



House of Commons
CANADA

Standing Committee on Canadian Heritage

CHPC • NUMBER 011 • 1st SESSION • 38th PARLIAMENT

EVIDENCE

Wednesday, December 8, 2004

—
Chair

Ms. Marlene Catterall

All parliamentary publications are available on the
"Parliamentary Internet Parlementaire" at the following address:

<http://www.parl.gc.ca>

Standing Committee on Canadian Heritage

Wednesday, December 8, 2004

•(1610)

[English]

The Chair (Ms. Marlene Catterall (Ottawa West—Nepean, Lib.)): I am calling to order this meeting of the Standing Committee on Canadian Heritage—and trusting my colleagues from the opposition.

We're just going to be doing committee business for a short while, because if we do want to start our study of the film industry in the new year, we have to get a budget and program to the Liaison Committee by next Tuesday for approval of the budget. We haven't asked them for any money yet for our operations. That will allow our clerk to begin contacting potential witnesses and inviting them to send briefs to us so we're all prepared to go when we're back in the new year.

Do you want to just go over what's in here, Jacques, since people haven't had the material in advance?

The Clerk of the Committee (Mr. Jacques Lahaie): You have in front of you the terms of reference, that the committee would want to do a study on feature films, and then the second document is a schedule of meetings. You might wish to first have a look at the terms of reference, and then we could look at the schedule of meetings and the budget for this study.

The Chair: Take a minute or two to read the terms of reference. I think they're pretty straightforward.

•(1610)

_____ (Pause) _____

•(1613)

The Chair: Can we start with the terms of reference? Are there any comments?

Ms. Oda.

Ms. Bev Oda (Durham, CPC): I'll just ask a question if I could, Madam Chair. I'm wondering, in order to move forward on a study of the influence and effectiveness of a policy that's been in effect for three or four years now, what kind of base information we might be provided with before we initiate this study. For example, what was the state of the industry five years ago? What would be the latest numbers we have on the number of films produced and the box office, that kind of information? Would we have that before we undertook the study?

The Chair: I've had a brief discussion with the minister. As you mentioned, she has been doing some consultations in a much narrower way. I talked to her about the concern that we not be duplicating. She's quite happy to have the committee look at broader

issues, because we can cover areas, such as the CRTC and its role and influence, she cannot be involved in.

What I would propose is that one of the things we might decide out of this is that I would write to the minister asking that any information from the consultations she has conducted to date be made available to the committee. I would suggest that we have her as our first witness and that we have that information provided to us before we begin our hearings on this, because I understand from our analysts that it will include exactly the kind of information you're talking about.

•(1615)

Ms. Bev Oda: I understand that it may require special requests, maybe of StatsCan, etc., for some industrial indexes that will have to be requested, and time will have to be allowed for that information to be gathered in order for it to be effective in our sessions with various interest groups and parties. I think having that information before us would be helpful.

The Chair: It would be helpful for them to have it as well. As we proceed, I will take any motion to request whatever information you think the committee will need.

Ms. Bev Oda: Thank you.

The Chair: Are there any other comments on the terms of reference?

Hearing no disagreement, is it agreed then?

[Translation]

Mr. Kotto, do you have anything to say about the mandate?

Mr. Maka Kotto (Saint-Lambert, BQ): I have nothing to say about the mandate itself. I would simply like to know why that amount was requested in order to fulfil the mandate.

The Chair: One thing at a time: let's start with the mandate.

Mr. Maka Kotto: Okay. We will come back to the budget later.

On the mandate, aside from the semantics which, at this point, are not all that relevant, I have no other comment.

The Chair: Thank you.

Let's move on to the agenda.

[English]

This obviously has to be flexible. What our staff has tried to do is schedule what we can do on the film industry with what we expect might be our major piece of legislation in the spring, hopefully, which is copyright. It's not clear yet when the copyright bill might be tabled in the House and when this committee would have it to deal with, but I certainly hope it would be no later than right after the spring break. That obviously will have to be flexible. Those are the two things we have to try to work into our schedule this spring.

Our schedule switches from Monday and Wednesday afternoons to Tuesday and Thursday mornings when we come back in February. What our clerk has tried to do is give us the Tuesday meetings for other topics we may want to deal with and the Thursday meetings for our feature film study. Obviously, the details of this can change from time to time.

Right now we would start the first week we're back on the Thursday morning with the CRTC, and then on the 10th, 17th, and 24th we'll have the major actors. We might combine it and have two or three of those in at one time.

An hon. member: Are these all morning meetings?

The Chair: Yes, that's our new schedule.

[Translation]

Mr. Maka Kotto: I thought we might have been able to combine them to examine them at the same time. Otherwise we risk falling into the same configuration that we had last time, when we heard witnesses on the UNESCO draft convention on diversity. At that time I had suggested that we meet twice, in view of the number of witnesses that had been called. The last group, the coalition representing people from across Canada and Quebec, left a little frustrated, because they had travelled here from all over in order to answer a single question. So I have reservations when it comes to grouping witnesses.

The Chair: Thank you.

Mr. Lemay.

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): I have a problem. Madam Chair, I would like some information. Word has it that the House will rise next Tuesday; if that is the case, will the committee meet on Wednesday, the 15th? If the House adjourns and if we do not meet on the 15th, we will have to find some way to send a hasty invitation to the CBC brass for an appearance early in the new year.

• (1620)

The Chair: That's true. Our researcher tells me that even if the House is not sitting, the committee can continue its work and hold a meeting, if it wishes to do so. Otherwise, I agree that we will have to hear the CBC witnesses very early in February.

Mr. Marc Lemay: With all due respect, Madam Chair, I'm not sure how many of us will be staying if the House adjourns on Tuesday. I adore the Standing Committee on Canadian Heritage, I am thrilled to listen to witnesses, but I must apologize: the North Pole is calling, and so is Santa Claus.

The Chair: If the House does not sit next Wednesday, the committee will not sit either, and I will speak to the clerk to arrange

for the appearance of the CBC witnesses as of the first week in February. Agreed?

Mr. Marc Lemay: Agreed.

The Chair: *Madame Oda.*

[English]

Ms. Bev Oda: Madam Chair, on the Tuesday morning meetings, I don't know if you're aware, but the opposition shadow cabinet meetings are on Tuesday mornings. Consequently, I would be obligated to attend the shadow cabinet meetings on Tuesday mornings.

The Chair: That's precisely why we scheduled the film study on Thursday morning. Not really, no, but it's a nice coincidence.

The problem is that this is not just our committee. All committees are changing. That's something that's agreed to among all the whips and House leaders, which we really have no control over.

Ms. Bev Oda: We should check with our House leaders to see if those meetings have been changed.

Thank you.

The Chair: On the schedule, recognizing that it obviously has to be flexible, are we agreed? Basically we would hear from the main agencies the first week. I might want to switch that around to hear from the minister as a preliminary and then carry on with that.

We've scheduled the beginning of the copyright bill the third week in March. I'm not sure that we will have it by then. If not, we'll fill it with more witnesses.

The second week in March, we have scheduled two days in Vancouver—one to hear witnesses and one for some site visits, possibly. We have also scheduled two days in Montreal and two days in Toronto in April.

Are there any feelings that there are other centres we should be visiting, or that we shouldn't be visiting Vancouver, Toronto, and Montreal? Are there any other comments on that schedule?

Mr. Gary Schellenberger (Perth—Wellington, CPC): Are there any areas in the east we should be visiting, like Halifax or Newfoundland?

The Chair: I'm not sure. That was my concern, that there's nothing in Atlantic Canada.

I think we all might want to consult with our caucuses to see if they feel a need for that. The schedule, obviously, can be changed if necessary.

Is there any disagreement on the general outline of the schedule, or are there any recommendations for change?

Mr. Gary Schellenberger: My only thing, why I mentioned Halifax or the east, is that this is a Canadian thing. If we can go to Vancouver, we should most definitely go to the Maritimes. Whether it's Nova Scotia, New Brunswick, or Newfoundland, or one day in Halifax, one day in St. John's, I don't know. I think that would cover the whole realm. We'd be coast to coast.

Some hon. members: Agreed.

•(1625)

The Chair: We should add Halifax, or whatever seems to be the most appropriate centre in Atlantic Canada.

Mr. Angus.

Mr. Charlie Angus (Timmins—James Bay, NDP): I would support Halifax. However, I do think that we should look into it first. I don't think that travelling across the country.... It's symbolic, but I think we should at least come back with recommendations from our own people to see the need before we just agree that we're going to travel.

The Chair: So in fact find out if there are enough producers, studios, or organizations that it's worth a day in Halifax, that in fact we would have enough witnesses.

