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Chair

Ms. Marlene Catterall

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Monday, November 15, 2004

• (1530)

[English]

The Chair (Ms. Marlene Catterall (Ottawa West—Nepean, Lib.)): I'm calling this meeting of the Standing Committee on Canadian Heritage to order.

We have before us an item pursuant to Standing Orders 110 and 111: order in council appointment of Robert Rabinovitch to the position of president and chief executive officer of the Canadian Broadcasting Corporation, referred to the committee on November 4, 2004.

I would like to draw the attention of members to a report you have received from one of our analysts, "How appointments to boards of cultural organisations and agencies are made, and the role of a House committee in this process", and particularly pages 5 and 6.

[Translation]

It's on pages 5 and 6 in the French version as well.

[English]

In terms of the scope of the committee's inquiry this afternoon—however, I don't want to scare Mr. Rabinovitch with the use of the word "inquiry":

The scope of a committee's examination of Order-in-Council appointees is strictly limited to the qualifications and competence to perform the duties of the post. Questioning by members of the committee may be interrupted by the Chair

—and I shall—

if it attempts to deal with matters considered irrelevant to the committee's inquiry.

[Translation]

I understand certain committee members received documents in English only. Pursuant to the procedures adopted by the committee, we cannot refer to these documents during this afternoon's question period. Of course, we may ask a question based on these documents, but we may not refer directly to these documents.

Mr. Lemay, is that satisfactory?

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Yes, Madam Chair.

[English]

The Chair: I understand Mr. Rabinovitch would like to make an opening statement, with the agreement of the committee.

Mr. Rabinovitch.

Mr. Robert Rabinovitch (President and CEO, Canadian Broadcasting Corporation): Thank you, Madam Chair.

Honourable members,

[Translation]

I am pleased to meet with you here today and respond to any questions you may have about the government's proposal to re-appoint me to a second term as President and CEO of the Canadian Broadcasting Corporation. This is, in fact, my fifth appearance before this committee.

I am proud of what we have been doing at CBC/Radio-Canada. I am also grateful to committee members for their keen interest in our work and their unconditional support for public broadcasting.

It was this committee that, after its comprehensive review of Canadian broadcasting chaired by Clifford Lincoln, recognized the importance of CBC/Radio-Canada to Canadian culture. You recommended that the government give us increased and stable multi-year funding. You also recommended that we give greater prominence to the regions in our programming. I am encouraged that this committee has already taken steps to ensure that the report's recommendations are not forgotten.

Today I am here to talk to you about my nomination. Since several of you are new to this committee, I would like to take a few moments to review my qualifications, the work I have done at CBC/Radio-Canada over the past five years, where I would like to take the corporation in the future, and where I hope I can count on your continued support.

[English]

As you will see from the curriculum vitae that has been circulated to you, I have an MA and PhD in applied economics from the University of Pennsylvania. I have worked both in government and in the private sector. Before joining CBC/Radio-Canada in November 1999, I was executive vice-president and chief operating officer of Claridge Inc. I have served as undersecretary of state and as a deputy minister of communications. In the 1970s, I served in the Privy Council Office, becoming deputy secretary to the cabinet in 1981. I believe this combination of public service and experience in the private sector has been invaluable in addressing the challenges facing Canada's public broadcaster.

In my career I have served on more than 25 corporate and not-for-profit boards and committees, including media companies like RDS, TSN, Discovery Channel, and MaxLink. I am currently the chair of the board of governors of McGill University, rated among the best universities in the world. I am also a member of the advisory board of the Sauvé Scholars Foundation and a member of the investment committee of the Nunavut Trust.

I am very proud of my tenure at CBC/Radio-Canada. When I joined the corporation in 1999 we were faced with increased competition, escalating costs, and a significant decrease in our government funding. We needed a fundamentally new approach to ensure that CBC/Radio-Canada would survive and thrive.

We developed some key strategic objectives for the corporation, going back to our public broadcasting roots and focusing on services that others cannot or do not provide. We focused on service, not ratings; on treating our audiences as citizens, not consumers. We sought to solidify our place as Canadians' source for news about the world and our country, offering a public space for the exchange of Canadian ideas and perspectives. We added more regional content to reflect the uniqueness of the country, and we offered that content on the national stage so that Canadians have a place where they can learn about and hear from each other.

