

27 February 2025

Marc Morin Secretary General CRTC Ottawa, ON K1A 0N2 Filed online

Dear Secretary General,

Re: Cogeco and Bell Média, *Demande en vertu de la Partie 1 visant à interdire à Québecor Média inc. et Leclerc Communication inc. de diffuser le contenu de QUB Radio à la station 99,5 FM*, <u>Part 1 Application 2024-0604-0</u> (20 November 2024), as amended by <u>CRTC staff letter of 27 January 2025</u>

I. Introduction

- 1 The Forum for Research and Policy in Communications (FRPC) is a non-profit and non-partisan organization established in 2013 to undertake research and policy analysis about communications, including broadcasting. The Forum supports a strong Canadian communications system that serves the public interest as defined by Parliament in Canada's *Broadcasting Act*
- 2 The Forum is intervening in support of the above-noted application (Application) regarding the operation of CJPX-FM Montréal, currently licensed to Leclerc Communication (Leclerc).
- Cogeco and Bell (the Applicants) argue that an agreement made between Québecor and Leclerc under which Leclerc's Montréal FM radio station rebroadcasts the public-affairs programming of QUB Radio is the result of a strategy to circumvent the CRTC's cross-media ownership policy¹ that prohibits a person from controlling radio, television and print undertakings in the same community.²

¹ Cogeco and Bell Média, *Demande en vertu de la Partie 1 visant à interdire à Québecor Média inc. et Leclerc Communication inc. de diffuser le contenu de QUB Radio à la station 99,5 FM*, <u>Part 1 Application 2024-0630-6</u> (20 November 2024) [Cogeco-Bell Application], at ¶5.

² *Diversity of voices*, <u>Broadcasting Public Notice CRTC 2008-4</u> Regulatory Policy (Ottawa, 15 January 2008).



4 The Applicants ask the CRTC to enforce its regulatory requirements regarding concentrated media ownership. They request that the Commission

[translation]

...recognize that the Québecor-Leclerc agreement has the direct or indirect effect of modifying the effective control of 99.5FM;

...recognize that Leclerc has contravened section 11(4)(a) of the *Radio Regulations, 1986* in failing to obtain the CRTC's prior approval with respect to the agreement made with Québecor;

...recognize that the agreement between Québecor and Leclerc contravenes the CRTC's multi-media ownership policy; [and that it]

...issue an order prohibiting Québecor and Leclerc from broadcasting the programming of QUB Radio on the 99.5 FM frequency [CJPX-FM Montréal] in prime time.³

- 5 The Forum agrees with the Applicants that the agreement between Leclerc and Québecor whose terms, including six articles regarding equity investment ('Prise de participation') have not been fully disclosed to the public – may have changed the effective control of CJPX-FM without the prior CRTC approval required by the CRTC's *Radio Regulations, 1986*. In the alternative, even if the effective control of CJPX-FM has not changed and remains with Leclerc, the effect of its Memorandum of Understanding ('Protocole d'entente') with Québecor's subsidiary, NumériQ is the establishment since August 2024 of a network relationship in which NumériQ provides Leclerc with 60 hours of programming weekly: if this network is unlicensed, NumériQ would be operating an unlicensed network undertaking contrary to the CRTC's *Radio Regulations*.
- 6 FRPC's intervention in support of the Application begins by describing the legislative and regulatory framework in which the CJPX-FM Montréal was licensed and has been operating. The Forum then addresses the changes made to CJPX-FM by Leclerc and Québecor, after which FRPC sets out its concerns in relation to questions raised by this proceeding regarding the breach of the CRTC's *Radio Regulations, 1986*. The Forum's conclusions and recommendations follow.
- 7 For the convenience of readers, an outline of our comments follows:

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³ Cogeco-Bell Application, at ¶49.



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II. Legislative and regulatory framework of CJPX-FM

8 Bell, Cogeco, Leclerc and Québecor are broadcasters that operate under the authority of the Broadcasting Act. The statute in force until 26 April 2023 was the 1991 Broadcasting Act;⁴ it replaced the 1968 Broadcasting Act in which Parliament first declared that the objectives of the Broadcasting Policy for Canada could "best be achieved by providing for the regulation and

⁴ S.C. 1991, c. 11.



supervision of the Canadian broadcasting system by a single independent public authority"⁵ – the CRTC.⁶ The 1991 Act made the same declaration in

9 On 27 April 2023 the *Online Streaming Act* amended the 1991 *Act* by changing various sections in Parts I and II and by adding Parts II.2, II.3 and II.4. In the remainder of this document FRPC refers to the former statute as the 1991 *Broadcasting Act* or 1991 *Act* and to the current statute as the 2023 *Broadcasting Act* or 2023 *Act*.

A. Legislation

10 The 1991 *Broadcasting Act* made it an offence for a person to carry on a broadcasting undertaking in Canada without a licence, with those convicted liable to fines of up to \$200,000 per day, for each day the offence continued.⁷ In its *Broadcasting Policy for Canada* Parliament declared that "all persons who are licensed to carry on broadcasting undertakings have a responsibility for the programs they broadcast".⁸ Parliament addressed itself to new types of

broadcasting including networked programming, defined as including "any operation where control over all or any part of the programs or program schedules of one more broadcasting undertakings is delegated to another undertaking or person".⁹ 2023 Broadcasting Act, s. 31.1:
Prohibition
Carrying on broadcasting undertaking
31.1 (1) A person shall not carry on a broadcasting undertaking unless

(a) they do so in accordance with a licence issued to them; or
(b) they are exempt, under an order made under subsection 9(4), from the requirement to hold a licence.

Exception — online undertaking

(2) Despite subsection (1), a person may carry on an online undertaking without a licence and without being so exempt.

- Broadcasting Act, s. 32(1):
 - Every person who, not being exempt from the requirement to hold a licence, carries on a broadcasting undertaking without a licence therefor is guilty of an offence punishable on summary conviction and is liable
 - (a) in the case of an individual, to a fine not exceeding twenty thousand dollars for each day that the offence continues; or
 - (b) in the case of a corporation, to a fine not exceeding two hundred thousand dollars for each day that the offence continues.

⁸ S. 3(1)(h):

3. (1) It is hereby declared as the broadcasting policy for Canada that ... all persons who are licensed to carry on broadcasting undertakings have a responsibility for the programs they broadcast;

⁹ *Ibid.*, s. 2. ("Interpretation").

⁵ Broadcasting Act, 16 & 17 Eliz. 2, c. 25 (7 March 1968), s. 15 ("Objects of the Commission"); Broadcasting Act, S.C. 1991, c. 11, s. 5(1) ("Objects"):

Subject to this Act and the Radiocommunication Act and to any directions to the Commission issued by the Governor in Council under this Act, the Commission shall regulate and supervise all aspects of the Canadian broadcasting system with a view to implementing the broadcasting policy set out in subsection 3(1) and, in so doing, shall have regard to the regulatory policy set out in subsection (2)

⁶ For the first ten years of its existence 'CRTC' stood for the Canadian Radio-Television Commission; when Parliament added telecommunications to its responsibilities in the mid-1970s the Commission's name was changed by the *Canadian Radio-television and Telecommunications Act*, 23&24 Eliz.2, c. 49, which entered into force on 1 April 1976.



- 11 Parliament's 1991 *Broadcasting Act* empowered the CRTC to issue broadcasting licences lasting up to 7 years,¹⁰ to suspend,¹¹ to revoke and to not renew¹² licences.
- Parliament's new 2023 Act recognizes online broadcasting. It remains an offence to broadcast without a licence or without being exempt from licensing¹³ unless the broadcaster is "an online undertaking".¹⁴ It defines an "online undertaking" as "an undertaking for the transmission or retransmission of programs over the Internet for reception by the public by means of broadcasting receiving apparatus"¹⁵ and explains that 'broadcasting undertakings' include distribution, network, online and programming undertakings.¹⁶ While CRTC may still issue broadcasting licences¹⁷ it may also now issue licences whose terms never end.¹⁸
- 13 Parliament redefined 'network' to include "any operation where control over all or any part of the programs or program schedules of one or more broadcasting undertakings is delegated to another undertaking or person" but also to exclude "an operation that is an online undertaking" from the definition of network.
- 14 The 2023 Act as well clarifies that "all persons who carry on broadcasting undertakings have a responsibility for the programs that they broadcast <u>and over which they have programming control</u>".¹⁹
- 15 It has also expanded the CRTC's powers, by allowing it on its own motion to amend licences except for their licence term,²⁰ and to decide whether administrative monetary penalties (AMPs)

¹⁰ *Ibid.*, Part II, s. 9(1)(b): "Subject to this Part, the Commission may, in furtherance of its objects,

⁽b) issue licences for such terms not exceeding seven years and subject to such conditions related to the circumstances of the licensee

⁽i) as the Commission deems appropriate for the implementation of the broadcasting policy set out in subsection 3(1), ...

¹¹ 1991 Act, s. 9(1)(e).

¹² Under s. 9(1)(e) of the 1991 *Act* Parliament provided that the CRTC "may ... issue renewals of licences", implying that it may also decide not to renew licences – see *e.g. CJMS Saint-Constant – Non-renewal of licence*, <u>Broadcasting Decision</u> <u>CRTC 2020-239</u> (Ottawa, 31 July 2020); *CJRI-FM Fredericton and its transmitters CJRI-FM-1 Woodstock, CJRI-FM-2 St. Stephen, and CJRI-FM-3 New Bandon – Non-renewal of licence*, <u>Broadcasting Decision CRTC 2023-246</u> (Ottawa, 8 August 2023).

¹³ 2023 *Act*, s. 31.1(1).

¹⁴ 2023 *Act*, s. 31.1(2): "... a person may carry on an online undertaking without a licence and without being so exempt."

¹⁵ *Ibid*.

¹⁶ 2023 *Act*, s. 2: "broadcasting undertaking includes a distribution undertaking, an online undertaking, a programming undertaking and a network"

¹⁷ 2023 *Act*, s. 9(1)(5).

¹⁸ Being 'indeterminate' in length: 2023 Act, s. 9(1)(b).

¹⁹ S. 3(1)(h), underlining added.

