



## Broadcasting Decision CRTC 2004-538

Ottawa, 3 December 2004

### **Télévision MBS inc.**

Rivière-du-Loup, Quebec; Edmundston, New Brunswick;  
Trois-Pistoles, Cabano, Forestville, Baie-Comeau, Sept-Îles,  
Les Escoumins, Gaspé, Baie-Saint-Paul and Carleton, Quebec

*Application 2003-1436-0*

*Public Hearing at Québec, Quebec*

*16 February 2004*

### **CFTF-TV and its transmitters – Licence renewal**

*The Commission **renews** the broadcasting licence of CFTF-TV Rivière-du-Loup and its transmitters CFTF-TV-1 Edmundston, New Brunswick, CFTF-TV-2 Trois-Pistoles, CFTF-TV-3 Cabano, CFTF-TV-4 Forestville, CFTF-TV-5 Baie-Comeau, CFTF-TV-6 Rivière-du-Loup, CFTF-TV-7 Sept-Îles, CFTF-TV-8 Les Escoumins, CFTF-TV-9 Gaspé, CFTF-TV-10 Baie-Saint-Paul and CFTF-TV-11 Carleton, Quebec, from 1 January 2005 to 31 August 2008. This term will enable the Commission to consider the next licence renewal application for this undertaking at the same time as it considers the licence renewal applications for the originating station, CFJP-TV Montréal, and the Télévision Quatre Saisons French-language television network, with which the station is affiliated.*

*In addition, the Commission **approves** the request by Télévision MBS inc. to delete its condition of licence prohibiting the solicitation of local advertising.*

### **The application**

1. The Commission received an application by Télévision MBS inc. (Télévision MBS) to renew the broadcasting licence for its television programming undertaking CFTF-TV Rivière-du-Loup and its transmitters CFTF-TV-1 Edmundston, New Brunswick, CFTF-TV-2 Trois-Pistoles, CFTF-TV-3 Cabano, CFTF-TV-4 Forestville, CFTF-TV-5 Baie-Comeau, CFTF-TV-6 Rivière-du-Loup, CFTF-TV-7 Sept-Îles, CFTF-TV-8 Les Escoumins, CFTF-TV-9 Gaspé, CFTF-TV-10 Baie-Saint-Paul and CFTF-TV-11 Carleton, Quebec. The undertaking is affiliated with the Télévision Quatre Saisons (TQS) French-language television network.
2. The licensee also submitted a request to amend its broadcasting licence by deleting the condition of licence prohibiting the solicitation of local advertising. In exchange, the licensee proposed to offer local and regional newscasts.

3. The Commission's general approach with respect to its consideration of this and other applications for licence renewals for French-language television stations heard at the 16 February 2004 Public Hearing is set out in *Introduction to Broadcasting Decisions CRTC 2004-530 to 2004-540 renewing the licences of 21 French-language television stations*, Broadcasting Public Notice CRTC 2004-94, 3 December 2004 (Public Notice 2004-94).
4. The concerns expressed by the interveners who submitted comments dealing specifically with this application are discussed below. The general concerns raised by the interveners, and concerns relating specifically to independent production, program logs, the reflection of Canada's cultural diversity, violence in television programming, closed captioning and video description are discussed in Public Notice 2004-94.
5. In its application, Télévision MBS committed to produce a daily 10-minute local and regional newscast and 3-minute headline news segments, from Monday to Friday. The licensee also indicated its intention to hire four new employees, consisting of three video journalists, including one at Carleton, and a full-time news desk editor at Rivière-du-Loup, in order to produce this new newscast. Finally, the licensee committed not to solicit local advertising on the North Shore. These commitments are subject to the approval by the Commission of the licensee's request to delete the condition of licence prohibiting it from soliciting local advertising.
6. The licensee also committed to continue the weekly production of news bulletins of 30 minutes total duration. In *New television programming undertaking*, Decision CRTC 98-218, 8 July 1998, the licensee had committed to produce 28 minutes per week of original local programming.
7. The licensee also committed to close caption all of its newscasts and headline news segments and to provide voiceovers for graphics used in its presentation of news, weather, sports results, etc. It indicated that it currently offers screen text for information news features, calendars of cultural events and reading series.

