



Broadcasting Decision CRTC 2021-142

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Reference: 2020-262

Ottawa, 28 April 2021

International Harvesters for Christ Evangelistic Association Inc. Scarborough, Ontario

Public record for this application: 2018-0024-3
Public hearing in the National Capital Region
13 October 2020

New specialty (Christian music) FM radio station in Scarborough

The Commission **approves** the application by International Harvesters for Christ Evangelistic Association Inc. for a broadcasting licence to operate an English-language specialty (Christian music) FM radio station in Scarborough, Ontario.

Application

1. The Commission has the authority, pursuant to section 9(1) of the *Broadcasting Act* (the Act), to issue and renew licences for such terms not exceeding seven years and subject to such conditions related to the circumstances of the licensee as it deems appropriate for the implementation of the broadcasting policy set out in section 3(1) of the Act.
2. International Harvesters for Christ Evangelistic Association Inc. (International Harvesters) filed an application for a broadcasting licence to operate an English-language specialty (Christian music) FM radio station in Scarborough, Ontario.¹ The proposed station would operate at 105.3 MHz (channel 287A1) with an average effective radiated power (ERP) of 89 watts (maximum ERP of 150 watts, directional antenna with an effective height of the antenna above average terrain of 90.7 metres).
3. International Harvesters is a not-for profit registered charitable corporation controlled by its board of directors. It is the licensee of various English-language specialty (Christian music) radio stations throughout Canada.

¹ In accordance with Broadcasting Regulatory Policy 2014-554, the Commission called for comments on the capacity of Scarborough to support a new radio station and the appropriateness of issuing a call for applications for new stations in the market. Subsequently, in Broadcasting Decision 2020-203, the Commission found that the Scarborough radio market could not support an additional commercial radio station. However, given that Christian music stations generally do not raise concerns pertaining to commercial impact, the Commission allowed publication of the application by International Harvesters as part of the non-appearing phase of a public hearing.

4. The applicant proposed to operate the new station within a specialty Christian music format, and committed to devote, by condition of licence, 95% of the musical selections broadcast each broadcast week to content subcategory 35 (Non-classic religious) musical selections.
5. International Harvesters indicated that it would broadcast 126 hours of programming each broadcast week on the proposed station, of which 84 hours would be devoted to local music and spoken word programming. The remaining 42 hours would be devoted to non-local programming in the form of Bible programs to be produced in Canada and intended for numerous Christian stations across the country. It would also broadcast interviews as well as programs offering different views on religion and matters of public concern, featuring teachings from over a dozen world religions, including Buddhism, Judaism and Islam.
6. The applicant proposed to devote 40 minutes each broadcast week to news programming, of which 30 minutes would be devoted to local and regional news, five minutes to national news, and five minutes to international news. It further proposed to devote 40 minutes each broadcast week to local weather and traffic reports. In addition, 112 minutes of programming per broadcast week would be devoted to local community announcements, to be provided free of charge, and 100 minutes per broadcast week would be devoted to interviews (conducted over the phone and on-site) with local community leaders, heads of organizations, and singers.
7. Finally, International Harvesters committed to make, by condition of licence, a Canadian content development (CCD) contribution of \$13,000 over seven broadcast years, to commence in the station's first year of operations, which would be over and above the basic CCD contributions required pursuant to the *Radio Regulations, 1986* (the Regulations).

Interventions

8. The Commission received interventions in support of this application. It also received an intervention in opposition from 8237646 Canada Inc. (8237646 Canada), relating to potential interference with its English-language commercial radio station CIUX-FM Uxbridge, which operates within a Classic Hits music format and is licensed to serve the Township of Uxbridge in the northern Durham Region in Ontario. International Harvesters did not reply to the interventions.

Issues

9. After examining the public record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - the potential impact that approval of the application would have on available frequencies in the Scarborough and surrounding markets;
 - potential interference by the proposed station with CIUX-FM;

- the potential economic impact that approval of the application would have on incumbent radio stations in the market; and
- diversity of programming.

Impact on available frequencies in the Scarborough and surrounding markets

10. The Department of Industry (the Department) has granted conditional technical acceptability of International Harvesters' proposed station. As such, the applicant's proposal adheres to the rules governing FM spectrum coordination.
11. In regard to the applicant's proposed use of 105.3 MHz, the Commission notes that there are no remaining FM frequency allotments available in Scarborough. Further, should the application be approved, no drop-in frequencies have been identified that would be capable of providing coverage to Scarborough that is similar to that proposed by International Harvesters. However, given that the frequency 105.3 MHz is currently not available in surrounding radio markets, including the Toronto market, the Commission considers that International Harvesters' use of that frequency for the proposed station would have a minimal impact on the availability of frequencies in those markets.

