# **Broadcasting Notice of Consultation CRTC 2024-290**

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# Call for comments – Modernization of radio processes

Deadline for submission of interventions: 20 January 2025

Deadline for submission of replies: 4 February 2025

[Submit an intervention or view related documents]

# **Summary**

Radio is in a period of transition. Despite the challenges faced by a part of the industry, radio remains very important for entertaining, informing, discovering new artists and ensuring that local voices are heard, offering a proximity that as of yet has no real alternative. Overall, traditional broadcast services continue to represent a major part of Canadians' listening habits. However, the revenues and profitability of the radio sector are steadily declining.<sup>1</sup>

Given the emergence of online undertakings in the Canadian broadcasting landscape and the Commission's new power to regulate these undertakings, the Commission is of the view that the regulatory processes need to be reviewed to reduce the regulatory burden on radio undertakings operating in Canada. By streamlining its processes and requirements, the Commission wishes to ensure that radio remains culturally dynamic and competitive, while ensuring that programming continues to serve the public interest and responds to market specificities.

This notice of consultation also aims at soliciting comments on the ways the Commission could provide existing and prospective broadcasters with more flexibility, while continuing to support Canadian and Indigenous creators and meet the objectives of the *Broadcasting Act*. It further aims at soliciting comments on how the Commission could promote the sustainability of broadcasters, particularly in underserved markets.

All interested persons are invited to participate in this proceeding. The deadline for the receipt of comments is **20 January 2025**. The deadline for the receipt of replies is **4 February 2025**. Only parties that file comments may file a reply to matters raised during the comment phase.

#### Introduction

1. The *Online Streaming Act*, which includes amendments to the *Broadcasting Act*, received Royal Assent on 27 April 2023. On 9 November 2023, the government announced the *Order Issuing Directions to the CRTC (Sustainable and Equitable Broadcasting Regulatory* 

Source: Radio – Statistical and financial summaries – 2019-2023.



 $Framework)^2$  (the Order) to guide the Commission during the implementation of the *Online Streaming Act*.

2. The *Broadcasting Act* places emphasis on supporting community broadcasting and its programming that reflects the diversity of communities being served.<sup>3</sup> Specifically, the Order sets out the following:

The Commission is directed to consider how to foster collaboration and encourage innovation by, and support the sustainability of, community broadcasters and broadcasting undertakings that are of exceptional importance to the achievement of the objectives of the broadcasting policy set out in subsection 3(1) of the Act.

- 3. Section 5 of the *Broadcasting Act*, which describes the Commission's objects, states that the Canadian broadcasting system should be regulated and supervised in a flexible manner that is sensitive to the administrative burden that they may impose on persons carrying on broadcasting undertakings. Further, the Order specifies that the Commission needs to provide a flexible and adaptable regulatory framework. It directs the Commission to, where appropriate, minimize the regulatory burden on the Canadian broadcasting system.
- 4. In addition, subsection 3(1) of the *Broadcasting Act* describes the broadcasting policy for Canada and, highlights the importance of ensuring that the broadcasting system reflects Canada's diverse communities, by supporting employment and production in languages that reflect Black and racialized communities and the diverse ethnocultural makeup of Canadian society.<sup>4</sup>
- 5. Finally, recent amendments to the *Broadcasting Act* and the *Official Languages Act* introduce policy objectives specific to official language minority communities (OLMC). Specifically, section 5.1 of the *Broadcasting Act* and section 41 of the *Official Languages Act* highlight the importance of enhancing the vitality of OLMCs and their development within Canada.
- 6. By way of comparison, the Commission has prepared a report on the processes regarding broadcasting licences and compliance measures in nine countries (the International Report).<sup>5</sup> This report details how broadcasting licences are issued and renewed as well as how compliance is addressed.

<sup>&</sup>lt;sup>2</sup> SOR/2023-239, 9 November 2023.

<sup>&</sup>lt;sup>3</sup> See subparagraphs 3(1)(d)(iii.4), 3(1)(i)(ii) of the *Broadcasting Act*.

<sup>&</sup>lt;sup>4</sup> See subparagraphs 3(1)(d)(iii), 3(1)(d)(iii.6) and 3(1)(d)(iii.7) of the *Broadcasting Act*.

<sup>&</sup>lt;sup>5</sup> The report contains information about Australia, France, Ireland, Mexico, New Zealand, Spain, Switzerland, United Kingdom and the United States. It can be found in the appendix to this notice.

# Objectives of this proceeding

- 7. This proceeding is a part of a larger suite of proceedings that are designed to implement the recent amendments to the *Broadcasting Act*. The Commission's overall plan for the implementation of these changes can be found in the <u>Regulatory plan to modernize</u> <u>Canada's broadcasting framework</u>. The Commission encourages all interested persons to consult this regulatory plan.
- 8. The objective of this proceeding, which is directed primarily to radio station operators, is to identify ways to provide flexibility to certain radio processes in order to reduce the administrative burden these operators may be experiencing. This flexibility needs to be carefully supervised to ensure that programming continues to serve the public interest and responds to market specificities.
- 9. This proceeding will not address issues related to the contributions of traditional broadcasters, including regulatory requirements for programming. These issues, along with the issue of online audio undertakings and their implications, such as the discoverability of Canadian audio content and news, will be considered later in a separate audio content proceeding scheduled for 2025.
- 10. Issues that relate specifically to Indigenous stations will be addressed in the proceeding for the joint development of an Indigenous broadcasting policy (Broadcasting Notice of Consultation 2024-67).
- 11. More specifically, this proceeding will allow the Commission to determine the best ways to do the following:
  - reduce the barriers to entry for new radio operators, potentially through broadened exemption orders;
  - reduce reporting requirements, if applicable, while ensuring support for Canadian and Indigenous creators;
  - review the current compliance measures and introduce new measures, including new incentive measures;
  - streamline processes to harmonize them with requirements, where possible.
  - promote the sustainability of broadcasters, especially in underserved markets; and
  - identify barriers faced by equity-deserving groups obtaining broadcasting licences, and ways these barriers could be removed.

#### Call for comments

- 12. To this end, the Commission solicits comments on the following issues:
  - licence terms;
  - potential exemption orders;
  - streamlining certain licensing processes;
  - current non-compliance measures and the possibility of implementing new compliance measures, including incentives; and
  - the licence renewal process.
- 13. The proposed measures are independent of each other. Therefore, the implementation of some proposals would exclude the implementation of others.

#### Licence terms

- 14. Under the old *Broadcasting Act*, the conditions imposed on broadcasters were tied to the licence granted by the Commission. The maximum licence term was seven years, regardless of the type of station.
- 15. Since the amendments to the *Broadcasting Act*, the Commission may, under paragraph 9(1)(b), issue a licence, the term of which may be fixed or indefinite. Further, pursuant to subsection 9(1) and 9.1(1), the Commission has the authority to issue and renew licences and make orders imposing conditions on the carrying on of broadcasting undertakings that it considers appropriate for the implementation of the broadcasting policy set out in subsection 3(1) of the *Broadcasting Act*.
- 16. Therefore, the Commission imposes conditions of service via broadcasting orders and obligations previously imposed as conditions of licence and now deemed conditions of service. Since the conditions of service are now decoupled from the licence, they can now be re-examined or amended by the Commission during the licence term.
- 17. Based on these considerations, the Commission wishes to amend licence terms to reduce the regulatory burden and reporting requirements on the licensees.
- 18. In developing its proposals, the Commission considered regulatory frameworks for radio outside Canada and noted that the duration of radio licences varies greatly from country to country. Detailed information on licence terms for radio stations in countries examined by the Commission can be found in the appendix to this notice. Licences are issued for terms of 5 to 15 years, on average. New Zealand stands out with licence terms in effect until the fixed date of April 2031 for commercial and Indigenous stations.

