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—
Chair

Mr. Gary Schellenberger

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•(1430)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): Welcome.

We had some interesting sessions with witnesses this morning, and we welcome our afternoon witnesses. We'll try to stay on time. I would just ask you, please, to try to keep your presentations to roughly ten minutes, if we can. That will give us some time for questions.

We welcome the Association of Canadian Advertisers, Corus Entertainment Incorporated, and the Documentary Organisation of Canada.

We'll start off with the Association of Canadian Advertisers, please.

Mr. Ronald Lund (President and Chief Operating Officer, Association of Canadian Advertisers): Thank you, and good afternoon, Mr. Chairman and members of the committee.

We are very pleased to have this opportunity to participate, with our comments, in your committee's important investigation into the role of the public broadcaster in the 21st century.

The Association of Canadian Advertisers is the only association solely representing the interests of advertisers in this country. Our members, over 200 companies and divisions, represent a wide range of industry sectors, including manufacturing, retail, packaged goods, financial services, and communications. They are the top advertisers in Canada, with estimated annual sales of close to \$350 billion.

Our organization is concerned, specifically, with the advertising function in our economy and the many different processes it can encompass. Your committee's mandate for this investigation is quite broad. It encompasses CBC's role, the services it offers, and the emergence of new media. However, our comments will be confined to the financial services area specified in the mandate.

Advertising is a significant economic force in the world. In virtually all developed countries, advertising is considered an important and necessary component of the communications infrastructure. It is estimated that total worldwide disposable advertising expenditures approached \$2 trillion U.S. last year.

Advertising, as you would expect, is also a significant economic force in Canada. Advertising expenditures in 2005 were projected at \$13 billion. Direct and indirect employment in this sector represents about 250,000 jobs, or about 2% of all jobs in Canada. Importantly, about 79% of total advertising expenditures remain in the Canadian

economy as value added. Compared to most Canadian industries, this is a very high level of domestic content.

Advertising increases government revenues through the income tax derived from the jobs it creates and from the greater sales-tax base that results from it. In short, without the ability, via advertising, to communicate and establish strong brands, we would not be able to differentiate our benefits.

Mr. Robert Reaume (Vice-President, Policy and Research, Association of Canadian Advertisers): Clearly, advertising makes a significant economic contribution to our country. It is the fuel for Canada's economic engine. Furthermore, advertising makes it possible for the broadcasting system to fulfill the public objectives established by the Broadcasting Act. Without advertising revenues, Canada's broadcasting system could not survive.

It is because of this that advertisers favour universal access to media. We believe that all broadcasting, and print and Internet services as well, should permit, and indeed would benefit from, commercial advertising.

This extends to the CBC as well. Advertisers have always supported the CBC, and we are proud of the role that we have had in its success. Advertising support of the public broadcaster allows governments to be fiscally prudent while still advancing public policy goals.

CBC television, both English and French, currently supplies substantial amounts of commercial inventory to the advertising marketplace, providing advertisers with opportunities to sponsor distinctive programming that delivers value to audiences. CBC audiences are particularly interesting to advertisers since they routinely run at diminished levels of commercial clutter compared to private broadcasters.

Some have suggested that CBC-TV should reduce its reliance on commercial revenues. This is a non-starter for advertisers, since it would take some \$400 million—estimated—in commercial inventory out of the market, significantly diminishing supply and inevitably leading to increased TV advertising costs that would have to be passed on to consumers.

In our opinion, there are not enough existing conventional outlets, especially at the local level, to safely replace this market inventory. Without replacement inventory that does not add to clutter, and without adequate competition, the cost of TV advertising would be driven up, and advertisers would naturally divert some portion of their spending to other, less costly media and be forced to raise prices to consumers. This would only serve to diminish overall advertising funding, add consumer costs, and ultimately end up weakening the broadcasting system.

Canada's advertisers have had to cope over the years with increasingly restricted access to Canadian audiences. Approximately one-quarter to one-third of all TV viewing in this country is to signals that cannot be commercially accessed by advertisers in Canada. A non-commercial CBC would only exacerbate this problem.

An independent third-party researcher engaged by ACA to examine the effects on advertisers of a non-commercial CBC has estimated that advertiser costs in English Canada would rise approximately 10%, and in French Canada, where SRC is more dominant, by 24%. And this estimate was done before the current round of staggering consolidation that has occurred in Canadian broadcasting, such as the CTV-CHUM merger, and the competitive and cost implications that flow from this.

There is also the question of how to fill the time that would be left open by the elimination of commercials, and of course how to pay for it as well. Taking commercials off CBC-TV, for instance, would necessitate the production or purchase of over 1,000 new hours of programming per year, obviously at significant cost. Advertisers believe that a commercialization policy should also be extended to CBC's radio service. CBC radio listeners are already quite used to commercial content in the form of free public-service-type announcements for cultural and community events, as well as many program promotion spots, a practice that is essentially, in our opinion, discriminatory.

Many unique, desirable, and commercially viable audiences are generated by CBC radio, audiences that could easily be monetized to help contribute to the achievement of a public broadcaster's goals. This need not necessarily be traditional 60- or 30-second intrusive advertising, but rather corporate recognition spots as employed, for instance, by the National Public Radio service in the United States. Corporate sponsorships currently account for a substantial part of NPR's revenues, derived from an average of only one minute and thirty seconds per hour of sponsored commercial time.

• (1435)

Mr. Ronald Lund: Advertising in general—and certainly advertising in the television medium—is and continues to be quite underdeveloped in Canada. Per capita total ad spending in the U.S., for instance, is three times that of Canada, and in the UK it is 50% higher. For television, per capita U.S. ad spending is two and a half times that of Canada, and in the UK it is one-third higher. Even Australia's per capita ad spending on TV is almost a third more than Canada's.

Advertisers in this country need access to more commercial time, not less. We frequently hear complaints from advertisers who cannot access sufficient TV commercial inventory during many times of the

year. We need to grow our advertising opportunities in Canada, not restrict them.

In summary, it is our opinion that advertising plays an essential role in the continuing economic and cultural viability of the broadcast medium. The CBC has been a terrific partner with advertisers over the years. We believe that advertising revenue on the CBC only enhances its ability to achieve the special responsibilities given to it under the Broadcast Act. Restricting commercial access on CBC would result in a no-win situation for all concerned. It would undermine the quality and variety of television programming; remove an important supply of commercial inventory for advertisers, especially in local markets; and lead to an increase in costs that would ultimately have to be borne by consumers.

We appreciate the opportunity to participate, and we wish your committee well in its deliberations. It is our hope that the results will be of benefit to all Canadians.

Thank you.

The Chair: Thank you very much for that.

Now we'll go to Corus Entertainment and Mr. Maavara.

Mr. Gary Maavara (Vice-President and General Counsel, Corus Entertainment Inc.): Good afternoon, Mr. Chairman, ladies and gentlemen.

My name is Gary Maavara, and I am vice-president and general counsel of Corus Entertainment Inc. Joining me today is Sylvie Courtemanche, who is our vice-president of government relations.

We thank the committee for the opportunity to appear and provide our thoughts on your investigation of the role of the CBC in the 21st century. Corus filed a written submission on February 26. In it, we described how we see the broadcasting sector evolving over the coming years, and how the CBC should be part of our collective future.

Corus has three operating divisions: television, radio, and content. It is Canada's largest TV broadcaster to children. We operate the YTV and Treehouse specialty networks, and we have an ownership interest in Teletoon. We also own Nelvana, which is one of the world's largest producers of children's animation programming. In the last five years, Nelvana alone has spent hundreds of millions of dollars on the production of top-quality Canadian animation programming.

The Corus books subsidiary, Kids Can Press, is Canada's largest publisher of books for children. Our movie networks, such as Movie Central, and services such as the W Network and CMT, establish us as an important provider of programming targeted to adults as well.

Corus is Canada's leading radio operator, as measured by audience tuning. We operate 50 stations in both English- and French-language markets. Many of our heritage news-talk stations serve the ridings represented by the members of this committee, therefore you understand how connected we are with the issues that Canadians are thinking about.

The major reason why we are here today is because we own and operate three over-the-air CBC affiliate television stations that serve Peterborough, Oshawa, and Kingston. They are the only local TV stations in those markets, and as such they play a crucial role in those communities.

The committee's present investigation of the CBC's overall current and future mandate is a very ambitious one.

● (1440)

Mrs. Sylvie Courtemanche (Vice-President, Government Relations, Corus Entertainment Inc.): Corus believes that the success of media players in the 21st century will depend on their ability to provide relevant content that audiences want to watch. The notion that content is king becomes all the more relevant in an environment where linear scheduled analog broadcasting is evolving to a fully digital interactive environment.

In the next five years the consumption of linear television is expected to decline in favour of this interactive digital world of high-definition television, satellite, mobile, IPTV, subscription services, podcasts, and website aggregation services. Consumers will view what they want, when they want it and where they want it. We will also watch what ordinary people create. The whole YouTube and MySpace phenomenon is evidence of this change. As legislators, you are all realizing this, as you must now maintain websites, respond quickly to constituent e-mails, and worry about what someone might be saying on their blog about you or your party's policy. The world has changed for all of us.

Meanwhile, at the core of this digital interactive environment is the same rule that has always applied. Canadians expect and demand great storytelling that is relevant to their lives. They expect great news and sports coverage. They want to know what is happening at home and abroad. They also want to be entertained. New technology does not and will not change this axiom.

Corus believes that Canadian broadcast policy goals are best served when we can meet this demand. Canadians insist upon high-quality and compelling programming. Therefore, the policy strategy should be to foster the creation of this content. However, this policy should not attempt artificial manipulation of the supply chain. That means that the policy should focus on the content, not on who creates it.

Canada is a small market that borders the largest content creator in the world. Combine this with the evolving multi-media environment and it no longer makes sense to rely only on the independent production sector to provide high-quality Canadian content. This results in endless debate over the allocation of rights, rather than on the creation and exploitation of these rights. It will also mean that we won't get what we want, which is great Canadian programming.

The policy of relying on the independent production sector has not created a viable industry. It has faltered because it has not been able to attract the capital to invest in the development of projects and creative people. The independent sector does not have the strength to battle in foreign markets. Great intellectual property demands great resources. As one of Canada's largest creators and exporters of programs, we know this from first-hand experience.

Corus believes that, to succeed, fully integrated companies are what are needed to ensure that Canadian programming compares favourably with the best the rest of the world has to offer.

Mr. Gary Maavara: Meanwhile, we must recognize that not all programming that is appealing to Canadians will be financially viable. CBC will continue to need a stable funding base to fulfil the goals we've set for it in this regard.

The CBC should also have some freedom to evolve. We think the CBC, with its web-based services, satellite radio, and other specialty services, is taking the necessary steps to remain relevant in the new media landscape that we have described. The single most immediate technological change the CBC faces is the transition to HDTV production and transmission. There is no incremental revenue for HDTV at the moment, as it does not generate additional advertising or subscription revenues; however, all broadcasters, including the CBC, must make the transition to HDTV. This transition is well under way in the U.S.—it is less than two years away there—and we must make this important change if we expect to retain our Canadian audiences.

Corus believes that the CBC's hybrid model is the right one. It contemplates digital over-the-air broadcasting in urban areas and reliance upon Canadian distribution undertakings for other markets. This is a practical and financially viable plan that will meet the needs of Canadians.

With unrestricted access to content from all parts of the globe, the key differentiator will be the local programming made available to Canadian audiences. Corus, as an affiliate of the CBC in three small eastern Ontario markets, fully understands the importance of local reflection. This content will be a key element in ensuring the success of our local stations and the CBC as a network. Local affiliates play a meaningful role in the provision of local news and information to viewers. They also actively participate and support various community-based charities and initiatives. They are the place that citizens turn to in both good and bad times. Local broadcasters are at the core of community life. Any new policy must recognize this reality.

In conclusion, the future will be vastly different from the control and regulation we've experienced over the last several decades. This is because the way media is consumed, bought, and delivered will change dramatically. To have high-quality Canadian content, we will need to rely on all elements of the Canadian broadcasting system. The CBC can and should have an important role in this new landscape. Leveraging the CBC's assets on the various media platforms will be an important means by which to ensure the public broadcaster achieves the goals set out in the Broadcasting Act. These goals remain relevant. It is simply the manner of achieving them that will need to be diversified.

In Corus's view, a healthy Canadian media landscape will have a regulatory regime that allows Canadians to experiment. It will embrace the merits of fostering a globally competitive industry. It will reward success, and it will increase the probability of success by encouraging the creation of larger enterprises.

Thank you for your time and attention. We would be pleased to respond to any questions you may have.

•(1445)

The Chair: Thank you for that.

We'll move on to the Documentary Organisation of Canada, Ms. Hodder.

Mrs. Samantha Hodder (Executive Director, Documentary Organisation of Canada): Hello.

Thank you, Mr. Chairman, *mesdames et monsieurs*, for the opportunity to present here.

My name is Samantha Hodder and I'm with the Documentary Organisation of Canada. I'm the executive director. With me is Danijel Margetic, who is a member of our lobby committee of the national board.

The Documentary Organisation of Canada is a national, non-profit, professional arts association that represents almost 700 independent documentary filmmakers across Canada. They live in all provinces and territories, and they range in size and scope from the kitchen-table filmmakers to people who own companies and employ more than 50 people on a regular basis.

It's an auspicious day for us to be here before the committee, because last night was the opening of the Hot Docs Canadian International Documentary Film Festival, which we very proudly founded 14 years ago. You are probably aware of some of the aspects of this festival, but it has grown and grown. Every year it has grown 25%. This year they've added more than 20% more films and have reached an all time high of 2,000 delegate badges. I say this because, obviously, the people who are here lining up around the corner and buying industry passes and the industry that's supporting this are ample evidence that the documentary genre is growing in size and scope. People want to see this, and the Canadian public wants to watch these documentaries.

Mr. Danijel Margetic (Member, Documentary Organisation of Canada): Now, before we review the facts, it should seem fairly obvious that the historic fit between the CBC and documentaries is rather long-standing. As CBC's mandate outlines, their duty is to accomplish many of the same things that documentaries aspire to achieve: to be distinctly Canadian, to provide a means of cultural expression, to contribute to our national consciousness, and to reflect the multicultural and multiracial nature of Canada in both official languages.