Mr. Charlie Angus: Yes.

We are spending a fair amount of money in travel, and it's important to travel, but if we hear the same message consistently, I don't want to be in eastern Canada just to be in eastern Canada. I'd love to be in eastern Canada. I'd visit my relatives.

If we can come back with some recommendations, we should make the decision then.

The Chair: Can I suggest that we ask our staff to investigate who might be witnesses? If it's only two or three individuals or organizations who would want to appear, then it probably makes more sense to bring them here.

Mr. Keddy.

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Thank you, Madam Chair.

Coming from Nova Scotia, I would certainly hope that the committee would intend to travel to Halifax. There's a large film industry in Halifax. Vancouver, Toronto, and Halifax are the three cities in Canada where the industry is really set up in. There are a number of studios. There are a number of television shows.

The reason, of course, for travelling to the east coast would be first of all to give recognition that there's a very vibrant film industry in the east coast. I'm not a regular committee member here, but certainly there are a number of TV series that have been produced and continue to be produced in the east coast. Halifax is very much the centre of that industry. They also have some unique problems, as does the industry across Canada. In Nova Scotia they're tied up constantly with the inability to get the film industry workers to work outside of the city limits because of the per diem that's paid to those individuals when they are outside the limit. So there are some issues like that, which should be of interest to the committee, I would expect.

The Chair: May I just say that given that it was a Nova Scotia company that made it possible for Michael Moore to produce *Bowling for Columbine*, I'm very impressed. And our expert in the department advises that in fact, yes, there is enough there—enough production, enough people—to fill a full day.

Mr. Gerald Keddy: And don't forget *This Hour Has 22 Minutes*.

The Chair: Of course.

Okay, is it agreed that we add Halifax?

Mr. Kotto.

[*Translation*]

Mr. Maka Kotto: I would have no problem going to Halifax. We would need to define why we are travelling. Is it with the intention of gathering—and I am referring to the mandate—all of the ideas that are expressed, explored, explorable, or exploitable, to strengthen Canada's film industry? If that is the case, then we should be efficient and we should go where the action is, whether the space is infinitely small or infinitely large.

My colleague earlier said that there were three capitals in Canada. He forgot Montreal, and I would like to point out that it is an important production venue. So, if we really want to be efficient, I think we will have to go where the production is happening, essentially, and avoid any pro forma travel, so that we might avoid giving the wrong impression which could come back to haunt us later on.

The Chair: Excellent. The entire committee is sensitive to the needs of all regions of Canada.

[*English*]

Ms. Oda.

Ms. Bev Oda: Madam Chair, just a couple of inquiries if I might. Are we aware of when in February, I think it is, the Canadian Film and Television Production Association's annual conference is?

The Chair: It's the first week in February.

Ms. Bev Oda: So we would in fact be in Ottawa.

The Chair: Yes.

Ms. Bev Oda: I'm just wondering if we could maybe coordinate representation from that organization when a number of their members would be in town in Ottawa at that same time.

•(1630)

The Chair: I did discuss that briefly with them this afternoon. I think they're quite tied up with their conference, but they have no problem with coming at another time for the committee. We will all receive a copy of their agenda when it's a little further along. They would very much like members of the committee to come to some of the workshops and presentations they have during that conference. It starts the Wednesday night and goes through to Friday, I guess.

Ms. Bev Oda: Thank you.

Second, is there opportunity for us to get reports or information from the various provinces on their programs that they have available?

The Chair: I think that's an excellent suggestion. We're all aware of the lobbying that's taken place in Toronto for better tax credits.

Ms. Bev Oda: Third, will there be opportunity, or could we cause there to be opportunity, to talk with the American film industries, since there are a lot of productions that are American-produced that actually are produced in Canada? It would be good to talk to them about their activity—the amount of activity that's happened historically and that might be forecast to happen in the future.

The Chair: Can we explore that further and see what we can do to incorporate that?

Okay, before we get to the budget, we have a motion that generally the terms of reference for the committee's study on the feature film industry in Canada and the scheduled meetings for this study be adopted, recognizing that the schedule has to be flexible.

Yes, Mr. Shelliner... Mr. Schellenberger. Sorry.

Mr. Gary Schellenberger: That's okay; it's a long day.

The Chair: I keep confusing you with another person I know.

Mr. Gary Schellenberger: Do you need a motion?

The Chair: Yes.

Mr. Gary Schellenberger: I'll make the motion.

The Chair: Comments? Mr. Angus.

Mr. Charlie Angus: I second it.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Let's have a look at the budget, recognizing that we've decided to add Halifax to the schedule. It will obviously have to be revised to include that.

Mr. Lahaie. You can present the dollars.

The Clerk: I will come back on Monday with a new budget adding Halifax to the one you have in front of you. The budget, of course, covers the travelling. The main items are travelling to Vancouver, Montreal, and Toronto. The total budget will be increased by around \$30,000 by adding Halifax.

This budget covers hotels, airplane tickets, interpretation, support services. The committee will be holding public hearings, so we will need interpretation and transcription. That's why you have a number of people as support staff that have to be included. The committee will want to visit facilities of production studios and meet with some organizations while in Halifax or Vancouver.

We provided at the end a separate budget for hiring a consultant, an expert in the field of the feature film industry. This person would be hired through the Library of Parliament and will be at the committee's disposal for any research the committee needs.

The Chair: I must say I am very much in favour of using the resources available to us through the library. In this particular field we will probably want to use an economist from the Library of Parliament. However, there isn't somebody with the expertise in this particular industry in this field. This is the person, I gather, who worked with the committee through its broadcasting study, worked with Mr. Lincoln through his study of third language broadcasting in Canada. I do have a bias to use the library where possible but the required expertise simply isn't available.

Are there any comments?

Monsieur Lemay.

•(1635)

[*Translation*]

Mr. Marc Lemay: Since Mr. Lahaie will be back with a new budget on Monday, could he prepare a new schedule as well, so that we will know when the vice-presidents of CBC will be appearing, etc.?

The Clerk: I will deal with that on Monday, but if we have to wait until Tuesday for the answer, and if the House adjourns Wednesday, automatically, I would provide you with an amended agenda for February.

Mr. Marc Lemay: So, as of February, the committees will seat from 9 to 11 a.m. on Tuesdays and Thursdays.

The Clerk: That is right. The whips' offices must approve, but if there is no major problems, that is how we will proceed. If there is a problem, the whips will let us know.

[*English*]

The Chair: If the budget is approved at our Monday meeting, there's still time to get it to the Liaison Committee on Tuesday, because it has to go to the House leaders on Tuesday afternoon. I don't want us to have to wait until we come back in February, because this is going to be a fairly hefty study.

I should say, by the way, I have asked our clerk to see if per chance we can reduce some of the costs of this—we won't know before Monday—by looking at whether there are government meeting or conference facilities in Vancouver, Toronto, and Montreal that we might use to avoid booking hotel rooms. We'll obviously balance that against convenience for our witnesses, for members of the committee and so on, but it seems to me it's something we should at least explore. If so, we won't spend the whole budget, obviously. It might mean that translation services are available so we don't have to pay for those facilities. I'd rather keep the money for extra things, if we can.

Mr. Lemay.

[*Translation*]

Mr. Marc Lemay: In Montreal, the Guy-Favreau Complex would be perfect. They have all of the necessary equipment. We simply have to check the dates. The Guy-Favreau Complex already has the equipment.

The Chair: And there is Canada Place in Vancouver.

[*English*]

We'll bring back a revised budget on Monday with Halifax included.

Thank you very much, members of the committee. Now we can go back to our main topic for today.

Ms. Peterson, will you be starting your presentation?

Ms. Susan Peterson (Associate Deputy Minister, Department of Canadian Heritage): Yes, I will.

The Chair: Might I say that, as one member of the committee, I was quite disturbed to find a pile like that on my desk. First, the committee cannot read through that in a couple of days before a committee meeting. Second, I would hope the department is able to put together a better summary of the objectives of the program, how it has been used, how much money it has had over what period of time and what kinds of results we're achieving with it. Frankly, I was quite appalled. Perhaps other members of the committee do or don't share my opinion, but we are not here to look through piles of bureaucratic papers. We are here to have an appreciation and an understanding of the program, and I don't think we have that yet. I hope you can give it to us in the next few minutes.

Ms. Susan Peterson: Yes, I certainly found the pile dismaying too.

