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Chair

Ms. Marlene Catterall

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•(0905)

[English]

The Chair (Ms. Marlene Catterall (Ottawa West—Nepean, Lib.)): We are now in public session.

Mr. Schellenberger.

Mr. Gary Schellenberger (Perth—Wellington, CPC): I've got this briefing book in front of me that's been sitting in my office. I haven't been reading it page by page. I'm looking forward to meeting witnesses and delving into the film industry. I look at myself as definitely not knowing all the policy that's there.

Just as a suggestion, I'm thinking that if I have a clear mind but don't necessarily know what policy is there, as we interview witnesses I'll try to build a consensus of what might be wrong, what's good, and what's working, rather than go with the preconceived idea that you have this problem but we already have this remedy. Once I find out what the problems are, that should build a train of thought. Then I bring in what policy is there to see whether it remedies that or not.

From your point of view, am I looking at this in the right way, or should I go to these things knowing all the policy? Wouldn't that be like a judge going into something with a preconceived idea of what the problem was?

Mr. Jean-Pierre Blais (Assistant Deputy Minister, Cultural Affairs, Department of Canadian Heritage): There's a considerable amount of history involved with the audiovisual industries, particularly feature film. I think you need to know what has been done and tried in the past. The people you will be interviewing will have a high level of knowledge of the past, and they will be focusing and assuming perhaps that you know what has been tried in various policies.

My experience has been that people will be trying to focus on, okay, we have the status quo, so what can we tweak or change to go forward? That will be a large part of the reaction. A lot of stakeholders will have interests in what the policy says. They will have clear commercial or creative interests in how things are. They will be very much reacting to the status quo, which unfortunately includes a complex web of measures that exist now.

Sometimes you want to ask whether we should just start from scratch, start all over again. It's really difficult from a public policy perspective because there are overlays year after year of tweaking, trying to change course, and adjusting problems. It's like having a balloon. You try to fix one thing and another problem pops up. As you put pressure over here, something else pops up. I think you will

find that people will have a lot of knowledge about existing policies, and it will be important for you to come to your consultations knowing.... That doesn't mean you're prejudging anything, but I think you really need to know what's out there.

It's complicated. I know the time members of Parliament have is taxed on various committees and in the House, and it's very difficult for you to have the time to delve into the detail of these things. But I do suggest that would be a good way of going about it.

•(0910)

Mr. Gary Schellenberger: Thank you.

The Chair: Thank you. Mr. Kotto.

[Translation]

Mr. Maka Kotto (Saint-Lambert, BQ): Thank you, Madam.

Good day and thank you for coming. I have two quick questions for you.

In the course of your work, have you been able to do a comparative assessment of the average annual income of artists and creators in the Quebec and Canadian film industries and of the people in the European and US film industries? I put the question to you because this information could shed some light on the phenomenon of talented artists leaving to pursue a career in the United States or in Europe.

Secondly, could you give us a status report on the documentary film industry and on the IMAX film technology? What is the state of these two industries today, since we're also going to be meeting with people from these two areas.

Mr. Jean-Pierre Blais: With your permission, I'll answer your second question first.

IMAX is a very interesting, very promising film format. This Canadian invention is in wide use not only in Canada but around the world. Young people on school field trips have the opportunity to view IMAX documentary films.

Current policy targets the feature film industry. Most IMAX films are not long enough to qualify as feature films. However, we realize full well that we are perhaps missing out on an opportunity because of the technical definition of a feature film. Perhaps we should incorporate the IMAX concept into the overall picture, bearing in mind that this is a very specific type of feature film. Often, IMAX films are science documentaries. They are often screened in museums or in science and technology centres.

Documentaries in general — and that brings me to your question — and especially feature-length documentaries, are seen by many as a new format. It appears to be a popular one, given the recent success of documentaries in the US.

The US media would have us believe that the Americans invented the format, when in truth the NFB in Canada has excelled for many years in the production of feature-length documentaries.

Mr. Maka Kotto: One example of that is the film *The Corporation*.

Mr. Jean-Pierre Blais: When we refer to the feature film industry, we mustn't think exclusively about dramas and comedies. We also need to think about feature-length documentaries and I would have to say that we excel at this format. Canada has a long-standing tradition of producing documentaries, thanks largely to the NFB. Documentaries are viewed by members of the public on television and in theatres. This is one area in which we would like to expand our operations.

Now then, let's get back to your first question, which concern the average income of artists and creators.

As I noted in my presentation, feature-length films are collective works and this poses a certain challenge. Many creators, artists and technicians are involved in the making of a film and the extent of their involvement varies greatly, depending on whether it's an animated feature, a documentary or a drama. Film-making is a collaborative and highly complex process.

To answer your question more specifically, I'd have to say that aside from the recent study targeting under-represented groups, we're not aware of a specific study of revenues earned by film industry artists.

• (0915)

Mr. Maka Kotto: I see.

Mr. Jean-Pierre Gauthier (Director, Film and Video Policy and Programs, Department of Canadian Heritage): I'd like to say one more thing, if I may.

IMAX films and feature-length documentaries are both eligible for the Canadian tax credit. Funding is available for up to 10, 12 or even 15 per cent of the production budget. Currently, these film formats are not eligible for funding under the Canada Feature Film Fund, but they are nevertheless eligible for the Canadian film production tax credit

Mr. Maka Kotto: Thank you.

[English]

The Chair: Mr. Angus.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you.

While I'm very much looking forward to this exploration in film, one issue that has arisen is our failure to include western Canada—I'm not counting Vancouver—and Winnipeg. I'm hearing lots of heat. I'm putting that forward for our other members to reconsider.

The Chair: Mr. Angus, can I just say that as soon as we're finished with our witnesses we'll be going over our scheduled hearings. We can make any changes we want at that time.

Mr. Charlie Angus: It's part of my question.

I find it interesting, because I think it's fairly obvious to look to Montreal, Toronto, and Vancouver. I think we immediately chose the obvious. But on the successes of independent productions and new productions in Halifax, particularly, and places like Winnipeg, I'm wondering if you could sketch out why these smaller centres are starting to develop the way they are.

Mr. Jean-Pierre Blais: I think there are a number of reasons. The first one would be a desire from a public policy perspective to make sure that the entire diversity of Canada gets reflected in all our arts and cultural experiences, not just in the audiovisual. And there have been clear policy instructions, or policy decisions, about where you put offices of Telefilm, where you put envelopes to build that, so that is a desire. When we talk about diversity, obviously the aboriginal diversity and multicultural diversity, the demographic diversity, is there, but there are also stories and perspectives on the world that vary from region to region, and there's a richness there.

As I mentioned last week as well, there's a certain amount of infrastructure associated traditionally with the feature film industry. As we move to more digital technology it's more mobile, and that is another factor.

The third factor I would mention is—and this is more for non-Canadian production—a number of municipal governments have realized that this contributes a great deal potentially to the local economy and have gotten into the game of trying to attract foreign production shootings across the country.

But there are artists and creators across the country and they want their stories told. There have been a few incentives, but I think the true incentive comes from the creators themselves, who want to tell their story from their perspective in the world.

Mr. Charlie Angus: So let's take Halifax, for example. Is the development of indigenous productions there because there was a policy decision and money was put there? Were the major networks involved, or are we looking at independent houses that are creative and are starting to put together their own pieces of the puzzle?

Mr. Jean-Pierre Blais: Again, because we're dealing with a complex ecology, there are a number of reasons that occur on that side. We know there was some infrastructure built, sound stages, in the area. We know that certain independent producers set up there. Why did they set up there? In part because there was support by the provincial and municipal governments to be present there, but also because there was a discovery that there's a great deal of talent. Some of the comedy that one finds in the maritime and Atlantic regions generally builds on success and so forth. Also, tax credits are proposed by government.

So there's a pull toward certain areas for a variety of reasons. You can't really always say that it's because of that particular policy as opposed to another one. There's more a holistic reason for it. Those things are all part of why filming would occur in a particular community or not. It's a combination of local talent, availability of technical infrastructure, local desire, tax incentives, and financial incentives of all kinds.

● (0920)

Mr. Charlie Angus: Last time we talked we had identified the low dollar at the time and the tax credits for our success in bringing forward a lot of otherwise U.S. productions. And now as we're going up against them, my question would be the applicability of the tax credit system that we have and whether it works, because if we go out and we're doing hearings across the country people are going to be asking us for measures to bring forth and one of them could be more tax credits.