²⁰ 2023 *Act*, s. 9(1)(d).



should be imposed²¹ on those that broadcast without a licence²² or contravene the Commission's regulations or orders.²³ While persons subject to AMPs may make representations to the Commission,²⁴ including whether they exercised due diligence to prevent their noncompliance,²⁵ the CRTC need not hold a public hearing to consider such representations unless the CBC/RC is involved.²⁶

16 The 2023 Act moreover allows the CRTC to make orders regarding broadcasting undertakings' control and the information they must provide to the Commission about their governance and affiliation;²⁷ the Commission need not hold a public hearing in connection with such orders if it considers the "hearing is not required in the public interest".²⁸

B. Regulatory framework

17 The 1991 *Broadcasting Act* empowered the CRTC to enact regulations²⁹ and to make policies;³⁰ and the 2023 *Act* similarly empowers the CRTC to make regulations³¹ and policies.³²

1. CRTC's Radio Regulations

18 The CRTC's <u>Radio Regulations, 1986</u>³³ (Radio Regulations) embody or operationalize aspects of Parliament's broadcasting statutes and have not yet been amended to implement the 2023 Act.

(n) the provision to the Commission, by licensees or persons exempt from the requirement to hold a licence under an order made under subsection 9(4), of information related to

(i) the ownership, governance and control of those licensees or exempt persons, and

²⁹ 1991 *Act*, s. 10 ("Regulations generally").

³¹ 2023 *Act*, ss. 10(1) and 11.1.

³² 2023 *Act*, s. 6: "The Commission may from time to time issue guidelines and statements with respect to any matter within its jurisdiction under this Act, but no such guidelines or statements issued by the Commission are binding on the Commission."

²¹ *Ibid.*, ss. 34.5, 34.6, 34.7, 34.8(1) and 34.8(2)(c).

²² *Ibid.*, s. 34.4(1)(c).

²³ *Ibid.*, s. 34.4(1)(a), and provided AMP proceedings begin within 3 years after the day when the CRTC became aware of the matter: s. 34.97(1).

²⁴ *Ibid.*, s. 34.92(2).

²⁵ *Ibid.*, s. 34.94.

²⁶ *Ibid.*, s. 34.99.

²⁰²³ Act, s. 9.1(1):

The Commission may ... make orders imposing conditions on the carrying on of broadcasting undertakings that the Commission considers appropriate ... including conditions respecting ...

⁽m) any change in the ownership or control of a broadcasting undertaking that is required to be carried on under a licence;

⁽ii) the affiliation of those licensees or exempt persons with any affiliates carrying on broadcasting undertakings;

²⁸ 2023 *Act*, s. 18(2)(b).

³⁰ *Ibid.*, s. 6: "The Commission may from time to time issue guidelines and statements with respect to any matter within its jurisdiction under this Act, but no such guidelines or statements issued by the Commission are binding on the Commission."

³³ SOR/86-982 (last am. 25 November 2015)



The *Radio Regulations* define concepts such as the broadcast day (broadcasting from 6 am to midnight), broadcast week ("seven consecutive broadcast days") and station ("a radio programming undertaking or a broadcasting transmitting undertaking"³⁴).³⁵

19 Under the *Radio Regulations* radio licensees must keep records of what they broadcast,³⁶ including whether their programming is "local" as defined by the CRTC's *Commercial Radio Policy 2006 (2006 Commercial Radio Policy)*.³⁷ The *2006 Commercial Radio Policy* defines local programming for FM radio stations as including "programming that originates with the station or is produced separately and exclusively for the station". Local programming does not include "programming received from another station and rebroadcast simultaneously or at a later time; nor does it include network or syndicated programming that is five minutes or longer unless it is produced either by the station or in the local community by arrangement with the station."³⁸

2. Cross-media ownership policy

20 Cross-media ownership involves the information provided by local media, including broadcasting. In 2008 the CRTC issued a regulatory policy now generally referred to as its *Diversity of Voices* policy. Broadcasting Regulatory Policy CRTC 2008-4³⁹ found that "most Canadians receive the information that is critical to their understanding of local, regional, national and international issues" from local media.⁴⁰ The CRTC explained that local media "help to shape Canadians' views and to equip them to be active participants in the democratic life of the country":⁴¹

38

A term defined in s. 2 of the *Television Broadcasting Regulations, 1987*, SOR/87-49: **station** means a television programming undertaking that transmits sounds and images or a broadcasting transmitting undertaking that transmits sounds and images, but does not include a broadcasting undertaking that only rebroadcasts the radiocommunications of another licensed broadcasting undertaking;

³⁵ *Ibid.*, s. 2 ("Interpretation").

³⁶ *Radio Regulations*, s. 8 ("Logs and Records").

³⁷ *Ibid.*, Schedule 1 ("A *Code Indicating origin*"): "Local programming as defined in Broadcasting Public Notice CRTC 2006-158, dated December 15, 2006 and entitled *Commercial Radio Policy 2006*."

²⁰⁰⁶ Commercial Radio Policy, Broadcasting Regulatory Policy CRTC at ¶183:

^{183.} Local programming is defined as follows:

Local programming includes programming that originates with the station or is produced separately and exclusively for the station. It does not include programming received from another station and rebroadcast simultaneously or at a later time; nor does it include network or syndicated programming that is five minutes or longer unless it is produced either by the station or in the local community by arrangement with the station.

In their local programming, licensees must include spoken word material of direct and particular relevance to the community served, such as local news, weather and sports, and the promotion of local events and activities.

^{184.} The requirement to devote at least one-third of the broadcast week to local programming does not apply to AM stations.

³⁹ *Diversity of voices*, <u>Broadcasting Public Notice CRTC 2008-4</u> Regulatory Policy (Ottawa, 15 January 2008).

⁴⁰ *Ibid.*, ¶57.

⁴¹ *Ibid*.



[i]n the Commission's view, the central objective for any policy on diversity of voices must be to ensure that Canadians have available to them a plurality of editorial voices, especially within the private element of the broadcasting system. Permitting one person to own or control all three primary sources of local media would not serve the fulfilment of this objective.⁴²

21 The Commission concluded that because media owners would likely respond to fragmenting audiences through consolidated ownership "the trend towards ownership consolidation in the media will continue".⁴³ The CRTC therefore said it needed "to develop clearly articulated policies with respect to diversity of voices so that all Canadians, in addition to the regulated industries, understand the limits to media concentration."⁴⁴

22 Under its 2008 cross-media ownership policy the CRTC stated that "as a general rule, will not approve applications for a change in the effective control of broadcasting undertakings that would result in the ownership or control, by one person, of a local radio station, a local television station and a local newspaper serving the same market."⁴⁵ Unlike the CRTC's regulations and orders, however, no offence is committed if a broadcaster breaches a CRTC policy.

III. CJPX-FM

23 The CRTC authorized CJPX-FM's operation 26 years ago and since then has approved the sale of its assets twice, both times in the past decade.

A. Licensing history

•••

24 CJPX-FM exists because in late 1995 9044-1569 Québec Inc. – which owned and controlled CIME-FM Sainte-Adèle through a subsidiary⁴⁶ – applied to the CRTC for a licence to operate a Special Interest (Classical music) FM radio station in Montréal.⁴⁷ The CRTC invited other parties

Diversity of voices, <u>Broadcasting Public Notice CRTC 2008-4</u> Regulatory Policy (Ottawa, 15 January 2008), at ¶¶57-58.

⁴³ *Ibid.*, at ¶62.

⁴⁴ *Ibid.*, at ¶62.

⁴⁵ *Ibid.*, at ¶64.

⁴⁶ Decision CRTC 97-293 at ¶5: "9044-1569 is a corporation controlled by Jean-Pierre Coallier of Montréal. Mr. Coallier also controls Diffusion Laurentides inc., licensee of CIME-FM Sainte-Adèle, Quebec, and Radio MF C.I.E.L. (1981) inc., licensee of CIEL-FM Longueuil, Quebec. …"

⁴⁷ Approval of the application by 9044-1569 Québec inc. for authority to operate a new French-language FM radio programming undertaking at Montréal; Approval of the application by the Canadian Broadcasting Corporation to convert AM station CBF Montréal to the FM band on frequency 95.1 MHz; denial of the five other competing applications to use this frequency, <u>Decision CRTC 97-293</u> (Ottawa, 4 July 1997), at ¶3.



to apply for "an FM radio service" in mid-1996.⁴⁸ It said that apart from anything else, applicants for an FM radio licence in Montréal should at least address these six issues:

1. The contribution that the proposed service will make to achieving the objectives established in the Broadcasting Act and, in particular, to the production of local and regional programming.

2. The expected audience of the proposed service and its impact on the audiences of existing radio stations.

3. The proposed expenditures and the means by which the applicant will promote the development of Canadian talent, including local and regional talent.

4. An analysis of the markets involved and potential advertising revenues, taking into account the results of any survey undertaken supporting the estimates, as well as the impact on advertising revenues of existing radio stations.

5. Clear evidence of financial viability consistent with the requirements established in the applicant's financial estimates, including clear evidence of additional financing readily available should the estimated revenues not materialize.

6. Clear evidence of the financial viability of investors involved. For the convenience of applicants, the Commission has available upon request a document entitled "Documentation Required by the Commission to Support the Availability of an Applicant's Proposed Financing".⁴⁹

- 25 While the CRTC's licensing process for a new Montréal radio station ultimately attracted seven applicants, 9044-1569 Québec inc. applied to change CIME-FM's frequency. This freed up the 99.5 MHz frequency for 9044-1569 Québec to broadcast in Montréal. The CRTC approved CIME-FM's frequency change in mid-1997, when it also granted 9044-1569 the licence for a "Frenchlanguage FM Specialty (classical music) radio programming undertaking" to serve Montréal. ⁵⁰
- CJPX-FM went on air in June 1998⁵¹ with the intention of 'popularizing' classical music, broadcasting 126 hours of local programming each week and having its "program hosts" "broadcast live during the morning, noon-hour and late afternoon slots".⁵² 9044-1569 said its two radio stations CJPX-FM Montréal and CIME-FM Saint Adèle "would have separate

⁴⁸ CALL FOR APPLICATIONS FOR A BROADCASTING LICENCE TO CARRY ON A (RADIO) PROGRAMMING UNDERTAKING TO SERVE MONTRÉAL, Québec, <u>Public Notice CRTC 1996-74</u> (Ottawa, 5 June 1996).

⁴⁹ CALL FOR APPLICATIONS FOR A BROADCASTING LICENCE TO CARRY ON A (RADIO) PROGRAMMING UNDERTAKING TO SERVE MONTRÉAL, Québec, <u>Public Notice CRTC 1996-74</u> (Ottawa, 5 June 1996), at unnumbered paragraph 6.