However, in the past few years we have seen some alarming declines in documentary programming from the CBC. Programming hours have declined from a peak of 263 hours for documentaries in 2003-2004 to just 122 hours in 2005-2006. We have seen strand after strand cut from the CBC main network, or diminished in its extent.

For example, *The Nature of Things* has been significantly reduced over the years. The producers have been told that it will be reduced

from its 17-hour peak to a nine-hour summer series. *The Passionate Eye* has decreased significantly in recent years. *Life and Times*, which has been the CBC premier biography series, will not have another season. Producers have been told, and it's confirmed, that *Opening Night* will be cancelled after the remaining unaired productions have been broadcast.

The CBC appears to be moving toward a big-ticket production schedule of productions such as *Canada: A People's History* or *Hockey: A People's History* that are produced in-house and consume a large number of financial resources that would otherwise be available to independent documentary producers.

Certainly the CBC continues to exhibit documentary programming, but in our experience there has been a rise in in-house programming to fill their programming slot. The situation is only exacerbated by a lack of transparency regarding the split between hours of programming spent on in-house versus independently commissioned documentaries.

We feel that there needs to be a balance restored, because in-house producers cannot replace, nor can they replicate, the spirit and the message of independently commissioned documentaries.

•(1450)

Mrs. Samantha Hodder: Before we go any further, I think we should clearly state that DOC does significantly support the concept of public broadcasting, both in spirit and in function. We truly aspire to live and work in a world where CBC plays a critical role and works together with the independent sector to create this vibrant programming.

The independent sector is actually a very strong and thriving industry. In the last statistic that I have—it's a little bit out of date because we haven't updated our study yet—in 2003-2004 just the independent production sector alone created \$42 million of export dollars, and as well employed 14,000 full-time-equivalent jobs.

When taking the CTF into context, we receive about 17% of the funding, but translate that into 40% of programming volume. So what we're getting is a strong value for dollar and strong programming, and it's something that's heavily relied on by public broadcasters and private broadcasters alike.

As we stated in the 1999 license hearing, when the CBC was last up for renewal, we feel that there needs to be a commitment made to create a strand devoted to documentaries that are an art form and are a catalyst for social change. We call these point-of-view documentaries, and some other people call it a creative documentary. These are different from in-house productions because they have a high degree of authorial control and expression, they benefit from an independent voice, and they don't have any constraints of rules and mandates overhead.

We have seen clearly from what ends up in the theatres, what ends up on television, and what ends up being part of a consciousness that documentaries help to raise the level of discussion and discourse in our public in Canada, and we should continue to see this rise. I really believe that it has a strong public benefit.

DOC would also like to see a more specific commitment made to regional documentary production, or inter-regional co-production for documentary, both so that we have a wide expression of Canadian views seen on television, and from our point of view so that you can live in more than two or three different places in Canada and still have a viable career as a documentary filmmaker.

As a side note, I think it's important to say that many of our members have suggested that it be a little bit easier to work with both the CBC and the SRC at the same time, since documentaries are very favourable to the concept of a multilingual broadcast, and they often are subtitled to begin with, to have and aspire toward a truly national broadcast of any particular documentary.

On behalf of my board of directors and my chair, Michael McNamara; my colleague Daniel and I, and all the members of DOC across the country, we'd like to thank you for the opportunity to present these remarks before the committee.

We welcome your questions.

The Chair: Thank you very much. Those were three great presentations this afternoon.

We'll go to Ms. Keeper for the first questioning.

Ms. Tina Keeper (Churchill, Lib.): Thank you, Mr. Chair.

I'd like to thank everybody for their presentations, because they were great.

I have a lot of questions, but I only have five minutes, so I'm going to quickly get to them.

My first question is for Corus. I'm not sure how an affiliate station of CBC works. Could you clarify that?

Mr. Gary Maavara: The way it works is that we have a contract with them whereby they deliver a certain portion of the broadcast day to us, and we use the rest of the program service for scheduling our own local news and that sort of thing. We also purchase programming that we fit in around the CBC schedule. Then we sell advertising on a local basis, and they pay us a small affiliate access fee for the use of our transmitters.

• (1455)

Ms. Tina Keeper: In terms of content, you said in your presentation that "The policy strategy should be to foster the creation of content. However, this policy should not attempt artificial manipulation of the supply chain." Could you explain that to me?

Mr. Gary Maavara: I'd be delighted to.

Corus, for example, is one of the largest producers of children's programming, not only in Canada, but in the world. When one looks at all the various policies, whether they reside at the Canadian Television Fund or in terms of CRTC conditions of licence—For example, we're a big producer of programming. We're also one of the largest markets for children's programming. But the latest condition of licence we received from the CRTC said that in fact we could only schedule up to 25% of our service with our own programming.

We think that's really a silly idea. The reason is that as we move to an increasingly fragmented series of platforms for programming, where if we create a show such as *Miss Spider's Sunny Patch Friends*, which is targeted to children who are around six years old,

we're going to use that on broadcasts on our own channels. We may use it on a website. We may use it on a mobile telephone and all those sorts of things. When the CTF policy or the CRTC says that we can't use it here or we can't use it there, all that's really happening is that it's infringing on our ability to make that program a success, and it forces us to enter into all kinds of complicated arrangements.

The flip side to that—The independent production sector would say that they need preferential access to the broadcast market. The analogy we look at in that context is the U.S. They faced this discussion about ten years ago with the so-called syndicated exclusivity rules. The fear was that if the broadcast networks could, in a sense, make their own programming, the studios would be shut out.

The first fundamental for every television broadcaster is that when you put a show on the schedule, it has to be a great show. For example, way back when, the ABC network tried to make all its own shows, and it realized that the creative process wasn't as predictable as that. It's not like making shoes. People come in with great ideas; sometimes they're inside the house, sometimes they're outside the house.

The second thing that happened was that in fact the broadcasters didn't become the studio plants; the studios bought the broadcasters. Universal bought NBC and Disney bought ABC, because they wanted to have the transmission system for their production content.

At the same time, Hollywood, sort of the mega-Mecca of production, if you want to call it that, still has independent producers who are enormously powerful, such as Jerry Bruckheimer, for example. The reason they're powerful is because they're creative. They're the ones who come up with the terrific ideas.

In the context of this discussion, our view is that in fact if the CBC does have a terrific idea in-house and they're capable of producing it, there shouldn't be anything in the policy that precludes that. If we have the ability to produce all our own programs for our own services, then the various policy tools should not preclude that.

[Translation]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Chairman, I have a point of order.

I know that someone in the room is using a BlackBerry. It's causing a lot of interference, and our interpreters can't do their job.

[English]

The Chair: It is okay now?

[Translation]

Ms. Diane Bourgeois: Yes, thank you.

[English]

Ms. Tina Keeper: Do I have more time?

• (1500)

The Chair: Sorry, your time is complete.

Madame Bourgeois.

[Translation]

Ms. Diane Bourgeois: Thank you very much, Mr. Chairman.

My question is for Mr. Maavara. If I understood correctly, you have affiliated stations and are doing business with Radio-Canada, or the CBC, since we're talking about the Anglophone community.

Could you be a little more specific and tell us how that affiliation works? Do you buy programs? Do you trade them with each other? I'd really like to understand. Is this a partnership you have with the CBC?

[English]

Mr. Gary Maavara: Basically, if you look at the 24-hour day, the CBC has a portion of the day being pretty much all of the prime-time period, sort of eight o'clock to midnight, where they run their sports, their news, their dramas, and that sort of thing; and then we would have a section of the day, say between four o'clock and seven o'clock, where we would run our local programming. That's the way it works.

In markets where the CBC runs its own station, it would schedule the full 24 hours. In our case, in our three stations, we would schedule, I think, roughly six hours a day, and they schedule the balance of the day. In the programming where we schedule the time, we sell the advertising; and in the schedule that they run, they sell the advertising. We're sharing air time.

[Translation]

Mrs. Sylvie Courtemanche: For the sake of greater clarity, we have an affiliation contract with the network in which everything is established. We get programming from the network. So that complements our local programming, and we also buy certain programs that we provide as well. There are three programs: those of the network, those that we produce locally and those that we buy and provide in the schedule.

Ms. Diane Bourgeois: From what I understood, there's also a partnership on broadcasting time.

Mrs. Sylvie Courtemanche: Yes, and on advertising. So when it's our local programming, we sell the advertising, and when it's network programming, it's the air time of the CBC, which sells its advertising nationally.

Ms. Diane Bourgeois: Both of you put great emphasis on the quality of content.

Our committee has travelled in various regions and provinces, and people have told us that Canadian producers, both screenwriters and everyone in the Canadian entertainment industry, produce things of very high quality.

Does that mean that the CBC, which doesn't seem to be promoting the purchase of local Canadian productions, is now abandoning quality for the sake of cutting production costs? Is my question clear?

[English]

Mr. Gary Maavara: Let me start with the question of quality. We're quite proud at Corus of the fact that we think we're one of the best producers of Canadian children's programming in the world, and also that we really understand how to identify terrific independent production.

To give you an illustration of that, at the Banff festival last year, in their awards, the "Rockies", Corus was the only Canadian company

that won awards there. One of our children's programs, *Jane and the Dragon*, won as the best children's program, and one of the films that we financed won as the best motion picture.

As we're moving into this new world, quality is being defined in a lot of different ways. There's the high-end motion picture, which requires enormous resources. The kind of programming that we make requires one level down of that, but also considerable investment. And then, of course, the 15-year-old in his garage is creating something for YouTube, which is enormously entertaining as well.

With respect to the CBC, our position is that the CBC should be very biased towards acquiring Canadian and that in many ways there is not, we think, a compelling policy reason for it to be looking outside of Canada, because there's a lot of terrific stuff here.

• (1505)

[Translation]

Ms. Diane Bourgeois: If I correctly understood, you're telling me in veiled words that there are enough high-quality products here in Canada to favour local purchasing and that the CBC isn't currently favouring local quality.

[English]

Mr. Gary Maavara: I think the CBC—they're capable of defending themselves—are terrific creators of a market for Canadian programming, literally from coast to coast, and from both in-house and the independent community. One should also understand that if the CBC or anybody else is producing something in-house, it doesn't mean that the independent sector isn't involved. For example, a script may come from someone who sells it into the service. But my impression is that the CBC is buying programs from across the country and is doing quite well with it.

The Chair: Thank you.

Mr. Angus.

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

Each presentation raises numerous questions that I think require follow-up, but we are limited to five minutes.

I'd like to begin with the advertisers, and get a sense from you. When we're looking at issues of major media consolidation—the CHUM merger is definitely gathering a lot of attention, but also in radio we've seen major consolidation in markets to one or two players, and often to one in some regions—the question involves the cultural argument on the loss of diversity of voice for independent producers, the loss of various potential buyers of their product. What pressure does it put on advertising?

Mr. Robert Reaume: We're on record as being in favour of competition in any market. As a matter of fact, we have some history of opposing, back four or five years ago, the Astral takeover of some of the Télémedia assets in Quebec, and the Competition Bureau actually required them to sell. That was a case in which a merger would have created almost 100% advertising market in some markets. That's the way we look at it. We need competition to keep rates fair in markets.

Mr. Charlie Angus: We've heard two very conflicting viewpoints about the role of advertising at CBC. On the one hand, we hear that because CBC is so ratings-driven, they're actually making mediocre shows because they're afraid to take chances, and they're not getting as many viewers. The other view we hear is that when they do have a success, that gives them more money that they can put into programming that they might not otherwise be able to produce.

What is your view of the financial impact of advertising in good times? If the CBC has a hit, what does that mean for the kinds of revenues that would be generated?

Mr. Ronald Lund: It would be very profitable for them. We've been on record on many things, and advertisers are relatively mercenary. We follow the eyeballs, and if the programs have the eyeballs, then we purchase the eyeballs. When you look at *Little Mosque On the Prairie*, I think that's a perfect example. It is a hit. It drives more advertising, which will produce more revenue to allow more programming.

The other thing—just as kind of a side comment to that, and it was just very lightly mentioned in a presentation—is that CBC—Our study hasn't been updated for a while, but I watch enough CBC to believe it would still be true, anecdotally. Commercial television is supposed to have 12 minutes of commercial time per hour. It's actually well over 15 minutes of commercial time when you have a U.S. program come in, because there's the time that has to be filled up and it's filled up with promos, etc. CBC in fact lives, we think, relatively close to the 12-minute rule. It provides a much higher-quality environment for us. So that's another thing we think CBC is good at.

The other thing is that big or small—because it's the same thing, for specialty channels, etc.—they do have an audience. So as long as the eyeballs and the cost of reaching those people are proportionate, then the CBC will still garner the advertising dollar. We think it's a great environment.

• (1510)

Mr. Robert Reaume: Might I just add something to that?

When you come right down to it, advertising on the CBC actually legitimizes the CBC, because if it couldn't attract advertising, you would be faced with the argument from everybody, why are we wasting money on programs no one's watching? With advertising, at least there's a correlation between what people want to see and what advertisers will pay for. So I would say it legitimizes the CBC.

Mr. Charlie Angus: I'd like to turn to the issue of documentaries on CBC. I found it disturbing to learn that *The Passionate Eye* is cutting back. I know many people who have tuned in because they've heard the buzz about certain documentary programming.

I'm going to ask two questions—and my time's running out. Number one is, out of *Hot Docs*, how many of these are going to appear on TV? Is there a general rule of thumb? How many might get picked up by CBC, or is it a completely different market?

Secondly, the issue we heard in western Canada was that people want to see regional programming telling their own stories—and telling the rest of the country. It seems to me that what they're talking about is either current affairs or documentaries, so that if we have a documentary about, say, life in The Pas, it would be fed into the

larger chain so that people in the rest of the country could see it too. That was clearly articulated as a direction they thought CBC should go in.

Is that a direction you guys are going in or would want to go in, and how do you see that?

Mrs. Samantha Hodder: I'll try to address them one at a time.

Regarding *Hot Docs*, I don't have the exact stats off the top of my head, but more than 80% of documentaries completed in Canada are completed with some form of broadcaster support; it's virtually impossible to finance a documentary without that. If you don't have the broadcaster on board, it's your credit cards funding it and your inheritance. And the other business model currently used is remortgaging your house—if you actually own one.

So how many of them will be picked up from *Hot Docs*? A couple perhaps. There are more than 130 films, I think, and I'm not sure if any of them—I haven't looked at the schedule closely enough. I would say that maybe one or two of them come as a result of CBC, and whether or not they pick up other ones as a result, I'm not sure. In the past they've picked up *Super Size Me*. They do attempt to pick up all of the big blockbusters and put them on board.