The question is, do we need to go that route, and how would it compare to other industrial strategies? Are we treating film substantially different from what we would do for other attempts to invite business internationally?

Mr. Jean-Pierre Blais: I think the solution—and we've dealt with it in a variety of instruments over time—is not just tax credits, it is also making sure you have well-financed companies both on the production side and distribution side, that you have a pool of trained talent, that you have a way of identifying stories and developing those stories through support and the availability of interim financing and other infrastructure that you need to complete a feature film.

Indeed, it's very much like in any other area. You have to focus on research and development. You have to focus on training. You have to focus on actually making the production. Then you also have to focus on marketing, and not just in Canada but around the world. It's like any other product in that sense.

However, the problem is—and we mentioned it in our presentation—with a feature film, each item is a prototype, and it's not quite like making a widget where once you have the basic model you do all those things and you reinvent your business from time to time in “get widget version 2”. The feature film is constantly a high-risk prototype business. You need to look at all those elements.

The Chair: Thank you.

Mr. Silva, welcome again.

Mr. Mario Silva (Davenport, Lib.): Thank you. I appreciate that.

There is one thing I would like to make sure is being done. Sometimes what I'm afraid of—and it's been a criticism of certain departments—is where they work in silos. I mentioned last time the importance of working with the provincial and municipal governments, and I got assurance that was the case.

To build a strong foundation for a strategy, you also need to work within the different departments. To that end it's Department of Finance, Department of Foreign Affairs, and our missions; it is working with the Department of Human Resources and Immigration to make sure all those issues have been resolved.

On the extent of the work we're doing with our embassies, I want to make sure we send a very strong message that while they're out there in the U.S. lobbying, for example, to open our borders—it's very important for the farmers in our country, and it's a very important industry of which I am very supportive—this is also a \$4-billion industry. It employs thousands of people across this country. Right now it's in a very serious crisis. So we need to draw attention to the fact that this is a priority, and our ambassador in Washington and our consulates in the U.S. have to start doing more work for us.

The city that I was elected from, Toronto, has an office in L.A. It's a joint venture with the Ontario government. I don't know what exactly the federal government has in terms of the one person who is there in L.A., who is working specifically on the issue of the film industry for this country. I just want to at least be assured that you are dealing with these different departments, you will be dealing with these departments, and Foreign Affairs will be playing a role in this as well.

● (0925)

Mr. Jean-Pierre Blais: The answer is we do work with those other players, because we can't deliver all of the programs needed to support that environment entirely from our department. There is support, for instance, under a program out of our department called Trade Routes. Part of that program involves putting officers in various...it's not enough, but there is somebody in L.A. who has to support all of the cultural industries.

I do want to make a point. It is very important to make a distinction between foreign production shootings that occur in Canada and get certain support, on the one hand, and true indigenous productions. They're not two separate things. We talk about the dollar and the crisis, and I don't want to underplay that because those are real people who are losing their jobs. But they form part of the holistic approach, because if you have a foreign shoot it keeps people busy so they can then work on the indigenous productions. You've seen the figures in the presentation showing that so many more jobs are created in that. They tend to be more technical jobs than creative jobs, but there are still a lot of jobs and economic interest.

One shouldn't forget the other aspect of it that, at least from the mission our department has, is perhaps more key, and that's more about telling Canadian stories to Canadians than about the service industry. I don't want to downplay it, because it's important, but one shouldn't forget the other aspect of it that also needs support, to make sure those Canadian films get supported in their marketing efforts and they're seen at the various festivals around the world. Through Telefilm and different programs, we do that in concert with the embassies, which are more than willing to help us sell Canadian cultural products.

The Chair: Thank you.

Mr. Brown.

Mr. Gord Brown (Leeds—Grenville, CPC): Thank you, Madam Chair.

I'd like to take this opportunity to officially welcome the member for Davenport to the committee. Welcome, Mr. Silva—and Mr. Smith, that's right. I'm sorry. He's a new member as well. He's just been here a few more times. And Deepak too. However...

Anyway, thank you very much, Madam Chair.

I don't have a lot of questions, but I do look forward to our tour across the country to hear from the various witnesses in these cities. I don't want to prejudge what we're going to hear, but I'm interested in what sorts of policy changes we might hear as recommendations, other than just more money and tax credits. Perhaps you could give us an idea of what we might look for from those witnesses.

Mr. Jean-Pierre Blais: This is a big challenge, because a lot of players in the audiovisual business don't have huge margins; it's a difficult business for them, and we want to support them. Unfortunately, they tend to concentrate on the project they're doing today or tomorrow or next week, and oftentimes they're saying, quite legitimately, they need more funding for this, that, and the other thing.

That's why, on page 40 of the presentation that we made the other day, we tried to put so much emphasis on the new technologies, because when you're so caught up in today, unfortunately, you're not really looking forward down the road four or five years. If I might suggest, that's maybe something you should probe more, because you will inevitably get people, stakeholders, who will want to talk about today and the problem today and the traditional models we've used to help the industry, whether it's tax shelters or direct subsidies. But we're not seeing the big picture and the opportunity presented by digital technology, such as digital cinemas and the use of DVDs. It's a great way of getting Canadians to see Canadian content. The number of high-definition sets and home theatres being built is great, but is the Canadian content there to be seen?

Unfortunately, people in the industry aren't thinking down the road, because they're so caught up in today. I understand them, but I would probe further and ask them about the future. What about e-cinema? What about DVDs? What about movies on demand? How can we use our telecommunication system to make sure that Canadian feature-length films or other audio products are available in Canadian homes across the country, and in schools? What are we doing to prepare our kids in school for the new digital technology, as we do the training in the various institutions out there?

● (0930)

Mr. Gord Brown: So those are the sorts of things that we might expect, other than just more money. We're going to spend a lot of money and spend a lot of valuable committee time to go across the country, and I don't want to see us just come out with a recommendation in the end that there needs to be more money and more tax credits.

So those are the things that I'll be looking to see.

Mr. Jean-François Bernier (Director General, Film, Video and Sound Recording, Department of Canadian Heritage): You're going to hear about more money from coast to coast. This industry is about more money. You're going to hear about more money for IMAX producers. You're going to hear about more money for long-form...[*Inaudible*] You're going to hear about more money from distributors to market and do more prints and ads. You're going to hear about more money for Quebec producers who'll be saying they're at 20% and need an increase to 30%—"Give us 10 more million and we'll get you there". You're going to hear from English-language producers saying, "We need more money". You're going to hear a lot about more money; they're all going to come with their demands. I'm sure you knew, but don't be surprised. Their opening

comments are going to be about that. You're going to hear about the traditional split between French and English, which has been one-third and two-thirds historically.

So you're going to hear a lot about that.

[*Translation*]

The Chair: Mr. Lemay.

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Say what you will, but clearly, there are two solitudes. Correct me if I'm wrong, but in as much as the Quebec film industry is flourishing, growth in the film industry in English Canada has levelled off.

My assessment may be wrong, but I do have a question. Have any studies been done to determine if there is any kind of viewer cross-over in the case of a good Quebec film, or even a very good English-language film, such as *Head in the Clouds* or *La tête dans les nuages*, in French? Do Francophones make the effort to go and see English-language films and in particular, do Anglophones make an effort to go and see French-language films such as *Monica la Mitraile*?

The 25th annual Genie Awards will honour many artists. The funny thing is that when I watch this awards show, I do not identify with English-language films. They are not shown in Quebec. Why is that? That's the question I ask myself. It's the impression I have. What can be done to increase the viewing audience on both sides?

Another problem is the exodus of talented artists. We all know about the call of Hollywood. The last time we met, we talked about this phenomenon. However, have any studies or analyses been done? Aside from the obvious monetary considerations, what more could we be doing to keep our artists here in Canada?

I would imagine that there is some benefit to staying in Canada. The first part of my question is very important, because I truly want to understand the situation. Ask anyone, whether in Toronto, Vancouver or Eastern Canada, if they've seen *Séraphin* and they'll answer you: *Séraphine*? They don't go to see French-language films, just as Francophones don't go to see English language films. Is that what the expression "two solitudes" means?

● (0935)

Mr. Jean-Pierre Blais: I prefer to talk about two realities, rather than about two solitudes. The two markets are indeed different. However, we would need to look beyond the figures before proclaiming that the Quebec film industry is healthy.