- 19. Among the countries examined, the vast majority, except New Zealand and the United Kingdom, make no distinction between the different types of station campus, commercial, community, etc. when determining the validity and duration of licences. In New Zealand, while licences for commercial and Indigenous stations expire on a specific date, the licence term varies for community stations and is determined in an agreement between the licensee and the Ministry for Culture and Heritage. Furthermore, no licence is required for campus stations.
- 20. With the new powers granted in the *Broadcasting Act*, the Commission can issue indeterminate licences for all types of stations, which is an option it is considering. While this approach may alleviate some of the regulatory burden on stations, it offers less predictability in regard to compliance audits. For this reason, the Commission is also considering alternative options for licence duration. For example, given the challenges faced by AM stations, the Commission could issue them indefinite licences as additional relief. Since campus and community stations generally have less of an economic impact on the broadcasting system, the Commission could grant them 20-year licences. For commercial radio stations, the Commission could rely on the reported revenues used to calculate licence fees to determine the length of the licence term. Thus, a station with annual revenues under \$2 million would have a 15-year licence term, and a station with annual revenues over \$2 million would have a 10-year licence term.
- 21. To determine the licence term of a commercial station, the Commission would use the average annual revenues for the five years preceding the licence expiry date.
- 22. Since conditions of service are decoupled from the licence, the Commission will not have to wait until renewal to analyze comments it received regarding a station—in particular from listeners—during the licence term. As a result, it will be able to quickly deal with complaints that it deems to be grounded, and with comments as they are received.

#### Commission's proposals

- 23. In light of the above, the Commission considers, on a preliminary basis, the following options (some proposals are mutually exclusive):
  - indeterminate licence terms for all stations, regardless of the type of licence;
  - indeterminate licence terms for all AM radio stations;
  - 20-year licence terms for community and campus radio stations;
  - 15-year licence terms for commercial radio stations with annual revenues of less than \$2 million; and
  - 10-year licence terms for commercial radio stations with annual revenues of more than \$2 million.

24. For all the above-mentioned proposals, the Commission would continue verifying compliance.

#### Questions

- 25. In light of the above, the Commission invites comments on the following question:
  - Q1. Please comment on the following proposals:
    - (a) indeterminate licence terms for all stations;
    - (b) indeterminate licence terms for all AM stations.
  - Q2. If the Commission were to maintain licences with fixed terms, please provide comments for the following proposals relating to licence terms for different types of stations:
    - (a) 20 years for community and campus radio stations;
    - (b) 15 years for commercial radio stations with annual revenues of less than \$2 million;
    - (c) 10 years for commercial radio stations with annual revenues of more than \$2 million.
  - Q3. To determine the licence term of a commercial station (10 or 15 years), the Commission would use the average revenues for the five years preceding the licence expiry date. Please comment on this proposal.

# Potential exemption orders

- 26. Pursuant to subsection 31.1(1) of the *Broadcasting Act*, all broadcasting undertakings must hold a licence or be exempt from the requirement to hold a licence. Pursuant to subsection 9(4) of the *Broadcasting Act*, the Commission shall, by order, on the terms and conditions that it considers appropriate, exempt persons who carry on broadcasting undertakings of any class specified in the order from any or all of the requirements of Part II of that Act, of an order made under section 9.1 or of a regulation made under Part II if the Commission is satisfied that compliance with those requirements will not contribute in a material manner to the implementation of the broadcasting policy set out in subsection 3(1). An exemption order could alleviate the burden on the operators by facilitating the launch of stations and reducing certain administrative requirements.
- 27. Broadcasting exemption orders establish the terms and conditions under which such undertakings may operate to be eligible to broadcast without a licence. Exempt broadcasting undertakings must comply at all times with the criteria set out in the exemption order that are relevant to them and adhere to certain technical requirements from the Department of Industry (also known as Innovation, Science, and Economic Development Canada, hereafter, the Department) when using the airwaves.

- 28. As indicated in Broadcasting Regulatory Policy 2018-137, the purpose of exemption orders is to ease the regulatory burden on broadcasters and use fewer Commission resources for small, temporary or niche radio services that will have little impact on licensed broadcasters.
- 29. Exemption orders in place for radio stations can be found in the appendix to Broadcasting Regulatory Policy 2018-137.
- 30. Consequently, most radio stations that currently benefit from an exemption order are low-power stations. A low-power FM station is defined by the Department as a transmitter with an effective radiated power (ERP) that does not exceed 50 watts in any direction, for which the primary (3 mV/m) contour does not extend beyond eight kilometres from the transmitting site, and where the maximum effective height of the antenna above average terrain (EHAAT) is a maximum of 60 metres. Not all low-power stations benefit from an exemption order, but the Department's <u>BPR-3 Application Procedures and Rules for FM Broadcasting Undertakings</u> specify that a low-power FM radio station is considered to be a secondary assignment operating on an unprotected channel.
- 31. The Commission seeks comments on whether to broaden the exemption order and to identify classes of service that could benefit from an exemption order, particularly to facilitate the entry of new players into the market. However, the Commission's preliminary view is that new entrants should have a minimal commercial impact on licensed broadcasting services in the same market.
- 32. The Commission would not generally be prepared to exempt stations in a market where there is frequency scarcity. Specifically, when a broadcaster creates a proposal for a new radio transmitter, it selects a frequency (i.e., channel) and class (which generally defines the transmitter's reach<sup>6</sup>) for the selected location. If the Commission cannot identify another frequency that can provide similar or greater coverage when compared to that proposed by the applicant, the market is considered to have frequency scarcity. Generally, this means that the Commission will issue a call for applications if the market assessment indicates that there is capacity to accommodate an additional radio station, or it will announce that it will not be prepared to accept applications for this market for two years. There is a high probability that frequency scarcity exists in many of Canada's large to mid-sized urban centres. In order to guide interpretation of the proposed exemption orders, the Commission would publish a non-exhaustive list of markets with frequency scarcity.

# Campus and community radio stations

- 33. The current Campus and community radio policy (Broadcasting Regulatory Policy 2010-499) was published in July 2010. The Commission last updated the standard conditions for campus and community radio stations in May 2012 (Broadcasting Regulatory Policy 2012-304).
- 34. In Broadcasting Regulatory Policy 2010-499, the Commission indicated that a campus or community radio station is owned, operated, managed and controlled by a not-for-profit

<sup>&</sup>lt;sup>6</sup> See BPR-3 — Application Procedures and Rules for FM Broadcasting Undertakings.

organization that provides for membership, management, operation and programming primarily by members of the community served. Because of its focus on community involvement, campus and community stations offer ongoing opportunities for training in the operation of their station to volunteers from the community served. Since these stations are mostly operated by volunteers and, in the case of campus stations, by members of the student body, changes frequently occur in their management and operations. The Commission acknowledges that high staff turnover can hinder communication within a campus or community radio station, which in turn can affect its compliance with the Commission's processes and timelines.

