



## Broadcasting Decision CRTC 2024-344

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Reference: 2024-172

Ottawa, 20 December 2024

### **Maritime Broadcasting System Limited**

Truro, Nova Scotia, and Bathurst, Woodstock, Grand Falls, and Plaster Rock,  
New Brunswick

*Public record: 2024-0148-8*

*Public hearing in the National Capital Region*

*8 October 2024*

### **CKTO-FM and CKTY-FM Truro, CKBC-FM Bathurst, CJCJ-FM Woodstock, and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock – Change in ownership and effective control**

#### **Summary**

The Commission approves an application by Maritime Broadcasting System Limited (MBS) to change the ownership and control of the English-language commercial radio stations CKTO-FM and CKTY-FM Truro, Nova Scotia, and CKBC-FM Bathurst, CJCJ-FM Woodstock, and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock, New Brunswick. Through this transaction, MBS will acquire from Bell Media Radio Atlantic Inc. the assets necessary to operate the stations and transmitter noted above. The Commission also approves the applicant's request for new broadcasting licences to continue the operation of the stations and transmitter noted above.

The Commission finds that approving this transaction is in the public interest, as it will help ensure that the stations continue to serve the communities of Truro, Bathurst, Woodstock, Grand Falls, and Plaster Rock.

Further, the Commission approves MBS's proposal to make a contribution of \$265,000 in tangible benefits distributed equally over seven consecutive broadcast years to the Nova Scotia Community College's two-year radio and television journalism program, as per an exception to the allocation of the tangible benefits, which is set out in the Tangible Benefits Policy (Broadcasting Regulatory Policy 2014-459) and the Revised Commercial Radio Policy (Broadcasting Regulatory Policy 2022-332).

#### **Application**

1. On 1 April 2024, the Commission received an application from Maritime Broadcasting System Limited (MBS), on behalf of Bell Media Radio Atlantic Inc. (Bell Atlantic), for authority to acquire the assets of the English-language commercial

radio programming undertakings CKTO-FM and CKTY-FM Truro, Nova Scotia, and CKBC-FM Bathurst, CJCJ-FM Woodstock, and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock, New Brunswick, from Bell Atlantic. MBS also requested new broadcasting licences to continue the operation of the stations under the same terms and conditions as those currently in effect.

2. MBS is incorporated in New Brunswick and is a corporation wholly owned by 4284445 Canada Inc., which is itself wholly owned by Green Radio Limited. Robert L. Pace, a Canadian, is the sole shareholder of Green Radio Limited and, as a result, exercises effective control over MBS in addition to being its Chief Executive Officer (CEO) and sole director.
3. Bell Atlantic is wholly owned by Bell Media Inc. (Bell Media), which is itself a wholly owned subsidiary of Bell Canada. Bell Canada is a subsidiary of the publicly traded corporation BCE Inc. (BCE). The effective control of BCE is exercised by its board of directors.
4. The purchase price for the assets of the stations is \$4,000,000. MBS proposed a value of the transaction of \$4,402,049, which includes the purchase price and the total value of leases payable over five years. There are no liabilities being assumed nor working capital transferred at closing. MBS also proposed a tangible benefits package of \$265,000, which is slightly above the minimum of 6% of the proposed value of the transaction.
5. The Commission received two interventions commenting on the application: one from the National Campus and Community Radio Association/l'Association nationale des radios étudiantes et communautaires (NCRA/ANREC) and one from the Forum for Research and Policy in Communications (FRPC). MBS did not reply to the interventions.

### **Legal framework**

6. The review of ownership transactions is an essential element of the Commission's regulatory and supervisory mandate under the *Broadcasting Act* (the Act). Obtaining a licence to operate a broadcasting undertaking (in this case, radio stations) 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.
7. 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).
8. 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 the 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 Act.

9. Under subsection 18(1) of the Act, the Commission must conduct a public hearing for the issuance of a broadcasting licence. Broadcasting Information Bulletins 2011-222 and 2008-8-2 outline that the Commission generally reviews applications for asset purchases through public hearings, either appearing or non-appearing. Applications are non-appearing where the Commission is satisfied that the applicant and interested parties had an opportunity to present their views and that the written record is sufficient and further discussion is not necessary.