⁵⁰ Approval of the application by 9044-1569 Québec inc. for authority to operate a new French-language FM radio programming undertaking at Montréal; Approval of the application by the Canadian Broadcasting Corporation to convert AM station CBF Montréal to the FM band on frequency 95.1 MHz; denial of the five other competing applications to use this frequency, <u>Decision CRTC 97-293</u> (Ottawa, 4 July 1997) [Decision CRTC 97-293] at ¶¶5 and 25.

Approval of 9044-1569 Québec's application also enabled the CRTC to allow CBC/RC move its CBF-AM Montréal service to 95.1 MHz on the FM band.

⁵¹ History of Canadian Broadcasting, <u>CJPX-FM, WKND 99.5, Montréal</u> [accessed 26 January 2025].

⁵² Decision CRTC 97-293 at ¶28.



programming services and would not broadcast any programming in common".⁵³ The CRTC concluded that CJPX-FM "will thus provide greater diversity in Montréal radio".⁵⁴

1. Changes in ownership

- 27 In 2015 the CRTC approved Média ClassiQ inc.'s purchase of the assets of CJPX-FM.⁵⁵
- 28 The Commission noted that the company wished "to maintain the stations' specialty format and preserve their distinct orientation as classical music broadcasters in markets where most stations favour popular music or spoken word formats."⁵⁶ It said approval of the transaction "would introduce a new player in the broadcasting industry and would thus contribute to the diversity of voices" in Montréal (and Québec), and that the new owner's background suggested "that the programming will be of high quality, with much individuality and news about the music scene"⁵⁷
- 29 While the new owner proposed to reduce local programming from 126 to 70 hours/week, the CRTC thought this would at least "ensure the stations' long-term viability".⁵⁸ Tuning to classicalmusic stations increased slightly in 2016: see Table 1. From 2011 to 2019 (when the CRTC effectively stopped publishing its *Communications Monitoring Reports*⁵⁹) the only two Frenchlanguage stations with a classical-music format attracted from 1.8% to 3% of French-language tuning:

12+ audience	French-language radio stations – tuning by format								
12+ audience	2011	2012	2013	2014	2015	2016	2017	2018	2019
Classical/fine arts	1.8%	1.4%	2%	2%	2%	3%	3%	4%	3%
# of stations	2	2	2	2	2	2	No data		
CMR report year	2012	2013	2014	2015	2016	2017	2018	2019	2020
Figure number	4.2.4	4.2.4	4.1.19	4.1.13	4.1.16	4.1.15	8.8	5.6	3.10

Table 1 French-language radio stations – share of tuning to classical/fine arts stations

Source: CRTC, Communications Monitoring Report (various years)

⁵³ *Ibid.,* at ¶33.

⁵⁴ *Ibid.*, at ¶32. Approval of the CIME-FM owner's application also gave "the Commission the latitude of granting frequency 95.1 MHz to another party" (¶32) – namely, the CBC/Radio-Canada.

In May 1999 the CRTC announced that it had approved the transfer of effective control of Diffusion Laurentides inc., the licensee of CIME-FM Saint-Jérôme, to Diffusion Métromédia by Letter of Authority A99-0043 (3 May 1999): *Transfer of Control*, <u>Public Notice CRTC 1999-87</u> (Ottawa, 20 May 1999).

⁵⁵ *CJPX-FM Montréal and CJSQ-FM Québec - Acquisition of assets and licence amendments*, <u>Decision CRTC 2015-400</u> (Ottawa, 26 August 2015), at ¶7.

The CRTC had approved the purchase of CIME-FM, now serving Saint-Jérôme, by Diffusion Métromédia CMR inc. in May 1999: *Transfer of control*, <u>Public Notice CRTC 1999-87</u> (Ottawa, 20 May 1999).

⁵⁶ *CJPX-FM Montréal and CJSQ-FM Québec - Acquisition of assets and licence amendments*, <u>Decision CRTC 2015-400</u> (Ottawa, 26 August 2015), at ¶7.

⁵⁷ *Ibid.*, at ¶8.

⁵⁸ *Ibid.*, at ¶10.

⁵⁹ The CRTC's open-data data-radio-sector.xlsx report does not include tables showing tuning by radio format.



- 30 Beginning in 2016, however, CJPX-FM incurred significant financial losses.⁶⁰
- 31 Leclerc Communication filed an application to acquire CJPX-FM in August 2019. It told the Commission that it 'already specialized in showcasing French-language vocal music'⁶¹ and emerging artists.⁶² Leclerc
 - said its spoken-word content 'would obviously be related to the station's distinctly musical character'⁶³
 - confirmed its intention to broadcast 126 of local programming on CJPX-FM⁶⁴
 - stated that 'the journalists assigned to writing the news will be tasked with selecting the news according to what will affect Montreal listeners'⁶⁵
 - said that 'public-affairs programs, documentaries, audio dramas and public debate programs' would not at this stage fill its programming, for the sake of consistency with its musical commitment',⁶⁶ and

⁶⁰ DM#3705501, Leclerc Communication inc., *ACQUISITION PAR LECLERC COMMUNICATION INC. DE LA QUASI-TOTALITÉ DES ACTIFS DÉTENUS PAR MÉDIA CLASSIQ INC.*. [*sic*] *LIÉS À L'EXPLOITATION DE LA STATION CIPX-FM MONTRÉAL*, Annexe 1A, *Mémoire complémentaire* (30 August 2019) at ¶¶9-10.

⁶¹ *Ibid.*, at ¶115:

Leclerc a déjà fait de sa spécialité la mise en valeur de la musique vocale francophone. Elle présente une émission d'une (1) heure, chaque jour de semaine, en heure de grande écoute, une émission axée 100% sur la musique francophone et les artistes de chez nous, plus particulièrement les artistes émergents.

 ⁶² Ibid., at ¶111: La transaction apportera également son lot d'avantages intangibles, lesquels bénéficieront en premier lieu aux communautés que les stations de Leclerc desservent et, en deuxième lieu, à toute l'industrie de la musique canadienne et, de manière encore plus spécifique, aux artistes émergents.

⁶³ DM#3737695, Jean-François Leclerc, Vice-président, Leclerc Communications, *OBJET : Leclerc Communication inc. – CJPX-FM – Acquisitions d'actifs – Modification à la propriété au contrôle, Demande n°2019-0952-4*, (Québec, 23 October 2019), Response to CRTC's 16 October 2019 questions, at p. 5: "Le contenu de création orale que nous proposons pour CJPX-FM serait évidemment lié au caractère résolument musical de la station. …"

⁶⁴ *Ibid*.: "À la lumière de la définition de programmation locale énoncée au paragraphe 207 de la Politique de 2006 et considérant la grille de programmation déjà déposée (Tableau 83.1), nous confirmons avoir l'intention de diffuser 126 heures de programmation locale sur les ondes de CJPX-FM. …"

⁶⁵ *Ibid.*, at p. 6: "Le nombre d'heures consacrées spécifiquement à un type de nouvelle ou un autre dépendra bien évidemment de l'actualité quotidienne et les journalistes attitrés à la rédaction des nouvelles auront pour tâche de sélectionner l'actualité en fonction de ce qui touchera les auditeurs montréalais. …"

⁶⁶ *Ibid.*, at p. 5: "... Cependant, il est exclu, à ce stade, que des émissions d'affaires publiques, des documentaires, des audio dramatiques et des émissions de débats publics garnissent notre programmation, par souci de cohérence avec notre promesse musicale."



- told the Commission that music would make up at least 60% of its broadcast week, with the remaining 40% (or less) being devoted to spoken word including advertising and promotional content.⁶⁷
- 32 Leclerc also said it might broadcast a certain number of programs from its studios in Québec but reassured 'the Commission that the bulk of the programming broadcast by CJPX-FM will continue to be produced by [its] Montréal studios'.⁶⁸
- 33 The CRTC approved Leclerc's purchase of the CJPX-FM assets in spring 2020, along with amendments Leclerc proposed to change the station from a "specialty format specialty format to a mainstream music format (Adult Album Alternative – Triple A and Adult Contemporary)".⁶⁹
- 34 The Commission noted that Leclerc had "demonstrated an economic need for a change in musical format for CJPX-FM", and that approving the ownership transaction "should provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern" and to "musical diversity in Montréal".⁷⁰ Leclerc agreed "to devote 25% of the station's French-language vocal music (FVM) musical selection rotations to emerging French-language artists".⁷¹ It added that 'approval of its amendment application would not harm the integrity of the licensing process':⁷² Figure 1.

⁶⁷ DM#3737695, Jean-François Leclerc, Vice-président, Leclerc Communications, *OBJET : Leclerc Communication inc. – CJPX-FM – Acquisitions d'actifs – Modification à la propriété au contrôle, Demande n°2019-0952-4*, (Québec, 23 October 2019), Response to CRTC's 16 October 2019 questions, at p. 7.

⁶⁸ *Ibid*.: "… nous n'excluons pas la possibilité, à terme, de diffuser sur les ondes de CJPX-FM un certain nombre d'émissions provenant de nos studios de Québec. Nous demandons donc au Conseil une certaine souplesse en ce sens, tout en rassurant le Conseil que l'essentiel des émissions diffusées par CJPX-FM sera toujours produit de nos studios de Montréal."

⁶⁹ *CJPX-FM Montréal – Acquisition of assets and licence amendments*, <u>Broadcasting Decision CRTC 2020-137</u> (Ottawa, 28 April 2020), at ¶2.

⁷⁰ 2020-137, ¶57.

⁷¹ *CJPX-FM Montréal – Acquisition of assets and licence amendment*, <u>Broadcasting Decision CRTC 2020-114</u> (Ottawa, 3 April 2020), at ¶13.

⁷² DM#3705501, Leclerc Communication inc., *ACQUISITION PAR LECLERC COMMUNICATION INC. DE LA QUASI-*TOTALITÉ DES ACTIFS DÉTENUS PAR MÉDIA CLASSIQ INC.. [sic] LIÉS À L'EXPLOITATION DE LA STATION CJPX-FM MONTRÉAL, Annexe 1A, Mémoire complémentaire (30 August 2019) at ¶97.