Potential interference with CIUX-FM Uxbridge

12. In its intervention, 8237646 Canada noted that its radio station CIUX-FM operates on a first adjacent frequency to that specified for International Harvesters' proposed station, and submitted that approval of the present application may lead to interference with CIUX-FM, as well as to confusion among its existing clients. In this regard, the intervener cited weakening advertising demand from businesses in the Durham Region that wish to target residents in Uxbridge who do not have varied commercial and retail shopping options.
13. Although International Harvesters' proposed station may cause interference with CIUX-FM, the Department, in its conditional technical acceptability of the technical parameters proposed by the applicant, has indicated that any such interference would be contained within the previously accepted interference zone for CIUX-FM.
14. In light of the above, the Commission does not have any concerns in regard to potential interference issues between CIUX-FM and International Harvesters' proposed station.

Economic impact on incumbent radio stations

15. In its intervention, 8237646 Canada submitted that the introduction of a new radio station in the Scarborough market would have a negative economic impact on CIUX-FM, by putting that station's advertising dollars at risk. The Commission notes, however, that the two stations would operate in separate markets given that there is no overlap between the primary service contour for CIUX-FM and the primary service contour for International Harvesters' proposed station. As such, the principle marketing activities of the two stations would be conducted in distinct and separate markets.

16. Scarborough is situated in the Toronto Census Metropolitan Area. According to Statistics Canada, the population of Scarborough in 2016 was 631,884. Currently, there is only one station that is specifically licensed to serve Scarborough, the commercial ethnic radio station CJRK-FM Scarborough, which is currently in its fourth year of operation.²
17. International Harvesters, a not-for profit charitable organization, indicated that the majority of the proposed station's revenues would come from donations and sales of Bible teaching programs, with only a modest amount coming from local advertising sales. In addition, the proposed service would target a separate niche audience and would air programming that is distinct from that broadcast on CJRK-FM, given that it would be the only Christian music station to serve the Scarborough market. In the Commission's view, any economic impact from the proposed station on CJRK-FM would be minimal. Finally, the Commission notes that 8041393 Canada Inc., licensee of CJRK-FM, indicated that it would not oppose an application for an English-language religious station in Scarborough.
18. In light of the above, the Commission finds that approval of the present application would not have an undue economic impact on incumbent stations in the market.

Diversity of programming

19. In Broadcasting Public Notice 2008-4, the Commission indicated that the Canadian broadcasting system should ensure that audiences have access to a diversity of programming, especially local, regional and national content.
20. As noted above, International Harvesters committed to broadcast 84 hours of local music and spoken word programming. The proposed local programming would include local community announcements as well as interviews with local community leaders, heads of organizations and singers. It would also include 40 minutes of news per broadcast week. As such, the Commission considers that the programming proposed by the applicant would be of interest to the community of Scarborough.
21. In addition, International Harvesters confirmed that it would adhere to the Commission's guidelines on balance and ethics set out in Public Notice 1993-78. In this regard, in addition to broadcasting Bible programs to be produced in Canada and intended for Christian stations across Canada, the licensee would broadcast interviews and programs offering different views on religion and matters of public concern, featuring teachings from over a dozen world religions, including Buddhism, Judaism and Islam. The Commission is satisfied with this proposal, and notes that the offering of these religious spoken word programs is in line with what is offered at many Christian music stations across Canada, including those operated by International Harvesters.

² In Broadcasting Decision 2014-574, the Commission approved an application by 8041393 Canada Inc. for a broadcasting licence to operate a commercial ethnic radio station to serve Scarborough, which would launch as CJRK-FM in 2016.

22. In light of the above, the Commission finds that the radio station proposed by International Harvesters for the Scarborough radio market would add to local reflection and programming diversity in that market.

Conclusion

23. In light of all of the above, the Commission **approves** the application by International Harvesters for Christ Evangelistic Association Inc. for a broadcasting licence to operate an English-language specialty (Christian music) FM radio programming undertaking in Scarborough, Ontario. The terms and **conditions of licence** are set out in the appendix to this decision.