## **Issues**

10. After examining the record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
  - whether the applicant's ownership structure satisfies the requirements of the *Direction to the CRTC (Ineligibility of Non-Canadians)* (the Direction)<sup>1</sup>;
  - whether the proposed transaction is in the public interest;
  - the value of the transaction and tangible benefits; and
  - whether the proposed transaction fulfills the regulatory requirements.

## **Canadian ownership and control**

11. Pursuant to paragraph 3(1)(a) of the Act, the Canadian broadcasting system shall be effectively owned and controlled by Canadians. As required by the Direction, no broadcasting license can be issued to a non-Canadian.
12. As MBS is effectively owned and controlled by Robert L. Pace, a Canadian, the proposed transaction satisfies the requirements of the Direction.

## **Public interest of the proposed transaction**

13. When the Commission evaluates whether a 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 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.

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<sup>1</sup> SOR/97-192, 8 April 1997.

## Position of applicant

14. MBS stated that it is focused on local radio. It noted that it not only provides coverage of events and charitable/non-profit organizations, including Indigenous functions, but also provides frequent local updates on varied issues (e.g., police and crime reports, health advisories, school bus delays, and sports reporting). According to MBS, this local involvement will be incorporated into the programming objectives of the radio stations to be acquired.
15. In addition, MBS noted that the proposed transaction would result in greater efficiencies for the purchased radio stations, particularly in regard to their technical, administrative, traffic reporting, and creative spheres.
16. Finally, MBS committed to broadcasting 42 hours of local programming per broadcasting week, on all five stations. MBS added that it currently broadcasts specific programs that reflect the markets it serves. It gave the example of a program that has aired on its CFCY station in Charlottetown for well over half a century, the Saturday Night Hoedown, which is a three-hour request and dedication show that is unique to Prince Edward Island (PEI) and is part of the province's heritage. MBS submitted that it would consult with community organizations within each of the markets to get their comments and suggestions related to its programming.

## Interventions

17. The FRPC submitted that it is concerned that private broadcasters' staff reductions may discourage "new" broadcasters from seeking employment in this sector. The FRPC noted that according to the Commission's [\*Radio: Statistical and Financial Summaries, 2019-2023\*](#), employment at private radio stations in Atlantic Canada has fallen by a third, or 200 positions, in the past five years. As such, it argued that private radio staff reductions in the Atlantic Canada region may mean that many qualified broadcasters trained in spoken-word programming are available for the right employment opportunities. The FRPC believes that MBS may be planning staff reductions at the stations whose assets it is proposing to buy, as it states in MBS's application that it plans to add the new stations to its current centralization with respect to traffic reporting and most of its creative, music scheduling, and production departments.
18. The FRPC did not oppose MBS's application, providing that the decision regarding MBS sets out evidence showing how approval of the application will increase levels of employment in the communities that MBS would be licensed to serve. However, the FRPC expressed concerns about the lack of detailed information on programming and employment outcomes in MBS's application. It also indicated that the application was not clear about how the applicant plans to serve the specific interests of the communities of Truro, Bathurst, Woodstock, and Grand Falls, particularly with respect to first-run original local news. MBS did not reply to the intervention.

### **Commission's decision**

19. The Commission notes that MBS is an experienced broadcaster that is knowledgeable about the Atlantic Canada markets, operating 24 radio stations across PEI, New Brunswick, and Nova Scotia.
20. MBS does not operate radio stations in the markets of the stations to be acquired. Approval of the application would substitute one commercial operator for another and, as such, would ensure that the plurality of editorial voices and diversity of elements is not diminished. The diversity of programming encompasses, among other things, the availability of differing genres and musical formats.
21. As noted by the applicant, the Commission expects that the transaction will lead to various synergies between the stations and should help ensure stability and viability across the stations.
22. As for employment, the Asset Purchase Agreement contains a clause (article 4.4) that commits MBS to offering employment to each employee on terms and conditions of employment that are either better than or equally favourable to the terms and conditions of their current employment.
23. In light of the above, the Commission finds that approval of the transaction is in the public interest.