Figure 1 Leclerc's August 2019 commitment to the integrity of the CRTC's licensing process INTÉGRITÉ DU PROCESSUS D'ATTRIBUTION DE LICENCE

- Enfin, l'approbation de la demande de modification de licence déposée par Leclerc ne nuirait pas à l'intégrité du processus d'attribution de licence.
- **98.** La station CJPX-FM a obtenu une licence de radio spécialisée de musique classique en 1998 et a honoré ses engagements de programmation liés à l'exploitation d'une formule spécialisée.
- 99. L'abandon de cette formule est rendu nécessaire en raison de son déclin et de l'urgent besoin de redresser la situation financière de la station en optant pour une formule musicale non offerte dans le marché et susceptible d'accroître les parts d'écoute de la station.
- 35 The licence granted to CJPX-FM in 2020 was to expire in August 2022;⁷³ Leclerc stated that it would be able to launch the new musical format for CJPX-FM three months after the closing of its transaction with Média ClassiQ.⁷⁴
- 36 In April 2023 the CRTC used a Part 1 process to renew the licence until August 2030;⁷⁵ the CRTC's website lists no interventions in this process. Leclerc's vice-président, Jean-Francois Leclerc, declared that everything in its renewal application was and would be true: Figure 2.

⁷³ *Ibid.*, at ¶15.

 ⁷⁴ DM#3737695, Jean-François Leclerc, Vice-président, Leclerc Communications, OBJET : Leclerc Communication inc. – CJPX-FM – Acquisitions d'actifs – Modification à la propriété au contrôle, Demande n°2019-0952-4, (Québec, 23 October 2019), Response to CRTC's 16 October 2019 questions, at p. 7.

 ⁷⁵ Various commercial radio programming undertakings – Administrative renewals, <u>Broadcasting Decision CRTC 2021-</u>
 <u>297</u> (Ottawa, 30 August 2021) renewed the licence administratively from 1 September 2022 to 31 August 2023.



Figure 2 29 August 2022 declaration about application's veracity

1.6 Déclaration du demandeur ou du représentant autorisé

Je, déclare solennellement que :

a. Je suis le représentant autorisé de la société titulaire désignée dans la présente et j'ai, à ce titre, connaissance de tout ce qui y est énoncé.

 b. À ma connaissance, tout ce qui est énoncé dans la présente demande ou dans tout document déposé conformément à des lettres du Conseil sollicitant des renseignements supplémentaires est (sera) véridique à tous égards.

c. Les opinions et les estimations qui sont données dans la présente demande ou dans tout document déposé conformément à des lettres du Conseil sollicitant des renseignements supplémentaires, reposent (reposeront) sur des faits tels qu'ils me sont connus.
d. J'ai pris connaissance des passages pertinents de la Loi sur la radiodiffusion et des politiques et règlements afférents qui s'appliquent à la présente demande.

Nom :

Jean-François Leclerc

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2022-08-29

[yellow highlighting added]

37 Leclerc stated that it was broadcasting 126 hours per week of local programming and it would broadcast these hours as CJPX-FM's licensee:⁷⁶ Figure 3.

Figure 3 Total weekly hours of broadcasting by the licensee

2.1 Heures de programmation par semaine de radiodiffusion

Semaine de radiodiffusion On entend par « semaine de radiodiffusion » le nombre total d'heures consacrées à la radiodiffusion pendant une période de 126 heures allant de 6 h à minuit pendant sept journées consécutives commençant un dimanche.

Au cours de chaque semaine de radiodiffusion, veuillez indiquer <mark>le nombre total d'heures de programmation qui seront diffusées par le titulaire (maximum de 126 heures) 126</mark>

[Yellow highlighting added]

Leclerc said that news would make up 2.5 hours per week of its programming: Figure 4.

⁷⁶ DM#4231977 – APP – Demande – renouvellement abrégé – PDF.pdf, at ss. 2.1, 2.2(a) and (b).



Figure 4 2023 commitment to news

Veuillez noter :

• La somme des heures indiquées aux sections i), ii) et iii) doit être égale au nombre total d'heures et de minutes consacrées aux nouvelles indiqué à la section a.

a. Précisez combien d'heures et de minutes par semaine de radiodiffusion seront consacrées aux nouvelles pour chaque semaine de radiodiffusion au cours de la prochaine période de licence : 02:30

b. Veuillez fournir une répartition du nombre d'heures et de minutes par semaines de radiodiffusion qui seront consacrées aux nouvelles locales, nationales et internationales.

 i) Nouvelles locales et régionales (Heures:minutes/semaine de radiodiffusion) : 01:30

ii) Nouvelles nationales (Heures:minutes/semaine de radiodiffusion) : 00:45

iii) Nouvelles internationales (Heures:minutes/semaine de radiodiffusion) : 00:15

39 Leclerc confirmed that none of its programming would be from another source or, in other words, be non-local:⁷⁷ Figure 5.

Figure 5 29 August 2022 declaration that all of CJPX-FM' programming would be from CJPX-FM

2.3 Autre source de programmation

Au cours de chaque semaine de radiodiffusion, quel est le nombre total d'heures de programmation provenant d'une autre source (c.-à-d. qui n'est pas considérée comme de la programmation « locale »)?

0

2. Impact of changes in ownership of CJPX-FM

40 The CRTC's decisions about CJPX-FM in the nine years from 2015 to 2023 had three key effects. The two sales of CJPX-FM generated a total of \$10.6 million in income for the owners of Radio-Classique Montréal and Média ClassiQ inc.

⁷⁷ *Ibid.*, at s. 2.3.



41 They also yielded \$1.1 million in tangible benefits for Canada's radio system (Table 2). The CRTC's decisions also enabled the format of CJPX-FM to shift from classical music in 2019 to mainstream music in 2020.

Table 2 CJPX-FM regulatory history	Table 2	CJPX-FM	regulatory	history
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CRTC decision	Seller	Buyer	Purchase price	Tangible benefits
2015-400	Radio-Classique Montréal	Média ClassiQ inc	\$6,777,718	\$793,615
2020-114; 2020-137	Média ClassiQ inc	Leclerc Communication inc.	\$3,880,000	
Total:		\$10,657,718	\$1,086,965	

B. Leclerc and Québecor: a very private agreement, amended at least once

42 At the core of the concerns raised by the Applicants is the precise nature of the relationship between the two parties to the 2024 MOU regarding CJPX-FM, and the impact of the MOU on control over CJPX-FM's programming.

1. The August/December 2024 MOU

- 43 Leclerc and Québecor signed a letter of intent about Project QUB Radio ("Projet QUB Radio") on 9 July 2024.⁷⁸ The Forum was unable to locate the 9 July 2024 letter of intent on the Part 1 2024-0630-6 public record (in the six working days remaining before today's intervention deadline after the MOU was to become part of this record).⁷⁹
- 44 Leclerc and NumériQ inc. then signed an MOU on Wednesday, 7 August 2024 with retroactive effect to Tuesday, 6 August 2024.⁸⁰

<u>Note to reader</u>: As Québecor's 2023 Annual Report describes the latter as a subsidiary of Québecor FRPC will in the remaining pages of this intervention refer to Québecor as the second party to the MOU.

- 45 The MOU ends on 26 June 2026.⁸¹
- 46 According to the MOU 'Project QUB Radio' is something that Leclerc and

Québecor, Annual Report 2023, at 25:

ONLINE

The news content produced by Quebecor's media outlets is also distributed through a powerful ecosystem steered by its NumériQ subsidiary. The go-to news website *tvanouvelles.ca* attracted an average of 3.5 million unique visitors per month in 2023. The digital brand 24 *heures* increased its page views by 5%, mainly due to coverage of economic inflation targeted specifically at millennials.

⁷⁸ DM# 4807154, MOU, at 1: "... les Parties ont signé le 9 juillet 2024 une lettre d'intention relativement au Projet QUB Radio (la « Lettre d'intention »);"

⁷⁹ During which the Forum also submitted comments on 24 February 2025 deadline for *The Path Forward – Working towards a sustainable Canadian broadcasting system*, <u>Broadcasting Notice of Consultation CRTC 2025-2 Notice of Public Hearing</u> (Ottawa-Gatineau, 9 January 2025).

⁸⁰ DM# 4807154, at 12.

⁸¹ DM# 4807154, MOU, at 2, article 2.2.



Québecor could 'set up' ("mettre en place").⁸² Québecor undertook to promote 'QUB Radio' and the broadcast of 'the Programming' on CJPX-FM on the media of Québecor's choice; this promotion was ascribed with a minimum value whose *quantum* was redacted.⁸³

- 47 On 8 August 2024 *Le Devoir* published an article stating that CJPX-FM (WKND 99.5 FM) Montréal would be used to retransmit programming from QUB, Québecor's digital radio station⁸⁴ and that most of the employees of CJPX-FM would lose their jobs.⁸⁵
- 48 On 9 August 2024 the CRTC's staff spoke with and e-mailed Leclerc about the changed programming on CJPX-FM Montréal.
- 49 On 12 August 2024 Québecor issued a news release announcing that QUB Radio was going "live on 99.5 FM" – CJPX-FM – following "a content distribution agreement between Leclerc Communication and NumériQ, a Québecor entity." ⁸⁶ Québecor stated that "QUB will also continue broadcasting on the web and on the QUB television channel": "[a]fter the web and TV, we're delighted to bring QUB to the FM dial and add more voices to the current FM offerings".⁸⁷
- 50 On 13 August the CRTC's staff asked to confirm that the licensee is operating the station within the terms and conditions of its licence and advised that the staff would be sending requests for information to Leclerc and possibly also Québecor.⁸⁸
- 51 On 22 August 2024 the CRTC's staff asked Leclerc and Québecor to provide the Commission with a copy of all agreements between the companies and in particular, any concerning

⁸² DM# 4807154, MOU, at 2.

⁸³ DM# 4807154, MOU, at 9, article 11.5:

Pendant la Période d'entente, NumériQ s'engage à promouvoir le Projet QUB Radio ainsi que la diffusion de la Programmation sur la fréquence 99,5 FM Montréal (CJPX-FM) notamment par le biais de campagnes de visibilité diffusées auprès des divers médias au choix de NumériQ qui sont propriété de Québecor Média Inc. (notamment, Groupe TVA inc. et ses chaines spécialisées, MediaQMI Inc, le Journal de Montréal, Québecor Affichage, TVA Publications, ainsi que sur les différents sites web). NumériQ s'engage aussi à établir une importante campagne de lancement spécifique au lancement du Projet QUB Radio sur la fréquence de CJPX-FM Montréal (99,5) à compter de la date de signature des présentes, et ce, jusqu'à la fin de la période de sondage Numeris établie à la fin du mois de novembre 2024. L'ensemble de ces campagnes de visibilité précitées auront une valeur annuelle minimale estimée, au tarif à la carte de Québecor Média Inc. de **REDACTED**

⁸⁴ DM#4759177, CRTC staff letter, *Re: Agreement with Quebecor Media inc. regarding the programming of CJPX-FM Montréal (WKND 99,5 FM)*, (Ottawa, 13 August 2024).