## **Interventions**

8. The Commission received 40 interventions in connection with this application, and all have been taken into account in its deliberations. Of this number, 25 interventions were in support of the CFTF-TV licence renewal and amendment, while three interventions supported only the renewal of the licence and contained no indication of their position regarding the application for a licence amendment. In some cases, this support was conditional on the licensee accepting the requirements related to various issues, such as local programming and the broadcast of programs produced in the region. Furthermore,

three interventions expressing comments were filed by the Fédération nationale des communications, the Association des producteurs de films et de télévision du Québec and the production house 10<sup>e</sup> ave Productions. Given that these interventions are related to several licence renewal applications heard at the 16 February 2004 Public Hearing, the Commission discusses these interventions in Public Notice 2004-94, which introduces this and other decisions of today's date.

9. The remaining nine interventions opposed the licensee's request to amend its licence. These interventions were filed by the Association de la radio privée indépendante francophone (ARPIF), the Syndicat des travailleuses et travailleurs en communication du KRTB, Radio division (the Syndicat), Rivière-du-Loup, the weekly newspapers *Info-Dimanche* and *Info Week-End*, the newspaper *Le Placoteux* and by Radio Dégelis inc., licensee of CFVD-FM Dégelis, Radio CHNC ltée, licensee of CHNC New Carlisle and CHGM Gaspé, Radio Sept-Îles inc., licensee of CKCN-FM Sept-Îles, Radio CJFP (1986) ltée (Radio CJFP), on behalf of stations CIEL-FM Rivière-du-Loup, CIBM-FM Rivière-du-Loup and CHOX-FM La Pocatière, Radio de la Baie ltée, on behalf of stations CKLE-FM Bathurst/Caraquet and CJVA Caraquet.
10. According to these interveners, the Commission should deny the licensee's request to amend the licence for several reasons, including the current abundance of sources of local and regional news, the tightness of the advertising market and the difficult economic situation of the region. They emphasized that the addition of another local and regional newscast would be superfluous given that the population of the target regions already has access to a broad range of news information from radio stations, commercial and community television stations, and weekly and monthly newspapers already established in the region. The interveners also expressed concern that the advertising offered by a third local television station in Rivière-du-Loup would create further splintering in an already saturated advertising market. In their view, this splintering would certainly be detrimental to existing media, and particularly to radio.
11. Radio CJFP also argued against a study conducted on the size of the advertising market served by the television station CFTF-TV. This study, prepared by the firm Carat Experts, accompanied the licensee's application. According to Radio CJFP, the study does not take into consideration supply and demand in the advertising market. It added that, if the CFTF-TV application were approved, Rivière-du-Loup would become the first Canadian city of that size in which there are three local television stations with common ownership authorized to solicit local advertising in a market where there were already other media soliciting local advertising. Finally, the interveners cited the difficult economic circumstances of the region dealing with business closings, the softwood lumber crisis and commercial fishing quotas.

#### **The licensee's response**

12. In its reply, the licensee noted that the approval of its request to amend the licence of CFTF-TV would not only have the effect of providing the communities it serves with a new, distinct local and regional news service, but would also create new jobs in television in the region and would allow the population of eastern Quebec and the

Francophones of New Brunswick access to a level of news information comparable to that offered to viewers in other regions of Quebec. The licensee added that in the past it had focused on increasing its audience by adding new transmitters rather than producing local news. It mentioned that the CFTF-TV service area now reaches approximately 500,000 persons.

13. In response to the concerns expressed by some interveners relating to the fragile nature of the economy of the market served by CFTF-TV, the licensee indicated that it recognized the lack of economic diversity of the Gaspé and northern New Brunswick. However, the licensee mentioned several concrete job creation initiatives demonstrating that the economy is healthy. Finally, the licensee disputed the allegations of some interveners regarding excessive concentration of ownership, referring to the current diversity of ownership of media in that region.