### **Value of the transaction and tangible benefits**

24. The Commission ensures that the public interest is served by requiring that the purchasing company make financial contributions to Canadian content development (CCD) that are proportionate to the size and nature of the transaction. These contributions are known as “tangible benefits.” The Commission’s policy on tangible benefits is set out in the Tangible Benefits Policy (Broadcasting Regulatory Policy 2014-459). Tangible benefits serve the public interest because they increase the quantity and quality of Canadian programming and support the creation, distribution and promotion of such programming. Since the Commission does not solicit competing applications for changes to the ownership or effective control of broadcasting undertakings, the Commission requires that applicants propose tangible benefits when they seek the Commission’s approval to change the effective control of radio and television programming services.
25. The amount of tangible benefits payable depends on the value of the transaction. In the case of radio stations, tangible benefits represent at a minimum 6% of the value of the transaction. The Commission looks at the value of the transaction as a whole, including the value of gross debt, working capital to be transferred at the close of the transaction, ancillary agreements, and any leases assumed by the purchaser for transmission facilities and real property (buildings, studios, and offices). The value of leases is calculated over a period of five years. If applicable, these elements are added to the purchase price.

26. MBS proposed a value of the transaction of \$4,402,049. This amount includes the purchase price (\$4,000,000) and the total value of the leases payable over five years (\$402,049). No debt or working capital will be assumed.
27. In light of the above, the Commission finds that the value of the transaction is \$4,402,049, itemized as follows:

Purchase Price	\$4,000,000
Debt	\$0
Assumed leases over five years	\$402,049
<b>Value of the transaction</b>	<b>\$4,402,049</b>

**Allocation of tangible benefits**

28. As per the Revised Commercial Radio Policy (Broadcasting Regulatory Policy 2022-332), tangible benefits must be paid over seven consecutive broadcasting years and be allocated as follows:
- 3% to Canadian Starmaker Fund<sup>2</sup> and Fonds RadioStar;
    - 60% to Canadian Starmaker Fund and 40% to Fonds RadioStar
  - 1.5% to FACTOR and Musicaction;
    - 60% to FACTOR and 40% to Musicaction
  - 1% at the discretion of the purchaser, to any eligible CCD initiative; and
  - 0.5% to the Community Radio Fund of Canada (CRFC).
29. MBS proposed a \$265,000 tangible benefits package, slightly above the minimum 6% of the value of the transaction.
30. MBS requested that all funds be allocated to the Nova Scotia Community College’s two-year radio and television journalism program, paid in equal amounts over seven consecutive years. This would be an exception to the required allocation of the tangible benefits as set out in the Tangible Benefits Policy and the Revised Commercial Radio Policy.

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<sup>2</sup> Formerly Radio Starmaker Fund.

### ***Position of applicant***

31. MBS stated that the purpose of this initiative is to address the shortage of qualified radio broadcasters and to benefit small and medium radio markets in the Maritimes and across the country, where reduced course offerings and talent shortages are industry-wide challenges.

### ***Interventions***

32. The FRPC submitted that it is concerned that approval of this proposal would reduce financial support for the CRFC, which would be counter-productive because many “new” broadcasters gain experience in the broadcasting sector by volunteering at local campus and community radio stations.
33. For its part, the NCRA/ANREC also strongly opposed MBS’s proposal to allocate no tangible benefit contributions to the CRFC. The NCRA/ANREC also argued that depriving the CRFC of these contributions would negatively affect the training of new broadcasters and podcasters, or at least diminish the variety of opportunities for interested individuals to find such training. The NCRA/ANREC requested that the Commission ensure that the CRFC will receive all tangible benefit contributions owed to the community and campus radio sector for this transaction.