⁸⁵ Étienne Paré, "<u>WKND change de visage, Qub pourrait passer sur la FM</u>", *Le Devoir* (8 August 2024): "Selon nos informations, la plupart des employés de la station auraient été licenciés."

⁸⁶ Québecor, "QUB radio goes live on 99.5 FM : Mario Dumont to host morning show", Press Release (Montréal, 12 August 2024), <u>https://www.quebecor.com/en/-/qub-radio-maintenant-en-direct-au-99-5-fm-mario-dumont-prend-la-barre-</u> <u>du-matin</u>.

⁸⁷ Ibid.

⁸⁸ DM# 4691495 – CJPX-FM – Lettre du personnel envoyée à Leclerc Communication – Entente Leclerc et Québecor – 13 August 2024, CRTC, Executive Director, Broadcasting, *Objet: Entente avec Québecor Média inc. concernant la programmation de CJPX-FM Montréal (WKND 99,5 FM)* (Ottawa, 13 August 2024).



programming.⁸⁹ The Leclerc and Québecor MOU was made available in confidence to the CRTC on 4 September 2024⁹⁰ although the CRTC presumably did not at that time receive the final agreement because the MOU was changed in mid-December 2024.⁹¹

52 Specifically, on 12 December 2024 Québecor asked Leclerc to confirm four changes to the MOU, 'further to recent online exchanges about promotion, publicity and additional milestones'.⁹² Québecor's letter did not explain the changes, that are set out in Table 3:

7 August 2024 MOU	12 December 2024 MOU changes (Annex A)
MOU	MOU
OBJET	
2.1 NumériQ accorde à Leclerc, et Leclerc accorde à NumériQ, sujet aux conditions stipulées au présent Protocole d'entente, les licences prévues à la convention de licence jointe à l'Annexe A du présent Protocole d'entente pour en faire partie intégrante (la « Licence »).	« NumériQ accorde à Leclerc une licence exclusive de retransmission en direct et en simultané (excluant donc toute rediffusion ou « diffusion sur demande ») de la Programmation sur les Plateformes de diffusion, et ce, pour la période allant du lundi au vendredi de chaque semaine comprise dans la Période d'entente (telle que définie ci-après), de 6h00 à 18h00 (heure de Montréal (Québec)) (la « Licence »). À cette fin, NumériQ représente et garantit à Leclerc ce qui suit et reconnait que Leclerc se fonde sur ces représentations et garanties pour conclure le Protocole d'entente : (i) tous les droits de propriété intellectuelle dans la Programmation sont la propriété exclusive de NumériQ ou sous licence dont les termes et conditions permettent l'octroi de la présente Licence et (ii) l'exploitation de la Programmation par NumériQ n'enfreint les droits de propriété intellectuelle ni le droit à l'image d'aucune personne ni ne constitue de la contrefaçon ou une violation de tout droit de propriété intellectuelle ou droit à l'image
MOU, Annex D	d'aucune personne. » MOU, Annex D
	[title remains unchanged]

Table 3 7 August 2024 MOU and changes made on 12 December 2024

⁸⁹ DM# 4706039, Leclerc, *Entente entre Leclerc Communication inc. et Québecor Média inc. concernant la programmation de CJPX-FM Montréal (99,5 FM)*, (Québec, 4 September 2024), abridged version, cites the CRTC's letter of 22 August 2024 and its e-mail of 23 August 2024 in which Leclerc was asked in Part 1, question 1, "Veuillez nous faire parvenir toute entente convenue entre Leclerc et Québecor et ses affiliés, notamment celle concernant la programmation de CJPX-FM."

⁹⁰ *Ibid*. DM# 4706039, at p. 1, response to question 1.

⁹¹ DM# 4807154, MOU, Annex A, Québecor, *RE : Modification du protocole d'entente intervenu le 7 août 2024 entre Leclerc et NumériQ inc.* (Montréal, 12 December 2024).

⁹² DM# 4807154, MOU, Annex A, Québecor, *RE : Modification du protocole d'entente intervenu le 7 août 2024 entre Leclerc et NumériQ inc.* (Montréal, 12 December 2024).



7 August 2024 MOU	12 December 2024 MOU changes (Annex A)
Utilisation du matériel promotionnel et de la voix officielle Dans un souci de cohérence d'image entre les marques de QUB Radio et de CJPX-FM, NumériQ accepte de mettre à la disposition de Leclerc tout élément relatif à son matériel promotionnel, notamment sa typographie, ses codes de couleur, ses visuels, ses images de marque, les photos des artisans de la Programmation, etc., le tout en conformité avec	NumériQ accepte de mettre à la disposition de Leclerc tout élément relatif à son matériel promotionnel, notamment les photos des artisans de la Programmation.
les dispositions prévues à la Licence. [remainder of paragraph] NumériQ autorise également Leclerc à recourir aux services des voix officielles de QUB Radio pour l'image sonore du CJPX- FM, lesquelles sont, en date de présentes, des employés permanents de NumériQ, et ce, sans frais supplémentaires si Leclerc fait usage du matériel produit par NumériQ, le tout en conformité avec les dispositions prévues à la Licence. Si, par ailleurs, les services de voix sont rendus par des pigistes, les Parties reconnaissent que des frais supplémentaires s'appliqueront. En outre, si Leclerc désire produire ou faire produire du matériel supplémentaire spécifiquement pour Leclerc en faisant usage des voix officielles de QUB Radio, des frais supplémentaires s'appliqueront.	[remainder of paragraph unchanged]
	• Les parties conviennent de ne pas faire usage de leurs marques de commerce respectives, sauf entente contraire des parties à ce sujet.
	 La présente lettre et son contenu sont strictement confidentiels et ne peuvent être divulgués sans l'accord préalable de l'autre partie.

53 On 27 January 2025 – the last day of the first intervention period for Part 1 application 2024-0630-6 – CRTC wrote the Applicants to advise that the Commission had extended the deadlines for interventions and replies⁹³ to 'process' the Leclerc and Québecor request to keep their MOU confidential, to "allow the Commission to add the abridged version of the MOU between Leclerc and NumériQ to the public record of the proceeding pursuant to the Commission's

⁹³ To 27 February and 4 March 2025, respectively.



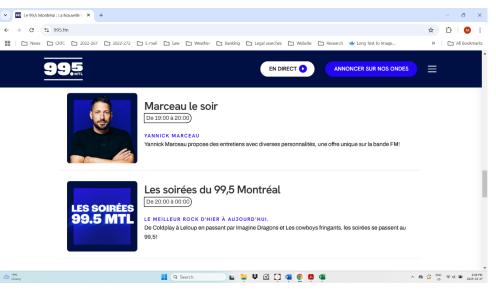
determination" and to "give the public a reasonable time to file interventions on this new information."⁹⁴

- 54 The CRTC required Leclerc and Québecor to make an abridged version of the MOU available for the Part 1 2024-0630-6 public record on 13 February 2025.⁹⁵
- 55 Leclerc and Québecor ultimately submitted an abridged version of their MOU to the CRTC for the Part 1 2024-0630-6 public record, on 18 February 2025 – just six working days before today's 27 February 2025 intervention deadline. The Forum was unable to locate an English-language version of the MOU on the Part 1 2024-0630-6 public record.

2. Programming on CJPX-FM

Figure 6 Yannick Marceau on CJPX-FM

- Leclerc has told the CRTC that the programming on CJPX-FM is 100% local from 6 pm to midnight⁹⁶ - in other words, 42 hours of the 126-hour broadcast week.
- 57 According to CJPX-FM's website, however, Yannick Marceau is also broadcasting 7 hours per week:⁹⁷ Figure 6.



58 As CFEL-FM's website includes Mr. Marceau's programming in its schedule (Figure 7) it may be that CJPX-FM is providing 35 hours of local programming each week.

 ⁹⁴ CRTC staff, <u>Subject: Extension of the intervention and reply periods – Application 2024-0604-0 – Part 1 Application by</u>
 <u>Cogeco Inc. on behalf of its subsidiary Cogeco Media Inc. and Bell Media Inc.</u>, e-mail, (Ottawa-Gatineau, 27 January 2025).
 ⁹⁵ CRTC, Subject: Designation as confidential of the Memorandum of Understanding between Leclerc Communication

Inc. (Leclerc) and Quebecor Media Inc. (Quebecor) concerning the programming of CJPX-FM Montréal (99.5 FM), (Ottawa-Gatineau, 13 February 2025).

⁹⁶ DM# 4706039, Leclerc (4 September 2024), p. 3, response to question 4 (d).

⁹⁷ Leclerc Communications, "blvd 102.1", online: blvd.fm,



Figure 7 Yannick Marceau on CFEL-FM

Le 99,5 Montréal : La Nouvelle	× 📓 BLVD ×	+	- o ×
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		CRAVEL DANS LE RETOUR avec Denis Gravel, Véronique Bergeron & Audrey Painchaud	
		* AARCEAU LE SOIR avec Yannick Marceau	
- Ar		* avec Dan Caron	
Fut i t	I9HOD	* avec Maxim Larouche	and a fair as
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59 The majority of CJPX-FM programming during the day appears to consist of spoken word content. The CRTC's staff analyzed the programming broadcast by CJPX-FM from 18 to 24 August 2024⁹⁸ and from 1 to 7 September 2024.⁹⁹ Apart from breaches of the CRTC's 1986 radio regulations concerning French-language vocal music, the CRTC's analyses found that CJPX-FM did not broadcast any music in the seven days from 1 to 7 September 2024, and did not broadcast any musical montages in either that week or the week of 18 to 24 August 2024:

Summary of CRTC's analyses	18 – 24 August 2024	1 – 7 September 2024
French-language vocal music – broadcast week	58% vs 65% requirement	52.5% vs 65% requirement
French-language vocal music – 6 am-6 pm weekdays	42% vs 55% requirement	No music broadcast
Broadcast montages	None	None

60 While Leclerc challenged the CRTC's determinations regarding broadcast montages,¹⁰⁰ it does not appear to have challenged the CRTC's finding that no music was broadcast from 6 am to 6 pm in the first week of September. In other words, 60 hours of the programming on CJPX-FM is

⁹⁸ DM#47758658, Radio Monitoring Analyst, Broadcasting Process and External Liaison, CRTC, *Re: Revised* performance evaluation report: *CIPX-FM Montréal, QC, Leclerc Communication inc. - Week of : Sunday 18 August to Saturday 24 August 2024* (31 October 2024), at page 1.