- 35. As indicated in the above-mentioned policy, the Commission emphasizes the importance of student involvement in campus stations as well as the relationships that these stations should maintain with the post-secondary institutions with which they are associated.
- 36. In the <u>report</u> prepared when developing the Campus and community radio policy, the Commission indicated that although there were some exceptions, community and campus radio stations do not typically earn much in the way of advertising revenues compared to their commercial radio counterparts.
- 37. Further, as set out in Broadcasting Regulatory Policy 2010-499, campus stations are limited in the amount of advertising that they can broadcast. Specifically, campus stations can broadcast a maximum of 504 minutes of advertising in any broadcast week. Accordingly, campus stations generally do not raise concerns pertaining to commercial impact.
- 38. On the other hand, there is no limit to the amount of advertising that community stations can broadcast. Even though all community stations operate under the same regulatory framework, some operate in very small areas with modest revenues, whereas others operate in larger areas with revenues comparable to those of commercial radio stations.
- 39. Considering the above and given that community stations do not generally benefit from synergies with other stations, the Commission is of the view that some of these stations could benefit from additional relief while maintaining certain regulatory requirements.
- 40. It must be noted that according to the International Report, among the countries reviewed by the Commission, New Zealand is the only country that exempt campus radio stations from licensing. None of the nine countries studied in the report exempts community stations from licensing.
- 41. Based on its analysis of the revenues of campus and community stations, the Commission is of the preliminary view that there would be barriers to exempting all community radio stations. This is because some stations generate little revenue, while others generate substantial revenues, including substantial advertising revenues. In fact, total annual revenues for campus and community radio stations vary considerably from one station to the other and can range from less than \$2,000 to almost \$3,000,000.
- 42. In 2023, advertising revenues represented 13.5% of total campus radio station revenues and 42.7% of total community station revenues.

- 43. This data shows that campus stations draw relatively little advertising revenue. In comparison, community radio stations' advertising revenues can represent a significant proportion of their total revenues. Some non-commercial stations generate most of their revenues from advertising, while others generate all of their revenues from non-advertising sources (e.g., government or corporate grants).
- 44. To meet the objectives set out in paragraph 3(1)(d) of the *Broadcasting Act* and to enable community stations to serve underserved markets in a timely manner, the Commission is considering exempting community stations, regardless of transmitter power. This exemption would apply only to markets where no station, other than a Canadian Broadcasting Station (CBC) station, is authorized to broadcast in the same language as the community station, in any part of that station's primary contour. In the Commission's view, this could provide underserved markets, particularly in OLMCs, with access to a source of local news and programming, as well as another source of emergency alerting.
- 45. In addition, the Commission solicits comments on the possibility of exempting some low-power stations based on their revenues. Specifically, the Commission solicits comments on the possibility of exempting community stations based on the following criteria:
  - (a) a threshold based on total revenues from all sources;
  - (b) a threshold based on advertising revenues; and
  - (c) a threshold based on a percentage of advertising revenues in relation to the station's total revenue, up to a maximum amount of advertising revenues.
- 46. In regard to campus stations, the Commission solicits comments on the possibility of exempting them, irrespective of their transmitter power or market.

#### Other low-power stations

- 47. In regard to low-power stations, defined in paragraph 30 above, the Commission determined, in Broadcasting Regulatory Policy 2014-554, that it was not appropriate to develop new exemption orders for these types of stations. Most of the interveners to that proceeding stated that exempting all low-power stations could have unintended consequences, such as the creation of many new low-power commercial stations, which could ultimately have an adverse financial impact on existing licensed stations, including licensed ethnic stations.
- 48. However, significant changes have occurred in the broadcasting landscape during the past decade, and the Commission wishes to solicit comments to determine whether the determinations set out in Broadcasting Regulatory Policy 2014-554 are still valid. Lowpower stations, especially those outside metropolitan radio markets, could perhaps benefit from more flexibility to facilitate their operation. For example, the Commission could facilitate the launch of this type of station and reduce certain regulatory requirements.
- 49. Although commercial stations generate almost all their revenues from advertising, some low-power commercial stations generate little revenue and have little economic impact in

their market. The Commission is therefore seeking comments on the possibility of exempting certain low-power commercial stations, operated by owners who own only one station, based on their revenues.

#### **News services**

- 50. In particular for local radio stations, news represents a fundamental component of the broadcasting system. In the proceeding on contributions to support Canadian and Indigenous content, which led to Broadcasting Regulatory Policy 2024-121, the Commission recognized the need to increase support for news production.
- 51. In this context, the Commission wishes to seek comments on reducing barriers to entry for radio stations that broadcast news content focused on local news. These stations should be owned, operated, managed and controlled by qualified Canadian journalistic organizations or other organizations designated by the Commission under paragraphs 27(1)(b) and (c) of the *Online News Act*. This proposal would apply to markets where there is no local programming available.
- 52. The Commission could create an exemption order for this type of service subject to minimum local news and programming requirements. However, it remains open to exploring other proposals. Such an approach would facilitate setting up an additional platform for the journalism undertaken by such organizations. The creation by the Commission of an exemption order for this type of service would raise the question of whether it could be offered to low-power stations only, or rather offered to any station in markets where there is no shortage of frequencies. Any exempt news radio station would be required to comply with the policy on diversity of voices, set out in Broadcasting Public Notice 2008-4.

#### **Subsidiary Communications Multiplex Operation services**

- 53. A Subsidiary Communications Multiplex Operation<sup>7</sup> (SCMO) service involves both broadcasting services (e.g. audio programming) and non-broadcasting services, <sup>8</sup> both of which are sent over a subcarrier frequency of an FM radio channel. The broadcasting component is not accessible with standard radio equipment and requires the use of a special receiver. The Commission notes that to initiate the use of an SCMO service, applicants must file information with the Department. The approved SCMO service is subsequently included in the broadcasting certificate of the station with which it is affiliated.
- 54. The Commission has historically required prior approval for audio programming broadcast on an SCMO service (as indicated in Public Notice 1989-23) if more than 15% of the service's broadcast week is devoted to ethnic programs, and its service area overlaps an area already served by an authorized over-the-air conventional ethnic station. However, the

<sup>&</sup>lt;sup>7</sup> "Subsidiary Communications Multiplex Operation" means a frequency band containing one or more subcarriers in the baseband. "Baseband" means signals in the frequency range of 0 to 99 kHz that are used as input to the transmitter of an FM station.

<sup>&</sup>lt;sup>8</sup> Program-associated services related to in-house operations, such as broadcasting station monitoring and control, cue and control of remote broadcasting stations and standby studio transmitter links. Non-broadcasting services that are not related to programs (such as radio paging and alphanumeric data transmission).

- Commission notes that since 1989, third-language and ethnic programming services have been able to reach audiences through various means, including through online undertakings.
- 55. The Commission therefore considers it appropriate at this time to accept comments on its SCMO service framework. These may include examining whether any exemption orders would also automatically apply to SCMO services. They may also include examining whether SCMO services operating in association with an exempt station would be exempt regardless of content.

## Obligations to be imposed for exempt stations

- 56. All exempt stations would be required to comply with the basic requirements related to Canadian ownership. Further, the Commission considers imposing requirements relating to Canadian content as well as an obligation to keep audio recordings, music lists and program logs for exempt stations in order to monitor these stations in case of complaints. For smaller stations, regardless of the type of station, the requirements would be lower to alleviate the burden associated with monitoring while maintaining the Commission's capacity to intervene when there is a complaint.
- 57. The Commission also considers imposing a registration obligation on exempt stations, similar to that currently imposed on low-power tourist information stations. This obligation would allow the Commission to monitor these stations when complaints are received and would provide a complete picture of the stations operating in a specific market.
- 58. Presently, most exempt stations, except low-power radio stations providing programming that is derived solely from houses of worship, are authorized to solicit advertising. In the event that additional exemptions orders are created following this proceeding, the Commission is considering limiting the broadcast of advertising on exempt stations to ensure that these stations do not have an undue impact on licensed stations in the market.
- 59. In order for the Commission to ensure that stations fulfill obligations relating to the broadcast emergency alerts as set out in Broadcasting Regulatory Policy 2014-444, the Commission would impose on exempt station an obligation to implement a public alerting system and file a proof of implementation.

