



Broadcasting Decision CRTC 2024-114

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Reference: 2023-206

Ottawa, 27 May 2024

Arsenal Media Inc.
Joliette, Quebec

Public record: 2021-0457-9

Public hearing in the National Capital Region

14 September 2023

French-language commercial FM radio station in Joliette

Summary

Arsenal Media Inc. (Arsenal) filed an application to operate a new commercial FM radio station in Joliette, Quebec. Following this request, the Commission published a notice of consultation in 2021 on market capacity and the appropriateness of issuing a call for applications.

In 2023, the Commission concluded that the Joliette radio market could accommodate a new radio station. It then issued a call for applications for new stations to serve the market. Radio Nord-Joli Inc. (Radio Nord-Joli) expressed interest in operating a new French-language community FM radio station in Joliette.

As Arsenal's and Radio Nord-Joli's applications do not propose to use competing frequencies, the Commission decided to address them separately. Today, it is also publishing its decision on Radio Nord-Joli's application.

In its application, Arsenal proposed a country and folk music format aimed at adults aged 35 and over. It also proposed to broadcast 42 hours of local programming and 150 minutes of local, regional, national and international news each broadcast week.

The Commission approves the application by Arsenal for a broadcasting licence to operate a French-language commercial FM radio station in Joliette.

The Commission proposes to make the orders set out in Appendix 2 to this decision imposing various conditions of service, including contribution requirements, on the licensee. Consistent with subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*, interested persons may make representations only on the proposed orders by no later than **6 June 2024**. The licensee may submit a reply to any representations received by no later than **11 June 2024**.

Application

1. Arsenal Media Inc. (Arsenal) filed an application for a broadcasting licence to operate a new French-language commercial FM radio station in Joliette, Quebec.
2. Arsenal is owned by 10691313 Canada Inc. (50.75%), which is owned by Sylvain Chamberland, and Fondation CSN (49.25%). Arsenal is controlled by Sylvain Chamberland. The President and CEO and all Arsenal directors are Canadians residing in Canada, as defined in the *Direction to the CRTC (Ineligibility of non-Canadians)*.¹ Consequently, Arsenal is eligible to hold a licence under this direction.
3. The proposed station would operate at 107.9 MHz (channel 300B1) with an average effective radiated power (ERP) of 15,064 watts (directional antenna with a maximum ERP of 25,000 watts and an effective height of the antenna above average terrain [EHAAT] of 92.9 metres).²
4. The applicant proposed a country and folk music format targeting adults aged 35 and over. It also proposed to broadcast, during each broadcast week, 42 hours of local programming and 150 minutes of news, of which 100 minutes would be devoted to local and regional news, 30 minutes to national news and 20 minutes to international news.
5. The Commission received no interventions with respect to this application. Arsenal provided nine letters of support for the application, including letters from country artists and local businesses.

Background

6. Following Arsenal's application to operate a new commercial FM radio station in Joliette, the Commission issued Broadcasting Notice of Consultation 2021-413 to seek comments on the market's capacity to accommodate a new station, and on the appropriateness of issuing a call for applications for new radio stations to serve Joliette.
7. In Broadcasting Decision 2023-16, the Commission determined that the Joliette radio market could accommodate at least one new radio station. Given the shortage of FM frequencies and the additional interest in serving this market, the Commission issued a call for applications in Broadcasting Notice of Consultation 2023-17, inviting parties interested in obtaining a licence to serve this market to apply to operate a new station.

¹ SOR/97-192, 8 April 1997.

² These technical parameters reflect those approved by the Department of Industry (also known as Innovation, Science and Economic Development Canada).

8. Radio Nord-Joli Inc. (Radio Nord-Joli) has also expressed interest in operating a new French-language community FM radio station in the Joliette market.
9. Given that Arsenal's and Radio Nord-Joli's applications do not propose the use of competing frequencies to serve the Joliette market, the Commission considers that they are not competing applications requiring joint consideration at an appearing public hearing. Consequently, the applications were published and presented independently of each other at the 14 September 2023 non-appearing hearing.