⁹⁹ DM#4758752, Performance evaluation report, CJPX-FM Montréal, QC: Leclerc Communication inc., Week of : Sunday 1 September to Saturday 7 September 2024.

¹⁰⁰ DM#4757931, Leclerc, *OBJET* : *Rapport d'évaluation de rendement, CJPX-FM Montréal, Québec: Leclerc Communication inc. (« Leclerc ») - Semaine : du dimanche 1er septembre au samedi 7 septembre 2024*, (Québec, 31 October 2024).



provided by QUB Radio. According to Leclerc, 'QUB's mission is focused on public affairs, the analysis of social and political issues, and the opinions of its hosts and columnists.'¹⁰¹.

IV. Three questions raised by the Leclerc and Québecor agreement

- 61 The three questions that remain without clear answers for FRPC after reviewing the Part 1 2024-0630-6 Application and the responses from Leclerc and Québecor are as follows:
 - 1. Has there been an unauthorized change in the ownership and/or the effective control of CJPX-FM?
 - 2. What is the legal status of QUB Radio?
 - a. Is QUB Radio broadcasting programming to a national audience while including in that programming local advertising from Montréal?
 - b. If CJPX-FM is transmitting QUB Radio's programming as it receives the programming, is QUB Radio operating an unlicensed network undertaking?
 - 3. Is CJPX-FM living up to the commitments it made when it applied to the CRTC for the CJPX-FM licence?, and

A. The effective control and ownership of CJPX-FM

- 62 The abridged version of the MOU raises concerns about the nature of the relationship between Leclerc and Québecor. For example, Leclerc may not simply require changes in the programming provided by QUB Radio, but has agreed to work with and allow QUB Radio to make such changes and although Leclerc may resile from the MOU at any time, it must provide QUB Radio with 30 days' notice beforehand (article 11.3). In our view, this delay conflicts with Parliament's provision in section 3(1)(h), which speaks in the present tense to a licensee's control over broadcasting - not control exercised in the future by a third party on behalf of the licensee.
- 63 Suppose, for instance, that Leclerc finds that QUB Radio content is in some way unacceptable. The MOU may well enable Leclerc to terminate its relationship with Québecor immediately – but due to the level of redaction in the MOU the public does not know whether this would trigger financial or other negative consequences. Moreover, it is unclear whether Leclerc would be capable of immediately replacing the QUB Radio programming content with its own content – as we did not come across any information about the current level of staffing at the station. (As noted above, at least one news media report indicated that CJPX-FM had laid off all or nearly all of its personnel.)

¹⁰¹ DM# 4773912, Leclerc (22 October 2024), p. 5, response to question 2(a): "La mission de QUB est axée sur les affaires publiques, l'analyse des enjeux de société et de politique et sur l'opinion de ses animateurs et chroniqueurs. …"



64 It is also unclear, due to the level of redaction in the MOU, whether any equity relationship exists between Leclerc and Québecor. The six sections in Article 4 ('Equity Investment' / "Prise de participation") are entirely redacted as are the 10 sections in Articles 5 and 6 (First refusal in favour of NumériQ, and First refusal in favour of Leclerc). The 2024 report by Québecor's management, however, describes a 'partnership' ("partenariat") with Leclerc Communication inc.:

> ... le secteur Média comprend NumériQ inc. (« NumériQ »), qui regroupe les ressources de stratégie, de développement et de production de contenus numériques destinés à alimenter les diverses plateformes de la Société. **NumériQ exploite** plusieurs autres marques numériques, dont Le Guide de l'auto, Le Sac de chips, Pèse sur Start, Silo 57, 24heures.ca, de même que **QUB radio, une plateforme audio et de balados accessible sur Internet, sur application mobile,** à la télé comme chaîne spécialisée **et plus récemment sur la bande FM à Montréal, au 99,5 FM grâce à un partenariat avec le diffuseur Leclerc Communication inc**. NumériQ comprend aussi l'Agence QMI, une agence de presse qui fournit du contenu à l'ensemble de la Société.¹⁰² [bold font and yellow highlighting added]

65 Whether because of redacted provisions of the MOU or its own incapacity doubt exists as to whether Leclerc would in a position to operate the station say – tomorrow - for each broadcast day of each broadcast week, if its programming agreement with QUB Radio programming ended.

B. Legal status of "QUB Radio"

- 66 Even if the Forum assumed and we do not that Leclerc has full and effective control of the CJPX-FM licence, the precise legal status of QUB Radio is unclear.
- 67 Québecor described QUB Radio in Fall 2018 as a "new digital radio platform [t]hat will broadcast live programming Monday to Friday on the Internet and via an app."¹⁰³ In 2021 Québecor described QUB radio as "an online radio station",¹⁰⁴ in 2023 as a "leader in digital audio" that "expanded into television'" (Figure 8) and in 2024 as an entity known as "QUB Radio" that webcasts radio content¹⁰⁵ or broadcasts online (see Figure 8).¹⁰⁶

¹⁰² Québecor, *Rapport de gestion 2024*, at 14.

¹⁰³ Press Canadienne, "Québecor launches new internet radio station QUB" <u>*The Gazette* (4 October 2018, 9:39 PM)</u>.

¹⁰⁴ Québecor, *Annual Report 2021*, at 37.

¹⁰⁵ DM# 4807154, MOU, p. 1: "ATTENDU QUE NumériQ exploite une plateforme numérique dont les activités consistent notamment en la diffusion web de contenu radiophonique connue sous le nom « QUB Radio »"

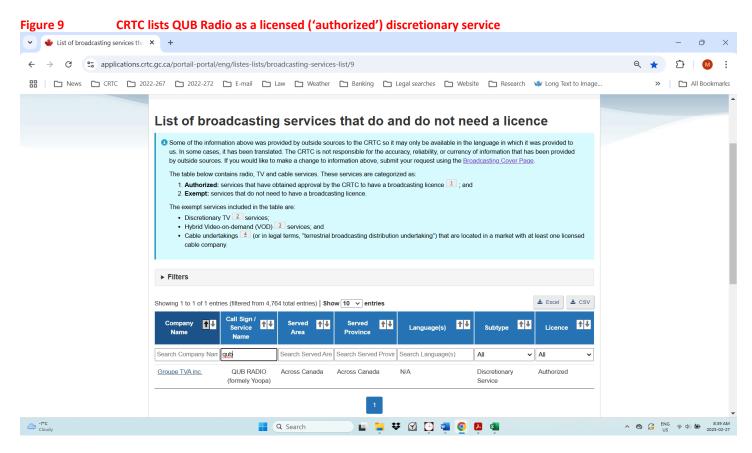
¹⁰⁶ DM# 4806557, Leclerc and Québecor, *Désignation confidentielle du protocole d'entente entre Leclerc Communication inc. (Leclerc) et Québecor Média inc. (Québecor) concernant la programmation de CJPX-FM Montréal (99,5 FM)*, (18 February 2025), Attachment: PROTOCOLE D'ENTENTE, version abrégée, at 1: "ATTENDU QUE NumériQ exploite une plateforme numérique dont les activités consistent notamment en la diffusion web de contenu radiophonique connue sous le nom « QUB Radio".



Figure 8 Québecor's 2021 description of QUB Radio

Québecor, Annual Report 2021, at 37	Québecor, Annual Report 2023, at 25
QUB radio is an online radio station that carries	RADIO
a diverse lineup of radio shows and podcasts.	QUB radio continued to be a leader in
Its programs can be streamed live or accessed	digital audio in Québec. It placed among
on demand. In its third year of operation,	the top French-language services on the
QUB radio continued to grow, reaching more	Triton Digital Ranker in 2023 and expanded
than 1.5 million listeners. In 2021, the online	into television in January 2024 with the
radio service was enhanced by the addition of	new QUB specialty channel, which now
a "visual radio" format and no fewer than 40	broadcasts all of QUB radio's weekday
new podcast series.	programs live and in full.

68 The CRTC, though, lists QUB Radio is an authorized or licensed broadcasting service: Figure 9.



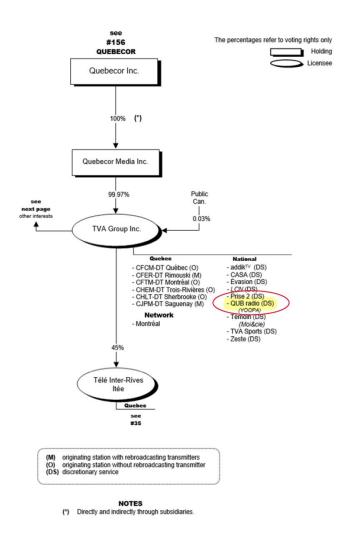
69 The CRTC also clarifies that QUB Radio is "the discretionary service formerly known as YOOPA" in its ownership chart for Québecor:

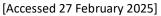
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Figure 10 CRTC lists QUB Radio as a licensed discretionary service in ownership chart 156a







70 Recalling that the CRTC's 2006 Commercial Radio Policy states that local programming does not include "programming received from another station and rebroadcast simultaneously", is QUB Radio a licensed 'station' if it is a licensed discretionary service as described by CRTC ownership chart 156 for Québecor¹⁰⁷ (see Figure 10)? (The CRTC's *Discretionary Services Regulations* do not define 'discretionary service', while the *Radio Regulations* define 'station' as "a radio

¹⁰⁷ CRTC, <u>Ownership Chart 156a</u>, at 2.



programming undertaking or a broadcasting transmitting undertaking", with the latter term appearing to describe both QUB Radio and CJPX-FM.)