Admittedly, large numbers of Francophones in Quebec flock to the theatres to see French-language films, but these films generally very closely reflect Quebec's cultural reality. The film *Séraphin* was successful in Quebec because it is based on a literary work and a television series which has been part of people's everyday lives for decades. That explains the film's success. However, this film does not play well elsewhere. It is so closely linked with the reality of Quebecers that it cannot easily be transplanted to other parts of Canada, or elsewhere, for that matter.

Mr. Marc Lemay: However, that's not true of the film *Les invasions barbares*.

Mr. Jean-Pierre Blais: *Les invasions barbares* and *La grande séduction* are two films that play very well in other markets. However, films like these are the exception, rather than the rule. In my view, we mustn't automatically conclude that the Quebec film industry is flourishing. This industry also faces some challenges. Yes, we're at the 20 per cent figure, but can Quebec films be easily exported to other markets? This is also a consideration.

Mr. Jean-François Bernier: Jean-Pierre mentioned *Les invasions barbares*. There are always two or three exceptions every year, that is Quebec films that are more suitable for export to other markets. However, that's not the case with *Camping sauvage* or *Elvis Gratton*. In France, *Elvis Gratton* might earn a measly four dollars, and the only people who would even see the film are the Quebec delegates and embassy staff members.

On looking at the specifics of a feature film production budget, you'll note that pre-sales abroad of French-language films are soft. These account for a fraction of the production budget. English-language films, even if they don't do as well on the domestic market, register higher pre-sales figures, particularly because of the original language. I wouldn't say that it's a hard and fast rule, but in my view, French-language films do well in Canada, but are not good exports, whereas English-language films don't do well in Canada, but fare better on foreign markets.

Mr. Marc Lemay: Then how do we strike some kind of balance between the two industries?

That may be a theoretical question. An English-language film might not fare well in Canada, but is a better export. That doesn't necessarily mean that it will have a bigger box office than a Quebec film that is screened only in Quebec, but nevertheless grossed a considerable amount of money. Maybe I'm way off base on this one, but...

Mr. Jean-François Bernier: It's just that the film's profits in Quebec...

• (0940)

Mr. Marc Lemay: We're talking about a limited market.

Mr. Jean-François Bernier: A French-language film, or for that matter, even an English-language film produced in Canada is deemed a success when box office receipts total \$1.5 or \$2 million.

There are exceptions, such as *Les invasions barbares* and we could share some figures with you. For instance, *Elles étaient cinq* grossed \$2.3 million in Quebec; *Dans une galaxie près de chez vous* earned \$2.8 million; *Camping sauvage* earned \$4.3 million at the box office, which is considered very good indeed. In the case of *Les invasions barbares*, the film grossed \$7 million in Canada, that is \$6.3 million in French Canada and close to \$1 million in English Canada. Where is the balance? English language feature films register pre-sales figures of \$1 million or \$1.5 million... I can't really say where the balance lies. Pre-sales of English language films are as high as, if not higher than, total box office receipts in Quebec.

[English]

The Chair: Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-sor, Lib.): I have a quick question. When you have a co-production between one country and another...and the one I'm thinking of,

actually, is *Random Passage*. It was done in Newfoundland with the CBC and, of course, with the Irish network. It was one of the most popular television programs ever in Irish history, if I'm not mistaken, or close to it.

What are some of the rules for funding something like that in co-production? I've always been, not concerned, but certainly curious.

Mr. Jean-Pierre Blais: You should be careful with the word "co-production" when you go off on your study.

Mr. Scott Simms: Did I drop a bomb? Sorry.

Mr. Jean-Pierre Blais: No, it's just that some people use it differently.

You can talk about a co-production that's just a couple of people coming together to finance, and then there are official co-productions, that is to say, co-productions that are done under a treaty between Canada and a foreign country, or sometimes it's trilateral.

Mr. Scott Simms: That's what I meant.

Mr. Jean-Pierre Blais: In the case of co-productions that are official, the broad network has over 50 of these co-production treaties, and some of them are more active than others. They give dual nationality of a sort to the production. For instance, under a Canada-France co-production treaty, in Canada, even though there is a foreign producer guiding the production, despite that fact—which under normal rules would prevent it from being Canadian—the treaty gives it Canadian nationality. For quota purposes at the CRTC or anywhere else or under the funding regimes, it's deemed to be a Canadian production. So the treaty creates a legal fiction.

Similarly, in France what the French government says is that it will deem that co-production to be French, even though there is a large cultural input on the production from non-French residents.

Mr. Scott Simms: How do these treaties come about? Is it based on the production or is it based on several productions, for a feature film?

Mr. Jean-Pierre Blais: They're overall treaties. They're treaties that in some cases have been in existence since the 1960s with France. And from time to time, other governments approach us to see whether we want to create... It's a framework treaty. Once the treaty exists, Telefilm Canada will either recognize or not, certify whether a particular project is deemed to be admissible under the co-production treaty.

Mr. Scott Simms: How many countries are out there?

Mr. Jean-Pierre Blais: If I recall, 46.

Mr. Jean-François Bernier: There are 49.

Mr. Jean-Pierre Blais: There are 49 or so treaties out there. There are about 192 countries in the world, depending on how you count countries—there are 192 at UNESCO. So we have a large number of co-production treaties—obviously not with the United States; they tend to be with countries that, like us, are trying to develop markets.

You can imagine that in a co-production between—you can have a three-way co-production sometimes—let's say, the U.K., Canada, and Italy or Australia, you'd then have a production that is deemed to be Australian in Australia, Canadian in Canada, and British in the U.K. You then have access to a much larger audience market.

Mr. Michel Gauthier: One thing—to go back to the question about financing, it means that production has access to the full set of public supports in Australia, in the U.K., and in Canada at the same time.

Mr. Scott Simms: So a certain producer could be Canadian by convenience?

Mr. Jean-Pierre Blais: No, it's actually...there's a benefit. What the treaties are trying to do as well is to analyze over time, to make sure we're not stealing jobs from one country or another; you're making sure that there is what we call in French *un retour d'ascenseur*.

Over a period of time, you might have a 20-80 Canadian-Australian co-production, but then you might have a 60-40 the other way, and it balances out, so both countries are winners over a period of time. The treaties provide for what they call joint commissions. Every so often these joint commissions from both countries meet to make sure that over time there's an equilibrium, a balance between—

Mr. Scott Simms: That was my next question, actually. What mechanism is set up to see that these treaties are held up to standard, as it were?

Mr. Jean-Pierre Blais: The mixed commissions do that; they try to balance it off over time. We're actually reviewing our co-production treaties, because some of them are very inactive, and there are costs in administering them. But they have to be there; you have to have the joint commissions.

Maybe we need to focus, to think of them differently. They were created at a time when there weren't large regional blocs like the European Union, so maybe we need to deal with Europe in a different way, because it is, in a sense, a single market now. Should we be developing co-production treaties with powerful emerging economies as well? Sometimes we're approached vis-à-vis some of these countries.

● (0945)

Mr. Scott Simms: We don't have one with the United States at this point?

Mr. Jean-Pierre Blais: Nothing prevents us, but from a public policy perspective, it wouldn't make sense.

Mr. Scott Simms: Okay.

The Chair: Thank you very much.

Ms. Oda.

Ms. Bev Oda (Durham, CPC): Thank you very much.

I welcome to you to the committee. I look forward to our review.

I have a number of questions, but I wanted to talk to you about the programs. I understand a number of programs are at different stages of feature film production. However, my experience in the audio-visual creative field is that if the idea isn't there—if it isn't on the page, we used to say, if it isn't in the story.... Ultimately, it has to have that root, that base, in order to say something to audiences. Even films that will transport, that will travel internationally, always come down to saying something to various audiences.

I understand also that production is a collaborative effort. However, if we come to an agreement that there has to be the idea,

the story, and that essentially we want to make it truly Canadian—a Canadian mind, a Canadian idea, a Canadian vision—I think that's ultimately the cultural goal. If that's the case, are we investing into that stage of the process adequately, versus other stages, and are we investing in those with the most potential? I know it may be a misapplied analogy, but we have an athlete program in which our investment is in those with the most potential.