We were asked for full information on Tomorrow Starts Today, and I know you were overwhelmed with the results. It was done in good faith, perhaps based on the misconception that Tomorrow Starts Today is a program. In fact, it was an investment made at one time to top up existing programming in the department and to do some new programming. What we attempted to do was to give you all the information on each and every one of the programs affected by Tomorrow Starts Today funding, and that was the result. I know it's unmanageable.

We gave the clerk today a much shorter deck, which I hope will be useful to us today in giving you a sense of what the Tomorrow Starts Today funding has meant for the department. What I will do is to show you, in effect, the programs affected by the funding from Tomorrow Starts Today; what it has meant across the country; and at the same time illustrate the seriousness with which we have set objectives for these programs, so that we can be sure we can measure performance against objectives.

In the field of arts and culture, there is the issue of quantitative objectives, and we give some information on that today. But there is always the issue of qualitative results; so at the same time as giving you numbers, we will attempt to illustrate with some concrete examples exactly what this funding has permitted.

If you will change to page 2 of the deck, the decision in 2001 was indeed a major one for arts and culture in Canada. As you know, it was perhaps the most important investment in arts and culture by the federal government since the creation of the Canada Council as long ago as 1957. As I said, Tomorrow Starts Today is not a program itself; it's a rubric, if you like, for an investment that builds on the existing base of funding in Heritage Canada and at the Canada Council for the Arts. The rest of the deck will illustrate this for you.

I want to give you a sense of how significant that investment is. It represents 65% of the department's support for the arts, book publishing, sound recording, new media industries, and cultural exports. With respect to the Canada Council, the extra funding that was provided in 2001 represents just about 17% of the government's funding to the Canada Council.

Now, there are common core purposes behind this new funding, as there are for the existing funding of the programs in the department and the Canada Council for the Arts and cultural industries. Those are basically and fundamentally to support the creation of cultural

works, and to help ensure they reach Canadians, and indeed that they reach further, or abroad.

Newer emphases that were permitted, if you wish, with the funding decision in 2001 ensure that government support reaches those who create from diverse cultural traditions so that their creations reach wider Canadian audiences, and that cultural organizations themselves become more sophisticated, not in the creative aspects of their work, but in their governance, business planning, and administration, which is very important to their future financial security. These investments also help both cultural organizations and industries to harness new technology, and there is now a stronger emphasis on exports.

Page 3 of the deck illustrates this graphically. Very briefly, it shows the continuum, from creation, through production and distribution, to audiences—audiences being the participation of Canadians and their communities in the excellence and diversity of the arts and culture of Canada.

I don't want to pause for long at page 4 of the deck, as I think you need glasses for it, but it illustrates the full range of programs at Canadian Heritage supporting the arts and culture. Those that are coloured are the programs that benefit from funding under the Tomorrow Starts Today rubric. I'll outline each of those in turn, to give you a sense of what's being accomplished.

● (1640)

First, on page 5 of the deck, the arts. The department supports non-profit arts companies and organizations that train professional artists and that create, perform, and present the arts. It has instituted a program that celebrates each year a select number of communities across Canada that really get it with respect to arts and culture and make them part of their community lives. The top box on this page shows that together the funding under Tomorrow Starts Today represents 78% of funding for these programs.

Briefly, I want to outline some results. The national arts training contribution program has been able to expand support from 18 to 35 national organizations that train artists for professional careers. While we've long supported organizations like the National Ballet School in Toronto, the National Theatre School in Montreal, the Banff Centre for the Arts, the Royal Winnipeg Ballet, and the like, we can now support organizations that provide training in culturally diverse and aboriginal arts. There are an Indian classical dance company in Toronto, an aboriginal theatre company in northern Ontario, an African dance company in Montreal, an aboriginal visual arts centre in Penticton, and an indigenous media arts group in Vancouver, as examples.

I would just like to add one point here, and it concerns the decisions with respect to which training organizations are of a calibre to merit the government's support. We don't make those decisions on our own. We are supported by independent experts from the artistic community. They go out, for instance, to the institutions and provide first-hand observation and analysis of what is actually being done in these various schools. Then, together with advisory groups from the arts communities, the government decides which ones of these are of a sufficient calibre for support. The extra money has led to the funding of a much wider range of training organizations than had been possible in the past.

Page 7 of the deck: Cultural Spaces Canada is an infrastructure program. It has enabled the government to reach into communities across the country to help in modest ways to improve the sites where Canadians see artistic performances and take part in heritage activities. It also helps update specialized equipment so these organizations can improve the quality and the accessibility of what they offer, including accessibility to the disabled, and in a very few cases there's been help to create brand-new facilities.

As this page notes, the average contribution is a small one—it's only \$270,000—but these contributions do make a real difference. In every case the government is explicitly a partner; it's never the main funder. This is illustrated on the page by the fact that each federal dollar has been accompanied by an average of \$6 from other sources. That's why this program, although modest, has really done some things that are widely appreciated and deeply appreciated in a lot of communities throughout Canada.

I'll just give you a couple of examples. The Centre culturel de Caraquet in New Brunswick received \$1.5 million towards the construction of an arts centre that has studio spaces for performances, a gallery, and a training centre. The Iqaluit Music Society in Iqaluit got \$16,000 towards the purchase of specialized equipment to improve their music society's presentation of their annual music series. That gives you a range of the types of things this modest program has been able to help with.

Page 9 of the deck: The Canadian arts and heritage sustainability program is designed in all its parts to help both arts and heritage organizations to focus more clearly on the way they deal with things like governance, business planning, management, and financial security, things that often get too short shrift. This is an incentive to actually pay attention and help people acquire the expertise and the skills to do these things better.

• (1645)

To illustrate results, I can say that the incentive to attract endowments from the private sector, which of course builds the financial stability of these organizations, has helped 45 organizations so far. This includes big organizations like the Vancouver Opera and Les Grands Ballets Canadiens, but smaller ones too, like the Théâtre populaire d'Acadie and the Red Deer Symphony Orchestra. Thanks to this kind of incentive, these organizations now can benefit from a new source of funding in perpetuity because they just use the income from these endowments to help them with their operating expenses.

I just want to quickly call attention to the start of something called the Creative City Network. This network, thanks to Tomorrow Starts Today, was created by municipal cultural development professionals.

They share best practices and they pool resources, but what they're basically doing is getting together across the country to make sure that together they can make culture a bigger part of the planning agendas in each of their communities. It's turned out to be a very nice little success.

Page 10 of the deck: Cultural Capitals of Canada is an innovation. For very little money it has had remarkable results in energizing communities. It's a national competition. Each year municipalities across Canada compete to receive the Cultural Capital of Canada award. Each year it's given to four municipalities with a real commitment to the arts and culture, and a fifth award is made to a group of municipalities. They have to be in two or more provinces or territories that get together to do reciprocal cultural exchanges. Mayors of these winning cities have found this a real feather in their cap, so there really is quite keen competition for these awards.

Page 11 of the deck deals with book publishing. The department spends about \$40 million a year supporting the book industry in Canada. As this page shows, 23% of that funding comes from the investment known as Tomorrow Starts Today. The support program for the book industry is celebrating this year its 25th anniversary, and frankly, as the industry tells us, it has been absolutely indispensable in gaining what is worldwide recognition for the remarkable excellence of Canada's authors.

The top-up funding that was provided in 2001 has helped stabilize the book publishing sector in the face of rapidly changing market conditions such as the collapse of Canada's largest book distributor a couple of years ago. It has also helped the book industry to adopt new technologies that really strengthened their ability to know when to put books in stores so they don't waste so much in returns from booksellers and things like that. It has also allowed the government to do more to promote Canadian writing through support for events across Canada such as writers' festivals and *salons du livre*.

Page 12 of the deck: the Canada music fund. The government has supported Canada's music industry and artists for over 45 years now, and Canadian artists, as you know—opera, symphony, jazz, pop—are known around the world. At the same time, this page shows, Canadians themselves spend more and more of their money each year on Canadian artists as opposed to foreign music artists.

The increased funding in 2001 has been put to work in a number of ways. Just for example, the creators' assistance program reaches songwriters and composers in remote and rural communities through its series of travelling songwriter showcases called Bluebird North, where writers sing and tell. Another example is the Canadian musical memories program. This program ensures that Canada's musical heritage is available to Canadians through the library and archives' online services. It's also enabled the library and archives to first acquire and then preserve the musical works of important Canadian musical talent. The new musical works program and the Canadian musical diversity program help artists from communities across the country to both produce and market their musical works.

Page 13 of the deck: Canadian culture online. I've learned that Canada is nothing short of a world leader in putting cultural content on the Internet and creating portals so Canadians and indeed anyone else can find the stuff that's there. We do this in both official languages, and we have created sites particularly for aboriginal content and communities. This page illustrates how the new funding contributes to these endeavours.