### ***Commission’s decision***

34. The Commission highlights the importance of the CRFC, which is mandated to provide financial support to campus and community radio stations across Canada, and its contribution to helping train the next generation of Canadian radio broadcasters.
35. The Commission also notes that grants and contributions to schools that offer educational programs focusing on broadcasting-related studies, including communications and journalism, are considered eligible initiatives, so long as these grants and contributions are unrelated to the training of persons employed by either the purchaser or the undertaking to be purchased.
36. As set out in the Tangible Benefits Policy, the Revised Commercial Radio Policy, and on the Commission’s [Canadian Content Development Contributions and Eligible Initiatives](#) webpage, eligible grants and contributions to schools that offer educational programs include:
  - the support of specific music training or educational classes, clinics, master classes, and artist in residence programs for the development of musical and journalistic skills;
  - recipients who are students of K-12, CEGEP, or post-secondary institutions; and

- scholarships for journalism, broadcast journalism, and/or music courses which support a student enrolled in a full diploma, degree, or certificate program, and not simply a single course that might be part of a general arts degree, diploma, or certificate.

37. For example, funding a scholarship awarded to a Canadian student enrolled in an accredited post-secondary institution to pursue a diploma or degree in journalism would be considered eligible, whereas contributions to a post-secondary institution to develop a curriculum, or to develop courses in radio broadcasting or journalism would not be eligible.
38. Consequently, the Commission finds that the tangible benefits beneficiary as proposed by the applicant would be an eligible initiative.
39. Further, as it has in the past, the Commission may choose to exercise its discretion and depart from this policy where it is of the view that the public interest would be furthered by granting an exception, based on the record before it at the time.
40. The applicant has identified a lack of availability of qualified broadcasters that is affecting its capacity to properly staff radio stations in the Maritimes region. The Commission acknowledges that the lack of availability of professionally trained talent in broadcasting positions would negatively affect the ability of broadcasters to serve the public interest.
41. Canadian undertakings are responsible to employ, to the maximum of their capacity, Canadian creative and other human resources in the creation, production, and presentation of radio programming. The Commission notes that one of the objectives of the Act is to ensure that programming offered by broadcasters be of high standard and drawn from different sources, including locally. Funding directed to a local college would assist broadcasters in the production of local programming, which in turn would support the public interest.
42. MBS has stated that it prioritizes staffing broadcasters that are native to the Maritimes region and its local markets in the hopes that this will reflect and engage with its audiences. In the Commission's view, the proposal would benefit the local markets and the Maritimes region by creating local employment, helping with the retention of trained talent, and broadening the production of local programming, including the coverage of local news and events.
43. Further, the Commission is of the view that various types of radio broadcasters could benefit from the added offer of newly trained radio broadcasters, including not only commercial radio providers, but also campus and community radio providers, many of which are recipient members of the CRFC.



44. The Commission notes that it assesses the merit of tangible benefit package proposals on a case-by-case basis. It is up to the applicant to demonstrate that their case meets the exemption criteria and that the public interest is better served by the exception than by the standard. The Commission reserves its discretion, and notes that an exception will not necessarily be granted even if the criteria for an exception are met.
45. Given the above, the Commission finds that the proposed tangible benefits exception satisfies the exemption standards set out in the Tangible Benefits Policy and the Revised Commercial Radio Policy and finds it appropriate, specifically for this application, to grant an exception to the standard application of these policies.
46. In light of the above, the Commission finds that the proposed tangible benefits package, including the amount and allocation, is appropriate in this instance.
47. The amended Act now includes express provisions relating to the imposition of expenditure requirements. As a result, tangible benefits must be imposed by order made pursuant to subsection 11.1(2) of the Act. Accordingly, the Commission considers it appropriate to order MBS, by condition of service, to allocate \$265,000 in tangible benefits paid in equal instalments over seven consecutive broadcast years to the Nova Scotia Community College's two-year radio and television journalism program.

## **Regulatory requirements**

### **Programming**

48. MBS confirmed that it would continue operating the stations under similar formats: adult hits format for CKTO-FM and CKBC-FM, while CKTY-FM and CJCJ-FM would continue to offer a country music format. MBS expressed a desire to change formats for CIKX-FM from adult hits to country. MBS committed to a minimum of 42 hours of local programming per broadcast week on all 5 stations, which includes 1 hour of local and regional news, 15 minutes of national news, and 5 minutes of international news per broadcast week.
49. The Commission considers that local programming is important to the broadcasting system. Radio stations are expected to reflect the communities they serve through the programming they broadcast. As an incentive to broadcast local programming, commercial FM radio stations that do not serve a single-station market can only solicit or accept local advertising if they devote at least one-third of their programming (equivalent to 42 hours) to local programming, which can include both spoken word and musical content<sup>3</sup>.

