



Broadcasting Decision CRTC 2003-554

Ottawa, 7 November 2003

Astral Radio inc.
Sherbrooke, Quebec

Application 2002-0630-2
Broadcasting Public Notice CRTC 2002-68
5 November 2002

CITE-FM-1 Sherbrooke and its transmitter CITE-FM-2 Sherbrooke – Licence renewal

*The Commission **renews** the broadcasting licence for the radio programming undertaking CITE-FM-1 Sherbrooke and its transmitter CITE-FM-2 Sherbrooke, from 1 December 2003 to 31 August 2010.*

The application

1. The Commission received an application originally submitted by Télémédia Radio (Québec) inc., on behalf of 3903206 Canada inc., to renew the broadcasting licence for the radio programming undertaking CITE-FM-1 Sherbrooke and its transmitter CITE-FM-2 Sherbrooke, now held by Astral Radio inc.¹ The licence expires on 30 November 2003.

Intervention

2. The Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ) filed an intervention concerning the application. ADISQ made general comments regarding the streamlined process set forth by the Commission in *The CRTC Streamlines Radio Renewals Process*, Broadcasting Circular CRTC 2002-448, 7 June 2002 (Circular 2002-448). The intervener also commented on the renewal of the CITE-FM-1 licence.

¹ In *Transfer of control of 3903206 Canada Inc., of Telemedia Radio Atlantic Inc. and of 50% of Radiomedia Inc. to Astral Radio Inc.*, Broadcasting Decision CRTC 2002-90, 19 April 2002, (Decision 2002-90), the Commission approved the acquisition by Astral Radio inc. (Astral) of ownership and control of 3903206 Canada Inc., a company that merged with Astral in August 2003.

3. ADISQ stated that it was not opposed in principle to the streamlined process adopted by the Commission for renewal applications that do not raise any significant concerns, but it was concerned about the use of the streamlined process for this application. ADISQ submitted that there was not enough evaluation of the station's compliance for it to determine whether or not to support the licence renewal for a seven-year term. Although it stated that it did [translation] "not necessarily believe that the stations are in non-compliance with their existing licences or with Commission regulations," ADISQ asked that the Commission:
 - hold a full public proceeding on the CITE-FM-1 renewal application; or
 - require that CITE-FM-1 file annual compliance reports with the Commission on Canadian content, French-language vocal music, and Canadian talent development (CTD) contributions, as a condition of eligibility for the streamlined renewal process.
4. In addition, ADISQ asked the Commission to require that the licensee make specific commitments to extend the renewal of its French-language musical selections repertoire to the local programming slots broadcast by CITE-FM-1.

The licensee's reply

5. Astral submitted that the Commission should continue to use its streamlined renewal process for radio licences, given that the process has been the subject of consultations and enjoys wide support.
6. The licensee noted that it must submit annual reports on musical diversity and Canadian artists for each calendar year beginning in 2003, according to the condition of approval set out in Decision 2002-90. Astral considered that these reports should adequately answer any of ADISQ's concerns.
7. According to the licensee, the performance studies conducted by the Commission during the previous licence term and CITE-FM-1's performance with respect to commitments made since Astral's acquisition of the station should be considered sufficient to justify the renewal of the licence for the full term.

The Commission's analysis and conclusion

8. The Commission stated in Circular 2002-448 that the streamlining initiatives it has adopted in recent years in order to lighten the regulatory burdens have assisted the licensees of broadcasting undertakings and have allowed the Commission to direct its limited resources to priority sectors. The Commission added that, while it has adopted these new initiatives, it will continue to carry out its supervisory role through its ongoing compliance monitoring activities. These monitoring activities currently include checking logger tapes, playlists, logs and a sampling of the programming broadcast by the stations.

9. The Commission has noted ADISQ's comments regarding the streamlined renewal process for radio licences. As stated in Circular 2002-448, the Commission will assess the effectiveness of this streamlining measure after the 2003 radio renewal round has been completed.
10. Consistent with *Licence amendments pursuant to Broadcasting Decision CRTC 2002-90*, Broadcasting Decision CRTC 2003-206, 2 July 2003 (Decision 2003-206), CITE-FM-1's licence is subject to a condition requiring the licensee to broadcast minimum levels of local programming and news. This **condition of licence** is set out in the appendix to this decision. In addition, the licensee must adhere to the provisions set out in Decisions 2002-90 and 2003-206.
11. Furthermore, the Commission reminds the licensee that it must submit annual reports on musical diversity and Canadian artists for each calendar year, as was noted in the licensee's reply. These reports should address the concerns raised by ADISQ.
12. The Commission is satisfied that CITE-FM-1 is in compliance with the Commission's policies and regulations. It further notes that ADISQ did not demonstrate or allege that the station was not in compliance. The Commission is, therefore, of the view that the streamlined renewal process is appropriate under the circumstances and that the renewal of the licence for a seven-year term is justified.
13. Accordingly, the Commission **renews** the broadcasting licence for the radio programming undertaking CITE-FM-1 Sherbrooke and its transmitter CITE-FM-2 Sherbrooke, from 1 December 2003 to 31 August 2010. The licence will be subject to the conditions set out in *New licence form for commercial radio stations*, Public Notice CRTC 1999-137, 24 August 1999, as well as to the **conditions** set out in the appendix to this decision.
14. Because this licensee is subject to the *Employment Equity Act* and files reports concerning employment equity with Human Resources Development Canada, its employment equity practices are not examined by the Commission.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2003-554

Conditions of licence

1. The licensee shall broadcast, in each broadcast week, a minimum of 63 hours of local programming and shall maintain the current level of 2 hours and 48 minutes of news.
2. The licensee shall make an annual payment to MusicAction of \$3,000, pursuant to the terms of *Implementation of the New Approach to Canadian Talent Development*, Public Notice CRTC 1996-114, 19 August 1996.