When I was chairing a production fund and looked at the historic success and history of the production fund, I saw that it gave out millions of dollars every year. They were all about the same size. There was regional representation. There was diversity representation. There was male-female representation. There were all these things, but at the end of the day—this production fund has been in operation for 12 years—we had supported thousands of projects, but where were the successes? Where were the successes in building up the infrastructure, and the capacity to continue building on those successes? Is there another way of looking at it and investing?

At that point, we set aside a substantial amount to invest in the person—the creative root of a project. That investment went to Atom Egoyan, and he was able to spend some time—almost a year—working on *The Sweet Hereafter*. We found then, by taking a totally different approach, that we did see some success. If we're reviewing, we should be thinking about new ways and new ideas.

Mr. Jean-Pierre Blais: You're absolutely right.

I don't know if these numbers are correct, but we're often told that a major studio may have 100 scripts in development, and only one goes to production. Whether that ratio is still true today in a more competitive environment doesn't matter. They still put a lot more into script development and story development than we have traditionally been able to. Once we've invested so much money in developing a script, it's very difficult to pull the plug on it because there's a demand for the content we've invested in.

But certainly we need to be thinking further upstream in making sure we do script development. That's why the 2000 policy is called “From Script to Screen”. It is a recognition of that holistic approach, and money is invested in making sure those scripts are nurtured and developed in a variety of ways. Various other players play a role in that, too. The National Film Board, for instance, will help filmmakers do master classes and develop an idea at the idea stage rather than getting into production too soon.

In the second part of your question you talked about success and investing in the potential. One has to be clear as to what success is. Success can't only be categorized in terms of commercial success. There is in fact some success in helping an emerging aboriginal scriptwriter to develop their story, even though that first film the filmmaker will make will not get a huge audience, because again it's an ecology. You have to build the talent.

So you have to step back when you say “success”. What is success? You can't measure it on a project-per-project basis. Although a particular film may not have gotten a huge result in the box office, it may have been the stepping stone for another project that will reach audiences in another way.

● (0950)

Ms. Bev Oda: Perhaps I can just follow up.

What I'm finding frustrating is that when we talk about feature film, we always say that there's a long way to go because of the lack of box office success, which also measures audiences, etc., yet on the other hand we have discussion about those kinds of projects you just talked about. When we put these altogether, we can never get a clear line or strategy, because we're mixing apples and oranges.

What I would suggest is that it is now time to separate and say that there is going to have to be government investment or support for the creative. That's our role as a government. Consequently, should we then say that the applicable, meaningful measure of the success of feature films is not the box office in every case, or only for this one type or one category of film? When we get results as to the number of titles and theatres and how many audiences, etc., to me it's not a meaningful, accurate measure when we're also investing taxpayers' dollars into the aboriginal creative expressions and those smaller films, those ones that may not necessarily have even a primary objective of hitting 170 screens across Canada.

I guess to get some clarity of focus on policies and strategies, there needs to be a way we can separate out and say, this is what these programs are to do, and the measures are totally different from the measures that we're going to use in this category, and in order to report or even to measure success we now have two sets. When you mix what we're doing—and we are putting that small aboriginal film into the count and the mix—how realistic is it that we're going to achieve the kinds of successes people expect of us?

Mr. Jean-Pierre Blais: I agree. The From Script to Screen policy had a number of components to it, but our results measurement focused a lot on the commercial aspects. Probably we should have broken it down on the various other components. Script development is good even though it may not end up being a blockbuster, because it's an ecology overall. The review we'll be doing—because we're reviewing the From Script to Screen policy—will permit us to build up on some of those measures to make sure.

Other aspects are measured. You shouldn't get the impression.... We're looking not only at box office, but also at how much money we're investing in a variety of films to make sure the average budget is representative. But certainly the vision at the time was that we needed to get audiences, which we had never gotten historically. That's a good thing, but it's not the only thing one should be going after. This mixes the priorities—audiences are good, but reflecting Canada is also good, as is making sure that diversity is there.

• (0955)

Ms. Bev Oda: Thank you very much.

The Chair: Ms. Bulte—no, you wanted to wait.

Mr. Smith.

[Translation]

Mr. David Smith (Pontiac, Lib.): As the Member for Pontiac, I'm interested in French-language films and in aboriginal films. In my view, the aboriginal film industry is extremely important in light of my riding's aboriginal population. Also, since I'm from an aboriginal community myself, I'm very interested in this subject.

You mentioned agreements or accords between France and Canada. It's well known that France has a certain fascination for aboriginal products. Does Quebec have in place a plan to produce

aboriginal films that can be marketed in France? Do you know of any films that may have been exported?

Mr. Jean-François Bernier: I'm aware of one film, *Agaguk*. The last film to do very well abroad, and even in Canada, was *Atanarjuat (The Fast Runner)*, an Inuit film.

Every year, the National Film Board produces several original aboriginal films. I can't give you any figures, but the NFB is involved in a number of such productions.

I understand that Ben Simon from the NFB is scheduled to appear before the committee later this week. You can broach this subject with him. These films do relatively well, particularly on educational networks abroad. They do well in Japan. However, I don't wish to mislead you in any way.

Mr. David Smith: Does your department work with Indian and Northern Affairs or with other departments responsible for aboriginal issues to help support the marketing of films produced by these different film companies?

Mr. Jean-Pierre Blais: I don't want to give you the impression that our programs ignore aboriginal reality, because they don't. There is always an aboriginal component to our programming, whether it be support for screenwriting or production. However, it's important to remember that new artists do not necessarily start with work on feature films. It's somewhat more complex than that. Sometimes they work in the television industry first and turn to films later on. We also have programs for that. It's not only the responsibility of Indian and Northern Affairs, but the responsibility of all departments to support aboriginal culture, regardless of the stage at which aboriginals are involved in the process. We support well-known as well as budding artists. We generally consult with our colleagues from other departments.

Some projects that we administer ourselves or through Foreign Affairs or International Trade involve the export of cultural goods. These programs have an aboriginal component to them. At times, it's a matter of helping aboriginals develop a business plan. Other times, it's a question of helping artists and companies break into a particular market. We're there to help.

Mr. David Smith: Fine. Thank you.

[English]

The Chair: Thank you.

Maka.

[Translation]

Mr. Maka Kotto: Thank you, Madam.

I'd like to come back to a question raised earlier by a colleague. He was wondering what people complained about most often. The response was that everything revolved around money. I admit that this industry is under-funded and everyone agrees that that's the case. The point is often made. However, people frequently complain that they encounter a great deal of administrative red tape, particular in so far as the Canada Feature Film Fund is concerned. Perhaps this is one problem that needs to be addressed.

My other question has to do with the situation abroad. I've observed that Canadian diplomatic missions abroad do very little to promote Canadian films, unlike the French or Belgian diplomatic missions. The latter work hard to showcase their film industry, and the same cannot always be said of Canadian diplomatic missions.

Do you have any thoughts about this?

• (1000)

Mr. Jean-Pierre Blais: As you know, Foreign Affairs is currently developing a new foreign policy for Canada. The current policy has an arts and culture component that many have criticized as being inadequate, a mere "toothpick". I believe that's how one minister described it.

The level of support is not as sustained as it should be. Often, it depends on the staff at a particular mission and on whether they want to support a cultural sector. Sometimes, they're willing to support the arts, sometimes, dance. A number of more strategic missions, particularly those in Paris and Berlin, are very active. Our representatives in New York and Los Angeles are very active as well, but it's true that we haven't really...

We hope that this policy component will continue to be part of Canada's international vision, for three reasons. Firstly, there are business considerations. Revenues enable us to finance other feature films. Secondly, projecting our diversity as a nation is part of Canadian diplomacy. Thirdly, our feature film producers must be seen and must participate in competitions to gain recognition, not just at home, but abroad as well. These three factors are critically important.

[English]

The Chair: Thank you.

Ms. Bulte has some questions.

I'd like to suggest that it would be very helpful for us to consider the agenda for our study and agree on a list of witnesses, when we're travelling, and so on.

We have a motion to consider and a second one that Ms. Oda would like to at least table with the committee.

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): I will dispense so that we can move on with our work.

The Chair: I think this is a great opportunity for the department and the committee to move forward together. I hope that as your work goes on, you will share information with us as to what you're finding out. I would certainly like to know if any of the preparatory work you've done would be helpful to the committee, and if so, perhaps you could provide that to us. I think that in our briefing package there is a summary of the history you mentioned of various measures that have been taken over the decades to support film

production in Canada. I thank you very much for, this morning, keeping us focused on the future.