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<sup>3</sup> See standard condition of service 8 in the appendix to Broadcasting Regulatory Policy 2022-334.

50. The Commission notes that MBS committed to broadcast 42 hours of local programming each broadcast week, including 1 hour of local and regional news, 15 minutes of national news, and 5 minutes of international news.
51. The Commission is satisfied with MBS's commitment to local programming and news and is of the view that it meets the minimum requirements.

**Condition of service relating to reasonable access to advertising availabilities**

52. CKTO-FM and CKTY-FM, CKBC-FM, CJCJ-FM, and CIKX-FM and its transmitter CIKX-FM-1 are currently required, by condition of service, to provide commercially reasonable access to advertising availabilities to unrelated operators of broadcasting undertakings and telecommunications service providers.<sup>4</sup> This requirement was originally imposed in Broadcasting Decision 2013-310 as a result of the Commission's approval of the acquisition of the station by BCE from Astral Media Inc. (Astral).
53. In that decision, the Commission acknowledged that BCE, through its acquisition of Astral's services, would control a significantly large advertising inventory, both in television and in radio, and would be in a position to limit access to valuable advertising space by its competitors. Given the detrimental effect this could have had on competitors not controlling similar advertising availabilities themselves, the Commission considered that it was necessary to impose the above-noted requirement on all BCE-related radio stations.
54. MBS requested the removal of the aforementioned condition of service from the licences of the stations to be acquired.
55. It is the Commission's view that it would no longer be applicable or necessary to maintain this condition of service as MBS would not be controlling a significantly larger advertising inventory following the transaction. Therefore, the Commission finds that it would be appropriate not to impose that condition of service on MBS for the stations to be acquired.

**Condition of service relating to Bell Media Indie Artist Initiative and Canadian emerging artists**

56. In Broadcasting Decision 2013-310, the Commission noted that the following stations would participate in the Bell Media Indie Artist Initiative: CKTO-FM, CKBC-FM, CJCJ-FM, and CIKX-FM. Further, in that decision, the Commission noted that CKTO-FM and CIKX-FM would also be required to devote 25% of Canadian musical selections each broadcast week to selections from Canadian emerging artists.

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<sup>4</sup> See condition of service 2 set out in the appendix to Broadcasting Decision 2021-12.

57. At the time, the Commission was of the view that BCE would be in a unique position to support an increased production of musical content and spoken word content devoted to the promotion of Canadian artists with significant promotional efforts and airplay of Canadian emerging artists.
58. In light of the above, the Commission is of the view that the participation in and reporting for both requirements are neither applicable to nor necessary for MBS, since the purpose of these requirements was to address Bell Media's size and market power as a vertically integrated entity. Therefore, the Commission finds it appropriate not to include the participation and reporting requirements related to the Bell Media Indie Artist Initiative and the Emerging artist airplay commitments for the stations and transmitter noted above.

**Condition of service for CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock related to distinct local programming**

59. Commercial radio stations operating in single-station markets, as is the case for CIKX-FM, are not subject to the standard condition of service requiring that at least one-third of their programming (42 hours) each broadcast week be devoted to local programming<sup>5</sup> if those stations are to solicit or accept local advertising. While the policy pertaining to single-station markets<sup>6</sup> does not set a minimum amount of local programming that is appropriate, it is the Commission's long-standing position that some local programming should be provided, in return for accessing revenues from local advertising.
60. Grand Falls remains a single-station market, and MBS confirmed that it would comply with the following condition of service applicable exclusively to CIKX-FM and its transmitter CIKX- FM-1:

The licensee shall broadcast, at least during the morning hours, distinct local programming, as defined in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.

61. The Commission therefore finds it appropriate to impose the above-mentioned condition of service.

**Licence term**

62. The licences for CKTY-FM, CKBC-FM, and CJCJ-FM were last renewed in Broadcasting Decision 2023-165, until 31 August 2030. The Commission renewed the licence for CIKX-FM and its transmitter CIKX-FM-1 in Broadcasting Decision 2021-75, until 31 August 2026. Finally, the Commission renewed CKTO-FM's licence in Broadcasting Decision 2020-405, until 31 August 2027.