Canadian content development contributions

24. Sections 3(1)(e) and (s) of the Act declare that each element of the Canadian broadcasting system shall contribute in an appropriate manner to the creation and presentation of Canadian programming, and that private networks and programming undertakings should, to an extent consistent with the financial and other resources available to them, contribute significantly to the creation and presentation of Canadian programming. Consistent with sections 3(1)(e) and (s) of the Act, and pursuant to the authority granted by section 9(1), the Commission has imposed conditions of licence requiring programming undertakings to contribute in various ways to the creation of Canadian programming, including imposing CCD contribution requirements.

25. Section 15 of the Regulations sets out the basic annual contributions to CCD that each radio station licensee must make, based on the station's total broadcast revenues in the previous broadcast year. International Harvesters submitted that, based on its revenue forecasts, it would not be required to make the basic CCD contributions required pursuant to section 15 of the Regulations. Nevertheless, as noted above, it committed to make, by condition of licence, an over-and-above CCD contribution of \$13,000 over seven consecutive broadcast years, according to the following schedule:

- Years 1, 2 and 3: \$1,000 per year;
- Years 4 and 5: \$2,000 per year; and
- Years 6 and 7: \$3,000 per year.

26. Consistent with the established distribution of CCD contributions, a licensee is required to allocate each broadcast year at least 20% of the total over-and-above CCD contributions to FACTOR or Musicaction. The remainder of this additional CCD contribution shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of Broadcasting Public Notice 2006-158. In this regard, International Harvesters indicated that it would direct its CCD contribution amounts to FACTOR, the Gospel Music Association of Canada, and Canadian artists.

27. The Commission considers that the applicant's proposal is appropriate. Accordingly, a **condition of licence** to that effect is set out in the appendix to this decision.

Local news and local programming

28. Although Broadcasting Public Notice 2006-158 does not specify a minimum level of weekly news to be broadcast, it does specify the type of spoken word material that must be included as part of a station's local programming and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. The Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to the communities to be served by the station.

Employment equity

29. Because International Harvesters is subject to the *Employment Equity Act* and file reports with the Department of Employment and Social Development, its employment equity practices are not examined by the Commission.

Secretary General

Related documents

- *Findings regarding market capacity and the appropriateness of issuing a call for radio applications to serve the Scarborough radio market*, Broadcasting Decision CRTC 2020-203, 26 June 2020
- *Licensing of new radio stations to serve Scarborough and technical changes for existing radio stations serving Scarborough, Toronto and Whitchurch-Stouffville*, Broadcasting Decision CRTC 2014-574, 5 November 2014
- *A targeted policy review of the commercial radio sector*, Broadcasting Regulatory Policy CRTC 2014-554, 28 October 2014
- *Diversity of voices – Regulatory policy*, Broadcasting Public Notice CRTC 2008-4, 15 January 2008
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Religious Broadcasting Policy*, Public Notice CRTC 1993-78, 3 June 1993

Appendix to Broadcasting Decision CRTC 2021-142

Terms, conditions of licence, expectation and encouragement for the English-language specialty (Christian music) FM radio programming undertaking in Scarborough, Ontario

Terms

The licence will expire 31 August 2027.

The station will operate at 105.3 MHz (channel 287A1) with an average effective radiated power (ERP) of 89 watts (maximum ERP of 150 watts with a directional antenna with an effective height of the antenna above average terrain of 90.7 metres).

Pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

Furthermore, the Commission will only issue a licence for this undertaking once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be in operation by no later than **28 April 2023**. To request an extension, the applicant must submit a written request to the Commission at least 60 days before that date, using the form available on the Commission's website.

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 of licence 7, as well as to the conditions set out in the broadcasting licence for the undertaking.
2. The licensee shall operate the station within the specialty format as defined in *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995, and in *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 content subcategory 35 (Non-classic religious).
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. In addition to the basic annual contribution to Canadian content development set out in section 15 of the *Radio Regulations, 1986*, the licensee shall, upon commencement of operations, make a total contribution of \$13,000 over seven consecutive broadcast years to the promotion and development of Canadian content as follows:

- Year 1 - \$1,000
- Year 2 - \$1,000
- Year 3 - \$1,000
- Year 4 - \$2,000
- Year 5 - \$2,000
- Year 6 - \$3,000
- Year 7 - \$3,000

Of this amount, at least 20% per broadcast year shall be devoted to FACTOR or Musicaction. The remainder shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

For the purposes of these conditions of licence, “broadcast week,” “content subcategory” and “musical selection” shall have the same meanings as those set out in the *Radio Regulation, 1986*.

Expectation

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

Encouragement

The Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to the communities served by the station.