

Canadian Radio-television and Telecommunications Commission

# **Broadcasting Decision CRTC 2024-325**

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Reference: 2024-172

Ottawa, 11 December 2024

Access Communications Co-operative Limited Regina, Saskatchewan

Public record: 2024-0368-2 Public hearing in the National Capital Region 8 October 2024

# CJTR-FM Regina – Change in ownership and effective control

# Summary

The Commission approves an application by Access Communications Co-operative Limited (Access), on behalf of Radius Communications Inc. (Radius), to change the ownership and control of the English-language community radio programming undertaking CJTR-FM Regina, Saskatchewan. Through this transaction, Access will acquire from Radius the assets necessary to operate CJTR-FM.

The Commission finds that approving this transaction is in the public interest and will help ensure the station's continued involvement in Regina and the continuation of community-based radio programming for the Regina area that contributes to the cultural and civic life of the community.

The Commission also approves Access's request for a new broadcasting licence to continue the operation of CJTR-FM.

# Application

- 1. On 24 April 2024, the Commission received an application from Access Communications Co-operative Limited (Access) on behalf of Radius Communications Inc. (Radius), for authority to acquire from Radius the assets of the English-language community radio station CJTR-FM Regina, Saskatchewan.
- 2. Due to the difficult financial situation that the station was facing, Access submitted an application that had two steps:
  - a temporary transfer of effective control sought by Radius to Access until such a time that the Commission can render a decision on the transfer of assets to ensure the immediate injection of capital; and

# Canada

- an application to obtain the authority to transfer the assets of CJTR-FM Regina to Access and for Access to obtain a new broadcasting licence to operate the undertaking to ensure the long-term sustainability of a community-based radio station in Regina.
- 3. The Commission received four interventions in support of the application. Interventions were submitted by a Member of Parliament, a Member of the Legislative Assembly of the community, a private citizen, and the National Campus and Community Radio Association/l'Association nationale des radios étudiantes et communautaires (NCRA/ANREC).
- 4. Interveners cited that they viewed the acquisition as a natural arrangement for production quality, resources, viewers and listeners. They also noted the contributions of Access and CJTR-FM to their communities and that the two entities should integrate well given their common objectives and success within their areas of expertise and the communities that they serve.
- 5. In addition, in its application, Access submitted five letters of support from various locally based organizations supporting the acquisition.

# Background

- 6. On 19 July 2024, the Commission approved a temporary change in effective control, which is valid until no later than 9 July 2025.
- 7. Under the temporary management agreement, Access began to exercise effective control of CJTR-FM Regina and provide the necessary services for the management of the station.
- 8. On 30 July 2024, the Commission published Notice of Consultation 2024-172 to seek comments and interventions from the public regarding the acquisition of assets of CJTR-FM Regina by Access.

# Legal framework

- 9. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act*. Obtaining a licence to operate a broadcasting undertaking (in this case, a radio station) is a regulatory privilege granted by the Commission. A licensee does not have the authority to transfer a licence to a new operator as they see fit.
- 10. For this reason, licensees must obtain the Commission's approval before entering into any action, agreement, or transaction that changes, directly or indirectly, the effective control of the radio station. This requirement is set out in subsection 11(4) of the *Radio Regulations, 1986* (the Regulations).
- 11. When seeking the Commission's approval, the applicant must demonstrate that the benefits of the transaction are commensurate with the size and nature of the

transaction and that the application represents the best possible proposal under the circumstances. The Commission will consider each application on its merits and will approve the transaction if the change in ownership and effective control is in the public interest. The public interest is reflected in the Canadian broadcasting and regulatory policy set out in subsections 3(1) and 5(2) of the *Broadcasting Act*.

#### Issues

- 12. After examining the record for this application in light of applicable regulations and policies, the Commission addressed the following issues:
  - whether the proposed transaction would maintain ownership and control by Canadians, and will continue to provide opportunities for participation by the community; and
  - whether the proposed transaction is in the public interest.