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<sup>5</sup> This local programming can include both spoken word and musical content.

<sup>6</sup> See Public Notice 1993-121.

63. The Commission has the authority under paragraph 9(1)(b) of the Act to issue a licence and determine its term as it deems appropriate. To align the end of the terms for all five stations and to minimize the administrative burden associated with the licence renewal process for MBS and the Commission, the Commission finds it appropriate to issue new broadcasting licences for the five stations to be acquired, all expiring on 31 August 2030.

## **Conclusion**

64. In light of all of the above, the Commission approves the application by Maritime Broadcasting System Limited, on behalf of Bell Media Radio Atlantic Inc. (Bell Atlantic), for authority to acquire from Bell Atlantic, by way of assets, the English-language commercial radio programming undertakings CKTO-FM and CKTY-FM Truro, Nova Scotia, and CKBC-FM Bathurst, CJCJ-FM Woodstock, and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock, New Brunswick. The Commission will issue new broadcasting licences to Maritime Broadcasting System Limited to continue the operation of these undertakings.

65. Maritime Broadcasting System Limited shall notify the Commission of the close of the transaction and shall file the final agreement(s) related to the transaction with the Commission within 30 days of the close of the transaction. Upon surrender of the licences currently held by Bell Atlantic, the Commission will issue new broadcasting licences to Maritime Broadcasting System Limited, which will expire on 31 August 2030.

## **Conditions of service**

66. Given that the applicant proposed to operate CKTO-FM and CKTY-FM, CKBC-FM, CJCJ-FM, and CIKX-FM and its transmitter CIKX-FM-1 under the same terms and conditions as those in effect under the current licences, the Commission makes the following orders consistent with the existing conditions of service and subject to the modifications noted above.

67. The Commission notes that it updated the standard conditions of service for commercial FM radio stations in Broadcasting Regulatory Policy 2022-334. As a result, the Commission considers it appropriate to require Maritime Broadcasting System Limited to adhere to these updated standard conditions so that the conditions for the stations and transmitter noted above are consistent with those of other FM stations.

68. 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 Act is deemed to be an order made under section 9.1 of the new Act. As a result, the Commission considers it appropriate to require that the licensee adhere to these requirements as conditions of service.

69. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Maritime Broadcasting System Limited, by **condition of service**, to adhere to the standard conditions of service for commercial FM radio stations set out in the appendix to Broadcasting Regulatory Policy 2022-334, and to all applicable requirements set out in the Regulations, that were made under paragraphs 10(1)(a) or 10(1)(i) of the old Act.
70. As previously noted, the Commission will also maintain the condition of service related to CIKX-FM and its transmitter CIKX- FM-1 regarding distinct local programming. Accordingly, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Maritime Broadcasting System Limited, by **condition of service**, to broadcast distinct local programming as defined in Broadcasting Regulatory Policy 2022-332.
71. Further, pursuant to subsection 11.1(2) of the Act, the Commission also **orders** Maritime Broadcasting System Limited, by **condition of service**, to pay \$265,000 in tangible benefits in equal installments over seven consecutive broadcast years and that, as an exception to the standard application of the Tangible Benefits Policy and the Revised Commercial Radio Policy, all contributions be allocated to the Nova Scotia Community College's two-year radio and television journalism program. In addition, pursuant to subsection 9.1(1) of the Act, the Commission **orders** Maritime Broadcasting System Limited, by **condition of service**, to file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the Regulations.
72. 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 undertakings.
73. The terms as well as the specifics of these conditions of service are set out in the appendix to this decision.
74. Finally, the Commission notes that the matters set out in the above orders 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 Act.

## **Reminders**

### **Force and effect of broadcasting licences**

75. Pursuant to section 22 of the Act, the broadcasting licences will cease to have any force or effect if the broadcasting certificates issued by the Department of Industry (also known as Innovation, Science and Economic Development Canada) lapse.