- 71 CRTC ownership chart 156a, however, identifies QUB Radio as a "national" discretionary service. If QUB Radio is a national service, to what degree can its programming be considered local for the Montréal community? (Moreover, as the CRTC describes QUB Radio is a national broadcasting service and if Leclerc is working with QUB Radio to decide on the latter's programming,¹⁰⁸ who is actually exercising effective control over the QUB Radio national discretionary licence – Leclerc or Québecor or both? [And if both, does this not imply that QUB Radio's control is indeterminate rather than held by Québecor through NumériQ?])
- 72 In the alternative, if QUB Radio is not a licensed station, is it a network that offers programming produced "in the local community by arrangement with" CJPX-FM? If Québecor is operating a network of which CJPX-FM is an affiliate (even if it is the only affiliate) of QUB Radio, is this network licensed by the CRTC as provided by Schedule 1 of the *Radio Regulations*?
- Nor do Leclerc and Québecor appear to have established a "local management agreement", defined by the CRTC as "an arrangement, contract, understand or agreement between two or more licensees or their associates that relates directly or indirectly, to any aspect of the management, administration or operation of two or more stations, at least two of which" broadcast in the same or adjacent markets.¹⁰⁹ Such agreements must be approved through conditions of licence¹¹⁰ but it does not appear that the CRTC has approved a local management agreement between Leclerc and QUB Radio. Leclerc is licensed to serve Montréal, however, and QUB Radio is licensed to serve all of Canada, leaving the impression that QUB Radio's market overlaps that of Leclerc.
- 74 The Forum was unable to find a CRTC decision authorizing a local management agreement between Leclerc and QUB Radio through, raising the concern that the CRTC's regulatory requirement that local-management agreements be made by way of condition of licence (now service) is being evaded through the device of an unlicensed intermediary that, like QUB Radio, is owned by Québecor.
- 75 Accepting this device means that members of the public who are concerned or offended by Leclerc's weekday programming will be unable to rely on the CRTC to exercise its authority, but must instead rely on the collaboration between Leclerc and the NumériQ committee to ensure good programming practices:

DM# 4807154, MOU, Annex D, at s. 1: "NumériQ accepte d'organiser sa Programmation pour permettre la diffusion de blocs de service (bulletins de nouvelles ou de circulation) en fonction des besoins de Leclerc lesquels doivent être communiqués au préalable à NumériQ pour qu'ils puissent être reflétés adéquatement au sein de la Programmation. ..."
 S. 11.1(1).

¹¹⁰*Radio Regulations, 1986*, s. 11.1(2): "Except as otherwise provided in subsection (3) or under a condition of its licence, a licensee shall not enter into, or operate its station pursuant to, a local management agreement."



... les parties collaborent sur une base continue au développement de la programmation, et plus particulièrement dans le cadre des rencontres bihebdomadaires du Comité de collaboration, dont le rôle est notamment de donner aux parties un lieu d'échange d'idées, d'expériences, de rétroactions constructives et d'assurer de bonnes pratiques quant à la programmation de QUB et de CJPX-FM.¹¹¹

76 As a search of the CRTC's licensing decisions did not yield any results for a QUB Radio network licence or a local management-agreement between Leclerc and Québecor the precise legal status of QUB Radio – needed to determine who the CRTC can hold to account for the QUB Radio programming on CJPX-FM – is uncertain.

C. Commitments to community service

- 77 As noted earlier, the CRTC approved Leclerc's purchase of the CJPX-FM assets in 2020 in part because it proposed to offer a mainstream music format that would add to Montréal's musical diversity, with at least 60% (or 75.6 hours) of the broadcast week comprising music (see Part III, Section A, subsection 1, above). Leclerc also said that the 'bulk' of its programming would be produced by its Montréal studios.
- 78 When it applied to renew its licence in 2023, Leclerc said it would broadcast 126 hours of its 'own' programming each week as the licensee of CJPX-FM, of which news would make up 2.5 hours/week, and that all of its programming would be local rather than from another source.:
- 79 In August 2024 *Le Devoir* added that CJPX-FM had confirmed that 'it will no longer exist in its current form'¹¹² and that CJPX-FM was proceeding to 'an important change in its programming':¹¹³ the station now simulcasts 70 hours per week of QUB Radio's programming, and is carrying an unknown number of hours broadcast by CFEL-FM.
- 80 A search of the CRTC's website did not locate any requests by Leclerc to amend the commitments it made in its 2023 licence renewal application. In other words, after the CRTC renewed the licence for CJPX-FM based on Leclerc's commitments, the licensee itself amended (or resiled, without notifying the CRTC of its decision) from the terms under which it was renewed.

¹¹¹ DM#4773912 – Québecor, Objet : Réponses de Québecor Média inc. à la demande de renseignements du CRTC Entente entre Leclerc Communication inc. et Québecor Média inc. concernant la programmation de CJPX-FM Montréal (WKND 99,5 FM), Dossier 902237 (Montréal, 4 September 2024),

Étienne Paré, "<u>WKND change de visage, Qub pourrait passer sur la FM</u>", *Le Devoir* (8 August 2024): "... la station montréalaise de WKND a confirmé jeudi soir qu'elle cessera d'exister 'dans sa forme actuelle', remerciant par le fait même ses « animateurs qui ont fait rayonner la station au cours des dernières années."
 Ibid.



V. Conclusions and recommendations

81 Based on our review of the materials made available to the public by Leclerc and Québecor, the Forum agrees with the Applicants that the CRTC must intervene immediately to ensure that control of CJPX-FM and of its programming is held fully by Leclerc.¹¹⁴

A. Conclusions

1. Leclerc has resiled from its 2020 and 2023 licensing

- As noted at the outset, Leclerc is the third party to hold the licence for CJPX-FM since the station launched in 1998. Based on its review of the available facts, the Forum considers that the integrity of the CRTC's licensing and licence renewal processes have been compromised by the Leclerc-Québecor MOU: the commitments made by Leclerc in 2020 and 2023 simply bear no resemblance to the programming now being broadcast by CJPX-FM. When Leclerc applied in 2020 to acquire the ownership of CJPX-FM's assets, it asked for a mainstream – yet today nearly half (48%) of its broadcast week consists of news and information.
- 83 The CRTC's 2006 cross-media ownership policy, the ownership application submitted by Leclerc in 2020 and the CRTC's decision to approve Leclerc's acquisition of CJPX-FM's assets show one thing very clearly: if Leclerc had told the CRTC in 2020 that its plan was to replace all music from 6 am to 6 pm with public-affairs programming created and produced by Québecor (through QUB Radio operated by NumériQ as a subsidiary of Québecor, the largest news media organization in the province of Québec), it is extremely unlikely that the CRTC would have approved the application. <u>The CRTC in fact approved Leclerc's ownership application in 2020 in part because its "entry as a new player in the Montréal market would maintain a distinct radio voice in that market".¹¹⁵</u>
- 84 It is clear that Leclerc is either unwilling or unable to meet the commitments it made to the CRTC and to its audiences in Montréal.

2. Leclerc-Québecor MOU challenges CRTC authority

As noted above the legal nature of the Leclerc and Québecor relationship is unclear, as is the status of Québecor's QUB Radio. For instance, while QUB Radio is a discretionary licensee, it does not appear to be operating a network, of which CJPX-FM is an affiliate. The rationale for network licences is to ensure that the CRTC can hold the person most directly responsible for programming to account should the *Broadcasting Act* or its regulations be breached. Whom should the CRTC hold to account for the programming broadcast from 6 am to 6 pm on weekdays by CJPX-FM?

¹¹⁴ Part 1 2024-0630-6, Application, at ¶2.

¹¹⁵ CJPX-FM Montréal – Acquisition of assets and licence amendments, Broadcasting Decision CRTC 2020-137 (Ottawa, 28 April 2020), at ¶33.



- 86 While it is true that many broadcasters address complaints about their programming after its broadcast, the CRTC entrusts to these broadcasters the responsibility to ensure that their programming is and will be of high standard. If and when broadcasters receive well-founded complaints from their listeners, they can¹¹⁶ quickly change their programming. Although QUB Radio, can hire and fire its program hosts ("QUB peut évidemment changer ses animateurs"¹¹⁷), Leclerc has no say in this matter: the process described for the Leclerc-NumériQ committee in article 11.3 of the memorandum of agreement to ensure programming of high standard may take weeks to complete, leaving potentially offensive programming in place for that time.
- 87 The CRTC recently reminded interested parties that "it is necessary to obtain a licence to operate a radio station in Canada, and that obtaining such a licence is a regulatory privilege granted by the Commission."¹¹⁸ In light of the evidence set out by the Forum above, we agree with the Cogeco-Bell application that

Il est primordial que le Conseil n'avalise pas ce type de stratagème délictueux qui aurait pour effet	[Deepl translation]
de compromettre non seulement son rôle de	It is essential that the Commission not endorse
surveillance et de réglementation de tous les aspects du système canadien de radiodiffusion, mais également sa légitimité et sa réputation en	this type of tortious scheme, which would have the effect of compromising not only its role in overseeing and regulating all aspects of the
tant que régulateur canadien de la radiodiffusion et des télécommunications. ¹¹⁹	Canadian broadcasting system, but also its legitimacy and reputation as Canada's broadcasting and telecommunications regulator.

88 The CRTC's acceptance of the arrangement between Leclerc and Québecor may well invite other broadcasters to copy the Leclerc-Québecor arrangement, reducing the CRTC's ability to supervise and regulate Canada's broadcasting system, bringing its administration of its legal mandate into disrepute.

3. Retroactive CRTC approval of Leclerc and Québecor MOU will damage Commission's integrity beyond repair

89 It may be argued that the CRTC should retroactively approve Leclerc's decision to move from a music to a spoken-word format.

¹¹⁶ Even if they choose not to, as with CHOI-FM in the early 2000s.

¹¹⁷ DM#4773912 - Leclerc Communication, *OBJET* : Entente entre Leclerc Communication inc. (« Leclerc ») et Québecor Média inc. (« Québecor ») concernant la programmation de CJPX-FM Montréal (99,5 FM) Votre dossier : Rapids 902237, (Québec, 22 October 2024), at p. 7.

¹¹⁸ CFJR-FM Brockville, CJPT-FM Brockville, CFLY-FM Kingston and CKLC-FM Kingston – Change in ownership and effective control, <u>Broadcasting Decision CRTC 2025-59</u> (Ottawa, 26 February 2025, at ¶49.

¹¹⁹ Application, at ¶13.