Thanks very much.

Mr. Jean-Pierre Blais: If I may, we mentioned that we've created an internal task force on foreign productions. We're just putting the final numbers on that. We'll be sharing information on that. If at any time you need information, we'll try to provide it to you as quickly as we can. We'll tell you if we don't have it, and we will try to get it. Sometimes it might be found at one of the agencies, either Telefilm, the National Film Board, or the CRTC.

Thank you.

• (1005)

The Chair: Thank you very much.

We will be dealing now with the agenda for our study. There are two things. One is our scheduling, and the second is on witnesses.

I met with our committee staff to look at how we could accommodate the various constraints that we have, one being the House and the second being time. We set a target of reporting before the House rises in June. I think that might be quite important. Therefore, we have to set a schedule that at least makes it possible to reach that target.

Some of the constraints are—

Hon. Sarmite Bulte: Excuse me, Madam Chair, could we see what you're looking at? We don't have anything in front of us.

The Chair: I'm sorry. I thought it had been distributed to the committee.

Thank you, Ms. Bulte.

The constraints that are beyond our control include Mr. Kotto's determination from the House leader that we shall not travel March 7, 8, and 9. Those are the dates of the budget, and votes and debate on the budget. That week is out unless we want to go somewhere on Thursday and Friday. We could fit in Montreal or Toronto that way.

During the week of March 21 and 22, on those two dates, we'll be dealing with the supplementary estimates and a ways and means motion. I suspect that the opposition and the government whip might also have some problems with members travelling on those two days. It puts constraints on that week because Friday, March 25, is Good Friday.

The next major constraint is when the House deals with the main estimates. I'm not sure that we know yet when that will be. It would normally be either the first or second week in June. We're scheduled to recess on June 24, I think. If a consensus develops that we recess a week earlier, then the week of June 5 to 10 is most likely when we would deal with the main estimates.

Those are three major constraints on us.

Listening to the discussion with the committee, it goes to your question earlier this morning, Gary. It seems to me that as a committee, most of whom are new to this field and many of whom are new to Parliament, we would want to have a better grasp on the whole field of what is being done and what we can find out about that before we actually go to hearings. Then we would probably get more out of our hearings.

What the clerk and I looked at was this. Are there witnesses scheduled who are less important than getting the grounding that we need in the film industry in order to do our job in a timely way? For instance, we thought that the NCC and Mauril Bélanger on official languages were probably less important than getting going on the film study. That's a decision of the committee, but the clerk has operated on that assumption.

The other factor is that we had scheduled three meetings for copyright in early April. I'm quite sure we will not be getting copyright in that timeframe at all. I think that's too bad, but that's the way it is.

However, by the third or fourth week in March, we will be getting the tabling of responses from the minister to the broadcasting report and the copyright report. We may want to leave a day to deal with those.

•(1010)

Mr. Charlie Angus: Madam Chair, when are we expecting to hear back from the minister?

The Chair: I believe the deadline is.... I don't know whether we've checked this or not.

Hon. Sarmite Bulte: It's April 4.

The Chair: April 4? Yes, that sounds more like it to me. So it will be in the first week of April, on April 4.

Mr. Charlie Angus: What will the minister be responding to?

The Chair: Do you remember we retabled the report on broadcasting of the committee from the previous Parliament?

Mr. Charlie Angus: Yes.

The Chair: He'll be responding on that and the report on copyright.

There are two other factors here. First, does the committee want to start having longer meetings, for instance from nine to noon? That would allow us to schedule two major witnesses in one meeting instead of spreading them over several meetings.

Something that would also be helpful is if we took a bit of time at the beginning of each meeting to deal with our researchers on what each witness is about and what some of the issues are that we might want to raise, to have a bit of pre-discussion, since we are all so new to the field—maybe just 10 or 15 minutes before we actually begin with the witnesses.

Am I sensing some consensus that maybe at some if not all of our meetings we might want to do a full morning and have a few more witnesses?

Ms. Oda.

Ms. Bev Oda: Tuesday morning is shadow cabinet for me, so I'm having to sometimes leave early as it is.

The Chair: How long does that take you out of the picture?

Ms. Bev Oda: Well, I hope for the rest of my parliamentary career.

Some hon. members: Oh, oh!

The Chair: But is the shadow cabinet meeting an hour, two hours...?

Ms. Bev Oda: I'm having to start leaving at ten o'clock, because that's when it starts, every Tuesday.

The Chair: Okay, and if we were continuing until noon, would you be able to be back?

Ms. Bev Oda: Ten till noon is shadow cabinet, minimally.

The Chair: That creates a problem, because our time slot for meetings isn't exactly set by us, unfortunately. We could try....

Ms. Bev Oda: On Thursdays there probably would not be a problem to extend the hours of committee, but Tuesdays—

The Chair: Let's look at that possibility. It just seems there are some witnesses we want to hear from separately, but we want to hear from another witness in that same category at the same time.

If our clerk could maybe take us through....

Yes, Mr. Angus.

Mr. Charlie Angus: On that issue, being the only New Democrat rep, I also have agriculture, so on a regular basis I can't go three hours.

The Chair: Is agriculture at 11 a.m.?

Mr. Charlie Angus: No, I've just been preparing for two committees every day. I have two committees a day, so I need actually a little bit of time to come here and sound so erudite and intelligent. As I'm sure you've noticed, I often stay up late to be ready for that.

So if there are times when we can do it, I will be.... But I can't support adding it as a regular addition.

Mr. Scott Simms: I'm in the same situation. I have fisheries.

Mr. David Smith: Personally, I have aboriginal affairs from 11 a.m. to 1 p.m. Tuesdays and Thursdays.

The Chair: And Thursdays? Okay.

We could start at 8 o'clock or 8:30 a.m., but I know people have other meetings in those time slots as well.

Mario.

Mr. Mario Silva: I have three brief questions I'm hoping could be answered very quickly.

One is on the issue of when we will have the exact dates so we can start plotting them down in our agendas, because it's quite important.

The Chair: I would like to do that right now, especially with respect to the travel, if you don't mind.

Mr. Mario Silva: Great.

The second thing I wanted to know is this. The second week of travel is the break, and I am going to be away. I know you can find a replacement for your committee, but how does it work when you're travelling? Can you find a replacement to go for you?

• (1015)

The Chair: Absolutely.

Mr. Mario Silva: No problem.

The last question I have has to do with the witnesses. There are a lot of people in industry who are very well known to me who have a great interest in this policy. How do we make sure they become witnesses in Toronto, for example?

The Chair: I hope we'll be dealing with that before we adjourn today too.

Mr. Mario Silva: So we can add names, if not today, some other day?

The Chair: The clerk and our researcher can tell you more once we've looked at our agenda. I understand we already have 22 who wish to appear in Toronto.

Mr. Mario Silva: Can I see the list?

The Chair: Do we have the list to distribute?

Ms. Bev Oda: What was the deadline for people to indicate their desire?

The Clerk: This Friday.

Ms. Bev Oda: It's this coming Friday, so there is a deadline we should tell people about.

The Chair: And to deal with Mr. Angus, I'll let the clerk inform you on the interest we've had from between Toronto and Vancouver.

There's one more constraint. I presume the committee wants to spend at least one meeting on the estimates, so we'll leave that meeting scheduled.

Ms. Bev Oda: Madam Chair, there's another consideration. For example, I see the CFTPA scheduled for next Tuesday. That's in preparation for the film review. Yet we're going to be meeting with a number of members of the CFTPA as we travel, etc.

I'm wondering strategically which would be more useful, to first of all hear from their various members across the country and then bring the overall umbrella association in to test some ideas, or to have them come in and present an overall, I would suggest, wish list and then hear, I would suggest, the same wish list as we cross the country. I suspect there may be some redundancy in that association and their members. So could there be some strategic thinking on our part as to the best placement of the national organization?

The Chair: The thinking in what you have before you was to have in those agencies, organizations, that can best give us all a grounding and a fairly wide appreciation of what's going on in feature film production, what the problems are, so that our questioning, as we meet witnesses from across the country, will be a little better informed.