• (1650)

Page 14 of the deck deals with the trade routes program. This is a new program made possible by the 2001 investment. You can see that has allowed a number of positive steps to be taken to make culture a meaningful part of Canada's trade agenda.

Page 15 simply outlines the cycle of audits and evaluations on these programs that have been completed, are under way, or are scheduled.

Finally, on page 16, to bring the picture together, it simply summarizes what's being realized from the programs and the program enhancements that the 2001 investment has made possible.

So you see it's not one program, it's a lot of programs. That, I hope, is a more useful overview of the broad scope and some of the concrete details of what this program does and the steps that we've taken with respect to the evaluation and audit of these programs.

• (1655)

The Chair: Thank you, Ms. Peterson.

I did want to say that the reason this is on our agenda before the Christmas recess is because the committee felt strongly that this was a valuable program. We're looking for some support for that opinion, and we're most interested in seeing how we can avoid a break in the funding it provides.

Mr. Schellenberger.

Mr. Gary Schellenberger: Thank you, and I thank the witnesses for being here today.

My riding happens to be Perth—Wellington, and in Perth—Wellington we have a city by the name of Stratford, and in Stratford we have the Stratford Festival. I know that Tomorrow Starts Today is a very integral part of their whole being in these past few years. I know they've very aggressively started the endowment fund, and it's quite substantial right now.

The program is quite complicated, but through that it shows transparency and it's very integral to a lot of theatre throughout

Canada. Various people I've spoken to are very supportive. When they came out with the program four years ago it was for three years, and I know it had sunset in three years and sunset means end. I don't like that word. I think you've heard me say that before—I don't like sunset. And then there's one more year.

We've heard from the CBC on sustainable funding, and from some of these people involved in theatre and everything. Again, it's sustainable funding. You talk to these people of the long term, look long term, and then it seems the ministry doesn't look long term; they look very short term. So that's fine, but...

I'm almost frightened to say what I have to say, because I don't want to put any of my people—the Canadian Baseball Hall of Fame happens to be in my riding also—in jeopardy. I don't want to put any of these people in jeopardy. But I have to say that I have watched what has happened very personally to me on the funding that comes from this program, and I wonder sometimes if funding is available to those people only who vote for the sitting government. Because for any moneys that have come to the festival in Stratford there have been directives come down from the PMO to the festival to make sure I wasn't there, and that I didn't know, or they would not get the funding. This even goes back to the byelection I won in 2003; there were directives from the government that the festival support the Liberal Party or they might have their funding cut.

I think it's a tragedy when this happens. If there are various people out there who wonder why some of the opposition parties don't support some of these programs, it's because of the democratic deficit that I see within this government. I've stated that point. And at the same time, I hope I never jeopardize any of the people I am supporting, but this is happening. And if you don't think the sponsorship program, for which the inquiry is going on right now, doesn't happen within this program, I am living proof that it does.

So with this, I still think it's a great program. I sit on this committee not as an opposition member, I sit on this committee as a committee member. We all sit here as committee members, and I think that has to be realized; and it has to be realized not only in the department, but it has to be realized right to the PMO. I stand here today and I didn't sleep all last night because I knew I had to say these things. I think it's wrong. We're a committee here working for the betterment of the heritage industry. We're working for Canadians, and I think moneys should flow to people on merit, not on how you vote. If it's how you vote, then it's wrong.

Someone said, "Your government used to do this". If the Conservative government used to do this, they were wrong also. In my world and in my government, it doesn't matter. If I'm a sitting member, if there's money coming in to a project in that particular instance, then it should come in on the merit of the project, not on who the sitting member is.

• (1700)

I can tell you that at the St. Marys Baseball Hall of Fame last year, the curator had sleepless nights. There was no cheque presentation from either the provincial government or the federal government. He just made a deposit. That's what he said. That's how he got around it. The government would not let me, the sitting member, present a cheque to that baseball hall of fame. I think it's atrocious—end of story. I've made a statement.

What do you think about that?

The Chair: I'm not sure I should allow an answer, because you're well over your five minutes on that little tirade.

May I just say on my own behalf that I don't think there are any of us who don't agree with you that these decisions should be beyond politics.

As to cheque presentations, I'm not sure I agree with cheque presentations to start with.

Mr. Gary Schellenberger: Well, as I say, show me the money or don't show me the money. I don't need a photo opportunity. Put it in their bank account.

When I sent a bill out when I was in business, I got a cheque back. I didn't have a picture taken every time the cheque came back.

The Chair: The bottom-line question is did either of those organizations lose funding because you were elected?

Mr. Gary Schellenberger: No.

The Chair: Thank you.

So somebody was making idle threats.

Mr. Gary Schellenberger: They don't know.

The Chair: I'll get you on a second round.

Mr. Kotto.

[*Translation*]

Mr. Maka Kotto: Thank you, Madam Chair.

To begin with, you will not be surprised to hear that the Bloc Québécois would like all matters related to culture to be transferred to the provinces. Nevertheless, the Bloc recognizes the value and importance of such a program, at this point in time.

I will move directly to my short questions. The program was created in 2001. Over three years, it has mobilized \$568 million. It was renewed for one year. Can we have the corresponding figure for this renewal? This is the first question. Can you give us a quick answer? According to the information that I have, a little over \$700 million has been spent in four years.

Mr. Bruce Manion (Assistant Deputy Minister, Planning and Corporate Affairs, Department of Canadian Heritage): The amount granted for 2004-2005 for the programs that we call Tomorrow starts today totalled \$187 million.

Mr. Maka Kotto: How much of the Tomorrow starts today program is invested in Quebec, because of its distinct nature and its essential role in developing francophone culture in North America?

[*English*]

Ms. Susan Peterson: We do not have figures by provincial breakdown.

[*Translation*]

Mr. Maka Kotto: Since parts of the program involved an encroachment into areas of provincial jurisdiction, for example the \$13 million invested in professional training, was there a bilateral agreement? If so, what kind was it?

• (1705)

[*English*]

Ms. Susan Peterson: Do you mean a bilateral agreement with the Province of Quebec?

[*Translation*]

Mr. Maka Kotto: Yes.

[*English*]

Ms. Cynthia White-Thornley (Director General, Arts Policy Branch, Department of Canadian Heritage): There were no bilateral agreements specifically with regard to training in Quebec. However, the Quebec government and the federal government have traditionally jointly supported training initiatives, such as for

[*Translation*]

The Ballet contemporain de Montréal, The National Theatre School of Canada, in Montreal, and Nyata-Nyata, in Montreal. It is a partnership between the federal and provincial governments. We conduct joint assessments from time to time. When we have a problem with an institution, it is normal for the two governments to work together. So, there is a partnership between the two departments, but it is not a bilateral agreement.

Mr. Maka Kotto: Can you tell us how many organizations received this financial support?

If the program is renewed, which many hope it will be, can we expect this strategy to be renewed as well?

Moreover, can we count on the Department of Canadian Heritage to ensure stable long term funding for cultural organizations?

[*English*]

Ms. Susan Peterson: The minister I think has made it clear she would like to see that, so she will be doing her job as minister in the lead-up to the next budget.

[*Translation*]

Mr. Maka Kotto: Can you tell us how many organizations received financial support?

[English]

Ms. Susan Peterson: Given that this is such a large number of programs, and each of them has a large number of clients, for those programs for which this money provided an enhancement it's a little hard to say. Then, the money all gets mixed up together, and you can't say which organization is being supported by the new money as opposed to the old money. I don't think we've approached it by saying "take all this whole range of programs and add up the number of clients in each program per year"; it's thousands and thousands.

As I say, you can't distinguish and say these ones are the old clients and these are the new clients. In some cases the new money has made it possible to give more to existing clients, and sometimes it's made it possible to increase the number of clients. That's why we've given you information on a program-by-program basis, as opposed to taking all the programs this has something to do with and putting them all together.

Do you want to take a stab at that, Cynthia?

Ms. Cynthia White-Thornley: I couldn't give you an exact number. On an annual basis, in the arts, which is the area for which I'm responsible, it would be well over 1,000 clients a year. In terms of Arts Presentation Canada,

[Translation]

we have about 570 *contributions approuvées* each year.

[English]

and in the cultural spaces we usually have at least 100. We also have the national training schools. That's a small program; it's about 35 clients a year.

It can vary quite a bit, depending on the nature. For capacity building in the arts and heritage, it would be a couple of hundred, so in the arts area alone it would be over 1,000 clients. Then, if you look at all the organizations that are supported in the books and through Canadian content online, sound recording, export, and so on, you're looking at a couple of thousand.