#### Commission's proposals

- 60. In light of the above, the Commission considers, on a preliminary basis, that it would be appropriate to:
  - develop exemption orders for campus stations;
  - develop exemption orders<sup>9</sup> for certain community stations, as detailed in paragraph 44;

<sup>&</sup>lt;sup>9</sup> As noted above, the Commission will generally not be prepared to, *de facto*, exempt proposals for new stations located in markets where there is a shortage of frequencies.

- develop exemption orders based on stations' revenues, as detailed in paragraph 45;
- develop an exemption order for certain low-power commercial stations, as noted in paragraph 49;
- develop exemption orders for radio stations dedicated to broadcasting news content focused on local news; and
- examine how to handle SCMO services, including those operated with an exempt station.

#### Questions

- 61. In light of the above, the Commission invites comments on the following questions:
  - Q4. Are the existing exemption orders included in Broadcasting Regulatory Policy 2018-137 that are currently in force still relevant? If not, what amendments should the Commission make to these orders?
  - Q5. The Commission is considering exempting campus stations. Please comment on this proposal.
  - Q6. The Commission is considering exempting community radio stations, regardless of their transmitter power, in markets where no station other than a CBC station is authorized to broadcast in the same language in any part of the community station's primary contour. Please comment on this proposal.
  - Q7. The Commission is considering exempting community radio stations based on the following criteria:
    - (a) a threshold based on total revenues from all sources;
    - (b) a threshold based on advertising revenues; and
    - (c) a threshold based on a percentage of advertising revenues in relation to the station's total revenue, up to a maximum amount of advertising revenues.

Please comment on this proposal. Should the proposal be restricted to low-power stations? How should the Commission handle stations that exceed the established exemption threshold during a broadcast year, or licensed stations whose revenues fall below the exemption threshold?

- Q8. Should the Commission impose advertising limits on exempt campus stations, on community stations, or on both?
- Q9. Should the Commission consider an exemption for certain low-power commercial stations, operated by owners who own only one station, based on their revenues?

- Q10. Should the Commission consider an exemption to encourage the launch of radio stations dedicated to broadcasting news content focused on local news? If yes:
  - (d) Should such stations be required to be owned and operated by qualified Canadian journalistic organizations or other organizations designated by the Commission under paragraphs 27(1)(b) and (c) of the *Online News Act*?
  - (e) What local programming threshold would be appropriate?
  - (f) What percentage of the broadcast week should be devoted to content subcategory 11: News to obtain an exemption?
  - (g) Should this type of exemption be offered to full-power stations?
- Q11. For stations that could be exempt, the Commission is considering imposing a requirement for them to keep their audio recordings, music lists and program logs. Please comment on this proposal.
- Q12. For stations that could be exempt, the Commission is considering imposing a requirement to register with the Commission, similar to the registration requirement currently imposed on low-power tourist information stations. Please comment on this proposal.
- Q13. For stations that could be exempt, the Commission is considering imposing minimal requirements relating to the broadcast of local programming, Canadian content and French-language vocal music, if applicable, and relating to the filing of simplified annual returns. Please comment on this proposal.
- Q14. In cases where the Commission determines that a station is exempt, the Commission is considering extending the exemption to all SCMO audio programming services associated with the station, regardless of content. Please comment on this proposal or on other matters related to the Commission's SCMO service framework.

# Streamlining certain licensing processes

62. The changes proposed in the following paragraphs would apply to licensed stations.

#### **Developmental stations**

63. The Commission introduced a streamlined approach for developmental campus and community stations in Broadcasting Public Notices 2000-12 and 2000-13 and reiterated the approach in Broadcasting Regulatory Policy 2010-499. The Commission introduced the idea of issuing licences to developmental stations to allow new campus and community stations to begin operations quickly under more limited requirements with a view to developing into full-fledged campus and community stations should they wish to do so. Under the current approach, developmental stations are limited to a transmitter power of 5 watts or less for AM stations, or an ERP of 5 watts or less for FM stations. At the end of their five-year licence term, developmental radio stations are expected to either file an

- application with the Commission to obtain a licence for a regular campus or community radio station using the Commission's licensing process or cease operations.
- 64. In the above-mentioned policies, the Commission indicated that applications for developmental stations would generally be considered as part of an expedited public process. It added that applicants would not be required to prove the availability of funding. In addition, the presence of paid employees would not be a factor in the assessment of these applications.
- 65. Further, the Commission specified that developmental stations will be subject to fundamental requirements such as those concerning Canadian ownership, technical certification by the Department, and adherence to standard industry self-regulatory codes. They would also be subject to the regulatory requirements relating to Canadian content requirements and, for French-language stations, French-language vocal musical requirements. Developmental stations would not generally be subject to other programming requirements or to an obligation regarding the number of hours of programming to be broadcast.
- 66. In the last few years, the Commission has received a limited number of applications for developmental stations. It seems that in practice, the licensing process for developmental stations did not turn out to be simpler. Specifically, the application must be reviewed at a public hearing and the licensee must file a new application through the regular process nine months prior to the expiration of the licence to obtain a regular licence. The Commission is of the view that developmental stations could still be useful, but that changes are required for applicants to benefit from the administrative flexibility offered by this class of licence.
- 67. Therefore, to make broadcasting licences more accessible and to foster greater diversity among licensees by allowing less experienced players to enter the broadcasting landscape, the Commission is considering changes to the class of developmental stations. These changes would include the introduction of a five-year probationary licence for applicants who do not operate any radio stations at the time of filing their applications. This class of station would allow new ownership groups and new not-for-profit organizations, including equity-deserving ownership groups and OLMC groups, to gain experience in the radio business while benefiting from greater flexibility and support from Commission staff.
- 68. As for the current process for developmental stations, the Commission would provide a simplified application form prepared specifically for applicants that do not own an AM or FM station in Canada and wish to operate a radio station. Applicants would not be required to prove the availability of funding. In addition, the presence of paid employees would not be a factor in the assessment of these applications.
- 69. The licensee would launch its station with more flexible requirements while maintaining the basic requirements relating to Canadian ownership, a broadcasting certificate from the Department, and adherence to industry self-regulatory codes, and the National Public Alerting System (NPAS). Towards the end of the five-year probationary licence term, the licensee would have to meet higher requirements to obtain a regular licence via a licence renewal application. This would allow a broadcaster to transition to a regular station via a

- public process without having to submit an application for a new station, while providing them with the opportunity to launch a developmental station with more flexible requirements.
- 70. The Commission wants to encourage the participation of equity-deserving groups and OLMCs in the broadcasting system, in particular by allowing more groups and individuals from these communities to participate actively in the management of broadcasting undertakings. Accordingly, the Commission is seeking comments on its proposal for developmental stations, and on any other changes that could facilitate the entry of members of these communities into the broadcasting system. The Commission is also seeking comments to examine whether this proposal should apply to all types of stations, including commercial stations, and whether developmental stations should remain low-power stations.
- 71. Furthermore, the Commission considers collecting information on ownership of radio stations, particularly to determine which entities are owned or controlled by members of equity-deserving groups or OLMC groups. This would assist the Commission in developing policies and initiatives. As a first step, the Commission is seeking comments on the barriers to collecting this type of data, data confidentiality, and how it should deal with entities owned by more than one individual. The Commission will take into account the comments not only for this proceeding, but also for future proceedings.

# Low-power stations moving to full-power stations

- 72. In Broadcasting Regulatory Policy 2014-554, the Commission indicated that when licensees of low-power stations wish to move to protected status, requiring them to file applications for new licenses would serve to maintain the integrity of the Commission's licensing process. In light of the changes in the audio sector and because the Commission is seeking to alleviate the regulatory burden of its processes for licensees, it is seeking comments on the possibility of modifying the process low-power stations that wish to operate as full-power stations.
- 73. Specifically, since these stations already go through a public hearing to obtain their licence, the Commission is considering a simplified process that includes a Part 1 public consultation, as in cases of technical changes or licence amendments, where no market capacity assessment is required.