Second, I'm also concerned about how we can avoid hearing the same thing over and over again. I think we're all bright enough to get the message. At the same time, we do want to be open to people who

want to appear. But I think that's exactly why I would appreciate the committee's advice on witnesses.

Hon. Sarmite Bulte: If I may share some of my past experience with the committee, when we were doing the broadcasting study we did have all the industry associations come before us, and very rarely would an individual appear after the fact.

We are going to hear the same thing, but I think at the same time it's going to reinforce that they're in different regions but there are similar problems. I think it's important. I don't think we should edit what we have.

I know one of the things we did is have round tables with a lot of people, so it gave us an opportunity to hear from many people when we went across the country. We'd slot them in for the morning, afternoon, and night. When you go away, it's not 9 to 5; it goes morning, afternoon, and evening. You can get as many people in as possible.

I think that's something to bear in mind. We're not restricted when we're travelling; we have the whole day to work.

The Chair: The other thing that I think it would be wise to do is let the groups know that we really don't want them reading their whole brief to us again. We want them to highlight, in a few minutes, their main concerns, and we're most interested in the dialogue with them, even between them.

Okay, shall we look at what we—

[*Translation*]

Mr. Maka Kotto: Madam Chair, if I could intervene for a moment, I think many people would come away frustrated if we limited ourselves to merely taking note of their concerns.

Hearings of this nature were held in Quebec two or three years ago. Over a span of three days, representatives from all film industry professions had five minutes to give testimony and made presentations, much like we often do here. This was followed by a rapid question and answer session. We'll have to see if we'll need to put questions to these representatives, since often the same questions arise time and time again. If we allow them time for a five-minute presentation, they will leave here satisfied, knowing their concerns have been heard. Then we'll do whatever we feel needs to be done.

I also wanted to point out that the names of certain potential witnesses are missing from the list, persons who are experts on the subject, for example, academics. Some university academics have already studied the problems of Canada's film industry at considerable length. This appears to be an oversight. These individuals could probably assist us in tackling the range of complaints that we will receive.

• (1020)

[*English*]

The Chair: There are a couple of things missing. Academics are one, and I think there's an opportunity for a fairly good panel there. The second one is new technology; I think I would like to have a better understanding of the pressures of new technology, and the opportunities, as our ADM said this morning.

In terms of the hearings, I don't want to frustrate anybody being heard, but I do think if people have submitted briefs to us, it's more helpful if they try to synthesize those briefs, rather than read for 15 or 20 minutes, which just cuts out any opportunity for discussion. So we'll try to find a good balance there, with maybe three to five minutes to present. Okay?

Sorry, I'm into March. We're not there yet.

For Thursday, we have scheduled the Canada Council for the Arts—that has been scheduled for a while—and the National Film Board.

We have removed the National Capital Commission from February 22 and put in the Canadian Film and Television Production Association.

Were we not going to try to get another group in there as well?

The Clerk of the Committee: Yes, it's l'Association québécoise—

The Chair: Okay, so that's not just a translation.

So we have the two film production associations there on the Tuesday. We will try to do that within our normal two-hour meeting. Is that enough?

Okay, and the same on this Thursday. We'll try to do that within our two-hour meeting.

The following Thursday—

Hon. Sarmite Bulte: I have a question.

The Canada Council does a lot of things, and again, if you want a briefing as new members....

I just hope we're going to direct the Canada Council to speak only on the film side, because there's so much there—the touring and everything else that's film related. Otherwise, you could have a couple of sessions on the Canada Council.

The Chair: It's on film production, period—feature film production.

Hon. Sarmite Bulte: Madam Chair, that's another thing. Is it feature film we're studying or is it film? Feature film means one thing, namely the big box office hits that From Script to Screen was created for.

I'm quite frankly more interested in ensuring that films that reflect our history, things like *Shattered City: The Halifax Explosion*, continue to be made and that we as government also ensure that they're distributed and made available. I'm more interested in those things and also in showcasing those films and making sure they get into every community, and not just the cities.

I know the Toronto International Film Festival does a film circuit. I know out west they have a film circuit where they go into communities. To me that's what's important. How do we bring Canadian stories to Canadians and to all of our communities?

Again, Ms. Oda was asking about success. Success to me is not necessarily just about the big box office ones. I'm interested in promoting our history. Commercial productions don't need taxpayers' money. We're at idem on that. I want to know how we get

stories like the Halifax explosion and the Avro Arrow, things that are part of our history, seen by our children and our grandchildren and seen by communities so we appreciate our history.

Why don't we have a movie made about the 40th anniversary of our flag today? I think those are the things we need to foster.

• (1025)

The Chair: I agree with you. I think the main concern was that we didn't want to get into specific production of television programs, the one-hour or half-hour television programs. But I agree we should be flexible about how we're defining film production.

By the way, did you say the Avro Arrow or the Avro Error?

Some hon. members: Oh, oh!

Hon. Sarmite Bulte: Avro Arrow.

The Chair: Thank you.

Hon. Sarmite Bulte: It's *The Arrow*, produced by Tapestry Films and written by Keith Ross Leckie.

The Chair: Ms. Oda.

Ms. Bev Oda: Madam Chair, I can't concur as strongly as maybe I should, but I really would like to do it strongly. Unless we outline the parameters of what our expectations are, we are going to have discussions and people making representations on the entire spectrum of film, not only feature films but long-form drama, which some people would call film. Long-form drama's primary outlet is not theatrical, even though it may be shown in small theatres in small towns; television is the primary outlet.

I think we as a committee have to be very circumspect about the boundaries we outline. In order for us to be effective, we have to find a balance between letting as many people participate as possible and also, at the end of day, coming out with meaningful dialogue so we can make a substantive report.

The Chair: I know we're going to hear from people who are in their own little box and from others who are in their own little box. Sometimes it's great to get people together in the room and sit back and watch as they argue it out, and we may want to try to do that kind of process at some point.

Look, could we maybe deal with the schedule, try to get that resolved, and then come back to witnesses? Do we have the right number? Do we have the right balance? Are we missing something? Maybe soon—I doubt that it'll be before the end of this meeting—Joe can bring back some suggestions on how we might frame what we're looking at so people will know a little bit better.

Yes, Mr. Angus.

Mr. Charlie Angus: My only concern about what's been brought up is that we're going to limit our picture. I don't think the Canadian film industry is healthy enough that we can afford to just concentrate on one aspect. I agree the Canadian stories are important, but I don't think we've done a hell of a great job on feature film. There are going to be a lot of expectations on what this committee is going to do—impossible expectations, obviously.

I'd be more concerned about trying to pare down the witness list to make sure we've got appropriate representation so we can see a wide variety rather than setting out before the discussion to limit what aspects of film we're going to be looking at.

The Chair: That's something we can review as our hearings go on and issues open up.

On the 24th, that's next Thursday, we have the certification office scheduled to testify.

Another witness who I thought might be helpful in that same meeting would be one from Department of Finance to give us a briefing on what tax credits are and how they work. Do you think we could work that into the same meeting? The work of the certification office is primarily about certifying Canadian content and who qualifies for tax credits.

• (1030)

Mr. Gary Schellenberger: [*Inaudible*]...ask a lot of questions at the same time.

The Chair: Yes. Let's get that in. Maybe we just need 10 minutes on these tax credits and how they work, anyway.

Hon. Sarmite Bulte: But again, there are two types of tax credits. There's the foreign tax credit and there's the Canadian tax credit. If these are to help what they call the "runaway productions" and to get those back and to get our actors working again, then we need to look at them.

I'm just concerned that we need to define things a little bit more tightly. I'm not saying that we exclude it.

I agree that expectations are going to be huge. We just have to define what it is. If we're going to do all of them, let's do it. I think we should look at the whole documentary area, as Mr. Kotto said.

I don't know, but somehow I feel we also have an opportunity in this to review Telefilm, and that this committee could really be used to update what Telefilm does, how it does it, who it isn't serving, and why it's not serving.... I see we're going to have Telefilm and the Canadian Television Fund together. I would suggest that we just have Telefilm one day. I think this is an opportunity for this committee to do some really, really important work in the whole area of Telefilm, which affects a lot of those films, be they feature, television drama, or documentary.

That's just a suggestion.

The Chair: Can we deal with next Thursday first, and then move on to March?

As far as I know, Sam, there is one person in the finance department who deals with the whole package of tax credits for film production. I think it would be helpful to have that person here. So we could add that to next Thursday.

