



Broadcasting Decision CRTC 2024-132

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References: Part 1 licence renewal applications posted on 29 September 2022

Ottawa, 18 June 2024

Corus Radio Inc.

Calgary and Banff, Alberta

Public record: 2022-0653-1 and 2022-0657-3

CHQR Calgary, and CFGQ-FM Calgary and its transmitter CFGQ-FM-2 Banff – Licence renewals

Summary

The Commission renews the broadcasting licences for the English-language commercial radio stations CFGQ-FM Calgary, Alberta, and its transmitter CFGQ-FM-2 Banff, and the English-language commercial radio station CHQR Calgary, from 1 July 2024 to 31 August 2026.

In renewing these licences, the Commission considered evidence of non-compliance with regulatory requirements, and found that Corus made changes to how it was serving the Calgary market without seeking prior Commission approval. While there may have been commercial reasons for these changes, the Commission reminds Corus that licensees need prior approval from the Commission for any such changes. Therefore, while these licences are renewed, the short-term renewal period for each station will allow for an earlier review as to whether the licensee has brought itself back into compliance with regulatory requirements.

Applications

1. On 23 August 2022, Corus Radio Inc. (Corus) filed applications to renew the broadcasting licences for the English-language commercial radio station CFGQ-FM Calgary and its transmitter CFGQ-FM-2 Banff, Alberta (2022-0653-1), and the English-language commercial AM radio station CHQR Calgary (2022-0657-3).¹ While CHQR currently operates under a news/talk format, CFGQ-FM is not authorized to do so.

¹ The original licence expiry date for these services was 31 August 2023. The licences were administratively renewed from 1 September 2023 until 31 December 2023 as a result of Broadcasting Decision 2023-268, and from 1 January 2024 until 30 June 2024 as a result of Broadcasting Decision 2023-391.

Interventions

2. The Commission received an intervention from Rogers Media Inc. in support of Corus's applications, as well as an intervention from Bell Media Inc. (Bell) offering comments. The Commission also received interventions in opposition to the applications from various individuals. Corus did not reply to the interventions.

Regulatory framework

3. 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.

Issues

4. After examining the record for Corus's applications in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - the licensee's apparent non-compliance relating to simulcasting the programming of CHQR on CFGQ-FM;
 - the licensee's apparent non-compliance relating to operating CFGQ-FM within the Specialty format; and
 - the licensee's apparent non-compliance relating to soliciting or accepting local advertising for CFGQ-FM.

Apparent non-compliance relating to simulcasting the programming of CHQR on CFGQ-FM

5. In January 2023, Corus announced that QR Calgary, a Corus Entertainment radio station, would be launching on CFGQ-FM and would be replacing the former classic rock station Q107 Calgary. The station would have the same local news, weather, traffic and talk shows as its AM equivalent, 770 CHQR.
6. On 24 January 2023, Commission staff sent a letter to Corus inquiring about the programming being broadcast on CFGQ-FM and CHQR. In addition, Commission staff conducted a performance evaluation for both stations for the weeks of 22 January to 28 January 2023 and 29 January to 4 February 2023, which confirmed that Corus was simulcasting CHQR's programming on CFGQ-FM. On 21 April 2023, Commission staff sent the licensee the performance evaluation report, which identified instances of apparent non-compliance in this regard.²

² To regularize the situation and bring itself back into compliance, in April 2023, Corus filed three non-severable applications (meaning that the Commission must approve all three applications or approve none

7. In its intervention, Bell submitted that, in regard to CHQR specifically, the Commission should eliminate section 14 of the *Radio Regulations, 1986* (the Regulations), which relates to a licensee of an FM radio station simulcasting on that station the programming of an AM station operated by the same licensee. Bell considered that section of the Regulations to be outdated.³
8. Certain individual interveners, on the other hand, argued that simulcasting CHQR's programming on CFGQ-FM is redundant for Calgary listeners as the market is already well served by talk radio stations. One intervener submitted that Corus violated the terms of its licence when it began simulcasting CHQR's programming on CFGQ-FM. It argued that Corus's action discourages a diversity of choice and that Corus's voice in Calgary is not welcoming to different opinions. This intervener added that Corus admitted to violating its broadcasting licence, and that there should be consequences for the violation of licence terms.
9. Subsection 14(1) of the Regulations sets out that an FM licensee or digital radio licensee that is also an AM licensee shall not, during the broadcast day, broadcast simultaneously on its FM station or digital radio station the same matter that is being broadcast on its AM station if any part of the FM station's 3 mV/m contour or the digital radio station's digital service area overlaps with any part of the AM station's daytime 15 mV/m contour. Further, as specified in condition of service 4⁴ set out in the appendix to Broadcasting Regulatory Policy 2022-334, the licensee shall, unless otherwise authorized, operate its undertaking on the basis of the contours and particulars contained in the approved application.
10. According to Commission records, there are currently no rebroadcasting transmitters authorized to simulcast the programming of CHQR. Further, by simulcasting the programming of CHQR on CFGQ-FM, Corus operated the AM station outside its authorized contours.
11. Corus acknowledged that it was not ideal to proceed with the simulcast before obtaining Commission approval but argued that this action was essential for maintaining the level of service CHQR provides to the Calgary community. The licensee considered that this course of action did not have a competitive impact on the