The Vice-Chair (Mr. Gary Schellenberger): Thank you very much for that.

Mr. Angus.

Mr. Charlie Angus: Thank you, Mr. Chair.

An hon. member: Oh, a new president.

The Vice-Chair (Mr. Gary Schellenberger): Yes, a new president.

Mr. Charlie Angus: She felt so bad about them using their Liberal dollars that she had to step in to make immediate redress.

How much money is allotted for 2004-05?

Mr. Bruce Manion: As we said, for the Tomorrow Starts Today component itself, it's \$187 million.

Mr. Charlie Angus: Is that in the coming year?

Mr. Bruce Manion: That is in this fiscal year.

Mr. Charlie Angus: I'm talking about 2005-06; I'm sorry.

Ms. Susan Peterson: It's zero.

● (1710)

Mr. Charlie Angus: So what happens with the book industry? I know from my involvement with the book industry they plan at least a year or two in advance. Are they coming to you, and you're saying "go away"?

Ms. Susan Peterson: The minister, and I'm sure you people, and we ourselves are in close contact with all the clients of these programs, and yes, they are anxious. They've expressed their anxiety much as they did last year when the three-year funding was about to sunset and the government extended it for a year. So This is again what happened last year.

I think there is a growing awareness that sunsetting programs, unless they truly are meant to be dealing with a temporary condition or phenomenon or problem, are very difficult. We've been concerned, with this suite of programs, that the lack of knowing what the future holds means you can't even get as good results from these programs as you might otherwise.

Mr. Charlie Angus: Are you telling them to go away at this point?

Ms. Susan Peterson: No.

Ms. Cynthia White-Thornley: To reassure you, we did accept applications in this fiscal year for the coming fiscal year and we put a caveat on our website that indicated we would be accepting applications and would hold them pending renewal of the program.

Mr. Charlie Angus: I would never want to use this platform to make a political statement, but since the other honourable member did, I feel obliged.

My frustration is I feel as if I'm watching the dance of the thousand veils here: that everybody knows—wink, wink—that our minister is going to do her best to bring all the money back. And yet all our arts programs are sitting on hold. Nobody is able to make any plans; nothing is happening. It has destabilized the arts community. And at the end of March our wonderful minister is going to pull a fantastic rabbit out of the hat and it's going to be seen as new dollars and a great new investment in the arts. It will be a great election ploy.

I just think it's terrible that you guys have zero dollars budgeted for the coming year, when you know people are expecting this money and you know you're going to have to deliver and you probably plan to deliver. I think it's a terrible situation, and I wanted to put that on the record.

The Chair: And I would like to put on the record, Mr. Angus, that I think the committee was unanimous in its agreement to have this meeting before Christmas to try to ensure... A budget is for one year, not for the next year and the next. I think the concern of all of us is to make sure this program continues and that organizations don't come to the end of March and have to start laying off people. Isn't that why we're having this meeting?

Mr. Charlie Angus: But we're three months away from it, and I know—

The Chair: Isn't that why we're having this meeting?

Mr. Charlie Angus: Well, we are so short on the timeline—

The Chair: I am happy to accept any resolution to resolve that before the end of the meeting.

Thank you.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.):** On a lighter note—somewhat—my question pertains to Arts Presentation Canada, and I'm glad to see Ms. White-Thornley here, because I have a couple of questions.

As I go through these particular projects—certain projects approved from 2003-2004—two things come to mind. One is the absence of some regional support—which there is, in my opinion, particularly where I'm from, in Newfoundland and Labrador.

It's not just a question of these particular regions; I'm also noticing an urban-rural split biased one way, and that would be towards the urban. The list of money granted to places in Toronto is exhaustive compared with the others.

Take Newfoundland and Labrador, for instance. The projects awarded there are 10, and 70% are from the city of St. John's alone, representing about 20% of the population. Are we missing out here on outreach? Are there many of these smaller theatres that don't know about this, or maybe the smaller theatres are not able? What are the qualifications here in these numbers?

Ms. Cynthia White-Thornley: The Arts Presentation Canada program in fact concentrates quite heavily on rural and remote audiences. A primary goal of that program is to develop the presentation network across Canada in those areas. A lot of the developmental work of that program is concentrating in rural and remote areas among culturally diverse groups. We're trying to establish aboriginal presentation networks across the country, and so on.

There have been a couple of success stories. Particularly, the Eastport Peninsula Heritage Society under Arts Presentation Canada was the recipient of some money. We're hoping that kind of program will grow and that we'll be able to provide more support to a program like that in the future.

It is more challenging, certainly, in rural and remote areas. Often we're doing developmental work to help bring them along. We're often dealing with volunteer groups at that time. They have an artistic vision, they have a plan, and we're working with them to try to bring them along to have a more professional program that will allow them to increase their access to that programming over time.

• (1715)

Mr. Scott Simms: In most of these cases, everyone wants to cash in on the advantages given by tourism. We can't do that unless we have the support to do it. That's the thing that concerns me the most. I'm not trying to take away from these urban centres and their smaller theatres, but from reading this I get the feeling they know more than the remote areas do about acquiring the funding.

Ms. Cynthia White-Thornley: Interestingly, our calculations show us that about 48% of our funding in Arts Presentation Canada goes to rural and remote areas and to audiences in those areas. That's our biggest program in terms just of the sheer volume of the program. It certainly does look as though there are a lot in those urban areas, but in pure percentages, it's 48% in rural and remote areas. I know it doesn't look that way, because the list is so exhaustive.

Mr. Scott Simms: My apology if that's just a cursory look at it, but it seemed there was more of a bias toward the urban centres. I'm not saying that it was meant to be that way. I just think that hopefully these smaller theatres and travelling dinner theatres and what not...

Ms. Cynthia White-Thornley: There are real differences across the country for that program. In Quebec the presentation of the structure is extremely well developed. It's older than it is in the rest of the country. In rural and remote areas in some parts of Canada it's less well developed, but we do have a real bias towards working with rural and remote communities to ensure that we meet one of our key objectives, which is to ensure that the arts are available to Canadians wherever they live.

Mr. Scott Simms: I see. Thank you.

The Chair: Thank you very much, Mr. Simms.

I have Ms. Oda next, and then Mr. Lemay.

Ms. Bev Oda: I want to start, because I too would like to put some thoughts on the record. I appreciate that there are different levels of decision-making, etc. However, I am aware that some of these programs were core-funded programs, so there was stability there. They were taken out of that position and folded into part of Tomorrow Starts Today.

We're quite right that if it's a three-year program there must be objectives to the program that should be accomplished in three years. If they can't be accomplished, I think we should be reporting as to why those objectives could not be accomplished in three years.

I think we are being terribly unfair to the arts and the cultural communities. If there is a real need there, then certainly we support the arts and the cultural communities. There is a need there. They need to know. They have to have confidence and stability that those dollars of support are going to be there year after year.

It's appalling that over the last few weeks arts organizations have had to come to Ottawa and lobby and beg for something. They don't know what's going to happen. They have seasons that they want to get started on, tours they want to get planned. This is totally disrespectful. We say we support the arts community, but it's disrespectful of that community.

Also, I would like to reiterate the chair's statements on provision of information. As the critic, I have been asking for information on Tomorrow Starts Today since October—almost eight weeks. Information has not been coming forth. I've asked the Library of Parliament to ask for information on Tomorrow Starts Today. I have a letter with me that says the Library of Parliament is indicating it's not getting information from this department.

The community deserves answers. Canadians deserve answers. This is totally, totally unacceptable. I believe that when a member of Parliament asks for information, regardless of what party, we deserve to get that information. I believe that we are acting on behalf of Canadians, not only to ensure that the programs are effective and they're being run efficiently, but also that there is accountability.

Ms. Peterson, you indicated that on page 4 all the coloured sections outlined the program. When I went through the pages on your deck, I don't have a dollar figure beside every one of those coloured programs. So even here, unless I'm willing to go through those binders that were provided two days ago, I'm not even able to find exactly how many dollars went to trade routes. There's no dollar figure on that page. This is not helpful at all.

I can't say this strongly enough. We want to support the arts community and we do support the arts community. On behalf of the arts community, I would like to indicate that this is too complicated. I've spent weeks trying to figure out this program, or collection of programs. I just feel that somebody else—another Canadian or average Canadians—trying to find out about the program, what's involved, what's included.... Nowhere can I find Tomorrow Starts Today and a listing of all the programs, how many dollars are involved, what are the objectives of the program.