Issues

10. The Commission has the authority, pursuant to subsections 9(1), 9.1(1) and 11.1(2) of the *Broadcasting Act*, to issue and renew licences, and to make orders imposing conditions on the carrying on of a broadcasting undertaking that it considers appropriate for the implementation of the broadcasting policy set out in subsection 3(1) of the *Broadcasting Act*, and to make orders respecting expenditures.
11. After examining the record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - whether the use of the frequency 107.9 MHz by the applicant for its proposed station represents an appropriate use of spectrum;
 - whether approval of this application would have an undue economic impact on the incumbent station;
 - whether the addition of two new stations would have an undue economic impact on the incumbent station;
 - whether approval of this application would have an undue economic impact on the new station proposed by Radio Nord-Joli; and
 - whether the approval of this application would contribute to local representation and the diversity of the programming in the market.

Appropriate use of spectrum

12. The Department of Industry (also known as Innovation, Science and Economic Development Canada) has granted conditional technical acceptability of the proposed station. As such, the applicant's proposal adheres to the rules governing FM spectrum coordination.
13. The proposed FM primary contour would serve Joliette, while the secondary contour would encompass Joliette and surrounding areas.
14. In regard to the use of 107.9 MHz (channel 300B1) proposed by the applicant, the Commission determined in Broadcasting Decision 2023-16 that there was a shortage

of frequencies in the Joliette market and that this market could accommodate at least one new radio station.

15. The Commission considers that the use of 107.9 MHz in Joliette would eliminate its availability in the surrounding areas, and that no other frequency is available to provide a similar or superior service in Joliette and the surrounding areas. However, in light of Broadcasting Decision 2023-16, the Commission considers that the Joliette market can accommodate at least one new radio station at this time.
16. In light of the above, the Commission finds that the applicant's use of frequency 107.9 MHz for its proposed FM radio station represents an appropriate use of spectrum.

Economic impact on the incumbent station

17. The Joliette market is currently served by a single commercial radio station, CJLM-FM Joliette, owned and operated by Arsenal.
18. The Joliette market currently has significant out-of-market tuning. New stations would therefore have the opportunity to attract listeners and repatriate some of the out-of-market tuning.
19. From 2018 to 2022, local advertising revenues and CJLM-FM's total advertising revenues were stable. The proposed station's projected advertising revenues would represent a significant portion of CJLM-FM's total advertising revenues. However, since Arsenal proposed to create synergies between its two stations, the Commission finds that approval of Arsenal's proposal would not have an undue economic impact on CJLM-FM.

Economic impact of the two new proposed stations on the incumbent station

20. Today, the Commission is also publishing Broadcasting Decision 2024-113, which concerns Radio Nord-Joli's application (2023-0178-7) for a new community radio station to serve Joliette. In that decision, the Commission finds that approval of Radio Nord-Joli's proposed station would not have an undue economic impact on Arsenal's CJLM-FM station.
21. In light of the determinations set out in paragraphs 19 and 20 of this decision, the Commission finds that the addition of the new stations proposed by Arsenal and Radio Nord-Joli would not have an undue economic impact on CJLM-FM.

Economic impact on the new station proposed by Radio Nord-Joli

22. Regarding the new station proposed by Radio Nord-Joli, the Commission notes that Radio Nord-Joli's application for a community radio licence. As a community station, it can benefit from other sources of income (e.g., fundraising activities), and therefore rely much less on advertising revenues. Moreover, since Arsenal's proposed new

station seeks to repatriate significant out-of-market tuning, it should not affect the viability of Radio Nord-Joli's proposed station.

23. In light of the above, the Commission finds that approval of Arsenal's proposed station could have an economic impact on Radio Nord-Joli's proposed station CFNJ-FM, but without compromising its viability.