#### **AM stations**

74. In recent years, many AM stations have gone off-air. These stations, like many FM stations, have generally experienced lower audiences and revenues in recent years. In addition, their operating costs are higher than for FM stations. For these reasons, the Commission is seeking comments on the possibility of providing AM stations with additional flexibility.

#### Online programming

75. In order to reach a wider audience, many stations make their audio programming or their local and regional news, or both, available online. The Commission recognizes, however,

that there may be barriers to these online activities, and would like to seek comments from broadcasters in order to identify any such barriers.

### Commission's proposals

- 76. In light of the above, the Commission considers, on a preliminary basis, that it would be appropriate to:
  - make changes to the process for developmental stations;
  - gather information on the ownership of radio stations, especially to determine which entities are owned or controlled by equity-deserving groups or OLMCs;
  - simplify the process for stations that wish to go from low-power to regular-power;
  - provide supplementary flexibility to AM stations;
  - collect information on stations' online programming offering.

#### Questions

- 77. In light of the above, the Commission seeks comments on the following issues:
  - Q15. What changes could be made to facilitate the process leading to the launch of developmental stations?
    - (a) Should this class of stations be eligible for a renewal after five years, with complete requirements?
    - (b) In addition to campus and community stations, should the proposed changes to developmental stations apply to low-power commercial stations?
    - (c) In your view, if a simplified process existed for development stations, would more applicants use it?
    - (d) Could developmental stations allow underrepresented groups in the industry to access ownership of radio undertakings?
  - Q16. What specific barriers do equity-deserving groups and individuals face when applying for radio broadcasting licences or seeking permission to start broadcasting? How can these barriers be effectively addressed while allowing the Commission to fulfil its mandate to effectively regulate and supervise the broadcasting system?
  - Q17. How could the Commission streamline the licensing process to make it easier for equity-deserving groups and individuals to participate in the broadcasting industry?
  - Q18. What specific measures should be implemented in order to ensure that the diversity of Canadian society is well reflected in the ownership of radio undertakings?

- Q19. What data should the Commission collect in order to evaluate whether the modernized broadcasting framework contributes to reducing obstacles for equity-deserving groups, including obstacles to their ability to obtain licences or authorizations?
  - (h) How could this data be used to make significant improvements?
  - (i) How can the Commission ensure that the voices and experiences of equitydeserving groups are reflected adequately in the data collection?
- Q20. What additional flexibilities could be granted to AM radio stations?
- Q21. Should the Commission consider a simplified process for low-power stations that wish to upgrade to full power, similar to a Part 1 process for a licence amendment, rather than an application for a new station?
  - (a) In the affirmative, how do you see this type of process unfolding?
  - (b) In the negative, please explain why.
- Q22. How should the Commission collect ownership data on radio stations to determine which entities are owned or controlled by equity-deserving groups, taking into account self-reporting and data confidentiality? What about entities owned and controlled by more than one individual, only some of whom belong to an equity-deserving group?
  - (a) How often should this data be collected?
  - (b) How should this information be collected?
  - (c) How could the Commission meet its confidentiality and privacy obligations if it were to collect this information?
- Q23. What other measures or amendments should the Commission consider in order to alleviate the administrative burden on radio stations? What other measures could be implemented to ensure that regulatory changes lead to significant changes for equity-deserving groups?
- Q24. What are the obstacles to retransmitting a station's programming over the Internet?

# Current non-compliance measures and the possibility of implementing new compliance measures, including incentives

#### **Current regulatory requirements**

78. To assess a radio station licensee's compliance, the Commission generally reviews the regulatory requirements according to the type of licence and the following elements: the payment of tangible benefits, Canadian content development (CCD) contributions, the filing of annual returns, conditions of service, the *Radio Regulations*, 1986, the

implementation of the NPAS, programming requirements, ownership requirements and complaints received.

### **Current non-compliance measures**

- 79. In Broadcasting Information Bulletin 2014-608, the Commission set out the measures that it may take to remedy an instance of non-compliance. To summarize, the Commission may apply one or more of the following measures:
  - a short-term licence renewal;
  - imposing conditions of licence;
  - requiring additional CCD contributions that are over and above those required by the *Radio Regulations*, 1986 or by existing conditions of licence;
  - removing the ability to make CCD contributions to discretionary initiatives;
  - requiring licensees to broadcast an on-air announcement regarding their noncompliance;
  - imposing mandatory orders;
  - non-renewal of the licence;
  - suspension of the licence;
  - revocation of the licence.
- 80. When considering an application for a licence renewal or amendment, the Commission takes into account the number of instances of non-compliance, as well as their recurrence and seriousness. It also takes into account the link between the type of application and any instance of non-compliance.
- 81. Further, in its analysis, the Commission considers the circumstances of the non-compliance, the justification provided by the licensee and the measures taken by the licensee to correct the situation. Interventions, if applicable, are also considered in the decision-making process.

# Review of the current measures, new measures and possible application

82. During this proceeding, the Commission intends to review the efficiency of the measures set out in Broadcasting Information Bulletin 2014-608 to adapt them to the current broadcasting environment, including new measures that it proposed to adopt following the amendments to the *Broadcasting Act*. The Commission's objective is to adopt more flexible measures to help licensees achieve compliance while having a positive impact on Canadian and Indigenous creators.

- 83. Many compliance measures used in other countries, such as the imposition of or amendments to conditions of service, the revocation of a licence, and on-air announcements of non-compliance, are similar to those currently used by the Commission.
- 84. Some of the measures observed internationally are not used by the Commission at this time but could be considered for the future. This includes suspending the broadcast of advertisements for a certain period of time, formal warnings and infringement notices.
- 85. Given that a station's conditions of service are no longer tied to its licence, the Commission proposes to no longer tie the compliance of radio stations to their licence term and to no longer use short-term renewals as a compliance measure. Rather, it would give priority to other measures.
- 86. Specifically, the Commission proposes to address and resolve instances of non-compliance during the licence term rather than at the time of renewal. This would allow licensees to resolve their instances of non-compliance more quickly, and if the instance is resolved after the first instance, avoid being more heavily penalized when renewing the licence.
- 87. Since the Commission is proposing licence terms longer than those currently in place, it is considering imposing additional conditions of service, where needed, during the licence term rather than at licence renewal in order to remedy any instances of non-compliance as early as possible. Pursuant to subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*, the licensee and the public would be consulted on the imposition of conditions of service to ensure that the process is transparent.
- 88. In order for operators and the Commission to take timely action in response to complaints and comments received about a station, the Commission wishes to ensure the effectiveness of its complaint mechanism and would welcome comments in this regard.
- 89. Finally, changes to the *Broadcasting Act* provide the Commission with new powers allowing it to impose administrative monetary penalties (AMP)<sup>10</sup> and provides for violations and criteria for the determination of the penalty.<sup>11</sup> The Commission suggests imposing AMPs only if there has been severe non-compliance, repeated non-compliance, or both. The purpose of imposing a penalty is not to punish, but rather to encourage compliance with the *Broadcasting Act* or, in the case of a penalty for a violation referred to in paragraph 34.4(1)(h), with the *Accessible Canada Act*. The Commission considers imposing AMPs without waiting for licensing renewal in cases of severe and repeated non-compliance for which the other measures mentioned above have not produced the expected results.