We support independent Canadian documentaries, but we're also generally supportive of the growth of audiences for documentaries, regardless of where the documentaries are from, because I think this helps feed everything. It's more of a nationalist argument. A good story is a good story; it doesn't really matter where it was made.

As for the idea of regional voices, it is interesting that current affairs programming, I would say, is done almost exclusively as an in-house exercise. We want to inform, entertain, enliven, and inspire Canadians. That doesn't necessarily support the independent sector per se. Regional voices are about having someone living in Cape Breton with a different view of the world from someone living in The Pas; so the way they tell a story will be reflective of the panorama of Canadian views and viewpoints. It helps to create different economic markets in different places and allows those who are essentially artists to live and work and participate in the world, if they don't live in Toronto or Montreal.

The Chair: Thank you.

Mr. Fast.

Mr. Ed Fast (Abbotsford, CPC): Thank you, all six of you, for appearing before us.

First of all, I just have a quick question for either Mr. Lund or Mr. Reaume.

In your presentation, you referred to the fact that CBC operates in an environment that has less clutter. Is “clutter” the word you used? Could you just explain what you meant by that?

Mr. Robert Reaume: As Mr. Lund referred to a few moments ago, when U.S. programs come into this country and Canadian broadcasters simulcast them, the United States does not have restrictions on the number of commercial minutes they can run per hour. Believe it or not, in some of those daytime programs and other programs, fully one-third of an hour program—20 minutes out of 60 minutes—is commercials in U.S. programs. The U.S. producer of that program doesn't produce a different version for the Canadian broadcaster. The Canadian broadcaster has to fill up the difference between the 12 minutes he's allowed and the 20 minutes the Americans take; consequently, you have substantial numbers of commercials. You may find it odd that someone representing advertisers is complaining about the numbers of commercials on TV, but believe me, no advertiser wants to be one among 45; they would prefer to be one among 12, or one among 24.

Now, on the CBC, there's a lot of Canadian programming they produce themselves or purchase themselves. With Canadian programming, you don't have that border problem, and they can actually keep it to 12—or, of course, as they don't have to count promotion of Canadian programming, they can go to 13 or 14, but not to 20.

• (1515)

Mr. Ed Fast: It lessens the value of the advertising, essentially.

Mr. Robert Reaume: Indeed.

Mr. Ed Fast: Now I have a question for Mr. Maavara.

We've had a lot of discussion at this table, and we've heard from many witnesses about the kind of model that CBC should pursue. Some are suggesting it should continue along a more commercial course, in which it relies more on advertising revenues. I think the two of you would agree with that. There are others who are saying that CBC should have absolutely no advertising, more in the manner of Radio-Canada and CBC radio.

Do you believe that CBC should follow a commercial model or should become more of a pure public broadcaster?

I have some follow-up questions as well, so be as brief as you can.

Mr. Gary Maavara: Our view, clearly, is the CBC should continue to follow the model that it's following now—in other words, be commercial in some parts of its day and not so commercial in other parts of its day.

Mr. Ed Fast: So you agree with the current status, which does rely relatively heavily on commercial revenues.

Mr. Gary Maavara: Yes.

Mr. Ed Fast: Do you believe there is a role for a private broadcaster to play in supporting a robust public broadcaster?

Mr. Gary Maavara: We're quite proud of the fact that we do that in the local community by running a really popular local service that delivers viewers to the prime time CBC signal, so we do play a role in that, absolutely.

• (1520)

Mr. Ed Fast: You're supportive of the Canadian Television Fund and how it operates?

Mr. Gary Maavara: Yes, I am, very much so.

Mr. Ed Fast: All right.

We've had a number of witnesses before us, not in this review, but earlier when the CTF funding seemed to be threatened. Vidéotron and Shaw appeared before us. They were not supportive of the Canadian Television Fund and felt that they would prefer to do their own in-house productions rather than relying on government funding as well as putting in some of their own money into this fund. Would you disagree with their position?

Mr. Gary Maavara: There is a range of positions they put on the table. Fundamentally, our view is that this country—and you certainly don't need Corus to tell you this—just isn't big enough. We sell programming in 120 countries around the world, so we know the world market pretty well. You simply can't make the big-budget productions in Canada without some form of support in the form of a CTF, and there are other funds as well, such as the Shaw Rocket Fund. Corus has funds. Most broadcasters have different kinds of funding. We really need that, as an industry, to support the development of high-quality programming. So fundamentally, that's our first view of that.

As we suggested earlier, there does need to be some assessment of how some of those funding mechanisms work. I would put that in a category of whenever you develop any kind of a policy system you need to step back from it every once in a while and see if it is working in the manner you would hope it would work in the context of how the world is changing. For example, one of the changes we're looking for is less of a bias against vertical integration. We make that argument and we use our track record to say, "Look, we've made terrific programming. We've put hundreds of millions of dollars of our own money on the table. You should allow us, not all the time but some of the time, to use some of these funds in order to create a program that's going to run right through the broadcast properties that we own." Similarly, with the CBC, there should be times when if it has a terrific idea, it should have the ability to access those funds and do the same thing.

Mr. Ed Fast: Are you supportive of the current Canadian content requirement you live under?

Mr. Gary Maavara: It depends a little bit on the channel that we operate. I guess fundamentally one of the things that we're going to have to look at as policy-makers and as regulators and as broadcasters is that the system is very rapidly moving from linear-scheduled programming to on-demand.

At Corus, for example, we were one of the first radio companies in the world to podcast. We were doing that literally before all the American magazines started jumping up and down about it. We have launched and have been running now for almost a year in the United States a VOD service on Comcast Digital, Comcast being the biggest cable operation in the United States and I think the biggest in the world. We went to them and knocked on their door for about a year, and they are now carrying something that we call Vortex. It's all Canadian children's shows available on demand, and it's been enormously successful. We're just thrilled with it, but it's not scheduled. People go into a menu, and they pick the shows.

So we have to start looking at that. What does “Canadian content” mean in a linear schedule when in fact people don't want to necessarily watch in a linear way? We're starting to see it with the incidence of PVRs, personal video recorders, for example. People are starting to schedule themselves. You'll notice that *The Sopranos*, which we're running on Movie Central in the west, runs on Sunday night in first play, and then we will play it in a linear way as well. But if you have any of the cable systems digital, you can go in and take *The Sopranos* whenever you want it.

So the 60% Canadian content, is that still relevant? To a certain extent it is. And we mean it when we say that we're not going to survive if we don't make Canadian programming of every genre. We'll just get eclipsed, because it's the viewers and the advertisers who are going to drive this, not us. Our whole bias in Corus is to be focused on where our advertisers are going and where our viewers are going.

I can tell you personally, I've just come back from the trade show in Las Vegas, the National Association of Broadcasters show, and I sat in a room like this. Of course, we had the unfortunate events of Virginia Tech, where the video was shot by one of these. I saw something even more dramatic than that, where someone had a video camera running in real time on a cellphone, and they were broadcasting it to another cellphone, which was plugged into a screen as big as that wall, and the quality was just awesome. I saw another cellphone with a screen that rotates into a 16 by 9 format, and I watched an episode of the David Letterman show. It was better than most of the old TVs that I have in my house. All of this is to say that the world is changing very, very quickly.

Some of the crucial elements we need are things like the CTF. We need to look at every single rule we have and ask ourselves the question, is this going to get Canadian programming produced and in front of Canadians? In fact, is it going to be something they want to watch or buy or download or however else they're going to do it? I think the good news is that we have a terrific chance.

The Chair: Thank you for that.

We might get in a few more short questions.

Mr. Scarpaleggia.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): My question is to Ms. Hodder. What is the status of the Canadian Independent Video Fund?

Mrs. Samantha Hodder: The Canadian Independent Film and Video Fund, CIFVF?

Mr. Francis Scarpaleggia: Yes, that's right. Is that still being funded?

Mrs. Samantha Hodder: It is. Robin Jackson is one of my colleagues, and they are continually down to the wire, wondering whether or not they will get funded. This year I know it was delayed. They had their hearings before the Treasury Board, and they were given the go-ahead right at the last moment.

That fund is specifically set aside for educational programming in film and video. It's not broadcast funding. It's one of the only non-broadcast ones out there.

• (1525)

Mr. Francis Scarpaleggia: It's a documentary fund, but it's more of an educational documentary fund?

Mrs. Samantha Hodder: Yes, that's correct.

Mr. Francis Scarpaleggia: My understanding of your position is that the CBC does not purchase enough Canadian documentaries. Is that what you're saying, in a sense?

Mr. Danijel Margetic: Yes. Our positions are based on commission and purchase.

Mr. Francis Scarpaleggia: I don't doubt that, but it seems so counterintuitive, because every time I turn on CBC Newsworld or RDI, there's a documentary on. I guess a lot of them are coming from outside.

Mr. Danijel Margetic: Yes, but you have to ask yourself if that documentary is an in-house documentary. Is it commissioned? Is it commissioned from a Canadian producer or from an international producer? It's never clear.

Mr. Francis Scarpaleggia: You were saying the CBC does a lot of in-house documentaries?

Mr. Danijel Margetic: Yes.

Mr. Francis Scarpaleggia: Too many, in your view; more should be commissioned from the outside.

Mrs. Samantha Hodder: We would like to know how many are in-house and out-of-house. In fact, this was part—

Mr. Francis Scarpaleggia: You can't find out.

Mrs. Samantha Hodder: We have been searching and searching, and I have professional researchers looking to figure out what the division is between in-house and—

Mr. Francis Scarpaleggia: Why do you think this information is not being made available? Is it strategic information?

Mrs. Samantha Hodder: It could be. It could be disclosing the fact that they have much higher proportionate spending for documentaries that are done in-house versus their commissions. It's hard to know.

We recently had our hearings before the CRTC for the documentary channel, and this is one of the issues we raised with them, about this in-house programming. I won't go into that, because they are the CRTC rules, but the situation remains. They've stated publicly that they spend 20% of their funding on the documentary genre, but as for how much of that goes toward the in-house versus independent, it is only for them to know.

Mr. Francis Scarpaleggia: The documentary channel, how new is that now?

Mrs. Samantha Hodder: Gary?

Mr. Gary Maavara: We are the controlling shareholder of the documentary channel, so we know Ms. Hodder's colleagues quite well. It's a category one specialty service, and I think it's been around for seven years.

Mr. Francis Scarpaleggia: That must be a good outlet for your materials.

Mr. Danijel Margetic: It has been an excellent outlet for independent documentary producers, for the most part, since they don't have any in-house programming. They have been a great purchaser of Canadian documentaries.

Mr. Francis Scarpaleggia: I just see "documentary" everywhere. We have a documentary channel. Our Governor General used to introduce documentaries. Even now, there are wild documentaries on CBC Newsworld.

That's an interesting point you make, and maybe in our report we should take account of the fact that the CBC is not necessarily making certain kinds of information available that would be useful. That might help through the new audit system.

The Chair: I must thank everyone for their great presentations today. We've had great questions in this particular session. So thank you again.

We'll recess for a very short time while we wait for our next witnesses.

- _____ (Pause) _____
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- (1535)

The Chair: Order, please.

Welcome to our next presenters. We'll start off with TVN Niagara Inc., Mr. Wilks; and then as individuals we have Joe Clark, Frank Gue, Viggo Lewis, and John Spence.

We will have to try to keep our presentations fairly short on this, so that we can have some time for questions.

We'll start off with you, Mr. Wilks. I know you're representing a company, so I will give you just a wee bit longer than the other gentlemen.

Thank you.

Mr. Wendell G. Wilks (President and Chief Executive Officer, TVN Niagara Inc.): Thank you, Mr. Chair.

It's an honour to appear in front of you, and thank you for the opportunity to discuss the future of the CBC.

I personally have been participating in these kinds of discussions. I was telling my colleagues here that I started in 1959, and I've been involved directly in Canadian television since that time. I started with a CBC affiliate in Medicine Hat, Alberta, my hometown. I worked for the CBC in Alberta when they started in the 1960s in television. I managed CBC-affiliated stations in Calgary, and in Kingston, Ontario, and I was directly or indirectly part of the CBC for about 13 years of my career.

In 1974 I was the founding general manager of ITV Edmonton, which is now part of the Global Television Network, and I was the founding general manager of CTS in Toronto, which on cable in Toronto is on Channel 9.

A good part of my career was spent in TV production. I have created hundreds of hours of TV programs, many of which I sold to the CBC. I sold them one particularly famous TV series, which was called *SCTV*, or *Second City Television*. I have produced many

television shows for the CBC, including French-language programming, I might add.

Today I prefer to limit my comments to the English programming, and the reason for that is simple. I do believe that when it comes to the French programming, Quebecers should make that determination and make those comments. Although I have opinions, I don't believe I'm qualified, even with my experience of working in Quebec, to know what the population of Quebec wants or deserves. So I'd like to talk about English television, mainly because French television, in many ways at the CBC, is not broken, and things that are not broken shouldn't be fixed.

In my written brief that I submitted for your consideration, I suggested that CBC is not truly public TV. It once was. It once had a semblance of being such a system, but along the way, CBC leadership became enslaved by ratings success and ceased to connect with the public. I remember when we had audiences as high as 40%. We're down to 7%. And now that the CBC has become less relevant, it is becoming less relevant every year. It's time for action and perhaps to reconsider and make CBC really public television in Canada.

Believe it or not, there was a time when CBC News would never accept TV advertising. Now, Peter Mansbridge and his team of presenters give frequent pause for commercials, interrupting regularly their delivery of news from home and around the globe to sell soap, beds, and beer, and almost any kind of product, unlike the best public television systems in the world, such as the BBC in the United Kingdom and such as PBS in the United States, on which I currently have a television series running. The CBC has opted for a style that does not differ from commercial broadcasters like CTV and Global, NBC, CBS, Fox, CNN, and ABC. In markets where I've worked, such as Calgary, the CBC's *The National* was beaten regularly at 10 o'clock, the nightly newscast, by the independent local television station.

The CBC has got so heavily into commercialism because, they simply say, "We needed the money because Parliament gave us inconsistent funding." Our Canadian viewers simply could not see any difference in the CBC content from the others, so they lost their unique identity and they lost the viewer trust. Now many Canadians wonder whether their tax dollars deliver and whether CBC English TV even deserves tax support.