Local representation and programming diversity

24. In Broadcasting Public Notice 2006-158, the Commission stated that, in their local programming, licensees must incorporate spoken word material of direct and particular relevance to the communities they serve. This spoken word material must include local news, weather, sports coverage, and the promotion of local events and activities.
25. Arsenal proposed to operate a new French-language commercial FM radio station in Joliette. The station would be complementary to CJLM-FM, which is owned and operated by the applicant in the same market. The applicant proposed to broadcast 126 hours of programming per broadcast week, of which at least 42 hours would be devoted to local programming. The rest of the programming would consist of network programs from Arsenal's other stations operating in Quebec as part of the Hit Country network (CHCT-FM Sainte-Marie, CKYQ-FM Plessisville and CKGS-FM La Baie, Quebec).
26. The Commission notes that the applicant indicated in its supplementary brief that the new station would broadcast more than 42 hours of local programming per broadcast week. However, the applicant stated that it prefers to reserve the option of maintaining a minimum threshold of 42 hours of local programming per broadcast week.
27. Arsenal also proposed to broadcast 150 minutes of news per broadcast week, of which 100 minutes would be devoted to local and regional news, 30 minutes to national news and 20 minutes to international news.
28. Regarding locally reflective news and spoken word content, Arsenal proposed to cover news; road conditions; traffic; weather and sports; local events devoted to country, western, folk and traditional music; and interviews with established and emerging Quebec artists. Local programming would be produced by the proposed station's hosts, and local shows would be broadcast Monday to Friday from 6:00 a.m. to 4:00 p.m.
29. The applicant stated that the new station, with its country and folk music format targeting adults aged 35 and over, would increase the musical diversity offered to Joliette listeners and repatriate a portion of the audience currently listening to out-of-market stations, including those from Montréal. The Commission notes the complementary nature of the other local station in Joliette operated by the same owner (CJLM-FM), which offers a popular and rock music format. The Commission notes that this would be the second commercial radio station authorized specifically

to serve the Joliette market, and that no other radio station currently directly serves this market.

30. The applicant also noted that the operation of a second commercial radio station in a market like Joliette is possible only because of the synergies planned for the joint operation of its two stations. These synergies would enable the licensee to achieve savings in station operating costs.
31. The Commission is of the view that the benefits associated with the planned synergies between Arsenal's stations should enable it to offer more locally produced spoken word content, local news and information programming. In this regard, the Commission notes that Arsenal proposed to offer 100 minutes of local news per broadcast week, and that the proposed local programming is predominantly musical. Arsenal indicated that the hosts would focus on country music.
32. The Commission does not generally impose requirements per condition of service concerning the number of hours of spoken word programming to be broadcast during a broadcast week. However, applicants must still include spoken word content in their local programming and indicate in their application how they plan to serve the target community. They must do so by specifying their local programming offering and indicating the number of hours they would devote to spoken word programming, specifically newscasts (local, regional, national and international).
33. The Commission is of the view that the number of hours of local programming proposed by the applicant and the number of minutes to be devoted to news are appropriate.
34. With regard to the broadcast of music by emerging artists, following a request for information by Commission staff, the applicant has confirmed that it would comply with the expectation set out in Broadcasting Regulatory Policy 2022-332. In addition, the applicant has indicated that it would promote these artists on the station's website and on that of the Hit Country network by publishing information about these artists and posting podcast interviews with them. The applicant has stated that this content would also be distributed on its social networks. In addition, the applicant has stated it plans to publish portraits of emerging artists on its "MonJoliette.com" information platform.
35. In light of the above, the Commission finds that the proposed new radio station meets the requirements of a commercial FM radio station and would contribute to local representation and programming diversity in the Joliette market. Furthermore, the Commission considers that the programming proposed by the applicant is consistent with the Commission's definition of local programming.

Conclusion

36. In light of all of the above, the Commission approves the application by Arsenal for a broadcasting licence to operate a new French-language commercial FM radio

programming undertaking in Joliette, Quebec. The licence will expire **31 August 2030**.

37. The terms of licence, expectations and encouragement applicable to this licensee are set out in Appendix 1 to this decision.
38. The Commission notes that the formal broadcasting licence document issued to a licensee may set out additional requirements for the undertaking, relating to, for example, technical parameters or prohibitions on transfer. Pursuant to subsection 9(1) of the *Broadcasting Act*, the licensee shall, therefore, also adhere to any such requirements set out in the broadcasting licence for the undertaking.
39. The Commission also proposes to make orders pursuant to subsections 9.1(1) and 11.1(2) of the *Broadcasting Act*. The conditions of service contained in these orders are described below and are set out in Appendix 2. Consistent with subsections 9.1(4) and 11.1(7), interested persons may make representations only on the proposed orders by no later than **6 June 2024**, and the licensee may submit a reply to any representations received by no later than **11 June 2024**. The Commission will issue final orders following the close of the comment period and its review of the submissions of the parties, if any.
40. Interested persons who wish to make representations on the proposed orders may do so on the Commission's [public proceedings webpage](#).

