributions deemed ineligible by the Commission, it had actually given more than the required contributions to Canadian artists and as such imposing an additional amount would be unwarranted and unfair. However, in the event that the Commission determined that an additional CCD contribution was appropriate, the licensee indicated that a contribution of \$200 would be more reasonable.
9. Although the broadcasting system has been deprived of these funds since the 2011-2012 broadcast year, the Commission notes the licensee's newness to the broadcasting industry and the challenges it encountered in its beginnings, particularly in understanding its various contribution obligations. Under the circumstances, the Commission is of the view that requiring an additional CCD contribution of \$200 as proposed by the licensee represents an appropriate remedial measure.
10. This is the licensee's first instance of non-compliance. The Commission does not consider that imposing a short-term licence renewal is necessary in this case. However, in order to ensure that the licensee fulfills the CCD shortfall and in light of the seriousness of the non-compliance, the Commission has set out a **condition of licence** in the appendix to this decision requiring the licensee to:
  - pay the remaining CCD amount of \$600 and an additional CCD contribution of \$200 by **31 August 2018**; and
  - file proof of payment by **30 November 2018**.

## Conclusion

11. In light of all of the above, the Commission **renews** the broadcasting licence for the English-language low-power commercial specialty (Christian music) radio programming undertaking CFCJ-FM Cochrane from 1 January 2018 to 31 August 2024. The **conditions of licence** are set out in the appendix to this decision.

## Reminders

12. It is important that radio station licensees make their required contributions to CCD, given that CCD initiatives not only help to develop and advance the careers of emerging Canadian artists but also increase the supply of high-quality Canadian music in a variety of genres and the demand for Canadian music by listeners. The non-payment of CCD contributions therefore has the potential to cause harm to the Canadian broadcasting system.
13. It is incumbent upon licensees to provide proof of payment to such initiatives by the required deadlines. They must also provide sufficient documentation to support the eligibility of their contributions. Failure to do so may result in the Commission finding a contribution ineligible, which in turn may affect a station's compliance with regulatory obligations. Moreover, licensees must ensure that expenditures are not self-serving—that is, beneficiaries must be independent of licensees.
14. Pursuant to section 22 of the *Broadcasting 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

- *Various radio stations – Administrative renewals*, Broadcasting Decision CRTC 2017-318, 31 August 2017
- *Update on the Commission's approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- *Christian music FM radio station in Cochrane*, Broadcasting Decision CRTC 2011-258, 18 April 2011

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

## **Appendix to Broadcasting Decision CRTC 2017-360**

### **Terms, conditions of licence, expectation and encouragement for the English-language low-power commercial specialty (Christian music) radio programming undertaking CFCJ-FM Cochrane**

#### **Terms**

The licence will expire 31 August 2024.

#### **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, with the exception of condition 7, as well as to the conditions set out in the broadcasting licence for the undertaking.
2. The station shall be operated within the specialty format as defined in *A Review of certain matters concerning radio*, Public Notice CRTC 1995-60, 21 April 1995, and *Revised content categories and subcategories for radio*, Broadcasting Regulatory Policy CRTC 2010-819, 5 November 2010.
3. The licensee shall devote at least 95% of all musical selections broadcast during each broadcast week to selections 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.
4. 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.
5. Pursuant to this decision and in order to fulfill its outstanding commitments to Canadian content development (CCD) set out in the appendix to *Christian music FM radio station in Cochrane*, Broadcasting Decision CRTC 2011-258, 18 April 2011, the licensee shall pay the outstanding CCD amount of \$600 and an additional CCD contribution of \$200 by 31 August 2018 and file proof of payment in a form deemed acceptable by the Commission by 30 November 2018. At least 20% of the required contributions shall be allocated to FACTOR. The remainder shall be allocated to eligible CCD initiatives as described in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

#### **Expectation**

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

## **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.