Once CBC English TV became obsessed with commercial ratings, they declined to near irrelevance, capturing only 7%, as I mentioned. In short, the CBC has been unsuccessful, and they're unsuccessful at the moment, in being unique. As well, they've been unable to be commercially strong. In other words, they failed at the other goal of being commercially relevant. I say, why should they even try? That is not their mandate. Canada needs an independent public TV voice we can trust.

It was not always this way. I noticed the age of some of you, and you won't remember what I'm talking about here, but I dare say there are perhaps a couple of you who might remember *This Hour Has Seven Days*. It mesmerized the national audience on CBC television. It was not expensive; it was simply brilliant TV. *Front Page Challenge* connected Canadians with current events and personalities for a quarter of a century. It was not expensive; it was simply a well-conceived format, well written and cast with people who became icons across this nation. CBC grabbed huge national audiences with homegrown folk culture, with *Don Messer's Jubilee*, *Juliette*, *The Tommy Hunter Show*, *Country Hoedown*, and *The Irish Rovers*. These were not expensive, but they were well staged, and crisply and efficiently packaged in Montreal, Toronto, Halifax, and Vancouver.

• (1540)

I am not suggesting that we resurrect these formats. I am merely saying that CBC history used creative genius and imagination to win. They did not need a million dollars an hour to succeed. Today, CBC does not even cover the Juno Awards they created. They lost CFL football, and the Olympic Games they pioneered have now gone to the private sector.

More important, Canada is losing its best creative brains. Our writers, actors, editors, producers, and news stars simply leave, making ABC, CBS, FOX, and NBC stronger for our loss. There was just no one in Canada allowing them to creatively function.

Canada's telefilm and cable TV funds have produced nothing except heartaches and duds, with very rare successes, and the CBC in the meantime has almost vanished. You, our elected leaders, spread the few public dollars allocated to culture so thinly that it created a mishmash of mediocrity. Why do we allow this mismanagement to continue? The fault is not all with the CBC. The parliamentary political support is misguided and somewhat lost. They try to be all things to all special interests, and end up pleasing no one.

Why can't the CBC do more co-productions with the BBC, RAI, and PBS? The answer is that the commercial format makes it impossible for the CBC to deliver what real public TV delivers: commercial-free programming.

Whatever happened to CBC studio dramas, carried weekly for years and years with no commercial interruption? I don't know if anyone remembers *Festival*. It featured serious weekly plays by the world's best playwrights. Do we ever see plays from the Shaw Festival or the Stratford Festival today? Whatever happened to the regular symphony concerts, ballets, and operas on CBC? We all know the answer. The audiences are too small to carry high art programming. In other words, ratings trump culture.

Would we more enjoy *The Nature of Things*, *The Fifth Estate*, and *The National* if they did not carry commercials? Do we trust a network to tell us the truth about the companies that are also their sponsors? Children's programming on every channel should be commercial-free, but on the CBC it's mandatory. Where is the new CBC TV children's fare? They have bowed out because they cannot raise commercial cash with kids' TV.

Today we are at the crisis stage. It could and should be a crossroads of opportunity. The remedy to cure the disease that has eaten away a national treasure that has only one program in the top 25 viewed weekly by Canadians is simple: our federal government must stop giving our precious cultural cash to the real commercial networks like CTV/CHUM, Global/CH, Rogers, Alliance Atlantis, and even Corus, and put it all where it should be, into a national public TV system. Our government is spreading the money in so many directions that it is like a wine diluted—and I'm a Niagaran; I'm an expert here. It's tasteless and it satisfies no one if it's diluted.

Why do we need a public broadcaster to use government subsidies to buy *Hockey Night In Canada* rights when the show is profitable? Why is CBC Sports, a great brand, not on a separate channel like TSN or Rogers Sportsnet, which are pay-TV systems? You could sell the company or have a separate sports channel.

In exchange for CBC giving up competing for commercial revenues, the private TV operators give up their government subsidies for their programming. Put all the cash that you are now making available—You need to have a merger, if you like, a merger of the different funds, a merger with the National Film Board all in one pot. You have so many pots that none of them are having any demonstrable effect. I'm not saying that because I'm critical. It's a very sad situation.

When we are watching drama in Canada, 97% of the time we are watching foreign drama. That means 3% is all we watch. We are watching U.S.A. and foreign drama, and our movie production at the box offices of the theatres in our communities across Canada is less than 3% of the revenue. Thank God for Quebec producers.

What I am suggesting does not impact private independent Canadian TV creators. They simply deliver any government-subsidized programming to the national public broadcaster, the CBC, instead of to Global or CTV.

The private TV system would get back its commercial dollars, about \$300 million a year. The CBC gets all the allocation in the envelope that's from your department. That's what we're suggesting.

Don't tell us that Canada hasn't got the talent to compete against the U.S. We are the best in the world. We can produce movies for TV, soap operas, sitcoms, drama comparable to all the best of the world.

You here have the power to breathe new life into this very sick network. It would be a banner day when the Government of Canada finally supported real public TV. Make CBC TV like CBC Radio and you will help to save this nation. CBC is more than a broadcaster. It must become the glue that sticks our nation together. If we cannot save the CBC, we might end up not being able to save our nation, and I do believe it's that important.

●(1545)

Just as my last thought, I read a column this morning. It was written in a local newspaper by a gentleman named Knowlton Nash, who had a distinguished career leading a section of the CBC. In his column he talks about what you're doing here today and its importance and significance. He says this should not be just like all of the various commissions or Senate hearings and special hearings that have considered this future since 1936, when CBC television was conceived.

The leader of the CBC, Robert Rabinovitch, said you should have this kind of hearing every ten years to get a renewal of the CBC, but frankly we've had it. I've been here since 1959, and I've participated in at least ten of these kinds of exchanges. They are healthy, but nothing ever gets done.

This is the time to create one of the biggest public mergers in history, and only you can make it happen. The rest of us are totally helpless. It's the parliamentarians who should proudly say, "We're the sponsors of the CBC; nobody else is the sponsor. We parliamentarians, on behalf of all Canadians, sponsor the CBC." What a banner day that would be for Canada.

Thank you.

The Chair: Thank you, sir.

Mr. Clark.

Mr. Joe Clark (Media Access, As an Individual): Hi there. Thanks for having me.

My name is Joe Clark. I live here in Toronto. This is the third time I've given evidence before this esteemed committee. I was here in 2002 and also in 1990. I hope this will be the time when something actually happens after my appearance.

I have a 25-year interest in accessibility for people with disabilities. I do consulting work for clients on accessibility. It's mostly web accessibility, and topics like captioning and audio description. I've done a couple of little jobs for CBC here and there, but I don't have any contracts with them at present. I give lectures and presentations around the world on accessibility and other topics, and I wrote a book on web accessibility.

So let's start with some terminology. I think everyone in this room knows what captioning is. It is a transcription of dialogue and important sound effects for deaf and hard-of-hearing viewers. For live shows and a few other programs, we use real-time captioning, which usually involves a stenographer typing on a specialized keyboard, although now some people are trying to use a certain type of voice recognition. There are two main presentation styles for captioning. If you've watched a live show with captioning, you've seen scroll-up captioning, in which words appear from left to right and then are pushed up another line and a new line comes along. The other option is pop-on captioning, in which a single caption appears as a stationary block and is replaced by another stationary block or a blank screen.

Today I don't have time to talk about two really important topics, which are audio description for the blind and accessibility on the web, including accessibility of video on the web. You can ask me

about those later, if you wish. Today I'm only going to talk about captioning.

What's going on with captioning at the CBC? Well, did you know CBC is the only broadcaster in the world that has to caption every second of its broadcast day? That's because a deaf lawyer, Henry Vlug, filed a human rights complaint about missing and inadequate captioning, and he won. Starting in November 2002, CBC claimed to comply with that decision by captioning everything on CBC television and Newsworld. But they aren't captioning everything. For three years, I watched CBC and took notes. I found well over 100 cases of missing or inadequate captioning. I published my results in November 2005, and it seemed that I was being taken seriously.

The Canadian Human Rights Commission forwarded my findings to CBC, which eventually bothered to respond. The CBC agreed that all of the different kinds of captioning errors I found had happened or could have happened, and they claimed to be tightening up their procedures. But the CBC sounded defensive and angry on other points. CBC claimed that subtitled movies don't need to be captioned, even though sound effects are never subtitled; that scroll-up captioning was just fine for dramas and comedies; and that real-time captioning absolutely should be used for programs that aren't live. They angrily defended themselves, using terms like "disagree strenuously" and "dispute vehemently".

Then the Human Rights Commission tried to scuttle the case. My lawyer made the mistake of using the word "complaint" in a letter to the Canadian Human Rights Commission, and they seized on that and made it sound like there was never a complaint in the first place, and I'd have to file one from scratch. Basically, the Human Rights Commission tried to cancel its own investigation. CBC captioning hasn't really improved. Nothing has been completely fixed. I'm still taking notes, and the results are up on my website.

Now, if CBC can't maintain 100% accessibility, who can? If a public broadcaster cannot maintain a legal requirement to provide 100% captioning, what hope do we have for 100% captioning anywhere? Why would private broadcasters, who'll do anything to save a penny, put in any effort at all to get to 100% captioning? What hope do we have for audio description for the blind on most programming or all programming?

On several occasions, I've offered to meet with CBC to talk about captioning and accessibility in general. But they've always refused, and they did that even after they promised to meet me away back in 2002. I think it's all very embarrassing that I proved that CBC isn't living up to its requirements and that the Canadian Human Rights Commission has been asleep at the switch and hasn't been enforcing its own ruling.

Okay, what about French captioning? Well, back in 2004, retired Senator Jean-Robert Gauthier, who some of you may know personally, and who was a hard-of-hearing person, filed a complaint against Société Radio-Canada concerning captioning. As part of the settlement process, CBC agreed to submit a report on the state of captioning, particularly real-time captioning, on Radio-Canada and *Réseau de l'information*. I read the report, and I wrote the only known critique of it. All they were proposing was to increase the pool of real-time captioners by two people, and they weren't going to guarantee 100% captioning. There wasn't any discussion of quality standards.

And what about quality of captioning? Well, CBC has a lot of problems there. First of all, they still insist on using all capital letters, a ridiculous holdover from the 1970s. They have a homegrown captioning standard that isn't the same as the standard used at Radio Canada. Having two standards means you don't have a standard.

• (1550)

And neither of those standards was published, let alone tested. They use real-time captioning for shows that aren't live. They don't prepare their real-time captioners well enough. If you watch sports programming that doesn't involve professional sports, you'll find that most of the proper names are mangled, because they weren't provided to the captioners in advance. A lot of these shows are actually pre-recorded and shouldn't be using real-time captioning in the first place. CBC is totally in love with scroll-up captioning because it's so cheap, and they use it on completely inappropriate shows like fictional narrative programming. It's impossible to follow a drama or a comedy using scroll-up captioning. Try it sometime.

They refuse to caption subtitle programming or outside commercials. Only commercials for the CBC itself, things like promos for upcoming shows, are supposed to be captioned, and even then sometimes they aren't. They refuse to use Canadian English. You'd think this kind of colonialism would be extinct by now, but CBC uses British English, and they don't even get that right.

Now funnily enough, I have a solution to this problem. I'm the founder of the open and closed project. It's an independent non-profit research project that I've been incubating for five years. Our goal will be to write a set of standards for the four fields of audio-visual accessibility: captioning and audio description, subtitling, and dubbing. There are no such standards, at least none that were developed in an open process and were tested with viewers. We're going to spend four years developing the standards, and then a year testing them in the real world. We'll publish the specifications and train and certify practitioners. At that point, it will be possible for broadcasters like the CBC and producers and the CRTC and viewers to insist that all their accessibility be open and closed certified.

Also at that point, there won't be as many kinds of captioning as there are companies doing it. Everything will be standardized. There will just be captioning. There won't be CBC-style captioning or CTV-style, or the style of whoever had the lowest bid. We need half a million bucks for the first year, and \$5 to \$7 million for the whole seven-year project—which is peanuts. We've applied for funding from the social benefits spending from several of the broadcast industry mergers. We have bubbles so far, but that can't last, because we have support from all over the place.

We have industry support. We have signed support letters from captioning and description providers, software makers, and broadcasters in four countries.

We have grassroots support. I set up a micro-patronage program to pay for fundraising for the full project. Two hundred and fifteen people made voluntary financial contributions, and dozens of them wrote support letters.

We're friends with all the right researchers. Not only are we on a first-name basis with all the right researchers in the accessibility field, but we've got verbal agreements with some of them.

But the open and closed project does not have CBC's support. Now, some staff are privately supportive, including one person who wrote us a support letter. But we need more than that. It would mean a lot, really, if Canada's national public broadcaster accepted the need for outside independent standards and supported their development. Support could mean anything. It doesn't have to cost money. A good place to start would be a public statement. But for that to happen, CBC would have to get over itself and stop being so arrogant and defensive. By the way, not only has the CBC failed to support the open and closed project, it has held secret closed-door meetings with other broadcasters and other audio description service providers to rewrite existing standards.

To sum up, CBC has an unusual captioning requirement, and they aren't living up to it. They're angry and defensive when you ask them about it. The Human Rights Commission refused to enforce or even investigate its own ruling. CBC cooks up its own standards rather than supporting independent open standards.

Thank you.

• (1555)

The Chair: Thank you for that.

Mr. Gue.

Mr. Viggo Lewis (As an Individual): With your permission, Mr. Chairman, I'll kick it off.

First of all, thank you very much to you and members of the committee for the opportunity of appearing before you.

I'd like to introduce my colleagues. With me today are John Spence, who is editor of *cbc.watch.ca*, a website devoted to documenting and discussing issues of bias and balance in CBC programming, and Frank Gue, a retired professional engineer from the fields of manufacturing, management, and education. My name is Viggo Lewis. I'm a retired businessman with a background in manufacturing companies in Canada and the States.

I'll kick off with a six-minute presentation, followed by two minutes each from my colleagues. We're very conscious of your time requirements.

We have submitted a written brief that recommends, in summary, first that CBC's mandate should be revised to include two clauses from the Broadcasting Act that deal with the requirement that Canadian programming "be varied and comprehensive, providing a balance of information" and—the second clause—"provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern".