I would like you to indicate to me, out of the coloured section on page 4, which of those programs were permanent core programs before the announcement of Tomorrow Starts Today, and which ones are new. It's a very simple question. Out of the \$500 million, was all \$500 million announced new money, or how much of it was money that was previously part of an existing program? How much was new money when this program was announced in 2001? It's a very simple question. We can start with an answer to that question. How do we know how many dollars have been invested in the last four years, and then how do we measure the effectiveness and the benefits?

We're hearing from communities that this is important. The more important it is, and the more vital it is to the communities and the organizations, the more it is important that they know it's going to be there year after year.

• (1720)

Ms. Susan Peterson: When the department received your request, it was for a lot of information—

Ms. Bev Oda: That's right.

Ms. Susan Peterson: — and in those ungodly binders somewhere is all that information. Now—

Ms. Bev Oda: Ms. Peterson, that's not acceptable.

Ms. Susan Peterson: No, I know.

Ms. Bev Oda: To provide me with five binders two days before the appearance here is not acceptable.

Ms. Susan Peterson: And I agree with you. I'm just pointing out that it is there. It's not a matter of withholding information; it's there. It's a staggering amount of information because it isn't one program, because it's a lot of programs.

It would certainly, I know, suit you better and it would certainly make our task in the department easier if we had a better understanding of how much information and the kind of information you wanted, because putting together those binders, I tell you, was no fun. People worked for hours and hours to do it.

There was a misconception or lack of understanding about what was needed, so today is an attempt to give you better, more usable kinds of information you would need. If what we've given you today does not yet hit the mark, we'll be happy to do that.

Just to begin, the new money that went into Tomorrow Starts Today in the first year was \$122 million; the second year, \$179 million; the third year, \$187 million; and the fourth year, \$187 million. To that was added reallocation within the department of \$20 million a year. There was no program that was, as you put it, core-funded—that ended up being only funded for the three or four years of Tomorrow Starts Today.

Tomorrow Starts Today either created new programs or supplemented existing programs, but no program disappeared as a result of it.

Ms. Bev Oda: Ms. Peterson, am I incorrect then when I know, and I was told also by the industry, there was a Canadian music fund prior to Tomorrow Starts Today?

Ms. Susan Peterson: Yes, there was, and now there—

Ms. Bev Oda: Thank you.

Ms. Susan Peterson: — still is, and a much bigger one now.

Sorry, I'm just not getting the intent of your question.

• (1725)

Mr. Bruce Manion: Can we just clear something up? Core funding for us may not mean the same thing it means for you.

Ms. Bev Oda: Well, it's money that the arts community knows is there and it's going to be there next year, and in the December of the year before there is a zero beside that.

Mr. Bruce Manion: For the sake of clarity, could we just indicate that for us and in our nomenclature, that is an A-based program. Core funding means the nature of funding that we provide for the types of activities the organizations perform.

Ms. Bev Oda: I appreciate the clarification, Mr. Manion—

Mr. Bruce Manion: Core funding goes to their basic administration costs.

Ms. Bev Oda: — but it's very frustrating. I really want to support the program. I support the elements of the program.

My frustration, and it's very frustrating... Whether it's an A-based program or whatever is not the issue here. The issue is exactly what was provided to the artistic community through this program, how did it change when this program was announced, and why is it a program that's right now sitting at a zero figure in the budgets when we should be able to give some confidence to the arts community that they're going to be able to undertake their activities next year?

My frustration is not being able to get information, etc., short of trying to ask through access to information, and I'm not even sure that if we went that route we'd get any more information than we have today.

Ms. Susan Peterson: Okay—

The Chair: May I interrupt for a moment? Ms. Oda has had way more than her time. I tend to do that because she does tend to ask good questions.

First, the committee started a little late this afternoon and dealt with some other business first, but it is 5:30 and I just want a sense of how long the committee wants to continue.

And second, how would we like to bring this discussion to a conclusion? Is there some conclusion we can bring it to today or not?

I think what we were all hoping was that we would have enough information to recommend to the government and to the minister specifically that additional funds be provided to ensure that there was continuity of the many programs they fund into the new year so there would be no collapse of a season or collapse of a program, laying off of people—all the disruption that then has to be rebuilt when a program comes to an end and there is no transitional period into the next budget year. I think that's what we were all hoping to do.

Maybe Ms. Peterson could most helpfully tell us how we can do that. I know you'll be bringing forward supplementary estimates for the last quarter of the year. Is that the way this gets done?

Mr. Bruce Manion: No. It will be presented in the main estimates for 2005-06 and you will be asked to vote on those next spring.

The Chair: No. What we are looking for is transitional funding that will carry these programs through so they do not have a gap in funding.

Mr. Bruce Manion: They will have a gap in funding if funding is not voted in the 2005-06 estimates.

The Chair: We understand that.

Mr. Bruce Manion: We have full supply being voted on tomorrow evening, and that will carry our programming up to the end of this fiscal year. You may not advance funds in advance of need, so we must match funds with expenditures.

The Chair: Well, the need is there; it's the money that's not there. How do we get it there?

Mr. Bruce Manion: The money is there for this year to March 31. That has been voted through full supply and supplementaries. For next year is where we don't have money, and that will be treated in the 2005-06 main estimates.

The Chair: Mr. Manion, the problem is this: if there's money in the budget that's tabled by March 1, it doesn't come into effect until March 31. By then programs have laid off staff and it will be three to six months after that before you can consider their request for continued funding under a new budget. How do we resolve that?

There have been other situations where transitional funding has been provided. How do we do that?

Ms. Susan Peterson: I don't think this is a technical question, it's a matter of the government making a decision to continue funding beyond the sunset date. That's a decision the government can make when it chooses to do so.

The Chair: Thank you.

Ms. Susan Peterson: If I may, I would like to take half a second.

The answer to Ms. Oda's question on the Canada Music Fund is on page 12 of the deck. It shows that the base amount that was there before Tomorrow Starts Today, and will remain there regardless, is 38% of the funding and the amount of money for the Canada Music Fund in Tomorrow Starts Today represents 62%. The answer is, the

funding used to be about \$8 million and TST added about \$20 million to that. So that's the answer to the question.

● (1730)

The Chair: May I ask the committee how long it wants to continue? Is there a resolution of this discussion—

[Translation]

Mr. Marc Lemay: Madam Chair, this is an extremely important file. I hope that the committee members will follow me. I believe that we must finish examining this important proposal today. We were supposed to finish at 6 o'clock; we could finish at 6:30 if necessary, or at 6:15. But if we have to rise at 6 o'clock, then we will have to cut it short.

Is it my turn?

The Chair: Does the committee agree?

Mr. Marc Lemay: We will move a motion.

The Chair: Thank you.

Mr. Marc Lemay: You will see.

[English]

The Chair: I love tabling reports, and I will love to table one more.

[Translation]

Mr. Marc Lemay: Okay. You will table one.

I have questions because I am trying to understand this program. In 2001, \$500 million was announced. You will remember that we were in the middle of the sponsorship scandal. For many people, this program seemed like a replay of the sponsorship scandal. I will say no more than that.

Is it true that the program that we are examining has been renewed on an annual basis since 2001? At its inception in 2001, it was to be a three-year program. Do I understand that it will be renewed for one year, until March 2005? That is it.

Today, December 8, there are about 1,000 organizations in Canada—and I am no doubt forgetting some—which are expecting this program to be renewed. Did I understand that correctly?

[English]

Ms. Susan Peterson: That's a fair comment, yes.

[Translation]

Mr. Marc Lemay: Why is it that the extraordinary Canadian government is asking us to renew this program for one year, two years, three or four years? That is my question. How many years would you like it to last?

[English]

Ms. Susan Peterson: When the announcement was initially made, it was for three years. The idea behind that at the time was that should be adequate time to get the program up and running and begin to show results for Canadians. Then cabinet would look at those results and decide if these programs—all the various programs that this funding affects—were worthy of continuing funding.

In reality, it is not possible to get programs up and running and have the kind of evaluation that would pave the way for cabinet having a good sense of whether these programs were delivering results for Canadians. As it turns out, what is possible in those timelines is to have what we call formative evaluations where we bring in outside experts and they look at these programs. What they can do in that timeframe is ask some questions about whether the mechanisms that are put in place, the data that's being collected, the way they're being delivered are all adequately set up so that one can, down the road a bit, judge whether they are producing the kinds of results for Canadians that they're intended to produce. These programs have been subjected to that, and the formative evaluations have been positive.