- 90 FRPC believes such a move would irrevocably damage the integrity of the CRTC's licensing process as it would so clearly demonstrate that private contracts between broadcasters or between broadcasters and other parties, can readily circumvent the Commission's implementation of the *Broadcasting Act*.
- 91 Published reports in 2018 describe Québecor's owner as saying in connection with QUB Radio that Québecor was "opening a "new model" and that audio programming is lacking in the Québecor ecosystem, which includes the TVA television station and the Journal de Montréal."¹²⁰ Québecor's owner said that the

... company decided not to enter into formal radio, which follows strict broadcast rules, in part because it couldn't purchase a radio station because it already owns television and print holdings in Montreal and Quebec.¹²¹

92 Québecor has also explained in this proceeding why it opposes the CRTC's restrictions on Québecor's entry into the Montréal radio market:

10. Il est évident que cette globalisation des sources d'information et la dé multiplication des voix éditoriales sur les médias traditionnels et numériques, tant pour les nouvelles internationales, nationales que locales, rend complètement désuète la PR 2008-4. Cette situation n'est d'ailleurs pas propre au Canada puisque comme nous l'avons déjà souligné à plusieurs reprises, notamment dans notre intervention ainsi que notre réplique dans le cadre de l'Avis de consultation CRTC 2020-374, plusieurs pays ont aboli leurs politiques sur la propriété mixte des médias et nous encourageons le Conseil à faire de même en abrogeant rapidement cette politique qui est aujourd'hui désuète et inutile. Rappelons d'ailleurs que le Conseil avait lui-même convenu qu'une telle restriction devait être faite uniquement lorsque nécessaire afin d'atteindre ledit objectif.¹²²

93 Permitting Québecor to continue to operate QUB Radio so as to circumvent the CRTC's crossmedia ownership policy will bring the CRTC's administration of its legislated responsibilities into disrepute by making a sham of the CRTC's enforcement of this policy.

4. Integrity of licensing process compromised by private contract

94 Before licensing CJPX-FM the CRTC in 1997 invited other parties to apply for the licence for a new FM radio station for Montréal. The CRTC told these parties that they should at least address themselves to these six issues:

¹²⁰ DM#4773912 – Québecor, Objet : Réponses de Québecor Média inc. à la demande de renseignements du CRTC Entente entre Leclerc Communication inc. et Québecor Média inc. concernant la programmation de CJPX-FM Montréal (WKND 99,5 FM), Dossier 902237 (Montréal, 4 September 2024).

¹²¹ Press Canadienne, "Québecor launches new internet radio station QUB" <u>The Gazette (4 October 2018, 9:39 PM)</u>.

¹²² DM#4706038, Québecor, Objet : *Réponses de Québecor Média inc. à la demande de renseignements du CRTC Entente entre Leclerc Communication inc. et Québecor Média inc. concernant la programmation de CJPX-FM Montréal (WKND 99,5 FM)*, Dossier 902237 at ¶10 (Montréal, 4 September 2024) at ¶10 [footnotes omitted].



1. The contribution that the proposed service will make to achieving the objectives established in the Broadcasting Act and, in particular, to the production of local and regional programming.

2. The expected audience of the proposed service and its impact on the audiences of existing radio stations.

3. The proposed expenditures and the means by which the applicant will promote the development of Canadian talent, including local and regional talent.

4. An analysis of the markets involved and potential advertising revenues, taking into account the results of any survey undertaken supporting the estimates, as well as the impact on advertising revenues of existing radio stations.

5. Clear evidence of financial viability consistent with the requirements established in the applicant's financial estimates, including clear evidence of additional financing readily available should the estimated revenues not materialize.

6. Clear evidence of the financial viability of investors involved. For the convenience of applicants, the Commission has available upon request a document entitled "Documentation Required by the Commission to Support the Availability of an Applicant's Proposed Financing".

- 95 The CRTC then denied the applications submitted by six other parties, and licensed CJPX-FM. ¹²³
- 96 What should new applications for radio station licences or for any other broadcasting licence take away from a decision now by the Commission to ignore or tacitly approve CJPX-FM's annulation of its 2020 and 2023 commitments? Again, the Forum supports the Applicant's request that the CRTC take expeditious action to ensure that its regulations and policies are adhered to by licensees.

B. Recommendations

97 While the CRTC may decide to issue administrative monetary penalties if it finds that Leclerc and Québecor, experienced broadcasters, are operating services that require licences without such licences, it has several other options.

1. Order Leclerc to stop retransmitting the QUB Radio service

98 The CRTC may at this time consider that it has sufficient evidence to reach the determinations sought by Cogeco and Bell. FRPC agress that the CRTC should order Leclerc to stop rebroadcasting QUB Radio (that is, in any event, still licensed as a television programming service¹²⁴) – but notes that Leclerc may no longer employ any staff to provide programming

¹²³ CBC/RC (seeking an AM-to-FM conversion for CBF-AM Montréal); Paul Tietolman and Metcor inc.; Radio Nord inc.; André Morrow and Michel Lafond; Radio Communautaire Francophone de Montréal inc., and Métromédia Commissioner Montréal inc., proposing "to convert CKVL Verdun to … FM … and operate in the Talk specialty programming format" and seeking "an exception to the Commission's multiple ownership policy" due to its existing licences in Montréal (CIQC and CFQR-FM Montréal): <u>Decision CRTC 97-293</u>, ¶¶6-9.

¹²⁴ Raising questions about the degree to which it is appropriate for radio stations to simulcast or rebroadcast television programming in light of continued spectrum scarcity considerations.



content, leaving Leclerc with no option but to suspend its operations (as other radio stations have when faced with similarly dire financial circumstances) until it can determine its best course of action.

99 The Forum nevertheless believes the broadcasting system is worse off if broadcasters that evade the law are allowed to continue to do so, than if one of many radio stations goes off air until it can be replaced.

2. Inquire into the Leclerc-QUB Radio agreement and issue a mandatory order

- 100 If the CRTC does not consider that it has sufficient evidence to decide what is happening between Leclerc, Québecor and QUB Radio, section 12(1) of the *Broadcasting Act* permits the CRTC to "inquire into, hear and determine" either if Leclerc is contravening Part II of the *Act* or "any regulation, licence, decision or order made or issued by the Commission" under Part II,¹²⁵ or if the CRTC should issue the order requested by Cogeco and Bell.¹²⁶ While the 2023 *Act* empowers the CRTC to amend CJPX-FM's conditions of service on its own motion, section 12(2) empowers the CRTC to issue a mandatory order to Leclerc, although in so doing it must hold a public hearing unless it believes the hearing is unnecessary.¹²⁷
- 101 This hearing would provide the CRTC with the opportunity to question Leclerc and its testimony directly. The Commission noted in 1997 that its public hearing regarding the FM-radio applicants seeking to serve Montréal

... gave an opportunity for interested persons and organizations from all areas - artists, journalists, record producers, broadcasters and listeners in the region - to speak and express their viewpoint on the applications in this proceeding and on the current broadcasting situation in Montréal. The Commission was, therefore, able to gather all the information necessary to reach its decision.¹²⁸

102 Depending on the evidence from this hearing, the CRTC could decide to issue an order revoking the CJPX-FM licence and invite applications for the use of its 99.5 MHz frequency which it could consider at a public hearing held before the effective date of the CJPX-FM revocation order. While some of the CJPX-FM audience may be disappointed by the loss of the stations' service the number of radio stations from which people may choose in that city ensures that no one will be deprived of news, information or music.

3. Cogeco-Bell application correct to challenge Québecor's role in CJPX-FM

103 In our view, rather than raising questions over the effective control of another broadcast licensee, it would be more appropriate a party such as Québecor either to apply to the

¹²⁵ Broadcasting Act, s. 12(1)(a).

¹²⁶ S. 12(1)(d).

¹²⁷ S. 18(1)(d).

¹²⁸ Approval of the application by 9044-1569 Québec inc. for authority to operate a new French-language FM radio programming undertaking at Montréal, <u>Decision CRTC 97-293</u> (Ottawa, 4 July 1997), ¶2.



Commission for reconsideration of the CRTC's 2008-4 policy, or to make its views known in the context of the CRTC's 'market dynamics' proceeding: *The Path Forward – Working towards a sustainable Canadian broadcasting system*, <u>Broadcasting Notice of Consultation CRTC 2025-2</u> (Ottawa, 9 January 2025, for which the intervention deadline is 24 February 2025.

- 104 Cogeco and Bell then ask that the CRTC issue an order prohibiting Québecor and Leclerc from broadcasting the programming of QUB Radio on the 99.5 FM frequency [CJPX-FM Montréal] in prime time.¹²⁹
- 105 That said, and given the Forum's conclusions noted above, FRPC supports the application by Cogeco and Bell, and believes the Commission should issue this order within the next 30 days.

4. Competitive renewal

- 106 Finally, While the Forum supports the Cogeco-Bell application, we note that the CRTC issued the original CJPX-FM licence issued in a non-competitive process in 1997, ¹³⁰ considered the change in CJPX-FM's ownership in "the non-appearing phase" of a public hearing held in February 2020,¹³¹ and 'heard' Leclerc's 2023 renewal through a Part 1 application, no-hearing process.
- 107 Holding an actual public hearing would enable people in Montréal to express their views about CJPX-FM directly to the CRTC hearing panel: it would allow the 2% to 3% of Canadians who enjoyed CJPX-FM's classical music service before the CRTC decided that its "limited audience share" justified the station's transformation into an Adult Contemporary station, to express their opinions to the Commission in person.

¹²⁹ Cogeco and Bell Média, *Demande en vertu de la Partie 1 visant à interdire à Québecor Média inc. et Leclerc Communication inc. de diffuser le contenu de QUB Radio à la station 99,5 FM*, <u>Part 1 Application 2024-0630-6</u> (20 November 2024) [Cogeco-Bell Application], at ¶49.

¹³⁰ Approval of the application by 9044-1569 Québec inc. for authority to operate a new French-language FM radio programming undertaking at Montréal; Approval of the application by the Canadian Broadcasting Corporation to convert AM station CBF Montréal to the FM band on frequency 95.1 MHz; denial of the five other competing applications to use this frequency, <u>Decision CRTC 97-293</u> (Ottawa, 4 July 1997). The CRTC explained that while the CJPX-FM matter was handled as a non-appearing matter, the

^{...} public hearing [on six other competing applications for a different frequency] gave an opportunity for interested persons and organizations from all areas - artists, journalists, record producers, broadcasters and listeners in the region - to speak and express their viewpoint on the applications in this proceeding and on the current broadcasting situation in Montréal. The Commission was, therefore, able to gather all the information necessary to reach its decision.

¹³¹ Notice of hearing, <u>Broadcasting Notice of Consultation CRTC 2019-358-1</u>, (Ottawa, 13 November 2019), Addition of item 4.



In conclusion, the Forum supports the Cogeco-Bell Application, and asks that the Commission take the steps to ensure that the integrity of its licensing process is respected.

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cc.

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