This recommendation in itself is not enough. It is one thing to have a mandate and policies, and quite another to ensure that the mandate is carried out. So we've attached to this recommendation two others, which we consider to be an integral part and of equal importance, namely first: that just as CBC undoubtedly has in place controls to ensure compliance with other important matters of corporate policy, such as safety, equal opportunity, and so on, so should controls be established to ensure that programming bias is eliminated and balance becomes the order of the day; secondly, that all future ombudsmen be appointed from outside the ranks of present or past CBC employees.

The current policy of appointing present or former CBC employees to this position places too great a burden on the individual appointed to provide impartial judgment of past colleagues and friends with whom he or she has been associated for years. Further, that person should be able to see with clear lenses, and not those provided by the CBC.

We've submitted our brief based not on opinion or perception, but on facts. As we have shown in our written brief, it is a fact that CBC management readily admit to the public perception of left-wing bias and lack of balance in their programming, and we've provided evidence of our own to support this admission and concern. On the other hand, CBC management resolutely deny that bias and lack of balance exist.

Now, whose perception is correct? We believe it's the public's perception, representing all hues of society, that is the correct one.

Why have we made these recommendations? What good will they do? How will they improve the state of broadcasting in Canada, especially since the need for journalistic balance is well-covered in CBC's journalistic standards and practice?

The answer is that the need for balance in an organization that is the most broadly-based and substantial broadcast journalism organization in Canada, funded by all of us, is huge. The CBC occupies a unique position of trust in Canada and by virtue of its size and coverage exerts enormous influence on public opinion, and these steps will help ensure balance.

CBC fulfills sections of its mandate, such as reflecting the multicultural nature of Canada, being distinctively Canadian, contributing to the flow of and exchange of cultural expression, and so on. By contrast—and this is important—by its own admission it fails to live up to its own journalistic standards of providing balance, as perceived by the public. This is unacceptable, and so we say that since its mandate is absolutely silent on the subject of

balance, and since this subject is of such importance, it should be written into CBC's mandate.

If the heritage committee endorses this recommendation, it could and should act as a tipping point to CBC policy and action in the future and help increase its audience, and we think that's important.

• (1600)

To conclude, we feel that we need a public broadcaster, but we need a balanced public broadcaster. CBC—and I'm sure you're well aware of this, because you faced them—faces many costly demands by various interest groups. But these recommendations are unique, in that they appeal not to a single interest group but to the public as a whole and are not costly.

[Translation]

Thank you for your attention and invitation to take part.

[English]

I'll turn it over to John Spence.

Mr. John Spence (Editor, cbwatch.ca, As an Individual):
Thank you very much.

I'm the editor of CBC Watch, a website entitled www.cbwatch.ca, that was established early in 2004 for Canadians who had enough of the bias activism and extremism of the Canadian Broadcasting Corporation. CBC Watch includes viewpoints on issues that the CBC wilfully neglects to include in issue debates. CBC omissions are to the detriment of the overall public debate. Since conception, the website has had more than three and a half million individual visits—that's not hits. CBC Watch is a website that doesn't cost Canadians a single penny. The website is currently being revamped, and it's going to relaunch in May.

The website regularly exposes clear CBC policy violations of stipulations of the Broadcasting Act. It also exposes various other actions, productions, or omissions on behalf of the CBC that undermine the integrity of broadcasting in Canada.

Contrary to what many CBC supporters believe, it's not an anti-CBC website. CBC Watch is an anti-CBC-bias and anti-CBC-activism website. Unlike the CBC, CBC Watch is not required to be balanced by any Canadian statute. Subparagraph 3(1)(i)(iv) of the Canadian Broadcasting Act states that the CBC must "provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern". Clearly the CBC has failed to do that, so it is our position that portions of this section should be added to CBC's mandate.

The CBC knows it has this problem. In a memo released in November 2003, CBC news head Tony Burman admitted that the CBC commissioned a study and found that Canadians found the CBC to be biased. Exactly in what ways Canadians found the CBC to be biased is not known. The CBC refuses to release detailed data of the multi-million-dollar study to the people who paid for it, the Canadian taxpayers. What's interesting about Tony Burman's reaction is that he actually took solace from the fact that the study showed that Canadians did not find the CBC as biased as CNN.

In other words, Burman seems to think CBC bias is okay, as long as it's not as biased as some private American cable news channel. Sorry, but the law says that's not good enough. The complaint system at the CBC is not meant to correct or address any ongoing bias, even if the CBC uncovered that bias. It is a smoke screen. There is little if anything accomplished by CBC's in-house complaints response mechanism.

Former CBC employee Robert Fulford—his wife is a CBC producer—put it best when he said:

But citizens who complain to management receive CBC-justifying letters that inevitably explain that the CBC is consistently fair. These letters are so long and tedious that they fill with glue, perhaps fatally, the mind of anyone who reads them. I think of this process as Death by Ombud. Its purpose is to ensure that the citizen in question will never, ever write a letter of protest again.

So we have recommended that future ombudsmen be appointed from outside the ranks of the CBC.

Later in that same column, Mr. Fulford writes of the CBC's lack of diversity of viewpoints:

Many journalists find working for the CBC highly educational. Certainly it was for me. In the days when I first began broadcasting on the CBC, the term "politically correct" didn't exist. But no one at the CBC needed a term. They lived by it without knowing what to call it. As I listened to them I began to realize that they all read the same publications and thought the same thoughts. Many became friends of mine, but I developed an aversion to their eerie uniformity of views.

This was in the *National Post* on September 23, 2006.

Critics at the private news media argue that CBC's bias provides a counterbalance to the private news media organizations. Private news media outlets are allowed to have editorial bias, and balance can be achieved across the private media spectrum. The CBC, however, is required by statute to reflect all Canadians, not only left-wing Canadians, or be both an interpreter and the counterbalance. It has to be balanced. To ensure this, we have recommended that controls be instituted. Unchecked CBC bias over time becomes a false Canadian historical record.

Again, the CBC is required by statute to reflect all Canadians, not only left-wing Canadians. It's required to be balanced, yet it refuses to be fair and objective in its presentation of issues, ideas, organizations, and political issues. To ensure balance, we have recommended that procedural and hiring controls be instituted.

Thank you very much for this opportunity.

•(1605)

The Chair: Thank you.

Mr. Gue.

Mr. Frank Gue (As an Individual): Thank you, Mr. Chairman.

I'm Frank Gue, and I see that I have a great deal in common with Mr. Wilks, because I'm a very old-time broadcaster, as in "Flash, Washington: State Department reports Japs attack Pearl Harbor". I was a news editor that quiet Sunday morning.

In this file is 13 years of criticism of and also support for the CBC, mostly Radio One. Mr. Lewis has rightly suggested that the CBC give heavier emphasis to balance and to bring it forward into the mandate itself. The need for balance is exemplified by a 99-day sampling that I did of CBC Radio One. A listener, catching whatever

he catches in his busy day, would have heard 31 items pejorative of Conservative people or parties to one pejorative to the Liberals and none to the NDP. A different auditor would get certainly different numbers, but the message would not have changed since I took this sample.

Concerning commentators, the CBC unfortunately at times hides behind commentators and says they can't be responsible for what the commentators say, but the CBC can be responsible for the commentators they choose. And of the commentators they choose, the CBC gives the left wing—I dislike the expression, but it seems to be understood—ample time, but gives competent, often brilliant, world-renowned right-wing voices very little time. Suzuki gets an hour; Hargrove, twenty minutes; the Canadian Centre for Policy Alternatives, ten minutes; the Fraser Institute or the Atlantic Institute for Market Studies, virtually nil.

The ombudsman and the producers to whom he refers complaints about balance write courteous letters, while seldom, if ever, acknowledging any problem. Their typical argument is that balance cannot be determined from a single program, and certainly one would have to agree with that, but then refer back to the 99-day sample.

CBC management's challenge is move balance into the mandate and reorient and control people accordingly.

A word about control: it is extremely clear that certain producers have local policies that conflict head-on with the CBC's policies, and I can give you examples. The CBC must use commentators of all shades and keep score using, as Mr. Lewis said, outside, non-broadcasting, and I might say also non-academic auditors. And please, do improve the status and the powers of the ombudsman.

Thank you very much.

•(1610)

The Chair: Thank you for that.

First question, Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: Mr. Gue, when you heard those 31 comments critical of the Conservative government, or of the Conservatives or of Conservatives, was that during the time that we had a Conservative government?

Mr. Frank Gue: When was in government?

Mr. Francis Scarpaleggia: That we had a Conservative government. When did you—

Mr. Frank Gue: Yes, it was. There was a Conservative government in power provincially and the Liberal government in power federally.

Mr. Francis Scarpaleggia: I guess my point is that if you read Jeffrey Simpson, for example, far from being an extreme leftist, he'll say to you that one of politicians' greatest complaints is that the media is too conservative, and other politicians will say the media is too liberal, and they'll say now that there's a right-wing bias in the media generally. This is why I find this issue so complicated.

It seems to me that journalists per se have a natural bias against authority, because their job is to keep authority from abusing power. So that's an endemic thing. So if the authority happens to be left-wing, I would expect that the journalists would be critical of that authority, maybe challenging some left-wing tendencies in the government or what have you.

I find this whole thing very problematic. I just don't know what to say to these charges of bias. You said you had examples also of situations where the local CBC producers' policies were in conflict with the national CBC policy. You said you had many examples. Could you give me one?

Mr. Frank Gue: Yes, I could give you one. I could give you many, but I will certainly give you one, and a recent one.

There was a one-hour program, a Saturday morning program, *The House*, which I listen to religiously. It's usually an excellent program, and the CBC does extremely well, usually. Perhaps this was a couple of months ago. That hour was absolutely poisonous. You should look it up. If you wish, I could give you the exact date. It contained no information that could, by any stretch, be labelled *The House*. It contained endless innuendoes, such as references to an extremist sect of some sort in the United States, with the dark message that this was also Stephen Harper's home church. The entire hour was consumed that way. I left the hour, that program, angry, really angry.

I consider myself a broad-minded person. I listen to the left; I listen to the right. The left are not all idiots and neither are the right; you've got to listen to them both.

Mr. Viggo Lewis: May I add to that?

I'd like to address the point you made, to which I think we're all sympathetic, that it's the job of a journalist to critique the party in power, and indeed all parties. But in the case of CBC, they conducted an extensive study in 2003, and I'll read a quote—

Mr. Francis Scarpaleggia: I appreciate your point. I would just like to get in a few more questions, if you don't mind. I do understand your point, but—

Mr. Ed Fast: The point I would like to hear is the reference to an independent study.

The Chair: You can ask that question when it comes around.

Go ahead, Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: It seems to me that real democratic debate means the largest plethora of different opinions. Broadcasters who are chasing ratings are going to be more restrained in their criticisms of corporations or the economic system, or a government, a Conservative government. And since most of the broadcasting industry is privately owned, it would seem to me that you would like to have a critical voice offering an alternative point of view. And maybe it's not 100% objective in the scientific sense, but if you take the industry as a whole, then you have a greater diversity of opinion.

That, I think, is important to consider as well.

• (1615)

Mr. Viggo Lewis: I'd like to respond to that.

In fact the CBC's sponsored study found that the CBC was a toady to the Liberal government. I'll read to you, if I may, a quote from the study: "According to the quantitative opinion data, CBC News not being perceived by as many English Canadians to be 'politically biased' or always reflecting current government opinion of events"—and at the time of the study it was a Liberal government—"would further enhance these core values." In other words, he's saying the CBC would do better than to parrot the Liberal viewpoint.

I think this flies in the face of your point.

The Chair: Mr. Gue.

Mr. Frank Gue: Thank you, Mr. Chairman.

Just to respond to Mr. Scarpaleggia's point that one would expect journalists to perhaps attack the party in power, fair enough. You've described a lean. I'm not describing a lean. I'm describing somebody who is so far left, you can't see him from here. I'll give you a specific example, and I'm sorry to have to bring it up, but I must. The CBC will resort to flat lies. If you wish to have an example, I can give you one.

Mr. Francis Scarpaleggia: Yes, please.

Mr. Frank Gue: At an important policy conference for the provincial PC government of the time, it was announced that Mike Harris was resigning, and of course that raised quite a hullabaloo. The CBC reported that the policy conference instantly degenerated into a leadership contest—a flat lie. I was there.

The Chair: Thank you.

You've gone a little over time.

Madame Bourgeois.

[*Translation*]

Ms. Diane Bourgeois: Thank you, Mr. Chairman.

I don't have any questions for Messrs. Gue, Lewis or Spence because, since I live in Quebec, I don't follow politics in English Canada. So I'll leave the floor to the other committee members.

Mr. Wilks, you have a lot of expectations of this committee, and we're going to try to meet them as best we can. Moreover, that's why we're here.

As for Joe Clark, the homonym of the other one, I would like to ask you specifically what your demands are. You've produced a beautiful document, and you explained all the complaints you're filing in detail. If we had only one or two demands to make of the CBC, could you properly summarize what they would be?

[English]

Mr. Joe Clark: That's pretty simple, actually. The CBC should be a standard bearer for accessibility in Canada. That means on its television networks, for example, 100% captioning and a large quantity of audio description on the web, accessibility for people with disabilities there; and point number two, all that accessibility should be carried out according to independently developed open standards. It's easy.

[Translation]

Ms. Diane Bourgeois: So you would like access for persons with disabilities and you would like this done openly. What does that mean?

[English]

Mr. Joe Clark: No, it would be according to standards that were developed openly through independent outside process. The standards are developed openly. They're not closed standards.

[Translation]

Ms. Diane Bourgeois: Who developed that external process?

[English]

Mr. Joe Clark: For the web, there are already existing international independently developed standards that could be adhered to, so that's already in place. For broadcasting, for things like captioning and audio description, my organization wants to write those standards independently.

• (1620)

[Translation]

Ms. Diane Bourgeois: That's good, thank you.

If I understand correctly, both you, Mr. Clark, and the people here seem to be saying that the complaints system at the CBC doesn't work well and that it would be in everyone's interests to put better control measures in place. Is that in fact what you told us?

[English]

Mr. Joe Clark: Not specifically, because I don't have complaints about journalistic objectivity, as the other members of the panel might, nor do I have complaints about funding mechanisms or which documentary errs and which documentary didn't. I don't have those sorts of complaints.

When you get right down to it, discussing accessibility on the CBC is a sort of internal matter. It's a matter of their own production operations. In fact, if you go to the broadcasting centre here in Toronto, it's on the sixth floor in the program broadcast services department. So when it comes to complaints, I'm not in the same category as my esteemed colleagues on this table.