<sup>&</sup>lt;sup>10</sup> An Act to amend the Broadcasting Act and to make related and consequential amendments to other Acts, S.C. 2023, c. 8, Part II.2.

<sup>&</sup>lt;sup>11</sup> An Act to amend the Broadcasting Act and to make related and consequential amendments to other Acts, S.C. 2023, c. 8, Part II.2, subsection 34.5.

- 90. Currently, as indicated in Broadcasting Regulatory Policy 2014-554, the Commission can require the payment of additional CCD contributions over and above those required in the *Radio Regulations*, 1986 or by condition of service to remedy harm caused to the broadcasting system for certain types of non-compliance. This measure is used to rectify non-compliance relating to CCD contributions or programming (including music programming), but in practice, the Commission has not imposed it frequently. The Commission considers that the payment of over-and-above CCD contributions is an effective measure to remedy the harm caused to the broadcasting system, since such contributions directly benefit Canadian and Indigenous creators. Accordingly, the Commission seeks comments on the use of CCD contributions to address any type of non-compliance.
- 91. The Commission would also like to propose measures that would encourage services to remain in compliance in a positive, non-punitive way. It wishes to examine various options for positive incentives that could be used to encourage compliance.
- 92. Further, the Commission wishes to involve equity-deserving groups in the development of evaluation processes and non-compliance measures. It therefore seeks comments on existing initiatives upon which it could build on to adjust its evaluation framework.
- 93. Finally, the Commission recognizes the administrative burden on radio station operators and wishes to simplify the reports that they must file, while ensuring that it has the essential elements for regulation. In order to obtain data to help determine the most effective means of bringing stations into compliance, the Commission is seeking comments on the mechanisms used by licensees to report to the Commission.
- 94. The Commission reminds licensees that it provides support to broadcasters to help them achieve compliance.

# Commission's proposals

- 95. In summary, and in light of the above, the Commission considers, on a preliminary basis, that it would be appropriate to:
  - review the effectiveness of current non-compliance measures;
  - remove the measure of short-term renewal in instances of non-compliance;
  - address non-compliance separately from the licence term;
  - impose additional conditions of service during the licence term;
  - explore improvements to complaint mechanisms;
  - impose AMPs;

- impose additional CCD contributions to rectify any type of non-compliance at any time; and
- consider other positive incentive measures that could be used to encourage compliance.

#### Questions

- 96. In light of the above, the Commission invites comments on the following issues:
  - Q25. Are any of the non-compliance measures currently used by the Commission efficient or inefficient? If yes, what are these measures, and why are they efficient or inefficient?
  - Q26. Should changes be made to the way radio station operators and the Commission address complaints and comments?
  - Q27. The Commission proposes that if the owner of a commercial station has serious or repeated non-compliance, an AMP would be imposed pursuant to criteria set out in subsection 34.5(2) of the *Broadcasting Act*. For example, the penalty could increase based on the number of instances of non-compliance and their severity. Please comment on this proposal.
  - Q28. The Commission considers that the payment of over-and-above CCD contributions is an effective measure to compensate for the harm caused to the broadcasting system stemming from a shortfall in CCD contributions or non-compliance relating to programming. Please comment on the use of CCD contributions for other types of non-compliance.
  - Q29. What additional measures or incentives could the Commission use or develop to ensure that licensees respect their obligations and conditions of service?
  - Q30. How can the Commission ensure that the voices and experiences of equity-deserving groups are adequately reflected in the evaluation process? Are there industry initiatives upon which the Commission could build a framework in this regard?
  - Q31. What flexibility measures could help operators and licensees from equity-deserving groups achieve compliance, and what barriers would these measures address or mitigate?
  - Q32. What mechanisms do undertakings use to comply with the Commission's requirements, and what improvements could the Commission make to facilitate reporting?

# Licence renewal process

- 97. The Commission's general practice is to publish each spring a call for licence renewal applications. This call invites radio station licensees whose licences expire the following year to submit their licence renewal applications by August 31 of the current year.
- 98. In 2022-2023, the Commission implemented a simplified process<sup>12</sup> allowing stations that were eligible and in compliance to complete their renewal by filling out a simplified form. During that period, over 200 licence renewal applications were renewed via this process. This has helped reduce the administrative burden on licensees by reducing the quantity of information that they had to provide.
- 99. Approximately 80% of the renewal applications examined annually raise no concerns for interveners or for the Commission. The simplified renewal process facilitates this exercise for licensees while maintaining the fundamental regulatory requirements, i.e., the filing of renewal forms and a public proceeding allowing Canadians to intervene in the process.
- 100. If the Commission maintains fixed licence terms, it is considering changes to simplify the current licence renewal process.
- 101. To make it easier for licensees and the public to know which radio station licences will expire over the next few years, the Commission is considering publishing on its website a list of all radio stations by licence expiry date. This list would be updated annually, or more frequently if needed, and would be included in annual report updates as a reminder to licensees.
- 102. Furthermore, because licences would be renewed less frequently, the Commission is considering requiring stations undergoing renewal to broadcast on-air messages informing their listeners that they can submit comments about the station to the Commission in order to increase the visibility of the intervention process among station listeners, particularly in regard to content and local news. This would allow the Commission to receive more interventions and would be an additional tool when evaluating a station.
- 103. To determine whether a licensee's performance over the licence term raises or does not raise concerns, the Commission would review the results of the compliance evaluation as well as any complaints made against the licensee during the term in question. All renewal applications would continue to be published for interventions.
- 104. In parallel with the proposed procedures, the Commission will continue to verify the compliance of radio stations throughout their licence term, in particular through its ongoing monitoring activities. The Commission also intends to continue reviewing any admissible

<sup>&</sup>lt;sup>12</sup> See Broadcasting Notice of Consultation 2022-151.

- complaints it receives, as well as any unfavourable decisions rendered by the Canadian Broadcast Standards Council.
- 105. Under the current process, each station has its own licence term, which means that licensees of several radio stations may find themselves in the process of renewing licences every year or so. To reduce the administrative burden on licensees and improve the efficiency of the process, the Commission is considering renewing all stations for a same licensee, by ownership group, in the same year.
- 106. As of 2023, almost 300 licensees held two or more radio licences. Licensee with two or more licences operated more than a quarter of all stations in Canada, while there were approximately 1,000 licensed stations across the country.
- 107. Such a change could reduce the amount of correspondence between licensees and the Commission. Specifically, licensees with several stations would be contacted less frequently by the Commission to renew their licences and would have fewer forms to fill out. Further, the Commission is proposing the use of a single form including appendices for the renewal of all the licences of a single licensee.
- 108. In addition, the Commission is considering imposing a fixed renewal date for the same types of stations. All stations of the same type (campus, community, commercial, etc.) would therefore have the same renewal date, regardless of the effective date for the licence.
- 109. The Commission encourages interveners to submit any proposal that could facilitate the licence renewal process.

# Commission's proposals

- 110. In summary, and in light of the above, the Commission considers, on a preliminary basis, that it would be appropriate to:
  - use the simplified licence renewal process for all stations, with follow-ups for instances of apparent non-compliance;
  - publish a list of all radio stations, updated annually, based on their licence expiry dates;
  - require stations to inform their listeners by on-air broadcast that the stations are in a renewal period, and to explain how to intervene;
  - if the Commission does not issue licences for an indeterminate term, review two main options for renewal:
    - licence renewals by ownership group, which would allow licensees with several stations to submit one application for all their stations on a date specified by the Commission;

o a fixed renewal date for the same types of stations.