The first week of March is break week. I presume nobody wants to travel and hold hearings in the break week. Okay.

Hon. Sarmite Bulte: We have to be in our ridings. There are no votes travelling.

The Chair: What we were thinking about when we put Telefilm and the Canadian Television Fund on the same day was that if that were a day on which the committee wanted to do a longer hearing

and go from 9 to 12, we could give each or them an hour and a half. That's not on for Bev, and as she is critic, I think we have to be aware of her concerns.

Ms. Bev Oda: If it could be moved to Thursday, I'd agree that it could be a longer meeting, but not on a Tuesday.

The Chair: Okay.

So the option is that we put that on Thursday of the following week and make it a longer meeting, say, from 9 to 12.

Ms. Bev Oda: On the 10th?

The Chair: On the 10th. And move the CRTC back to the 8th and have our normal meeting.

I just think that Telefilm and CTF are linked, so we should be hearing what they both do and try to put that together. It doesn't preclude us from having either of them back again.

Mr. Mario Silva: Can you repeat the time?

The Chair: I'll have Jacques send all of you a revised schedule. We would basically move the meeting scheduled on the 8th to the 10th, and then we would have a longer meeting on that day, from 9 to 12, and move the CRTC and the Competition Bureau—I'm not sure we can do both of those on the same day—back to the Tuesday.

Hon. Sarmite Bulte: What will the Competition Bureau be addressing?

The Chair: Joe.

Mr. Joseph Jackson (Committee Researcher): They will address the control of the distribution networks, in particular the ownership structure. There's this whole grandfathering of the distribution network in Canada. Right now, although the law stipulates that it should be Canadian-owned distribution companies, in fact only 26% of distribution is done by Canadian-owned companies.

• (1035)

Hon. Sarmite Bulte: I have a huge concern about distribution, so I don't have a problem with that.

Ms. Bev Oda: That has to do with ownership. It's not a competition matter. How does the Competition Bureau play into the ownership aspect?

Mr. David Black (Consultant, As Individual): Historically, one of the criticisms about the lack of access to Canadian films is the control of the distribution system.

Ms. Bev Oda: I don't disagree, and I think we're all aware of that.

Mr. David Black: The Competition Bureau has been involved in that. That's the only reason we suggested it. When you're talking about access to Canadian films, the witnesses will say that's one of the problems. In theory, the Competition Bureau is doing something about it. But whether it is or not, you would have to ask its officials.

Hon. Sarmite Bulte: I don't know if it'll warrant the whole time.

The Chair: That's why I thought we could put the two together. We've heard from the CRTC more broadly about their mandate. This time I think we want to focus on the specific decisions they take that affect film production. The purpose of having the Competition Bureau here is to enable members of the committee to become familiar with what, if any, role it has in this whole thing. So that takes care of that.

As of Monday morning, we had thought that the week of the 21st would be a wonderful week to travel to Vancouver. However, the 21st and 22nd are the days we're dealing with the supplementary estimates in the House. I don't know if any of you have had discussions with your House leader or whip about whether they're going to insist on your being here.

Mr. Gord Brown: Madam Chair, any time we do this, we're going to have problems, so we're just going to have to plan it and do it.

The Chair: We should try to plan it to avoid the most obvious things. So let's scratch that for Vancouver.

Normally we could hold hearings on the 23rd, 24th, and 25th, but the 25th is Good Friday, so that's not going to work.

Mr. Mario Silva: Aren't two days enough?

The Chair: I think we felt we needed more than two days in Vancouver. I would love to go to Vancouver that week. I could go to San Diego and spend Easter with my grandchildren.

Ms. Bev Oda: That means we're travelling on Good Friday.

The Chair: Yes, you're travelling on Good Friday to get back.

Mr. Mario Silva: I don't have a problem staying there for the Easter break. We say there's not enough time on the 23rd and 24th, but we'll be going from morning until, I presume, late afternoon.

The Chair: If we have votes at the end of the day on the 22nd, we can't get out of here and into Vancouver except by taking the red-eye, getting off the plane, and going directly to our hearings, and I don't think you want to do that.

We could hold hearings in Montreal or Toronto on the 23rd and 24th.

Mr. Gord Brown: Madam Chair, I was going to suggest we just do Toronto. If we have to, we can fly down early in the morning and do the two days and come back on the 24th.

The Chair: Jacques is saying we also want to do site visits in the cities we visit, and if we only have two days in Toronto, that will allow us to have hearings, but maybe not site visits.

•(1040)

Hon. Sarmite Bulte: We can go back to Toronto. It's not far.

The Chair: We can go back for another day to do that.

Mr. Gary Schellenberger: Or we could go to Montreal—whichever one would work out the best.

Mr. Charlie Angus: Are you saying we can't do three days in Toronto? If we ended it on Thursday evening, we could get back before Good Friday.

Hon. Sarmite Bulte: We would only have two days.

The Chair: We don't have the 21st and 22nd. Those are the days the House is dealing with supplementary estimates.

Mr. Charlie Angus: Two days isn't enough in Toronto.

The Chair: So we could go down Tuesday night and have Wednesday and Thursday, but that's all.

Mr. Charlie Angus: Just in terms of the cost of travel to get there, to have to go back would be a waste. The industry in Toronto is huge, and the expectations are going to be higher there than anywhere because of the thousands and thousands of jobs lost. I'd suggest that if we're going, we have to be there for three days.

The Chair: I'd love to, if we can find three consecutive days when we can do that.

The option, of course, is to schedule more witnesses for that week. Maybe we can schedule our consideration of the department's estimates for that week, if we want to do that anyway and get it out of the way. Then we could move Vancouver to the week of the 5th to the 8th.

Hon. Sarmite Bulte: Would we leave Tuesday night?

The Chair: I think that depends in part on whether we have to add an extra day for, say, another western city.

Hon. Sarmite Bulte: Madam Chair, the Junos are in Winnipeg on the 3rd, so we could go to the Junos and then stay in Winnipeg. That's an idea.

Mr. Gord Brown: I'll move that. I like that idea.

Hon. Sarmite Bulte: Then we could do two things at once.

Mr. Charlie Angus: Is that May 3?

Hon. Sarmite Bulte: The Junos are on May 3. Again, if we want to go we need to let the producers know so there are tickets available.

The Chair: Is that May 3?

Hon. Sarmite Bulte: No. The Junos themselves are on April 3, but usually there are weekends of activities associated with them. So if you want tickets, we had better let the producers know.

The Chair: The question is whether everybody wants to travel on the Saturday to be in Winnipeg on the Sunday.

Hon. Sarmite Bulte: People could travel when they like. If they wanted to go earlier, they could go earlier.

The Chair: Yes.

Hon. Sarmite Bulte: But if Winnipeg wants to be on the list, we could—

The Chair: Can we hear about what kind of interest we've had from the prairie provinces to appear?

Hon. Sarmite Bulte: Mr. Angus was saying there is interest.

[Translation]

The Clerk: There have been a few cancellations, but nevertheless, there are five groups on the schedule for Winnipeg, four for Calgary and two for Regina. If the committee travels to Winnipeg, witnesses from Calgary and Regina could give testimony in Winnipeg.

[English]

The Chair: Ms. Oda.

Ms. Bev Oda: I don't know if this is heresy, but is there a way to maybe split the committee in order to cover off some of the smaller areas? We could have two or three go to Regina; two or three go to Calgary; two, three, or four go...and then meet up in Vancouver. I assume it's a matter of information gathering and questioning that would all come to us together. For 12 people to travel to each one of those is.... In order to accommodate as many people and as many locations, I don't know if that's....

Hon. Sarmite Bulte: It certainly was done before when we did our cultural policy. Half went east, half went west, and there were two different sets of committees. So it has been done.

The Chair: If there are only two in Regina, it's cheaper to have.... Let's say we were doing day hearings in Winnipeg and some site visits; it would be cheaper to have those Regina delegates come to Winnipeg and to have the four from Calgary go to Vancouver, frankly. So we'll look at that tentatively again.

Could I ask each of you to check with your whips? It's possible that may be the week of the budget implementation bill. I'm sorry, but you know.... And in that case we might have to move that to the last week of April and use Toronto or Montreal.

So we haven't scheduled witnesses for the 5th or 7th in case we're travelling that week. Maybe we can't, at this moment, look any farther ahead than that, frankly.