However, you are bringing up a point that CBC is not very good at dealing with criticism. They really only have two modes. They flinch. The first thing they can do, especially if some right-wing organization provides criticism, is just flinch and cave in completely. The example of that would be, let's say they produced an historical docudrama about a famous politician from the prairies, and that docudrama, even though it was fictional, showed the politician wearing his watch on his right arm when in fact he wore it on the left, and after a fusillade of complaints about this terrible historical inaccuracy, CBC gives in completely and agrees never to air it again

and to stop selling the DVDs. That would be an example of their flinching.

The other case is the one I've experienced, where the CBC are complete rat bastards about things. You prove to them that they've made a mistake and they grit their teeth and seethe and angrily insist that, no, they didn't make a mistake. They dispute the definition of what a mistake is. They go through an entire list of things, but it's all done in anger and defensiveness.

So if we were talking about improving the complaint culture at CBC, I'd say they should get out of those two modes of just flinching and being arrogant and defensive all the time.

[Translation]

Ms. Diane Bourgeois: That's good.

Thank you, Mr. Chairman.

[English]

The Chair: Mr. Angus.

Mr. Charlie Angus: Thank you very much for the presentations this afternoon.

Mr. Clark, I'm interested because captioning is a huge issue in our home. We don't watch movies that aren't captioned. The TV is off if it's not captioned, because my oldest daughter is deaf. We've seen lots of captioning where it suddenly turns into Norwegian script. When they have to have somebody's name, there are 13 j's and two x's and it's incomprehensible to read. There are delays where the punchlines are long gone when you're still trying to catch up to the captioning.

In terms of DVDs, I don't know if you've checked. In most Canadian movies that I see—Well, we don't watch them because they don't have captioning, period. American films all have captioning. Are you aware of whether CBC products that are available for DVD come captioned?

Mr. Joe Clark: Let's go through those things one after another. Errors: I assume you're referring to real-time captioning, like a newscast, for example?

Mr. Charlie Angus: Yes.

Mr. Joe Clark: If it's an uncommon proper name, and those things happen every single day, then the real-time captioners do not have that name in their dictionary. They either have to laboriously spell it letter by letter, and that can happen several times in the course of a sentence, or just put in frenetic strokes and hope it gets translated correctly, and that often doesn't work. By the next day, though, if that name is still in the news, the name is put in the dictionary, but you won't see that.

Delays—are you also referring to real-time captioning on live shows?

Mr. Charlie Angus: Yes.

Mr. Joe Clark: The human captioner has to hear the audio, think about it, type the right keystrokes or re-voice it, and then that has to be translated by the computer software, sent back over the phone line, and then sent back to you. There is an unavoidable three- to nine-second delay, even in really good real-time captioning, and that will never change.

Now, for DVDs, it's true: most studio releases in the United States have captioning in part because of a settlement in a class action lawsuit that came through in 2006. A lot of the DVDs in Canada come from small, independent producers, or—let's put it generously—rather economical, spendthrift producers, and they don't even bother with French audio track or French subtitling. So it is quite common to find Canadian DVDs that don't have captioning. The CBC DVDs that I have watched have had captioning, and several of them have had audio description. I have not done a check to see if this is consistent across the board.

Mr. Charlie Angus: Mr. Spence, it's good to see you. I enjoy your website. I'm thinking in terms of balance. We have CBC's "war on reason", CBC's "blinding enviro-zealotry". There was a good discussion on how many greenhouse gases are produced by CBC running coast to coast to coast during idle times. There's the issue of we shouldn't be taking partisan jabs at the oil patch. And of course I find my own name in there: "Charlie Angus, whose riding encompasses the First Nation community of Kashechewan, re-continues his pro-CBC campaign. As an aside, why was Angus not held to greater account over the Kashechewan tragedy by CBC news?"

You clearly have strong opinions about CBC. Will you be posting comments about our committee?

• (1625)

Mr. John Spence: We're still revamping, but yes, there will be comments.

Mr. Charlie Angus: Do you have some choice lines that we could hear in advance?

Mr. John Spence: "Hostile" maybe.

Mr. Charlie Angus: Am I hostile?

Mr. John Spence: You seem a little upset.

Mr. Charlie Angus: I'm having fun. I'm enjoying myself. How about the "ever-gregarious Charlie Angus", as opposed to the "ever-hostile"?

Mr. John Spence: Is that what you want?

Mr. Charlie Angus: I'm just interested in how you're going to put it.

Mr. John Spence: See, this is the point. You used to work for CBC, correct?

Mr. Charlie Angus: Yes, I did.

Mr. John Spence: You were a CBC journalist.

Mr. Charlie Angus: I was a stringer. Do you want to hear my beef about getting paid \$10 to go 20 miles?

Mr. John Spence: No, not really. Do you have a question?

Mr. Charlie Angus: We're talking about balance and clear lenses. Have you started to write about our committee?

Mr. John Spence: Yes, there has been some. I mean, there has been not just me, but I'm getting information in on other stuff. I haven't read all the transcripts from witnesses. I have a real life, I have three kids. This is just something that gets assembled and thrown in on the side.

Really, what it boils down to is taking something that nobody else was doing and doing it in an informal way and just taking it and throwing it out there. Joe made a reference to a movie being thrown back. My reaction to his comments about CBC saying okay, we'll sit on this film, or we'll change it to suit whatever the request of the complainant was—It just seems to me that every movie that comes out, the errors, the major dramatic errors in terms of liberties taken with the script, generally fall in the direction of making the more right-wing characters less palatable and making the left-wing characters more rah-rah, let's make them the protagonist.

Yes, we will follow up on the committee. We will make a final assessment, but right now there's nothing.

Mr. Charlie Angus: Okay. One last quick question.

Mr. Gue, I was listening to you, and I guess I fundamentally disagree with you not so much on right wing or left wing. I have a confession to make, and I'll get in trouble for it, but when an NDP campaign goes south and everybody is sitting in the backroom complaining, the first thing they say is it's the damn media: "The media doesn't give us fair comment. We started out in the middle of the campaign, we were second or third, and now they're not even mentioning us. It's the media." And we like to say it's the media because they're in love with the Liberals or the Conservatives.

I was talking to a Liberal when Paul Martin's campaign went south, and they were saying they won't give Paul Martin a fair break. It seems to me that whenever someone has a wound to lick, it's the media that's picking on us.

I saw this with Tom Flanagan's comments. He wasn't quoted in his show, and he went on his blog site and said this is a sign of bias. I guess I simply don't buy that. Do you think that because Tom Flanagan wasn't quoted in the show, that was a sign that there's some plot at CBC to keep his voice from being heard, or was it just cut from the newsroom?

Mr. Frank Gue: I can't speak for the CBC, obviously. I wouldn't consider it a sign of bias against Tom, no. People who produce programs—and boy, am I familiar with that—have to time it to the second. Maybe there just wasn't time.

The accusation that the media influence political affairs, if that was your point, is probably valid. That's my opinion, because when you have some CBC commentator embedding in her remarks, "that MPP who stood up in the House and said, 'No more nurses, no more teachers'", and my careful study of *Hansard* shows there was no such episode whatsoever—

• (1630)

The Chair: Thank you for that.

Mr. Fast.

Mr. Ed Fast: Thank you, Mr. Chair.

First of all, I want to say to all our witnesses that I have the greatest of respect for my colleagues across the table, but we come from different political perspectives. Sometimes we're diametrically opposed; we're worlds apart sometimes.

I'm not as dismissive of the complaints of Canadians about the bias that the CBC has or is perceived to have against those who espouse a centre-right perspective on politics. The reason I don't dismiss those readily is that I hear those complaints from my own constituents. They're not isolated complaints. They are regular complaints.

They remind me: "What are you going to do about the CBC?"; "When are you going to sell the CBC?"; "When are you going to privatize the CBC?" Quite frankly, my response is, I don't think you can expect that we're going to privatize CBC or sell it, because I believe we need a strong Canadian public broadcaster. Mr. Gue, you mentioned that in your remarks.

However, it needs to be a balanced public broadcaster, and when we get stories such as *The Tommy Douglas Story*, where another politician of his day is vilified in a grossly unfair way, clearly it's a time to step in and act. I would suggest to all of you that the process of appointing an ombudsman was a good first step, but the appointment process has to be fair, and the individual who's appointed must be seen to be above bias. I concur with you that if you draw that ombudsman from the ranks of the CBC or former CBC employees, there is going to be at the very least a perception of bias, if there's not an outright bias.

So I'm not going to dismiss those concerns. I think they will find their way into the report that our staff will prepare.

I have a question for you, Mr. Gue. You mentioned a number of things that could be done to improve the process of appointment of the ombudsman. Are there any other strategies that you could suggest that would improve the accountability of the CBC, especially when it comes to perceived or actual media bias?

Mr. Frank Gue: Oh, boy. That's almost as bad as finding a candidate for the Supreme Court.

I'm not sure I can intelligently answer your question ad hoc, Mr. Fast. I said here that the person appointed should be not a broadcaster and not an academic. I would have to sit down and think for some hours; then I could create a list.

I'm sorry to be so indefinite, but it's such an important question, I'm just reluctant to answer it off the top of my head.

Mr. Ed Fast: Are you supportive of an independent review of media bias within the CBC?

Mr. Frank Gue: Absolutely.

The Chair: If you are finished, then I will call this session to a conclusion.

Thank you very much for your presentations. Thank you very much for answering the questions.

We will recess for a couple of minutes.

- _____ (Pause) _____
-
- (1640)

The Chair: Order.

I'm sorry, we're running a little late. There are going to be two or three people who have to leave at five o'clock. What we'll do is take your presentations.

I welcome you here this afternoon. We have Gwen Landolt, from REAL Women of Canada, and Aboriginal Peoples Television Network, APTN. I do watch that sometimes.

We will start off with REAL Women, please, with your presentation.

Ms. Gwendolyn Landolt (National Vice-President, REAL Women of Canada): Thank you, Mr. Chairman.

I'm very glad to be here, because I've been listening to the CBC for many years and I have many concerns about it.

When the CBC began in 1932 it was a vastly different country. There were few people. We had infrequent contact with each other, as Canadians, and in the world there was very little communication because the only way was by post. Telephones were few and far between. What happened is Canada has vastly changed, as we all know. We have 500 channels. We have satellite now. We've gone into digital. It is wholly different world from what it was when Canada began.

Certainly the Broadcasting Act of 1991 is not a reflection of what the CBC should be. The two most important considerations under section 3 of the Broadcasting Act are that the CBC be predominantly and distinctly Canadian and to reflect Canada and its regions to national and regional audiences.

However, I would like to say that as conservative women—and there are many of us in Canada—we have never had a voice on the CBC. When there are so-called issues that may reflect women—and all issues reflect men and women—it is always the liberal, left-wing—I hate that word—feminists, yet there are very many competent, capable spokespersons among conservative women in Canada. We vote. We think. We're educated, many of us, and there is a total ignorance and reluctance to let our voice be heard in Canada. Certainly we are as much Canadian as anybody else, but we're never heard.

One of the reasons this is happening is that the CBC's viewership and the CBC television and the radio has fallen off and off and down. I saw one report, which was in the *National Post*, saying that only 5% of people view national CBC TV. I saw 2%. In other words, CBC is not serving the needs of Canadians, not just women but all Canadians. The trouble is the CBC, instead of being a unifying element in Canadian society, which was always the intention, to unify Canadians, has now become a very divisive organization because it's perceived by many as a source of indoctrination and propaganda for the left of centre political and social agenda, rather than a source of unbiased information.

I gave you some examples on page 4 of my brief. I don't want you to think I'm making this up and it's just a perception. I have concrete examples of why CBC has become so divisive and so unacceptable to many Canadians. It does not reflect a vast number of Canadians, and that's why it's not popular. How do we know it's not popular? We know by the few people who actually watch it. People are watching, for example, CBC national TV news, but they don't watch CBC national news at 10 because you don't want to hear the spin that you're going to get on it. All you want is the facts. You want information. You don't want a spin from a left-wing perspective.

What the broadcasters are doing when they want speakers or commentators, they are never conservative women. They're never conservative commentators who are male. They are always from the other side. We're not being given a fair and objective analysis of what Canadians want, yet Canadians are forced to pay \$1 billion annually to the CBC. As I said, at one time it served its purpose, but no longer.

The CBC has done something else, which is egregious, as far as we're concerned. It not only doesn't represent Canadians any longer, but the second thing is it has tried to usurp or take away the public broadcasting role. For example, the CBC is taking sports and trying to match and be competitive with other television, like CTV or Global.

•(1645)

Obviously the CBC, with its declining audience and loss of revenue both from the government and advertising, is not serving the needs in Canada, but having criticized the CBC—and I could go on forever, I can tell you, giving you examples—I will say there's an extraordinary difference in some places in the CBC, and one of them is the CBC Northern Service. I was in Nunavut, and I was absolutely astonished that the CBC came from another world that I knew of. CBC Northern Service is responding to the Inuit. It was a very important lifeline for the hunters and the fishermen, but more importantly, it reflected their culture and they actually had programming in the Inuit language

In some of the remote villages, the only contact they ever had with the outside world was the CBC Northern Service. I would say to people, "Oh, if it's the CBC, you don't want to listen to that, it doesn't reflect you," because they're very traditional, as you know, their culture. They all said, "Oh, no, they are wonderful; they do listen to us; they do support us."

So it is possible for the CBC. We have members in the Northwest Territories who say "Yes, we do need regional broadcasting that reflects our views as northerners." So it's possible for the CBC's culture to turn around.

I'm afraid most of the CBC culture comes out of downtown Toronto, where I live, but it doesn't mean that downtown Toronto is Canada, and that has been one of the problems.

One has to ask, why is it that CNN has a 2.7% Canadian audience and only 1.7% watch CBC Newsworld? That's supposed to be our network, but we don't watch; we tune in for the facts at CNN. That is an example of how the culture of the CBC has proven to be unacceptable to so many Canadians, but as I say, it can serve in the regional areas.

So REAL Women would suggest an alternative to the CBC, that it simply works into the regional areas where there isn't private broadcasting. Private broadcasting is still in most of Canada, but it does need public broadcasting in the remote regions. That was one of CBC's roles under the Broadcasting Act, and that is where it can serve.