It takes more time than that to determine whether they are really producing and what kinds of results they're producing for Canadians. We've given you what we have now in terms of numbers and in terms of a qualitative aspect for this. But knowing that it did not have and could not have the kinds of results for Canadians' information that they wanted, the government renewed the program for one year.

The issue before the government now is that this is a large amount of the department's funding in support of arts. This is not a little bit. This is 65% of the suite of programs it affects. So it's very much affecting the communities out there to not know what's going to happen from year to year. The government now, when it's putting together the budget for the next year, is going to have to decide what it's going to do, given the really big significance of these programs to the communities out there—whether they're going to renew it, for what period of time or how much or what have you. That's the government's decision to make. But the government and the minister certainly are aware of the impact that uncertainty is having on these communities.

•(1735)

[Translation]

Mr. Marc Lemay: Who evaluates this program? How is that done?

[English]

Ms. Cynthia White-Thornley: Each individual program has a program manager, depending on where they're housed, and the programs have a regular evaluation cycle. Through our corporate planning division, we contract outside evaluators to evaluate. Sometimes we use an existing supply list; sometimes we put out a bid. The results are all posted on the website, along with our management responses. We've tabled copies with the clerk of all the existing evaluations and audits.

[Translation]

Mr. Marc Lemay: Okay.

How much do you want, and for how many years? Don't ask for a billion dollars; be realistic.

[English]

Ms. Susan Peterson: That's not a question to put to officials.

[Translation]

Mr. Marc Lemay: Okay, so I will put my question another way. Is the current budget enough to carry out the program in 2005-2006 and 2007-2008? Can you answer that question?

Mr. Bruce Manion: There's no budget.

Mr. Marc Lemay: Well then, extrapolate. Here is one possibility. You were given \$568 million over three years. So, would \$568 million over the next three years be enough to meet the objectives of the program?

[English]

Ms. Susan Peterson: It would allow the government to carry on enhancing the arts and culture across Canada in the various ways we've described today. It would allow that kind of commitment to continue.

When money like this is put into a number of different programs, it's always incumbent on us, as officials, to keep a close watch on how things are going. In fact, how the money is put into effect evolves over time, so we make sure that if there's a somewhat better way of doing things, we do that, and if something is not working as well as we think it might or can, then we make sure we do something about that too. Nothing's perfect.

[Translation]

Mr. Marc Lemay: I don't want to interrupt you, but I would like to tell you that I think the program should be renewed for more than one year. Would you agree with that? I would like it to be renewed for three, four or five years, so that the small communities will not have to keep wondering what will happen every time March rolls around. That is my question.

[English]

Ms. Susan Peterson: The government does have a policy that all funding programs have to be evaluated every five years. So that's a regular, good management of the taxpayers' money.

Mr. Marc Lemay: Five years.

Ms. Susan Peterson: Every five years, but that's for programs that are A-based that are part of the ongoing program of government. This program is not yet A-based because—

•(1740)

Mr. Marc Lemay: I like it, "not yet."

Ms. Susan Peterson: — the government put it in place and wants to see what kinds of results it's producing before it makes that decision.

[Translation]

Mr. Marc Lemay: Okay. That's fine, I understand. Thank you.

[English]

The Chair: Ms. Bulte, do you have some questions?

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): Ms. Peterson, you said something about enhancing the arts. I don't believe that this money is enhancing the arts. I think it's money that we require even to start at a base level. I think there were other commitments made, such as the cultural institutions. While this is a good base to renew, I don't think the arts community should take solace in thinking, wow, this is great. I think it's something we should do as a base and build upon that, especially in light of the Prime Minister's commitment to cities and communities.

In the Speech from the Throne we talked about culture being the essence of our cities and communities, so I would think you would be one of the lead ministries in this area, in the sense of building on one of the three priorities of the Prime Minister. So when you talk about enhancing, I don't believe it's enhancing. I think it's a basic base that we require and we need to build on.

I'd like to know what we're doing about touring. Obviously, this does not address touring within Canada. I have heard time and time again from our major institutions that the trade routes are not there to help them tour. I would like to see us touring intra-nationally and internationally.

I would also like to see what we're going to do about enhancing our large cultural institutions. I think those are important. Those are the pillars of who we are and how we define ourselves abroad. What are the plans in the future for that?

What are the plans, which I believe were in the platform for the CBC, Telefilm, the NFB, the Canada Council? The Canada Council will be celebrating its 50th anniversary. We should be using this opportunity to say how important our communities and our cities are, and how culture is the essence of those communities and cities. Your culture capitals program, which is in here, is just the beginning of how important culture is.

So I think there needs to be a paradigm shift. Health care is not the only thing we're about in Canada. It's the arts that define us. You are the lead department on that, with all due respect. What can we do to help you be the lead department to define us, who we are, as Canadians?

Ms. Susan Peterson: It's a fact that if in setting its priorities the government were impressed enough about what is being accomplished and what could be accomplished—what more could be accomplished along the lines that you suggest—there's no doubt that we as officials have some pretty nifty ideas on how we could go about doing more in Canada helping culture and the arts play a larger role, both in communities in making Canadians proud of what they're able to accomplish and indeed in presenting Canada abroad.

Canada's art scene and Canada's creators, in many spheres, are absolutely world-class. There certainly is more that culture could do to showcase Canada abroad as the really creative, sophisticated, with-it country it is.

Hon. Sarmite Bulte: What about touring and large cultural institutions?

Ms. Cynthia White-Thornley: We're certainly acutely aware of the problems facing the large cultural institutions. We're working closely with the Canada Council to address that issue and to look at what future initiatives might take place to address those particular needs.

Touring, as well, is not the purview of the department; it's the purview of Canada Council. We have a complementary program, which is the Arts Presentation Canada program, which is providing the infrastructure—both the physical infrastructure through cultural spaces and the presenter infrastructure through Arts Presentation Canada—to accommodate touring.

We know that internationally certainly the Department of Foreign Affairs is looking at how they can better use touring. They're looking

at initiatives. We're working with the Canada Council on the issue of how better to support that in Canada.

Hon. Sarmite Bulte: But there never seems enough money. That's what we hear. We have these great programs in place, and as soon as the first applications are in they're oversubscribed, which seems to say that we're a victim of our own success in that case. But you obviously have the history there to see that. So how do we make things better? How much more money do we require to effectively make this work? I'm not saying that there aren't efficiencies to be found in any other departments. But how much money is truly required to be all those things that we want to be?

I don't see that even the renewal of Tomorrow Starts Today... It's at best minimum funding. It's not the answer to where we want to be as a country, or I think where we want to see our community define itself in the world, based on just Tomorrow Starts Today funding. I think there are huge leaps that have to be made, and I want you to help us make the argument as to why this is as important as health care is, which defines us as Canadians.

• (1745)

Ms. Susan Peterson: We can provide information, and we certainly are working, as Cynthia said, to get a sense of the issues and the problems, but when it comes to advocacy I'm sure the minister would be happy to have support from you people.

The Chair: Thank you.

Ms. Oda.

Ms. Bev Oda: Thank you, Madam Chair.

I'd just like to ask this. I know that in response to one of the questions you said that you were not able to respond to Mr. Kotto as to how many dollars went to Quebec. It would seem to me that in order to ensure that there's accountability in the use of taxpayers' dollars, there should be some measure to respond to those people in every province and to the cultural organizations to ensure that there is a fair and balanced distribution of funds. I know that the Canada Day funding is disproportionate to one province, and I would suggest I certainly heard from my colleagues that they feel that in their provinces support for Canada Day celebrations this past year was not balanced in that case.

I want to also say that if it's not an A-based program and it doesn't get reviewed, this even adds more frustration and more suspicion around the program. As I said before, we don't want to have suspicion about the program. We want to make sure the program's running properly, that there's accountability, that there's some stability there. As someone who sits on another side of the House, I would say this makes it very, very suspicious, because there's no accountability, no reporting, etc.

With 65% of the funding from the department within this program, what are the plans for your department as to directors general and assistant deputy ministers? For next year, you're losing 65% of the funding. What are your plans with the size of the department in your areas if that's not renewed?

Ms. Susan Peterson: Can I just be careful with statistics? This funding represents 65% of the funding to the programs within the department that it supports, as opposed to 65% of all funding, because there are a number of programs in the department that TST does not support. That's just a clarification.

Ms. Bev Oda: My question is if this program is not renewed, do we expect downsizing within the department?

Ms. Susan Peterson: Yes, if this program were not renewed, there would be impact on employment in the department.

Ms. Bev Oda: I don't have any further questions, Madam Chair, but I would notify the rest of the committee that I would like to make a motion.

Ms. Susan Peterson: Could I answer one of your questions?