of them) in regard to these stations, to amend the broadcasting licence for CFGQ-FM to change that station's format (2023-0202-4), to add CHQR as a rebroadcasting transmitter (2023-0201-6), and to revoke the broadcasting licence for CHQR should the other two applications be approved (2023-0203-2). However, in April 2024, Corus informed the Commission that it wished to withdraw those applications and would revert to the original formats by no later than 31 July 2024.

³ Bell also submitted that the Commission, in Broadcasting Regulatory Policy 2022-332, failed to address the sustainability of AM stations. This element of Bell's intervention lies outside the scope of Corus's licence renewal applications.

⁴ Pursuant to subsections 49(1) and 50(2) of the *Online Streaming Act*, the conditions of licence that existed prior to the date of royal assent of that Act are deemed to be conditions imposed under an order made pursuant to subsection 9.1(1) of the new *Broadcasting Act*, or subsection 11.1(2) in the case of expenditures. As such, the conditions of licence for this licensee became conditions of service and continue to apply to the licensee.

market, as evidenced by the fact that no other radio operator opposed the course of action. In Corus's view, the best way to rectify the difficult financial situation was to attempt to broaden the reach of CHQR and the important news, talk and information programming it provides to Calgarians, and remove the mainstream musical programming previously delivered on CFGQ-FM.

12. For these reasons, the Commission finds Corus, in respect of CFGQ-FM, in non-compliance with subsection 14(1) of the Regulations. Furthermore, it finds Corus, in respect of CHQR, in non-compliance with condition of service 4 set out in the appendix to Broadcasting Regulatory Policy 2022-334.

Apparent non-compliance relating to the operation of CFGQ-FM within the Specialty format

13. As specified in condition of service 7 set out in the appendix to Broadcasting Regulatory Policy 2022-334, unless otherwise authorized, a commercial FM radio station shall not be operated within the Specialty format as defined in Public Notice 1995-60.
14. The above-noted performance evaluation of CFGQ-FM's programming for the weeks of 22 January to 28 January 2023 and 29 January to 4 February 2023 confirmed that the entirety of the station's programming for the evaluation period was devoted to Content Category 1 – Spoken Word programming. As such, the licensee operated CFGQ-FM within the Specialty format, contrary to condition of service 7.
15. Corus argued that its action did not violate the spirit of the regulatory policies relating to Specialty formats and constituted a unique circumstance. It noted that the primary rationale for regulating Specialty formats was to prevent stations operating under those formats from competing directly with mainstream music format FM stations.
16. While the Commission generally supports the addition of spoken word programming in a market, it concludes that in this case, Corus failed to follow the proper procedure to request this change. An application would have triggered certain processes, including a public consultation, and the Commission could have made a decision on the proposed changes prior to Corus putting itself into a situation of non-compliance.
17. In light of the above, the Commission finds Corus, in respect of CFGQ-FM, in non-compliance with condition of service 7 set out in the appendix to Broadcasting Regulatory Policy 2022-334.

Apparent non-compliance relating to soliciting or accepting local advertising for CFGQ-FM

18. As specified in condition of service 8 set out in the appendix to Broadcasting Regulatory Policy 2022-334, for commercial FM stations serving markets other than single-station markets,⁵ unless otherwise authorized, the licensee shall refrain from

⁵ See Public Notice 1993-121.

soliciting or accepting local advertising for broadcast during any broadcast week when less than one-third of the programming aired is local. The definition of “local programming” that applies to this condition of service, which is set out in Broadcasting Regulatory Policy 2006-158, reads as follows:

Local programming includes programming that originates with the station or is produced separately and exclusively for the station. It does not include programming received from another station and rebroadcast simultaneously or at a later time; nor does it include network or syndicated programming that is five minutes or longer unless it is produced either by the station or in the local community by arrangement with the station.