#### **The Commission's analysis and determination**

14. The Commission has carefully reviewed the application, taking into account the comments made by the licensee and the interveners. The Commission is satisfied that, during the current licence term, the licensee has adhered to the requirements of the *Television Broadcasting Regulations, 1987*, and has complied with its conditions of licence and met the Commission's expectations, specifically those regarding local programming.
15. The Commission notes the concerns of Radio CJFP, the Syndicat and the newspaper *Le Placoteux* suggesting that the arrival of CFTF-TV in the local advertising market at Rivière-du-Loup will affect all media and result in a drop in advertising rates because of supply exceeding demand.
16. However, the Commission considers that the amount forecast for local sales projected for the first year of the new term seems reasonable and should not create an undue impact on the other media. The Commission also notes the licensee's argument that most of the local advertising revenues of CFTF-TV will come from media other than radio. The licensee is aiming at advertisers who have abandoned local television when it was not carried by direct-to-home satellite distribution undertakings and advertisers who tend to use print media rather than radio.
17. The Commission therefore **approves** the request to amend the broadcasting licence of the television programming undertaking CFTF-TV Rivière-du-Loup by deleting the condition of licence prohibiting the solicitation of local advertising in its service area. It also notes the licensee's commitment to produce a daily 10-minute local and regional newscast and 3-minute headline news segments, from Monday to Friday, and to continue the weekly production of news bulletins of 30 minutes total duration. The Commission also notes the licensee's commitment not to solicit local advertising on the North Shore. Finally, the Commission expects the licensee to broadcast at least 1 hour and 35 minutes of local and regional programming during each broadcast week.

18. The Commission notes that this application is consistent with the Commission's policy. Specifically, in *Policy concerning local television advertising*, Public Notice CRTC 1988-131, 5 August 1988, the Commission reiterated that a licensee that produces local programming may solicit local advertising.
19. Finally, the Commission notes the licensee's intention to use the human and technical resources of its other stations to produce the CFTF-TV newscasts and to hire four new full-time employees.
20. In light of the above, the Commission **renews** the broadcasting licence of CFTF-TV and its transmitters, from 1 January 2005<sup>1</sup> to 31 August 2008. This term will enable the Commission to consider the next licence renewal application for this undertaking at the same time as it considers the licence renewal applications for the originating station CFJP-TV Montréal<sup>2</sup> and the TQS network, with which the station is affiliated. The licence will be subject to the conditions specified therein and to the **conditions of licence** set out in the appendix to this decision, as well as to the other applicable terms set out in Public Notice 2004-94.

### **Employment equity and on-air presence**

21. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.
22. With respect to on-air presence, the Commission expects the licensee to ensure that its programming is reflective of Canadian society and that members of the four designated groups (women, Aboriginal persons, persons with disabilities and members of visible minorities) are presented fairly and accurately.

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>

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<sup>1</sup> In *Administrative renewals*, Broadcasting Decision CRTC 2004-189, 25 May 2004, the Commission renewed until 31 December 2004 the licences of the television programming undertakings whose renewal applications were heard at the 16 February 2004 Public Hearing at Québec, and whose licences expired on 31 August 2004.

<sup>2</sup> See *Renewal of the licences of the Quatre Saisons television network, of CFJP-TV Montréal and its transmitter CJPC-TV Rimouski, as well as of CFAP-TV Québec*, Decision CRTC 2000-418, 27 October 2000.

## Appendix to Broadcasting Decision CRTC 2004-538

### Conditions of licence

1. The licensee shall adhere to the guidelines on gender portrayal set out in the Canadian Association of Broadcasters' (CAB) *Sex-role portrayal code for television and radio programming*, as amended from time to time and approved by the Commission. The application of the foregoing condition of licence will be suspended as long as the licensee remains a member in good standing of the Canadian Broadcast Standards Council (CBSC).
2. The licensee shall adhere to the provisions of the CAB's *Broadcast code for advertising to children*, as amended from time to time and approved by the Commission.
3. The licensee shall adhere to the guidelines on the depiction of violence in television programming set out in the CAB's *Voluntary code regarding violence in television programming*, as amended from time to time and approved by the Commission. The application of the foregoing condition of licence will be suspended as long as the licensee remains a member in good standing of the CBSC.
4. In addition to the 12 minutes of advertising material permitted by subsection 11(1) of the *Television Broadcasting Regulations, 1987*, the licensee may broadcast infomercials as defined in *Amendment to the Television Broadcasting Regulations, 1987 to permit, by condition of licence, the airing of "infomercials" during the broadcast day*, Public Notice CRTC 1994-139, 7 November 1994, and in accordance with the criteria contained in that notice, as amended.