#### Questions

- 111. In light of the above, the Commission seeks comments on the following issues:
  - Q33. The Commission proposes a simplified licence renewal process, similar to that used in Broadcasting Notice of Consultation 2022-151, with specific follow-ups for radio stations that are in apparent non-compliance. Please comment on this new proposed approach.
  - Q34. If the Commission renewed licences by ownership group rather than by station, what would the advantages and disadvantages be for licensees? Could this approach simplify the licence renewal process?
  - Q35. If the Commission renewed licences by ownership group, and some stations of the same group were in non-compliance, how should the Commission apply non-compliance measures?
  - Q36. What would be the advantages and disadvantages for licensees if the Commission were to standardize licence renewal dates by type of station rather than by individual station, regardless of the effective date for the licence? Could this approach simplify the licence renewal process?

# Other questions

- 112. The Commission remains open to considering other issues and concerns relating to the radio sector and that fall within its jurisdiction and authority under the *Broadcasting Act*. Comments should take into account the various cultural, economic, social and technological policy objectives set out in the *Broadcasting Act*.
- 113. The Commission notes that decisions flowing from this proceeding could have an impact on OLMCs and other stakeholders and that this proceeding provides a means by which interested OLMCs and other stakeholders may provide their input. Decisions arising from this proceeding could be implemented in related and future proceedings through orders issued pursuant to paragraphs 9.1(1) or 11.1(2) of the *Broadcasting Act* or by regulation, as the case may be. In addition, interested parties should consider this proceeding as part of the consultation for such draft orders, as required by subsections 9.1(4) and 11.1(7) of the *Broadcasting Act*.
- 114. The Commission will accept interventions from the public on or before **20 January 2025**. The deadline for the filing of replies is **4 February 2025**. Only parties who file interventions may file a reply to matters raised during the intervention period. Replies must address only the issues raised in the intervention period.

### **Procedure**

- 115. The Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure (the Rules of Procedure) apply to the present proceeding. The Rules of Procedure set out, among other things, the rules for content, format, filing and service of interventions, answers, replies and requests for information; the procedure for filing confidential information and requesting its disclosure; and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and related documents, which can be found on the Commission's website under "Statutes and Regulations." The guidelines set out in Broadcasting and Telecom Information Bulletin 2010-959 provide information to help interested persons and parties understand the Rules of Procedure so that they can more effectively participate in Commission proceedings.
- 116. The Commission encourages interested persons and parties to monitor the record of the proceeding, available on the Commission's website, for additional information that they may find useful when preparing their submissions.
- 117. Submissions longer than five pages should include a summary. Each paragraph of all submissions should be numbered, and the line \*\*\*End of document\*\*\* should follow the last paragraph. This will help the Commission verify that the document has not been damaged during electronic transmission.
- 118. Pursuant to Broadcasting and Telecom Information Bulletin 2015-242, the Commission expects incorporated entities and associations, and encourages all Canadians, to file submissions for Commission proceedings in accessible formats (for example, text-based file formats that allow text to be enlarged or modified, or read by screen readers). To assist in this regard, the Commission has posted on its website guidelines for preparing documents in accessible formats.
- 119. Submissions must be filed by sending them to the Secretary General of the Commission using only one of the following means:

# by completing the

[Intervention/comment/answer form]

or

# by mail to

CRTC, Ottawa, Ontario K1A 0N2

or

# **by fax at** 819-994-0218

120. Parties who send documents electronically must ensure that they will be able to prove, upon Commission request, that filing, or where required, service of a particular document was completed. Accordingly, parties must keep proof of the sending and receipt of each document for 180 days after the date on which the document is filed or served. The Commission advises parties who file or serve documents by electronic means to exercise

- caution when using email for the service of documents, as it may be difficult to establish that service has occurred.
- 121. In accordance with the Rules of Procedure, a document must be received by the Commission and all relevant parties by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. Parties are responsible for ensuring the timely delivery of their submissions and will not be notified if their submissions are received after the deadline. Late submissions, including those due to postal delays, will not be considered by the Commission and will not be made part of the public record.
- 122. The Commission will not formally acknowledge submissions. It will, however, fully consider all submissions, which will form part of the public record of the proceeding, provided that the procedure for filing set out above has been followed.

# Important notice

- 123. All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, fax, email or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal information, such as full names, email addresses, postal/street addresses, and telephone and fax numbers.
- 124. The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
- 125. Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.
- 126. The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

# **Availability of documents**

127. Links to interventions, replies and answers filed for this proceeding, as well as other documents referred to in this notice, are available on the Commission's "Consultations and hearings: have your say" page.

128. Documents are available upon request during normal business hours by contacting:

**Documentation Centre** 

Examinationroom@crtc.gc.ca

Tel.: 819-997-4389 Fax: 819-994-0218

Client Services

Toll-free telephone: 1-877-249-2782 Toll-free TTY: 1-877-909-2782

Secretary General

#### Related documents

- The Path Forward Supporting Canadian and Indigenous content through base contributions, Broadcasting Regulatory Policy CRTC 2024-121, 4 June 2024, as finalized by The Path Forward Supporting Canadian and Indigenous content through base contributions Finalization of conditions of service, Broadcasting Regulatory Policy CRTC 2024-121-1 and Broadcasting Order CRTC 2024-194, 29 August 2024
- Call for comments Co-development of an Indigenous broadcasting policy, Broadcasting Notice of Consultation CRTC 2024-67, 22 March 2024
- Call for licence renewal applications Submission of renewal applications for broadcasting licences of radio stations expiring on 31 August 2023 Simplified renewal process, Broadcasting Notice of Consultation CRTC 2022-151, 10 June 2022, as corrected by Call for licence renewal applications Correction Submission of renewal applications for broadcasting licences of radio stations expiring on 31 August 2023 Simplified renewal process, Broadcasting Notice of Consultation CRTC 2022-151-1, 18 August 2022
- Community radio policy, Public Notice CRTC 2000-13, 28 January 2000
- Campus radio policy, Public Notice CRTC 2000-12, 28 January 2000
- Amendments to exemption orders for various types of radio programming undertakings, Broadcasting Regulatory Policy CRTC 2018-137, 27 April 2018
- Filing submissions for Commission proceedings in accessible formats, Broadcasting and Telecom Information Bulletin CRTC 2015-242, 8 June 2015
- *Update of the Commission's approach to non-compliance by radio stations*, Broadcasting Information Bulletin CRTC 2014-608, 21 November 2014
- A target policy review of the commercial radio sector, Broadcasting Regulatory Policy CRTC 2014-554, 28 October 2014

- Amendments to various regulations, the standard conditions of licence for video-ondemand 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
- Standard conditions of licence for campus and community radio stations, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012
- Guidelines on the CRTC Rules of Practice and Procedure, Broadcasting and Telecom Information Bulletin CRTC 2010-959, 23 December 2010
- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010
- Regulatory Policy Diversity of voices, Broadcasting Public Notice CRTC 2008-4, 15 January 2008
- Services Using the Vertical Blanking Interval (Television) or Subsidiary Communications Multiplex Operation (FM), Public Notice CRTC 1989-23, 23 March 1989

# **Appendix to Broadcasting Notice of Consultation CRTC 2024-290**

# Radio station licensing terms and enforcement mechanisms in various countries around the world

This appendix provides a summary of the licensing terms and enforcement mechanisms, including incentives and penalties, for radio stations across different countries.

The jurisdictions analyzed were Australia, France, Ireland, Mexico, New Zealand, Spain, Switzerland, the United Kingdom, and the United States.

The information contained in this appendix was prepared from CRTC research.