# Ownership and control by Canadians and participation by the community

- 13. Pursuant to paragraph 3(1)(a) of the *Broadcasting Act*, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. As required by the *Direction to the CRTC (Ineligibility of Non-Canadians)* (the Direction)<sup>1</sup>, no broadcasting license can be issued to a non-Canadian.
- 14. Access is a not-for-profit cooperative without share capital incorporated in Saskatchewan and controlled by its board of directors. All the directors and the CEO are Canadian citizens. Therefore, the proposed transaction satisfies the eligibility criteria set out in the Direction.
- 15. The Campus and Community Radio Policy, as set out in Broadcasting Regulatory Policy 2010-499, states that a "Campus or community radio station is owned, operated, managed and controlled by a not-for-profit organization that provides for membership, management, operation and programming primarily by members of the community served".
- 16. Per Access's by-laws any individual who resides in the area served by the organization can become a member of the Board as long as they are Canadian and 18 years of age or over. Members can participate in the management and operation of the organization either by becoming delegates or volunteers. Further, the Board encourages its members to participate in the activities of the organization and appoints special committees of members to foster a sense of ownership and responsibility in the organization.

<sup>&</sup>lt;sup>1</sup> SOR/97-192, 8 April 1997

17. In light of the above, the Commission finds that following the transaction, CJTR-FM will remain owned and effectively controlled by Canadians, and it will continue to provide opportunities for participation by members of the community.

#### Public interest of the proposed transaction

- 18. When seeking authorization to change the effective control of broadcasting undertakings, the Commission does not solicit competing applications. In such instances, the applicant must demonstrate that the transaction is in the public interest.
- 19. When the Commission evaluates whether a proposed transaction is in the public interest, it examines the extent to which the transaction improves the Canadian broadcasting system and contributes to meeting the policy objectives of the *Broadcasting Act*. Section 3 of that Act describes a broadcasting system that contributes to the creation and presentation of Canadian programming, and through its programming reflects the multicultural and multiracial nature of Canadian society. Furthermore, the programming that the broadcasting system provides should be drawn from local and regional sources and should ensure that a diversity of news voices is offered to the public.
- 20. Access indicated that it plans to invest in equipment upgrades, expand volunteer opportunities in the community, and integrate CJTR-FM into their existing Community Engagement department. This would help continue CJTR-FM's unique voice and provide the resources to enhance it further.
- 21. Access also plans to retain the current members of the board of directors of Radius to act as an advisory committee to advise on the operation of the station. Further, Access currently operates a community television station whose resources will be shared with CJTR-FM.
- 22. In its intervention, the NCRA/ANREC noted that Access invests in its community programming and encourages the participation of its volunteers. It also highlighted, in addition to letters of support submitted with the application, the work of the volunteer program of CJTR-FM, its involvement in the community of Regina as a whole, and that its programming contributes to the cultural and civic life of the community.
- 23. The Commission notes the comments from interveners and considers that Access has demonstrated that it invests in the programming that its community seeks and that it provides opportunities for the community to participate.
- 24. Further, given that Access is an established regional entity in Saskatchewan that can draw on its own resources, and on its community involvement and volunteers, the Commission is of the view that Access will be in a position to improve the service for the community.
- 25. The Commission acknowledges Access's decision to retain members of the board of Radius as an advisory committee to advise on the operations of the station. The

Commission expects Access to maintain this practice as it draws on the expertise of experienced community radio operators.

26. In light of the above, the Commission finds that the approval of the proposed transaction is in the public interest and that it will ensure the continuation of community-based radio programming for the Regina area.

# **National Public Alerting System**

- 27. In Broadcasting Regulatory Policy 2014-444, the Commission stated that the broadcasting system has a vital role to play in the provision of emergency alert messages to Canadians and that the duty to inform the public of imminent perils is at the core of the public service obligations of all broadcasters.
- 28. Given that Access will be operating CJTR-FM going forward, the Commission considers it appropriate to remind Access of its obligations in respect of the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444.
- 29. The licensee must implement the public alerting system for each of its transmitters, and ensure that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages be installed and programmed to properly account for the applicable contour (as set out in paragraph 16(2)(b) of the Regulations) of the station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.

# Conclusion

- 30. In light of all of the above, the Commission approves the application by Access Communications Co-operative Limited on behalf of Radius Communications Inc. (Radius), for authority to acquire from Radius, by way of assets, the English-language community radio station CJTR-FM Regina, Saskatchewan.
- 31. Upon surrender of the licence, the Commission will issue a new broadcasting licence to Access Communications Co-operative Limited with the same terms and conditions as currently in effect. CJTR-FM's licence will expire 31 August 2030.