Another problem, in order to keep its public service mandate, is to scale back the CBC to the public broadcasting in the States. It's ironic that the public broadcasting services in the States, on the Canadian border, are supported by Canadians. Canadians don't get a tax receipt for what they're doing, but the border public broadcasting is supported. Why? Because the public broadcaster reflects what Canadians want to see, and that's why Canadians are putting their money into the public broadcasting but they don't want to put it into the CBC.

In our modern 500-channel era, it is unusual for taxpayers to continue to spend \$1 billion funding the CBC's general service programming amid the increasingly segmented and cluttered market landscape we now have. We know that more and more Canadians are looking to specialty channels. They are not looking to the conventional channels of CTV and CBC.

I'm not saying CTV and Global aren't having troubles as well. Their audience is declining, but not nearly not as much as the CBC's. They're declining too because Canadians have other viewing habits that go into specialty television.

If CBC wants to continue, people who want to watch it should be able to pay for it, but those of us who do not agree with the CBC's culture should not be obliged to continue to pay for the CBC. What we should have is that if you want to pay for it, like the public broadcasting, pay for it. If you don't want it, you shouldn't have to, as a taxpayer, be forced to pay for a broadcasting system that means absolutely nothing to you. In fact, it has become absolutely irrelevant.

I won't turn on the CBC national news or CBC radio. Why bother? Do I want to hear something that has a spin to it that does not reflect my views? Again, speaking as a national women's organization, it does not reflect what many Canadian women think and our views on a variety of issues. And it's the same thing for many, many Canadian men. It does not reflect them.

•(1650)

If you're going to keep the CBC, you have to change the whole culture. You have to get it out of competition with public broadcasting and you have to emphasize where it's important, which is in regional broadcasting.

Thank you very much.

The Chair: Thank you for that.

Mr. LaRose.

Mr. Jean LaRose (Chief Executive Officer, Aboriginal Peoples Television Network): Merci.

I just want to mention, before I start, that for the sake of brevity and the committee's timetable, I will depart from my prepared text. You've been given a copy of my presentation. I've shortened it to allow for a longer Q and A session.

[*Translation*]

Good afternoon, Mr. Chairman and committee members. Thank you for receiving me here in Toronto. With me today are Joel Fortune from the firm Fasken Martineau.

Committee members have all learned from their political experience that the vision each of us forms of the world depends on our origins and the pivotal moments in our lives. So my comments are made in that spirit.

First of all, I'll provide you with a picture of APTN, the Aboriginal People's Television Network.

Second, since the committee is interested in public broadcasting, I'll talk about APTN's role in that regard.

Third, I'll discuss the way APTN and CBC/Radio-Canada could support each other more to better serve Canada's Aboriginal people and Canadians as a whole.

[*English*]

APTN was licensed as a national service by the CRTC in 1999. We launched in September of that year.

APTN had a prior life. It used to be known as Television Northern Canada, or TVNC. TVNC operated a network of northern transmitters, and offered programming produced by aboriginal communications societies across the north. The communications societies received funding from the federal government's northern native broadcast access program, NNBAP. The infrastructure of the northern network was supported by another federal government program, the northern distribution program, or NDP.

APTN still offers a great deal of programming produced by aboriginal communications societies, supported by NNBAP. This program is not like anything else you will see in the broadcasting system. It speaks directly to the experiences of aboriginal peoples in the north, and is usually in aboriginal languages. When we broadcast it on APTN, we provide subtitling for a broader national audience.

APTN also receives support from the federal government through the NDP in the amount of \$2.1 million per year to offset part of the costs of our northern distribution network. For the past few years, APTN's costs have exceeded the amount of the contribution agreement.

Where APTN is different from TVNC is that we are now, thanks to the CRTC, also made available throughout Canada on all larger cable systems and on the two satellite DTH systems as part of basic service. We offer three feeds—east, west, and north—and hope to soon add a high-definition feed.

Let me refer you to a copy of our schedule, which has been circulated to you. The only reason red was chosen was that it's a very prominent colour. You can see the red is Canadian content, and most of these shows are produced by aboriginal peoples in Canada, by aboriginal producers.

APTN has been, we think, a tremendous success. First, it has made a place for aboriginal peoples in Canadian television—in fact in television at all. APTN was the first national aboriginal broadcaster in the world. Until APTN, the likelihood of seeing an aboriginal face when you turned on the television was slim to none.

I remember someone once said there that were more space aliens on television than aboriginal peoples. That person was right, and may still be, but now at least you have a choice—that is to say, Canadians have a choice. All they have to do is find APTN in the channel lineup.

Second, having APTN in the system has helped other broadcasters to better represent aboriginal peoples.

Third, APTN has created amazing opportunities for aboriginal peoples in media.

And last, the significance of APTN as a symbol of inclusion for aboriginal peoples should not be underestimated. I don't think I'm overstating things when I say that having APTN on television validates the presence of aboriginal peoples in Canadian society.

• (1655)

[*Translation*]

So you can see why APTN is firmly convinced that it must be seen as a public broadcaster carrying out an important public mandate.

We aren't motivated by profit. APTN is a non-profit organization. All our resources are used to expand Aboriginal peoples presence on Canadian television, and most of its resources are invested in programs that appear on the screen. We naturally want to succeed and increase our revenues, but that's only secondary to our mandate.

We are independent of government and directed by a board of directors consisting of 21 members who represent the Metis, Inuit and First Nations communities of all regions of Canada. You can rest assured that our board takes its work seriously and ensures that APTN carries out its mandate.

Our activities are transparent, and we report to the communities we serve. On our Web site, among the blogs, forums, downloads and information on our programs, you'll find our audited financial statements from the last broadcast year, information on members of our board of directors and management, our bylaws, job opportunities and detailed information for independent producers concerning our open RFP process for new programs.

[*English*]

APTN launched when it did and has the resources it has thanks to the enlightened application of public policy by the CRTC, and also by the Department of Canadian Heritage through the programs I mentioned earlier. APTN reflects the direct application, in the public interest, of the broadcasting policy for Canada set out in the Broadcasting Act.

APTN speaks directly to the part of the broadcasting policy for Canada in the Broadcasting Act that states that the broadcasting system should reflect what is called “the special place” of aboriginal peoples in Canadian society. Our place in the broadcasting system is therefore inspired by public legislation.

Why is it important to look at APTN as a public broadcaster, one could ask? The most important consequence is that APTN, and more broadly aboriginal peoples in broadcasting, then become a part of the formal, public purpose for our broadcasting system. Serving aboriginal peoples becomes an element of that system that should be supported through public resources and through the regulatory framework that makes our broadcasting system possible.

Now, let us turn to our Broadcasting Act. We think the act does not reflect clearly enough this understanding of aboriginal broadcasting in the system. Also, there is a part of the act that aboriginal peoples find objectionable. That is the part that says, in paragraph 3 (1)(o), that programming reflecting aboriginal peoples in Canada should be made available in the broadcasting system as resources become available for that purpose.

Think about that. If aboriginal peoples are part of the “public” of Canada, which you would have to think we are, then why is it that this part of the public is dealt with on a secondary basis in the Broadcasting Act?

We know that resources are not limitless. Allocating resources is always a question of balance, and that goes without saying. So why is it necessary to say to a part of the “public”—to aboriginal peoples—that our culture, as opposed to French or English culture, should be reflected in the system only if resources are available? Why single aboriginal peoples out in a fashion that relegates them to second-class status?

This is an easy part of the act to fix. This committee in the previous Parliament recommended that it should be fixed, and we strongly urge this committee to do what it can to make that happen.

It will make a difference. It may surprise you, but there are some who do not welcome APTN, which has been made possible only through enlightened regulation. Just a couple of weeks ago, one of Canada's largest and most powerful communications companies said to the CRTC that it was a mistake for the commission to have made APTN a basic service for all Canadians—despite the profound discrimination and exclusion faced by aboriginal peoples in Canadian society.

It was said that the commission should remove the protection afforded APTN, the basis for our existence, and move to a so-called “consumer-friendly” approach. And then the comment was made that this approach should—and this is a direct quote—“take into account the needs of people as per the Broadcasting Act and as resources are available to meet those requirements”.

Well, in this context, which in plain speech means taking APTN away, that comment gives me a chill. Perhaps you can see now why it is important to get rid of those words about resources becoming available.

In Canada, the resources are available; it's a question of making priorities. We have heard before that resources are not available. We

are hearing it now on a whole range of issues facing aboriginal peoples in Canada and we will hear it in the future. Let's get rid of this second-tier treatment for aboriginal peoples in the Broadcasting Act once and for all.

Incidentally, I still don't see how getting rid of APTN as a basic service would be consumer-friendly. According to BBM—and that's a national rating system—APTN has an average weekly reach of nearly three million Canadians, with peaks of almost four million viewers, and these are almost entirely non-aboriginal Canadians. We also have a huge aboriginal audience.

• (1700)

[Translation]

In our written remarks, we pointed out that the CBC and APTN had made productive collaborative efforts in the past as public broadcasters in order to achieve common objectives. We have been encouraged by this common effort. However, we believe there is room for improvement.

[English]

We have made specific recommendations in this area in our written submission, and I will not take the time of the committee to repeat them here.

We have partnered with broadcasters and BDUs in the past few years—with key players such as CTV, Rogers OMNI Television, Bell ExpressVu, S-VOX, CanWest, Cancom, the Harvard Broadcasting radio group, among a few others—and we have clearly laid out our place in this major industry.

I suggest to the committee that the time has come to remove the last barrier that prevents us from being recognized fully by the Broadcasting Act. I am hopeful that this committee will maintain its support to amend the Broadcasting Act and help us to resist those who would see us disappear.

[Translation]

Thank you. I'm going to answer your questions.

[English]

The Chair: Thank you.

Yes?

Mr. Charlie Angus: I have to leave, and I think Mr. Fast has to leave too. I just wanted to say that there is no disrespect in our leaving now. We have to catch a plane.

I have found it very interesting, so I want to thank you for coming and presenting.

The Chair: Mr. Fast.

Mr. Ed Fast: I also want to thank you. I just find it quite unfortunate that there would be somebody who decries the fact that APTN is effectively serving the northern communities, the aboriginal communities of Canada. To me, that is shocking. I know you were fairly circumspect about identifying the source of those comments, but they certainly don't reflect my views and probably not the rest of the committee's views.

Thank you for coming.

The Chair: Thank you for those comments too, and have a safe trip, guys.

Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: I have to leave as well. We're sharing the same taxi, but I'll let them get started and I'll join them in a second.

Do you think Rex Murphy is a left-leaning propagandist?

Ms. Gwendolyn Landolt: No, not necessarily. He might be a rare exception, but I don't think he really comes across as a family conservative.

I want to speak too, but it's as a national women's group. You might get an isolated Rex Murphy, but you're not getting women reflected, and what women really think in Canada.

Mr. Francis Scarpaleggia: But he has a big chunk of the nightly news on CBC, where he's basically given carte blanche to say what he wants. I also read him in the *Globe and Mail*, and I wouldn't call him left-leaning. I would call him very centrist, and sometimes quite conservative.

Also, on the nightly news with Peter Mansbridge, I can't think of anything left-leaning that Peter Mansbridge has said. They often have panels in which they have representatives of the conservative point of view and the liberal point of view.

This idea that the CBC, especially CBC News, is some kind of propaganda machine is one that, even though I try to see your point of view on it, I just can't wrap my mind around.

• (1705)

Ms. Gwendolyn Landolt: Let me suggest that when it comes to controversial issues, such as same-sex marriage or abortion—

Mr. Francis Scarpaleggia: I don't know where Peter Mansbridge stands on same-sex marriage.

Ms. Gwendolyn Landolt: Well, he'd give the news, but the commentators they choose are not giving a balanced account to Canadians. When I would hear a news account of some story on CBC's *The World at Six*, or whatever that program was, it would just absolutely make my blood run cold, because I'd think, who are they to give this interpretation to this set of facts? That's what's happening. It's not a reflection. It's not balanced.

I would just say scrap the whole CBC; if they can't change their culture to be balanced, who wants them? Why is \$1 billion of taxpayers' money being spent on an unbalanced, biased, narrow sort of agenda?

I'm not alone on this. Why people aren't watching the CBC is a major question you should be addressing. They are not watching because it doesn't reflect what Canadians do.

Mr. Francis Scarpaleggia: I think there has been an erosion of market share for all broadcasters.

There are two contradictory terms that keep being brought up. One is that the news, or television, or the CBC should be objective, and the other is that it should reflect Canadian values. Those are contradictory—

Ms. Gwendolyn Landolt: No, it is not contradictory.

Mr. Francis Scarpaleggia: I'll give you my reasoning as to why I think, at the margins, it can be contradictory.

Whenever you speak of values, you are speaking of a kind of bias or point of view. And when you're speaking of objectivity, you're speaking more about a factual kind of presentation. Now it could be that the CBC is simply reflecting Canadian values when it comes to the kind of society we want to live in, in terms of having social safety nets and so on and so forth. I'm looking here at some findings from a study, which I believe people have been quoting, in which, in the fall of 2006, CBC/Radio-Canada received the support of nine in ten Canadians on all of the following indications: whether the broadcaster was essential, whether it was trusted, whether it was comprehensive, and so on. I mean, we're talking about numbers in the 90s. So I don't think you can have it both ways.

Ms. Gwendolyn Landolt: That poll is one thing. But what are Canadians doing? You're saying Canadian values. Well, Canadians don't all think alike. We're not monolithic. We're all different. Canadians are not watching CBC, because we don't trust it. We don't feel confident, regardless of that poll.

Mr. Francis Scarpaleggia: That's an interpretation you're giving. This says that Canadians trust the CBC. It doesn't mean they're not watching the CBC because they don't trust it. They may prefer to watch some reality show. They may prefer to watch *Entertainment Tonight*. It doesn't mean they don't trust the CBC. I think you're drawing the wrong conclusion.

Ms. Gwendolyn Landolt: I would disagree. Why do they watch Lloyd Robertson on CTV or Global? Why are they popular? Why is our friend Peter Mansbridge not watched by nearly as many Canadians? There must be some reason.

Mr. Francis Scarpaleggia: I'm sure that Peter Mansbridge is trusted. Lloyd Robertson was on the CBC, and he was trusted on the CBC.

Ms. Gwendolyn Landolt: That was 25 years ago. I don't think you can say that the CBC is a reflection of Canada and Canadians. If it were, they'd be watching. They wouldn't be looking to CNN for world news. They would be looking to Newsworld, but they're not.