Proposed orders

Standard conditions of service

41. There are standard conditions of service which apply to all undertakings of a particular class. In this case, the Commission considers it appropriate that the licensee should adhere to the standard conditions of service for commercial radio stations set out in the appendix of the Broadcasting Regulatory Policy 2022-334.
42. Further, pursuant to subsection 49(2) of the *Online Streaming Act*, which made a certain number of amendments to the *Broadcasting Act* when it came into force on 27 April 2023, any regulation made under paragraphs 10(1)(a) or 10(1)(i) of the old *Broadcasting Act* is deemed to be an order made under section 9.1 of the new *Broadcasting Act*. The Commission considers it appropriate to require the licensee to adhere to these requirements as conditions of service.
43. Accordingly, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **proposes to order** Arsenal Media Inc., by **condition of service**, to adhere to the standard conditions of service set out in Broadcasting Regulatory Policy 2022-334, as well as all applicable requirements set out in the *Radio Regulations, 1986* (the Regulations), that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.

Broadcast of emergency alerts

44. The Commission has implemented obligations in respect of the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444. Compliance involves implementing the public alerting system for each of the licensee's transmitters, and ensuring that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages be installed and programmed to properly account for the applicable contour (as set out in paragraph 16(2)(b) of the Regulations) of the station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.
45. Further to these obligations, the Commission considers it appropriate that the licensee be required to implement the National Public Alerting System (NPAS) in the manner set out in the Regulations within 180 days after the station's launch and to file a letter attesting to the implementation of the NPAS as well as the results of its first test.
46. Accordingly, pursuant to subsection 9.1(1) of the *Broadcasting Act*, the Commission **proposes to order** Arsenal Media Inc., by **condition of service**, to implement the NPAS **by the date of the station's launch** and to make the appropriate associated information filings.

Canadian content development contributions

47. The applicant must adhere to the requirements relating to contributions to Canadian content development (CCD) set out in section 15 of the Regulations. According to the applicant's financial projections, the proposed station would generate annual revenues below the \$1.25 million threshold set out in the Regulations throughout its licence term, and therefore may not be required to make any basic CCD contributions so long as its annual revenues remain below \$1.25 million.
48. However, the applicant proposed to make, by condition of service, an annual CCD contribution of \$1,500 (totalling \$10,500 over seven consecutive broadcast years) in addition to the basic CCD contributions. The applicant stated that the balance would be allocated to eligible projects focusing primarily on the promotion of emerging Quebec country artists. All development projects that have not been allocated to specifically designated parties by condition of service must be earmarked for the support, training and promotion of Canadian talent in the fields of music and spoken word, including journalists. The parties and projects eligible for CCD funding are set out in Broadcasting Public Notice 2006-158, as amended by paragraph 131 of Broadcasting Regulatory Policy 2022-332. The Commission considers it appropriate to include this commitment as a condition of service.
49. Accordingly, pursuant to subsection 11.1(2) of the *Broadcasting Act*, the Commission **proposes to order** Arsenal Media Inc., by **condition of service**, to make an annual contribution of \$1,500 for seven consecutive broadcast years over and above the basic CCD contributions, as set out above.

Reminders

50. The licensee shall adhere at all times to the Regulations.

Local news

51. Radio stations are an important daily source of local news and information for communities. Carrying on a broadcasting undertaking comes with conditions, regulatory obligations and responsibilities, which include contributing to the Canadian broadcasting system by ensuring that Canadians have access to local programming that reflects their needs and interests and informs them of important current issues.
52. Although Broadcasting Regulatory Policy 2022-332 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. In accordance with that regulatory policy, the Commission reminds the applicant that its station, in its local programming, must incorporate spoken word material of direct and particular relevance to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. In addition, the Commission encourages the applicant to ensure that a reasonable amount of daily local news and information is made available to those communities.