## Local news

76. Radio stations are an important daily source of local news and information for communities. Carrying on a broadcasting undertaking comes with conditions, regulatory obligations and responsibilities, which include contributing to the Canadian broadcasting system by ensuring that Canadians have access to local programming that reflects their needs and interests and informs them of important current issues.
77. Although the Revised Commercial Radio Policy does not specify a minimum level of weekly news to be broadcast, it does specify the type of spoken word material that must be included as part of a station's local programming. In accordance with that regulatory policy, the Commission reminds the licensee that its stations, in their local programming, must incorporate spoken word material of direct and particular relevance to the communities served, and that this programming must include local news, weather, sports coverage, and the promotion of local events and activities. In addition, the Commission encourages the licensee to ensure that a reasonable amount of daily local news and information is made available to those communities.

## National Public Alerting System

78. 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

- *Various commercial radio stations in New Brunswick and Nova Scotia – Licence renewals*, Broadcasting Decision CRTC 2023-165, 1 June 2023
- *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022
- *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022
- *CHBE-FM Victoria; and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock – Licence renewals*, Broadcasting Decision CRTC 2021-75, 19 February 2021

- *Various commercial radio stations - Licence renewals*, Broadcasting Decision CRTC 2021-12, 18 January 2021
- *Various commercial radio stations – Licence renewals*, Broadcasting Decision CRTC 2020-405, 21 December 2020
- *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- *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
- *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013
- *New service objectives for the processing of broadcasting and telecommunications applications as of 1 April 2011*, Broadcasting and Telecom Information Bulletin CRTC 2011-222, 1 April 2011
- *A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings – Change in the manner of issuing related information bulletins*, Broadcasting Information Bulletin CRTC 2008-8-2, 6 December 2013
- *Local programming policy for radio – Definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993

*This decision is to be appended to each licence.*

## **Appendix to Broadcasting Decision CRTC 2024-344**

### **Terms, conditions of service, expectations, and encouragements for the English-language commercial radio programming undertakings CKTO-FM and CKTY-FM Truro, Nova Scotia, and CKBC-FM Bathurst, CJCJ-FM Woodstock, and CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock, New Brunswick**

#### **Terms**

The licences will expire 31 August 2030.

#### **Conditions of service applicable to all stations**

1. The licensee shall adhere to the conditions of service set out in *Revised conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2022-334, 7 December 2022, as well as to the conditions set out in the broadcasting licence for the undertaking.
2. The licensee shall adhere to all applicable requirements set out in the *Radio Regulations, 1986* that were made under paragraph 10(1)(a) or under paragraph 10(1)(i) of the old *Broadcasting Act*.
3. In order to fulfill its commitment relating to tangible benefits, the licensee shall expend, in equal payments over seven consecutive broadcast years and by no later than **31 August** of each year, a total amount of \$265,000 to the Nova Scotia Community College's two-year radio and television journalism program.

The licensee shall file all proof of payment and eligibility regarding these contributions each year in a form deemed acceptable by the Commission consistent with subsection 9(2) of the *Radio Regulations, 1986*.

#### **Additional condition of service applicable to CIKX-FM Grand Falls and its transmitter CIKX-FM-1 Plaster Rock, New Brunswick**

4. The licensee shall broadcast, at least during the morning hours, distinct local programming, as defined in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022.

#### **Expectations**

##### **Canadian emerging artists**

Consistent with the Commission's determination set out in *Revised Commercial Radio Policy*, Broadcasting Regulatory Policy CRTC 2022-332, 7 December 2022 (Broadcasting Regulatory Policy 2022-332), the Commission expects the licensee to devote, in each broadcast week, at least 5% of the station's musical selections to selections from Canadian emerging artists broadcast in their entirety. The licensee should report annually on how it has met this expectation, including the percentage of selections



from Canadian emerging artists out of the total number of musical selections that were aired, and the number of distinct artists whose music has been aired. The licensee should also be able to provide, upon request, information such as a list of all titles, artists, and International Standard Recording Code (ISRC) numbers.

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

### **Indigenous musical selections**

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

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

### **Cultural diversity**

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

### **Encouragements**

#### **Employment equity**

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

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 the employment equity policy and diversity-related policies in the context of the consultations on inclusion and diversity announced in its [Regulatory plan to modernize Canada’s broadcasting framework](#). 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.