# **Conditions of service**

- 32. Given that the applicant proposed to operate CTJR-FM under the same terms and conditions as those in effect under the current licence, the Commission makes the following orders consistent with the existing conditions of service.
- 33. Further, pursuant to subsection 49(2) of the Online Streaming Act, 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. As a result, the Commission considers it appropriate to require that the licensee adhere to these requirements as conditions of service.

- 34. Accordingly, under subsection 9.1(1) of the *Broadcasting Act*, the Commission orders Access Communications Co-operative Limited, by condition of service, to adhere to the standard conditions of service for campus and community radio stations set out in the appendix to Broadcasting Regulatory Policy 2012-304, as well as to all applicable requirements set out in the Regulations, that were made under paragraphs 10(1)(a) or 10(1)(i) of the old *Broadcasting Act*.
- 35. The term, as well as the specifics of these conditions of service, are set out in the appendix to this decision.
- 36. The Commission notes that the formal broadcasting licence document issued to a licensee may set out additional requirements for the undertaking, relating to, for example, technical parameters or prohibition on transfer. The licensee shall, therefore, also adhere to any such requirements set out in the broadcasting licence for the undertaking.
- 37. The Commission notes that this application, including the proposed conditions of service, were subject to a public proceeding that provided both the applicant and other interested parties notice of and an opportunity to make representations with respect to the proposed orders. The Commission is satisfied that, in this case, the public proceeding was sufficient to achieve the purposes of the publication and consultation requirement set out in subsection 9.1(4) of the *Broadcasting Act*.

# Reminder

### Broadcast of emergency alerts

38. The Commission has implemented obligations with respect to the broadcast of emergency alerts. For reference, see section 16 of the Regulations as well as Broadcasting Regulatory Policy 2014-444. The licensee must implement the public alerting system for each of its transmitters, and ensure that any alert broadcast decoders (e.g., ENDEC) used for the purposes of broadcasting emergency alert messages are installed and programmed to properly account for the applicable contour (as set out in paragraph 16(2)(b) of the Regulations) of the station as well as that of any rebroadcasting transmitter that may appear on the licence for that station.

Secretary General

# **Related documents**

- *Notice of hearing*, Broadcasting Notice of Consultation CRTC 2024-172, 30 July 2024
- Amendments to various regulations, the standard conditions of licence for video on-demand undertakings and certain exemption orders Provisions requiring the mandatory distribution of emergency alert messages, Broadcasting Regulatory Policy CRTC 2014-444 and Broadcasting Orders CRTC 2014-445, 2014-446, 2014-447 and 2014-448, 29 August 2014

- Standard conditions of licence for campus and community radio stations, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012
- *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010

This decision is to be appended to the licence

# Appendix to Broadcasting Decision CRTC 2024-325

# Terms, conditions of service, expectations, and encouragement for the English-language community radio programming undertaking CJTR-FM Regina, Saskatchewan

# Term

The licence will expire 31 August 2030.

# **Conditions of service**

- The licensee shall adhere to the conditions of service set out in *Standard conditions of licence for campus and community radio stations*, Broadcasting Regulatory Policy CRTC 2012-304, 22 May 2012, as well as 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*.

# Expectations

#### Advisory committee

The Commission expects Access to maintain the advisory committee set in place for the temporary management agreement and that it continues to advise on the operation of the station.

# Board of directors

As set out in *Campus and community radio policy*, Broadcasting Regulatory Policy CRTC 2010-499, 22 July 2010, the Commission expects all community and campus licensees to file yearly updates on the composition of their board of directors. These annual updates can be submitted at the time of submission of annual returns, following annual board of directors' elections or at any other time. As noted in Appendix 3 to that regulatory policy, licensees may submit such information through the Commission's website.

#### Cultural diversity

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

#### Encouragement

#### Employment equity

Because this licensee is subject to the *Employment Equity Act* and file 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.

The Commission notes that amendments to the *Broadcasting Act* resulting from the *Online Streaming Act* place greater emphasis on the inclusion of equity-deserving communities and individuals in the broadcasting system. As a result, the Commission may examine its diversity-related policies in the context of the consultations on inclusion and diversity announced in its <u>Regulatory plan to modernize Canada's broadcasting</u> <u>framework</u>. In the meantime, although the licensee is subject to the *Employment Equity Act*, the Commission encourages the licensee to consider the amendments to the *Broadcasting Act* when making operational decisions.