Practical guide for radio licence renewals

53. To learn more about the Commission's review of compliance with requirements relating to radio licences, and about the radio renewal process, please consult the Commission's [Practical guide to radio licence renewals](#).

Secretary General

Related documents

- *French-language community FM radio station in Joliette*, Broadcasting Decision CRTC 2024-113, 27 May 2024
- *Call for applications – Radio station to serve Joliette, Quebec*, Broadcasting Notice of Consultation CRTC 2023-17, 23 January 2023
- *Findings regarding market capacity and the appropriateness of issuing a call for radio applications to serve Joliette*, Broadcasting Decision CRTC 2023-16, 23 January 2023
- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022
- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022

- *Call for comments on market capacity and the appropriateness of issuing a call for radio applications to serve Joliette, Quebec*, Broadcasting Notice of Consultation CRTC 2021-413, 15 December 2021
- *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
- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006

This decision is to be appended to the licence.

Appendix 1 to Broadcasting Decision CRTC 2024-114

Terms, expectations and encouragement for the French-language commercial FM radio programming undertaking in Joliette, Quebec

Terms

The licence will expire 31 August 2030.

The station will operate at 107.9 MHz (channel 300B1) with an average effective radiated power (ERP) of 15,064 watts (maximum ERP of 25,000 watts) and an effective height of the antenna above average terrain (EHAAT) of 92.9 metres.

Pursuant to subsection 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry (also known as Innovation, Science and Economic Development Canada) 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 **27 May 2026**. 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.

Expectations

Cultural diversity

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

Canadian emerging artists

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to devote, in each broadcast week, at least 5% of the station's musical selections to selections from Canadian emerging artists broadcast in their entirety. The licensee should report annually on how it has met this expectation, including the percentage of selections from Canadian emerging artists out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the definition of "Canadian emerging artist" is the same as that set out in paragraph 346 of Broadcasting Regulatory Policy 2022-332.

Indigenous musical selections

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to include Indigenous musical selections on the station's playlist. The licensee should report annually on the amount of Indigenous content aired on the station throughout the broadcast year (i.e., from 1 September to 31 August), including the percentage of Indigenous musical selections out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

For the purposes of the above paragraph, the licensee may use the provisional definition of "Indigenous-Canadian musical selection" set out in paragraph 441 of Broadcasting Regulatory Policy 2022-332 to determine whether a musical selection can be considered an Indigenous musical selection.

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 in its hiring practices and in all other aspects of its management of human resources.

Appendix 2 to Broadcasting Decision CRTC 2024-114

Proposed conditions of service for the French-language commercial FM radio programming undertaking in Joliette, Quebec

The Commission proposes to make orders imposing the following conditions of service, including contribution requirements, on Arsenal Media Inc. in respect to the new French-language commercial FM radio programming undertaking in Joliette, Quebec, pursuant to subsections 9.1(1) and 11.1(2) of the *Broadcasting Act*.

Conditions of service

1. The licensee shall adhere to the conditions of service set out in *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022. Further, the licensee shall adhere to the requirements set out in the broadcasting licence for the undertaking.
2. The licensee shall adhere to all applicable requirements set out in the *Radio Regulations, 1986*, that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.
3. The licensee shall implement the National Public Alerting System (NPAS) **by no later than 180 days following the station's launch** in the manner set out in subsection 16(2) of the *Radio Regulations, 1986*, and in *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. As part of this requirement:

The licensee shall file a letter with the Commission to attest to the implementation date of its NPAS **within 14 days after** installation of the alerting equipment. This letter must contain evidence that the system is properly configured to receive and distribute alerts from the National Alert Aggregation and Dissemination (NAAD) System (e.g., an attestation by a Chief Executive Officer (CEO), president or person exercising a similar supervisory role in the licensee's operations, as to the installation of functioning alerting equipment).

4. The licensee shall, upon commencement of operations, in addition to the basic annual contribution to Canadian content development (CCD) set out in section 15 of the *Radio Regulations, 1986*, make an annual contribution of \$1,500 (\$10,500 over seven consecutive broadcast years) to the promotion and development of Canadian content.

Of this amount, the licensee shall allocate no less than 20% per broadcast year 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 *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006, as amended by paragraph 131 of *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.