Mr. Francis Scarpaleggia: Do you think CNN is a reflection of Canadians?

Ms. Gwendolyn Landolt: No. Why are Canadians looking to CNN? I don't like CNN particularly, either. Canadians are looking to CNN for news. They're not looking to Newsworld, which we're paying for.

Mr. Francis Scarpaleggia: CNN is considered to have a fairly right-wing bias.

Ms. Gwendolyn Landolt: And Fox News is even more popular, if we could only get it. Why does the CRTC give us Fox regularly?

Mr. Francis Scarpaleggia: I do have to leave, and it's not out of disrespect.

A voice: I'm going to be in the trunk.

The Chair: Thank you for that question.

We'll go to Ms. Bourgeois.

[Translation]

Ms. Diane Bourgeois: Thank you, Mr. Chairman.

I'm going to start with APTN. You speak very good French; so you'll be able to understand me clearly. I don't have any questions to ask you, except for the following.

I know that all Aboriginal peoples, particularly in the north, have worked very hard to preserve their culture. Very often your battles are similar to those waged by the people of Quebec to secure their Francophone culture and assert the fact that they are a nation. I want to congratulate you for working all alone with few resources and for getting by despite the lack of assistance that has been offered to you. If I understood correctly, you want to become bigger partners of the Canadian Broadcasting Corporation. Is that correct?

• (1710)

Mr. Jean LaRose: Yes. I believe that CBC/Radio-Canada has a mandate as a public broadcaster to reflect the Canadian reality, at the regional level, among other things, but also with regard to the various populations of Canada. APTN is the Aboriginal Peoples Television Network. However, CBC/Radio-Canada has a role to play with APTN so that Aboriginal peoples are represented to a broader range of Canadians.

In the past, some CBC/Radio-Canada programs were intended in large part for an Aboriginal audience. Unfortunately, those programs no longer exist, and I believe it is CBC/Radio-Canada's responsibility to try to recreate a partnership in order to reflect this component of the Canadian entity. APTN is the ideal partner: we are the Aboriginal peoples.

Ms. Diane Bourgeois: In any case, I hope you succeed. We're going to take note of your request.

My second question is for Ms. Landolt. I'd like to know whether you specifically represent women.

[English]

Ms. Gwendolyn Landolt: Our voting members are women. It's a women's organization, but because we like men, we have them as associate members as well.

[Translation]

Ms. Diane Bourgeois: You represent an association of women that is seeking to have the viewpoint of those women taken into consideration.

[English]

Ms. Gwendolyn Landolt: I'm afraid I didn't quite get that correctly from the translator. Could you repeat it, please?

[Translation]

Ms. Diane Bourgeois: You represent a right wing women's group that wants to be heard.

[English]

Ms. Gwendolyn Landolt: I would call us conservative middle-of-the-road people. I'm very quick to call people left-wing, but I like to call us conservative middle-of-the-road people.

[Translation]

Ms. Diane Bourgeois: You said earlier that you don't like the word "feminist". In the dictionary, a feminist is defined as someone

who defends the rights of women, regardless of which women. You defend women who want to be heard; so, regardless of the level we work at, we are feminists, you and I.

That was merely an aside.

[English]

Ms. Gwendolyn Landolt: The dictionary defines feminists as women who want equality legally, politically, and socially, and all women want that, but what we have is something different in Canada. We have the government funding an ideology of a more radical feminist. If I'm a feminist, I want equality, but I surely don't support the ideology that's being funded by the government. I think that's going to end or has ended.

I think we all want equality—I don't know any woman in Canada who doesn't want to be equal—but we're not all feminists in the general understanding of the word.

[Translation]

Ms. Diane Bourgeois: You said that Canadian viewers were turning to specialty television. Can you tell me briefly what you mean by specialty television?

[English]

Ms. Gwendolyn Landolt: What happened is noted in my brief, if I can just refer you to it. The whole viewing public has changed in Canada, and the conventional CBC, CTV, and Global networks are no longer where people are looking. They're looking to what are called the specialty channels. It could be on books, it could be on discovery, or it could be on nature; it could be on anything. As well, people are going to the cable, which is cable as opposed to the other.

I'm just trying to find the section in my brief in which I deal with that, but people are not viewing conventional television.

• (1715)

[Translation]

Ms. Diane Bourgeois: Now I understand. Mr. Landolt, I don't mean to tease you with this question, but there's something that's fascinating me. Women are the ones who convey values. They administer the budget, take care of and bring up children and so on. We pay a very high price for cable, but the cable companies, particularly in the west, are inclined to import U.S. culture to Canada.

I find it quite curious to hear a woman say that perhaps it's better to pay more and to have access to U.S. culture. As women, we should be transmitting Canadian culture and be proud of it, as I am of my Quebec and French culture. We should also be economical, to the point where we say to ourselves that we're going to invest a given amount of money in CBC/Radio-Canada and that it is going to represent what goes on across Canada, which the U.S. cable companies don't do.

I went to Winnipeg and Vancouver with the committee, and, at the hotel, I was unable to find even one station that was concerned with Canadian culture. For the cable companies, Canadian pride is not important. Don't you believe that women must transmit Canadian culture to their children? I'd also like you to address the question of the cost of the cable companies' products.

[English]

Ms. Gwendolyn Landolt: The first thing is that Canadian culture, it should be reflected, is not wolves leaping over the landscape. Canadian culture is Canadian-produced and has Canadian actors. It does not mean cultures in the sense that you're thinking of French or English. It's simply a question of keeping the Canadian industry going. That's what it is. That's Canadian culture. It's not merely reflecting Canadian culture.

Now, what is Canadian culture? I don't know what it is, but I do know that if you're concerned about that, why did the CBC bring in *Friends*? Why did they bring in *The Simpsons*? Why do they bring in all those American programs? If you're worried about preserving them, why isn't the CBC doing that? They're bringing in the U.K.'s *Coronation Street*. That's not Canadian culture.

All the question of maintaining Canadian culture means is maintaining the Canadian film and broadcast industry. It doesn't mean promoting what you would say is the French culture, traditional language, or, as I keep saying, wolves leaping across the landscape.

[Translation]

Ms. Diane Bourgeois: [Inaudible - Editor] Indian.

[English]

Ms. Gwendolyn Landolt: Yes, the aboriginals, but that is not what they're reflecting at all. They're bringing in American sports. They're bringing in all sorts of other things that are not Canadian.

Canadian culture only means, as I say, maintaining the broadcast industry, the producers and the actors. Why aren't we getting from the CBC—? Our children will see the reflection, and you ask why people are having to pay for cable. The answer is that they want it, so they're paying for it. That's why people are going into cable. It's because they want to watch that program about horses, or about nature, or whatever it's going to be, and people are willing to pay for it because that's what they want to see.

I don't see anything in the CBC that I can say is uniquely Canadian. For example, they did a series on Prime Minister Trudeau and the Trudeau years and they had a maximum of only 500,000 at the very best. Why didn't Canadians want to see that as Canadian culture? I don't know, but that isn't what Canadians want to see, so we have to ask ourselves why the broadcast industry is not reflecting what Canadians want to see and hear, and it's just not. We have \$1 billion for what reason?

• (1720)

The Chair: I let that kind of go over because we didn't have too many more people to ask questions, so we've given double time.

Go ahead, Ms. Keeper.

Ms. Tina Keeper: Thank you, Mr. Chair.

Both your presentations were very interesting. What I've heard is there are shortcomings in terms of the CBC and how it has met the needs of Canadians or is a reflection of the diversity of who we are.

I'd like to address both of my questions to Mr. LaRose.

They are on APTN, and I'd like to go back to two things. One is that you talked about the Broadcasting Act on page 6 of your

presentation, mentioning that the act stipulates that the programming reflecting aboriginal peoples in Canada should be made available in the broadcasting system only as resources become available for that purpose. I'd like to talk about the CBC mandate in the Broadcasting Act, which doesn't even specifically mention aboriginal people in its mandate. It does say it should “reflect the multicultural and multiracial nature of Canada” and “—meet the particular needs and circumstances of English and French linguistic minorities”.

I think what I'm asking you about is APTN's origins. Did APTN come about because there was a perceived shortfall in terms of how CBC was reflecting the aboriginal peoples in Canada? Can you just talk about that in terms of the Broadcasting Act and the CBC mandate?

Mr. Jean LaRose: Your question has hit the nail on the head, in fact. When Canadian Heritage established the NNBAP program, its initial intention was to have the CBC, as the public broadcaster, pick up some of the programming that was done by the communication societies in the north and broadcast it as part of its national mandate to reflect all peoples. That wasn't happening. The CBC wasn't interested in picking up that programming and airing it. That's how the northern distribution programming came into existence later on; when it became apparent that the societies were creating programming that the CBC was not airing, the department provided funding to establish 96 transmitter sites across the north so that the programming could be distributed over the air to every resident north of 60, basically.

Ms. Tina Keeper: May I interrupt for a second? Are you talking about regional programming that was being developed by indigenous producers in northern Canada?

Mr. Jean LaRose: Yes, in northern Canada. Some were just below “north of 60”, but most of them were above 60 degrees north. Also, as you mentioned quite rightly, the act does not refer to the CBC as having a mandate for aboriginal peoples. It only refers to aboriginal peoples as having an opportunity to be part of the broadcasting sector if resources are made available.

Now, the resources have never fully been made available for us to be anywhere near something like a CBC. What we now have, in fact, is the creation of a system whereby the CRTC used the Broadcasting Act to establish what is called “9(1)(h) carriage”—mandatory carriage—and a subscriber fee that allowed APTN to be created. If the CRTC had not established that form of carriage, APTN would not exist today, and neither would TVNC, because Canadian Heritage had cut back the funding to the northern societies.

Basically what we have now is the only network that has a mandate to reflect aboriginal peoples. But I'm going beyond that to the extent of proposing to this committee that the CBC as a national public broadcaster has a duty, to a certain point, to be a reflection of aboriginal peoples to a certain extent.

We are part of the public. When you have networks like CTV, CanWest, and others who are willing to partner with APTN and create programming that is reflective of our lives, our realities, our cultures, our communities, then I have to ask that the CBC be willing to partner with APTN—and I'm hopeful that it would be—to become part of that reflection of who we are to all Canadians.

As a committee, I'm sure you're very well aware that there are still many stereotypes, many prejudices against aboriginal peoples in Canada, and many misconceptions. The only way those can be addressed is for Canadians to be exposed to the reality of who we are as aboriginal peoples. I think CBC has a key role to play there, and basically my suggestion to the committee is twofold.

I don't think they've been doing that part well, and they may say it's not part of their mandate, to which I'm suggesting that maybe this committee should make it part of their mandate, to a great extent.

But it needs to be in association with APTN. I don't think anybody but aboriginal peoples should speak for aboriginal peoples. We can speak for ourselves, but we would be willing to work with the CBC to create programming that would reach out to Canadians as well as aboriginal peoples and reflect who we are to everybody.

• (1725)

Ms. Tina Keeper: Mr. LaRose, let me just ask you this, then. We had a presentation from Corus this morning. They talked about being an affiliate station with CBC, or an affiliate network. Can you talk about the difference between that type of relationship and what you're talking about, or is that what you're aiming for; is that what you would see as beneficial?

Mr. Jean LaRose: I'm not talking about becoming an affiliate or anything of that nature. What I'm looking at is that they have access to 37% of the Canadian Television Fund.

We did the J.J. Harper story together about three or four years ago. There are many other stories of that nature that APTN can't afford on its own. But if CBC, Radio-Canada, and APTN were to partner, there are many more stories that we could tell together, and that's where I think the role is.

Ms. Tina Keeper: This is a little off-base, but 37% of the CTF is designated to CBC, and I think it's 10% of the English-language envelope that is for francophone producers outside of Quebec. Anyway, there's a sort of designated envelope for CBC for francophones outside Quebec. Do aboriginal producers have access to the same sorts of moneys under the CTF as well?

Mr. Jean LaRose: No. The envelope that's available to the francophones outside Quebec is roughly \$8 million to \$10 million a year. APTN has access to what's called the Aboriginal Language Initiative, which is about \$2.9 million. We currently support about 69 aboriginal producers with an envelope of \$2.9 million, and from the numbers I saw for the francophones outside Quebec, I believe there are about nine or ten producers who receive between \$8 million and \$10 million. So I think there would be room for the envelope to be expanded for aboriginal programming.

Ms. Tina Keeper: Because they're not part of the mandate of CBC, as aboriginal peoples they're not forced to partner with you, I suspect it's not within the 37% that they receive, that there's a designated envelope within that for aboriginal producers.

Mr. Jean LaRose: No, that envelope is specific to them. Our envelope is what's called the ALI. It's a very small envelope that's administered by Telefilm, in this case.

Ms. Tina Keeper: But there's no part of their envelope that says a certain percentage of that 37% has to go to aboriginal programming.

Mr. Jean LaRose: Not to my knowledge, no.

The Chair: Thank you for that.

I have a couple of questions, and again they're to the APTN.

When we were in Yellowknife—And I do understand the vastness and the underpopulation of the north. The vastness—about half of Canada—is very sparsely populated. I know that transmitters are a big thing. Are those your transmitters that you talked about—the 100 and some transmitters that are out there? Are any of them CBC transmitters? Because it was brought up when we were there that there was a francophone group whose transmitter was down, and CBC had helped them with \$17,000, or some moneys anyway, to get their transmitter up.

Do you transmit, or do you use other facilities in transmitting?

• (1730)

Mr. Jean LaRose: The 96 transmitters across the north are basically APTN's network of transmitters, but some are co-located with CBC. On some of the towers there's both an APTN and a CBC transmitter from the same tower. I think there are about 30 of those that are co-locations. These towers are now beyond their life expectancies. What we've been working on and what we've received permission from Heritage Canada to do is to phase out the transmitters in favour of a cable and DTH solution to connect the entire north. It would not be economically feasible for APTN—there's no way we can afford to replace the transmitters today, and certainly not with digital or HD transmitters. So we've partnered with Bell ExpressVu as well as the northern co-op, the cable cooperators for northern Canada and northern Quebec. We will be connecting each home either through satellite or cable to ensure that they still receive the APTN north signal.

The Chair: Thank you very much for that.

Thanks for your presentations this afternoon. I think this has been a great day here in Toronto with our committee. I wish everyone a safe trip home.

The meeting is adjourned.

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