Jurisdiction	Categories & Licensing	Enforcement Mechanisms	
	Term	Penalties (e.g., AMPs)	Incentives / Voluntary
Australia	<ul> <li>Categories of radio station licences:</li> <li>Commercial</li> <li>Community</li> <li>Campus</li> <li>Indigenous</li> <li>All radio licences are allocated for a period of five years.</li> </ul>	<ul> <li>Formal warnings</li> <li>Infringement notices</li> <li>Issuance of enforceable undertaking</li> <li>Remedial direction (which may include requiring rectification strategies)</li> <li>Imposition/variation of licence conditions</li> <li>Suspension and cancellation of licences</li> <li>Withdrawal of accreditation and authorizations (source)</li> </ul>	<ul> <li>Formal and informal consultation mechanisms</li> <li>Informal resolution (source)</li> </ul>
France	<ul> <li>Categories of radio station licences:</li> <li>Public</li> <li>Private (6 subcategories):</li> <li>Community</li> <li>Independent</li> <li>Local or regional rebroadcasting a national station</li> <li>National theme</li> <li>National general</li> <li>Motorway</li> <li>Temporary</li> </ul>	<ul> <li>Formal notice (made public by the regulator)</li> <li>The offender in non-compliance who has received a formal notice is liable to:         <ul> <li>Suspension (1 month or more) of the program or one or more advertising sequences</li> <li>Reduction of the duration of the authorization or agreement</li> <li>Financial penalty of a maximum of 3% of sales figures and a maximum of</li> </ul> </li> </ul>	<ul> <li>Promotion of the "Prevent before punishing" culture by Arcom during its interventions with licensees</li> <li>Before sending a formal notice: Regulatory reminder letter and caution letter (source, in French only)</li> </ul>

Jurisdiction	Categories & Licensing Enforcement Mechanisms		nanisms
	Term	Penalties (e.g., AMPs)	Incentives / Voluntary
	<ul> <li>Online</li> <li>Private licences are issued for five years and other licences (e.g. DAB+) for 10 years</li> </ul>	<ul> <li>5% of sales figures in the event of a further breach of the same obligation</li> <li>Withdrawal of authorization or termination of agreement (source, in French only)</li> </ul>	
Ireland	<ul> <li>Categories of radio station licences:</li> <li>Commercial</li> <li>Community</li> <li>Temporary</li> <li>Institutional</li> <li>All radio licences are allocated for a period of ten years.</li> </ul>	<ul> <li>Compliance notice</li> <li>Warning notice</li> <li>Compliance Committee         Investigation     </li> <li>Suspension or termination of a contract</li> <li>Financial sanction, not exceeding €250,000 (source)</li> </ul>	N/A
Mexico	<ul> <li>Categories of radio station licences:</li> <li>Commercial</li> <li>Public and Governmental</li> <li>Private and Experimental</li> <li>Social (Community, Indigenous)</li> <li>All radio licences are allocated for a period of fifteen years.</li> </ul>	<ul> <li>Fines</li> <li>Revocation of licence</li> </ul>	• The IFT is legally obligated to provide technical assistance in legal, engineering and/or administrative matters to assist new applicants and Indigenous licensees in complying with requirements.  Assistance can be provided in the applicant's own community, at IFT offices, and/or via virtual meetings, emails or phone calls.
New Zealand	<ul> <li>Categories of radio station licences:</li> <li>Commercial</li> <li>Community</li> <li>General User</li> <li>Indigenous</li> <li>Current licences for commercial and</li> </ul>	For breaches of broadcasting standards  Order to broadcast a statement on the breach decision  Payment of costs to the Crown of up to NZD\$5,000	N/A

Jurisdiction	Categories & Licensing Term	Enforcement Mechanisms	
		Penalties (e.g., AMPs)	Incentives / Voluntary
	Indigenous radio stations are valid until April 2031.	<ul> <li>Payment of compensation of up to NZD\$5,000 for breaches of privacy</li> <li>Payment of costs to the complainant</li> </ul>	
		<ul> <li>Suspension of ad broadcasts for up to 24 hours</li> </ul>	
		• Suspension of all broadcasts for up to 24 hours (source)	
		For breaches of transmission requirements	
		Warning notices	
		<ul> <li>Infringement notices with fine between NZD\$250 and NZD\$1,700</li> </ul>	
		Prosecution proceedings with fine up to NZD\$30,000 for individuals or NZD\$200,000 for businesses	
		• Fines up to NZD\$1,000 per day of continued non-compliance	
		• Confiscation of equipment (source)	
		For breaches of community licences	
		Written notice by Ministry for Culture	
		• If continued non-compliance for 30 days, revocation of licence without financial compensation (source)	

Jurisdiction	Categories & Licensing Term	Enforcement Mechanisms	
		Penalties (e.g., AMPs)	Incentives / Voluntary
Spain	<ul> <li>Categories of radio station licences:</li> <li>National Public Service Broadcasting</li> <li>Commercial</li> <li>General User</li> <li>Local and Regional</li> <li>All radio licences are allocated for a period of fifteen years.</li> </ul>	<ul> <li>Prior to imposing monetary penalties, the regulatory authorities of the Autonomous Communities provide warnings to media services</li> <li>Monetary penalties issued based on severity of infringement, from €50,000 for minor offense up to €200,000 for very serious offense.</li> <li>Very serious offenses can lead to licence revocation and cessation of provision of service. In certain situations, the equipment and installations used to carry out the program can be provisionally closed off (source, in Spanish only)</li> </ul>	N/A
Switzerland	<ul> <li>Categories of radio station licences:</li> <li>Public</li> <li>Commercial</li> <li>Online add-on</li> <li>Licences are issued for a period of 10 years</li> </ul>	<ul> <li>Formal warning</li> <li>Request the offender what steps have been taken to remedy the original violation</li> <li>Request the offender to surrender the unlawful financial benefit obtained as a result of the breach</li> <li>Request DETEC to prohibit the broadcast of the program</li> <li>For a major violation, the AIEP may request payment of up to 10% of the average annual sales figures in Switzerland over the last three years</li> <li>For a minor violation, the AIEP can request a maximum payment of CHF 10,000</li> </ul>	• Before filing a complaint with the AIEP, individuals and associations must submit a complaint to one of the mediation bodies (in French only). The organization then acts as a mediator between the parties, but does not have any decision-making power. A report is published by the mediation body at the end of the process (source, in French only).

Jurisdiction	Categories & Licensing Term	Enforcement Mechanisms	
		Penalties (e.g., AMPs)	Incentives / Voluntary
United Kingdom	<ul> <li>Categories of radio station licences:         <ul> <li>Commercial</li> <li>Community</li> <li>Campus</li> </ul> </li> <li>Commercial radio licences are allocated for a period of ten years</li> <li>Community and campus radio licences are valid for a period of five years</li> </ul>	<ul> <li>Direction to not repeat the content</li> <li>Direction to broadcast a correction or a statement of Ofcom's findings</li> <li>Suspension (up to six months), shortening of licence duration (up to two years) or revocation of licence</li> <li>Financial penalties (see penalty guidelines). In most cases, the maximum financial penalty for commercial radio licensees is £250,000 or 5% of the broadcaster's 'Qualifying Revenue', whichever is the greater (page 4-5).</li> </ul>	• The 2024 UK Media Act implemented proposals from a 2017 consultation by the government to deregulate commercial radio and streamline Ofcom's radio licensing regime, including reducing content and format requirements on commercial radio while giving Ofcom more flexibility to renew licences (see p. 53-56).
United States	<ul> <li>Categories of radio station licences:</li> <li>Commercial</li> <li>Non-commercial educational</li> <li>Licences have a duration of up to eight years.</li> </ul>	<ul> <li>Admonishments</li> <li>Notice of violation</li> <li>Cease and desist orders</li> <li>Licence revocation</li> <li>Financial penalties (source)</li> </ul>	Positive comments from the public can be filed during licence renewals and considered by the FCC