Ms. Bev Oda: Certainly.

Ms. Susan Peterson: Whether a program is A-based or not has no effect on the requirement for evaluations—independent evaluations, independent audits, and reporting. It's all reported just as if it were A-based. And as that page in the deck shows you, there has been a lot of scrutiny of these programs, and there will continue to be. It doesn't matter that they're not A-based; it happens.

Ms. Bev Oda: Maybe I misheard you then when you said that if it were an A-based program there's a requirement...

Ms. Susan Peterson: Every five years. For A-based programs they have to be evaluated every five years. Because these are not A-based, in fact they're evaluated quicker than that.

Ms. Bev Oda: Okay, sorry. My misunderstanding.

The Chair: Mr. Schellenberger wishes to use the remainder of Ms. Oda's five minutes.

Mr. Gary Schellenberger: Okay, I'll be very short this time.

Cultural spaces is for small museums and people like that. That's how they get funded. My question is that I know various people who have put presentations together and applied for numerous years and have been turned down numerous years. At the same time, I know people that have got funding through the cultural spaces program two or three times through that period of time. I know the former minister looked at one particular place, the Discovery Centre in Stratford, and thought it was a tremendous deal and there should be funding. Unfortunately, they didn't get any funding, but I know other people who have applied two or three times and got it. Again, I hope that because I'm their member is not why they're being turned down.

• (1750)

Ms. Cynthia White-Thornley: I'd like to assure you, first of all, that Stratford has received one of the largest contributions ever under —

Mr. Gary Schellenberger: I was talking about the Discovery Centre in Stratford.

Ms. Cynthia White-Thornley: Oh, okay, this is another facility.

I would like to say that with regard to cultural spaces in Canada, each project is evaluated in our regions. We look at them regionally. We have a very specific and rigorous set of criteria that we examine, and to ensure there is a fair national balance of programs, they are then examined by a national review committee and then recommended to the minister.

The demand on that program is very significant. There's no question about it. There was a lot of work to do catching up in terms of repairing and renovating cultural facilities and purchasing equipment across the country. It's in its fourth year of existence now, and there's still a great deal of work today. If the program continues, we'll be able to consider many more applications.

Mr. Gary Schellenberger: Just to let people know, the \$2 million or so that came to the Stratford Festival in 2003 meant \$145 million to tourism and to the gross domestic product of that area, and \$50 million in direct wages. That's a pretty good investment, and this is what I talked about as to what this program can do.

There are a lot of people out there who are willing if the government is behind some of these projects. Sometimes a little bit of money will go a long way. The recognition of what people do for the heritage and the culture of this country... If the government will look at the merit that's out there, I'm quite sure they'll get their money's worth time and time again.

Ms. Cynthia White-Thornley: Of course, we support that completely.

The fact that for every dollar we spend this program generates six dollars from other sources I think is an indication of the fact that it just takes a small investment on the part of the federal government to bring in other partners. We have found that communities across the country are acutely aware of both the social and economic benefits of investing in cultural infrastructure.

The Chair: May I just take a couple of minutes here, because this issue of evaluation, especially if we want to establish ongoing expenditure review, is extremely important. I have not really heard anything today that comes anywhere near evaluation. When the program started, what objectives did you set for it? And how has the program been measured against those objectives on a yearly basis since 2000—was it 2000 or 2001? I've heard about accounting, but I haven't heard about evaluation.

Ms. Susan Peterson: As the departmental strategic objectives make it clear that the Tomorrow Starts Today funding contributes primarily both to helping to create Canadian content and to cultural participation and engagement, we have set out with respect to the content and the participation and engagement of things that these programs are meant to do. Those are the key dimensions against which these programs are evaluated.

As I said, we're engaging now in the evaluations that will really give a sense of results for Canadians in this respect and we'll be able to get a much clearer idea of results against those kinds of criteria, but you can't do it in three years.

The Chair: Well, you are funding specific programs. You can evaluate how they have contributed. You see, I don't agree that you can't do it in three years. I think it's something you can do every year if you define clearly your objectives and how you're evaluating.

What I'm hearing on this, frankly, is that we've basically topped up other programs. What has that top-up added to those programs and their values?

Secondly, we started some new programs. The cultural trade program I think is new. I'm not sure why our trade commissioners can't promote trade like they can promote tractors, but I think that's a good idea, because obviously they don't. But that's a new program. It's been in place for three years, now four years. Everybody seems to say we want ongoing funding, but I have no evaluation on which to justify that.

• (1755)

Ms. Susan Peterson: This step was an attempt to tell you the kinds of results we have so far, and on page 14, for trade routes, it can tell you that we've funded 113 small and medium-sized arts organizations.

The Chair: That's activity, not a result.

Ms. Susan Peterson: Yes, and—

The Chair: What result is that getting? What's that producing? Do those artists continue to export? What were the evaluation criteria established for that program when it was started, and how has it met them?

Ms. Susan Peterson: You're right that trade routes would have its own set of objectives, as would all the other programs that Tomorrow Starts Today supports.

Ms. Cynthia White-Thornley: If I could give a specific example of a program that was topped up in that context too, the national arts training contribution program was a program that, before the investment of additional funds through Tomorrow Starts Today, served primarily a fairly select group of schools in Toronto and Montreal that were of the highest standard, but catered primarily to artistic practices that had traditional European origins—classical ballet, orchestra music, and so on.

With the Tomorrow Starts Today top-up to that program, we were able to bring the level of funding up in those existing institutions to a level that would allow them to operate in a better way, take more students from across Canada, and so on, because they don't have huge opportunities for marketing revenue the way other organizations do. It also allowed us to take another look at the kinds of things we were setting out to do. For example, where one of our strategic objectives is to ensure cultural participation and engagement, we said what we need to do is look at the demography of Canada—it's changing—so we need to expand the kind of investment we're making in young people. We're investing now in schools that specialize in classical Indian dance and traditions that represent the demography of Canada today.

In a formative evaluation, the first evaluation looks at that program and asks, are you well run? Are you set up to achieve the results you're setting out to achieve? One of the things they told us is when you come back for your full evaluation, you need to be able to specify how many of the students who have graduated from those institutions are currently enjoying national or international careers, because that program is set up to ensure that we train the next generation of artists. So that's a specific example. When a program like that comes back for its full evaluation, we need to be able to answer those kinds of questions, so that we can quantify for you that

for an expenditure of x millions of dollars, we have produced y number of artists, 89% of whom are enjoying careers nationally or internationally.

The Chair: Thank you. That's beginning to sound like an evaluation.

Ms. Cynthia White-Thornley: We have those. What we're saying for most of these programs and what that second-last slide will show you is that the place we're at for these programs is that they've been through, for the most part, formative evaluations where they've specified for us what we might not be collecting that we need to collect to tell the performance story you're looking for.

So right now we're engaged in ensuring that our data collection systems are the right systems. Simple things. For example, our formative evaluations in the cultural spaces program and Arts Presentation Canada said it's too hard for these arts organizations to report on results for you; you need to provide them with the tools to do that, so create templates that they just have to fill in, so they can get them back to you and you can compile the data to show the government that you're getting results. That's the kind of work we're engaged in to make that happen.

The Chair: Okay.

I know Ms. Oda wishes to present a motion, so I'm just going to make two more comments. First, these are the things that should be done when a program is set up—establish those requirements—not when you're three-quarters of the way through it. Secondly, I'm going to be asking when the main estimates come forward—and I don't want an answer now, but if you can provide me with an answer, I'm going to want to know what kind of gender analysis has been done of these programs, and of your main estimates.

Ms. Oda.

• (1800)

Ms. Bev Oda: Thank you, Madam Chair.

I totally concur with your line of questioning and also the clear indication that when main estimates come we would be expecting certain responses to clear, concise, and accountable questions.

Madam Chair, I would like to make a motion, if I could. In response to the request by the artists and cultural communities across Canada and the Federation of Canadian Municipalities for the renewal of Tomorrow Starts Today, I move that the Minister of Canadian Heritage report in the House of Commons the intent of this government to renew or not renew this program before the end of this session of the House, and indicate whether it will be renewed as an A-based program or not.

The Chair: I believe the motion is in order, but since we do not have 48 hours' notice, I would need the unanimous consent of the committee to consider that today.

Some hon. members: Agreed.

(Motion agreed to)

The Chair: Thank you, committee.

Do we have any other business, Mr. Clerk?

The Clerk: Not for today.

The Chair: All right.

Thank you very much for a very useful discussion. I will see you on Monday afternoon.

Is there any other business from committee members? No?

This meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliamentary Internet Parlementaire at the following address:
Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.