Give me some flexibility here. If in fact we find out that the budget implementation bill vote is going to be that week, I'm sure your whips are all going to be saying you can't leave, and ours probably is too. And then we'd move Vancouver and do some closer hearings in that week.

Yes, Gord.

•(1045)

Mr. Gord Brown: Madam Chair, what have we agreed on? Have we agreed on anything here yet?

The Chair: We've agreed on our next few weeks of witnesses. We've agreed when we're not travelling.

Mr. Gord Brown: So we're not going anywhere on the week of March 21. We're not going anywhere then.

The Chair: We're not going anywhere on the week of March 21.

Mr. Gord Brown: Are we going to try to do Winnipeg on April 4 or so? Is that agreed upon now?

The Chair: That's agreed unless our whips all go crazy because of the budget implementation.

Mr. Gord Brown: We can know that for Thursday, then.

The Chair: Yes, we can know that for Thursday.

Mr. Gord Brown: Thank you.

The Chair: There is another group of witnesses. Somebody earlier mentioned academicians, the people teaching in our colleges and universities who spend a lot of time looking at this and who might have a bit more of a futuristic view and be a little more aware of the global situation. Is it worth trying to put together a panel of people like that? Yes? Good.

Second, do we want to have a look at technology? We talked about films that may get to communities by television. Frankly,

they're going to get there by computer. Nortel is doing a pilot project in Geraldton way up in northern Ontario, where two little boxes are going to allow wireless access to the Internet for that whole community. These are the kinds of things that are shaping how we can get Canadian content in front of Canadians.

Hon. Sarmite Bulte: If we look at technology, then we have to look at copyright, because in the long-term issues there are some things that the film people want us to deal with. So you just can't look at technology without looking at that. I can't remember what particular copyright problem there is, but it's in that third long-term area.

Madam Chair, I'm going to have to go because I have to make a speech, but we have these motions. So I apologize, but maybe we could just deal with them.

The Chair: Yes, we want to deal with Scott's motion and we want to table Ms. Oda's motion.

Mr. Simms.

Mr. Charlie Angus: Chair, I have a point of order. When you ask the question of whether we will we look at technology, I'm sure the horse and buggy was great, but this was the car age and I don't want us to be looking at yesterday's news. Technology is where this is happening, and if we're not on the front of it, then everything we're doing is just going to be a lot of—

The Chair: Yes, and I think we'd have to make it clear that we're not looking at the technology issues, but if our study is forward and future looking, I think it might be foolish not to look at how the industry is going to change through technology.

Mr. Charlie Angus: It's going to change substantially. They've mentioned it a number of times.

The Chair: Let's lay it out very clearly: we're not dealing with copyright issues at this time.

Bev.

•(1050)

Ms. Bev Oda: I would suggest that in addition to Nortel, it's the delivery systems.

The Chair: We're not suggesting Nortel. We'll put together a list of witnesses.

Ms. Bev Oda: And then we will get to the Bells and the cable companies, the satellites, etc., and all of those things. It's the use of the broadband delivery systems.

The Chair: Go ahead, Mr. Simms.

Mr. Scott Simms: Okay, I move that the committee report to the House of Commons on the Auditor General's report, requiring Heritage Canada report to the committee on the development of a strategy and action plan, including timeframes, in response to the Auditor General's recommendations on the protection of cultural heritage, and that the report also include the results of consultations with other departments and agencies.

[Translation]

My motion will be available shortly in French. I apologize for now.

Mr. Marc Lemay: It's all right. We have it.

[English]

The Chair: Okay. Can we have some discussion?

Hon. Sarmite Bulte: I have a friendly amendment, Madam Chair, and that was distributed.

[Translation]

Mr. Marc Lemay: You do? Could you show it to me?

Mr. Maka Kotto: The wording is somewhat awkward.

[English]

Hon. Sarmite Bulte: Just for the purposes of clarification, I have limited it to “the Auditor General's report, requiring Heritage, Environment Canada and Treasury Board report to the committee”, because these were the three departments specifically cited in the Auditor General's report. So I'm making it specific to her report.

Again, I'm concerned that we will make it too loose and too wide and not focus on what her report says. That was the purpose of dealing with the issues that she had dealt with in her report—the departments.

Mr. Scott Simms: Is this open for discussion?

The Chair: This is open for discussion.

Mr. Scott Simms: All right. I would like to hear the opinion of others, such as your own perhaps, on this issue.

The Chair: In my view, the essence of the Auditor General's report was that we need a government strategy and that the problem was fragmentation in numerous departments—and it is numerous departments, not just these three.

I believe, certainly as chair of this committee—and perhaps members of the committee might share this view, I don't know—that Heritage Canada is responsible for cultural policy in this country, and if there is to be a government-wide strategy, it should be Heritage Canada that's responsible for that strategy. The fragmentation between different departments and the need for one central strategy were precisely the theme of the Auditor General's report. Shared responsibility usually means no responsibility, to my mind.

That's my view.

Hon. Sarmite Bulte: If I may then respond again, if you want to be specific as to what the Auditor General's report said, it dealt with Heritage Canada, Environment Canada and Treasury Board. It also encompasses the results of consultations with other departments and agencies. That is why I've tried to narrow this, so we have a term of reference, and so that we don't go off on a tangent on this.

If Mr. Simms is not prepared to entertain the amendment, I will be voting against his motion.

The Chair: Mr. Angus.

Mr. Charlie Angus: I concur with your opinion. I'm worried about opening it up, and we're not really going to get an answer. Heritage Canada is our flagship here. Heritage has to come back with the action plan. If they have to get into discussions with other

ministries, how to do that is up to them, but we really need them. I think the motion, as it is, is straightforward, simple and fine.

The Chair: Okay, we have an amendment in front of the committee. Is there any more discussion on the amendment?

(Amendment agreed to)

The Chair: So we have now amended the motion to say, “Canadian Heritage, Environment Canada and Treasury Board”.

(Motion as amended agreed to)

The Chair: Ms. Oda has tabled a motion.

•(1055)

Ms. Bev Oda: I don't know if it's been distributed to everyone. I've given copies to the clerk.

The Chair: And it's not translated.

Ms. Bev Oda: I know it isn't, but I just gave you a set of full sheets.

The Chair: But we did agree, as part of our rules for the committee, that we would only distribute something that was in both official languages. Would you like to just say what the motion you're tabling is? She's officially tabling this motion today.

Ms. Bev Oda: Okay. Well, as I say, I primarily wanted to have some discussions so that it could be tabled. Whether that happens today or Thursday, because of process, is fine.

Essentially, I think the overall concern here is the francophone services, particularly in the media—radio and television. Some things are happening within the media environment in Quebec that have implications to the francophone communities outside Quebec. A general overall view will ensure we are aware of those changes and the impact those changes are going to have.

Not only that, there is the question of ensuring full and complementary, or equal, coverage of the Olympic Games, now that we know the outcome of who will be undertaking that coverage, to ensure that the francophone community—not only in Quebec but outside of Quebec—is going to receive full coverage and full service.

Generally, it was to call and ask for an assessment by the minister—her comments, her reactions, or any concern—and if there were any plans, in the actions she's taken, to ensure that francophone communities, wherever they are, are receiving the service they should.

The Chair: I guess we can take a minute or two for discussion. Do we have another committee coming in here? We do.

Hon. Sarmite Bulte: Then we'll discuss it next time.

Mr. Gary Schellenberger: I have just one question, if I may. Is there a chance, somewhere along the line, that we could have someone here either from Sport Canada or the sport minister?

I have a great concern. I'm going to pitch hardball for softball. Softball has been cancelled. You might have heard my question the other day; I didn't get an answer in the House. Men's softball, or fast-pitch, has been scratched from the upcoming Canada Games. I think it's counterproductive and I'd like some explanation of why. It's just a ball tournament, and they're run every weekend. We spend millions of dollars on sport to see a skier come down a slope and fall, or something like that, but when we're talking about Participation, I think this is an injustice. If it's the Olympics, and it's not there, that's

fine; that's a whole different thing. But in Canada, fast-pitch softball, and slow-pitch, are very important.

The Chair: Can I undertake, as a first step, to get you together with the minister?

Mr. Gary Schellenberger: I'll go across and see Stephen today, if that's the....

The Chair: Okay, and let me know. Thank you.

This meeting is now adjourned.

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