19. Analysis by Commission staff of CFGQ-FM’s program logs for the above-noted weeks of 22 January to 28 January 2023 and 29 January to 4 February 2023, and of audio files provided by the licensee, confirmed that Corus broadcast on that station local advertising (i.e., for the Calgary area) that differed from the local advertising broadcast on CHQR. The analysis of the stations’ broadcast of local programming during the same period also confirmed that the entirety of CFGQ-FM’s programming consisted of programming rebroadcast from CHQR. Given that CFGQ-FM did not originate local programming, Corus was required to refrain from soliciting or accepting any local advertising for broadcast during that period.
20. Corus acknowledged its non-compliance but added that the programming of CHQR that was simulcast on CFGQ-FM was heavily focused on the local market. It added that its decision to simulcast was essential to maintaining the level of service CHQR provides to Calgary. The Commission notes, however, that while the content may have been locally focused, Corus was offering the same programming on two overlapping frequencies within the same market, an activity that is not consistent with its commitments for CFGQ-FM and the definition of local programming.
21. In light of the above, the Commission finds Corus, in respect of CFGQ-FM, in non-compliance with condition of service 8 set out in the appendix to Broadcasting Regulatory Policy 2022-334.

Regulatory measures

22. As set out in Broadcasting Information Bulletin 2014-608, when applying for a licence renewal, it is the licensee’s responsibility to demonstrate that it is in full compliance with its regulatory obligations. As noted above, the Commission has identified several instances of non-compliance in regard to the simulcast of CHQR’s programming on CFGQ-FM and in regard to the operation of CFGQ-FM within the Specialty format.
23. While the Commission did not address issues relating to simulcasting in Broadcasting Regulatory Policy 2022-332, it considers that Corus, as a sophisticated player in the Canadian media landscape, should have been aware of the regulations and rules relating to simulcasting as set out in section 14 of the Regulations. Consequently, the

Commission considers that Corus should have known that it was not permitted to simulcast the programming of its AM station CHQR on CFGQ-FM, although it announced its plan to do such simulcasting and, eventually, carried out its plan. In this regard, the Commission notes that Corus subsequently requested the permission to do such simulcasting, which indicates that the licensee was in fact aware of the rules.

24. In light of the above, the Commission finds that it would be appropriate to renew the broadcasting licences for CFGQ-FM and CHQR for short-term periods, which will allow for an earlier review as to whether the licensee has brought itself back into compliance with regulatory requirements.

Commission's decision

25. In light of the above, the Commission renews the broadcasting licences for CHQR Calgary and CFGQ-FM Calgary from 1 July 2024 until 31 August 2026.
26. Pursuant to subsection 49(1) of the *Online Streaming Act*, the conditions of licence that existed prior to the date of royal assent of that Act are deemed to be conditions imposed under an order made pursuant to section 9.1 of the new *Broadcasting Act*. As such, the conditions of licence for this licensee became conditions of service and continue to apply to the licensee. For ease of reference, the conditions of service for this licensee are set out in Appendix 1 to this decision for CHQR and in Appendix 2 for CFGQ-FM.
27. Further, 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. The licensee shall also adhere to any such requirements set out in the broadcasting licences for the undertakings.

Reminders

Numerous, severe or repeated non-compliance

28. The Commission reminds the licensee that it must comply at all times with the requirements set out in the *Broadcasting Act*, the Regulations, its licences and its conditions of service. Should the licensee continue to be in non-compliance with the regulatory requirements in regard to CHQR and CFGQ-FM, the Commission may consider recourse to additional measures, including the issuance of a mandatory order, or the revocation, non-renewal or suspension of the licences pursuant to sections 9 and 24 of the *Broadcasting Act*.

Local news

29. 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.

30. 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 licensee that its stations, in their 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 licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

Force and effect of broadcasting licences

31. Pursuant to section 22 of the *Broadcasting Act*, the broadcasting licences renewed in this decision will cease to have any force or effect should the broadcasting certificates issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

Employment equity

32. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with the Department of Employment and Social Development (also known as Employment and Social Development Canada), its employment equity practices are not examined by the Commission.

Secretary General

Related documents

- *CFGQ-FM Calgary and its transmitter CFGQ-FM-2 Banff, and CHQR Calgary – Administrative renewals*, Broadcasting Decision CRTC 2023-391, 28 November 2023
- *CFGQ-FM Calgary and its transmitter CFGQ-FM-2 Banff, and CHQR Calgary – Administrative renewals*, Broadcasting Decision CRTC 2023-268, 21 August 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
- *Update on the Commission's approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014

- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *A Review of Certain Matters Concerning Radio*, Public Notice CRTC 1995-60, 21 April 1995
- *Local programming policy for FM radio – Definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993

This decision and the appropriate appendix are to be appended to each licence.

Appendix 1 to Broadcasting Decision CRTC 2024-132

Terms, conditions of service and expectations for the English-language commercial AM radio programming undertaking CHQR Calgary, Alberta

Terms

The licence will expire 31 August 2026.

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*.⁶

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.

⁶ 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*.

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.

Appendix 2 to Broadcasting Decision CRTC 2024-132

Terms, conditions of service and expectations for the English-language commercial radio programming undertaking CFGQ-FM Calgary, Alberta and its transmitter CFGQ-FM-2 Banff

Terms

The licence will expire 31 August 2026.

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*.⁷

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