We have provided more multicultural content to better reflect the changing face of Canada; more commercial-free educational programming designed especially for children and youth; more cultural arts programming to showcase Canadian talent, including *Opening Night*, the only program dedicated to the arts in prime time; and more high-performance sports to celebrate and promote Canada's rising athletes, so that when they get to the Olympics, Canadians already know them and have had the opportunity to share in their triumphs.

• (1535)

[Translation]

Today I am proud to say that we have repositioned each of our core services in radio and television to be a distinctive Canadian alternative that complements the private sector.

And Canadians have responded.

CBC radio and radio de Radio-Canada both have the highest ratings on record. Our television ratings have also improved despite a marketplace of multiple channels and audience fragmentation. Proof that even though ratings are not the primary objective, distinctive Canadian programming does attract audiences.

We have also been expanding our services... adding innovative new platforms often in conjunction with new partners. We have launched 20 new transmitters for our radio service *Espace musique*, so that we now reach more than 90 per cent of francophones across the country. This has made *Espace musique* a truly national network.

New services like *CBC.ca*, *Radio-Canada.ca*, Radio Three, *bandeapart.fm*, Galaxie, *The Documentary Channel*, *Country Canada* and *ArtTV* and CBC on ExpressVu and Star Choice are all proving themselves to be worthy additions. We are now applying with private partners to bring satellite radio to Canadians.

[English]

We now have 18 different radio, television, and new media platforms. That helps us ensure we remain relevant to Canadians and we can reach them where, when, and how they want. We've been able to do all this because of fundamental changes in the way we manage our business.

I strongly believe that good management and excellent programming are not mutually exclusive. One supports the other. When I came to CBC/Radio-Canada, I realized that if we were going to support Canadian programming, our highest priority, then we had to come up with the resources ourselves, starting with managing what we had more efficiently.

We've been looking at every aspect of this corporation: lowering costs, improving our flexibility, and finding the kinds of savings and new revenues we need to support our programming. We have undertaken a series of initiatives that will generate \$65 million a year in savings and additional revenue. That's in addition to one-time savings of \$102 million.

These exercises have allowed us to increase the value of what we provide to Canadians, but more work remains to be done. Many of the changes we are adopting will require another three to four years before they will be fully implemented and generating the savings and revenue we anticipate. We would like to complete the work we have started.

The government recognized the value of what we have done and the important role that CBC/Radio-Canada plays in promoting Canadian culture. It has provided the corporation with an additional \$60 million in each of the past four years, money that has gone directly into improving the quality and quantity of Canadian programming.

While our efficiency efforts and the \$60 million have allowed us to strengthen our Canadian programming, I must point out that we still have not recovered from the severe cuts of the 1990s. Our parliamentary appropriation in constant dollars, including the \$60 million in additional funds, is \$415 million less today than it was in 1990. We are expected, and we want, to do more.

At \$30 per person, CBC/Radio-Canada's funding is modest by international standards. Of the 26 OECD countries that we Canadians like to compare ourselves against, Canada ranks 22nd in terms of funding for public broadcasting as a percentage of GDP.

• (1540)

[Translation]

However, even the status of the \$60 million remains in doubt. In fact, in each of the past two years, the \$60 million has been reduced by \$10 million—and that \$10 million is now a permanent and annual cut. This unstable funding situation makes it very difficult for us to secure the resources needed to produce quality Canadian programming, since the production cycle is spread out over several years. We simply cannot absorb cuts of this magnitude without it hurting the services we are trying to provide to Canadians.

[English]

In addition, this year CBC/Radio-Canada is contending with an array of additional funding pressures. Market forces continue to push up production costs. Every year we need a minimum of \$12 million just to cover inflation, health care costs, and other commitments. Flat funding means, therefore, Madam Chair, decreased funds available for programming. Those are some of the pressures we are facing.

Because of what we have done over the past four years, I believe CBC/Radio-Canada, with the support from the government and this committee, is well-positioned to ensure Canadians get the best in Canadian programming.

Let me tell you a bit about our plans for the future. We are incorporating new technologies, including digital and high-definition television. This will give us more flexibility and will contribute to our ability to do more local and regional programming. Our journalists remain among the best anywhere, filing in English and in French, for radio and television. We are committed to ensuring they have the resources they need to remain the best.

We intend to continue to expand our regional services. It was this committee that recommended we develop a costed, strategic plan for delivering a greater level of local and regional programming consistent with our mandate. We have been working to develop an overall plan that would enhance the reach of our radio and TV services, enhance the level of service to francophones across the country, and better reflect the cultural vitality and diversity of the regions. I am encouraged that the Minister of Canadian Heritage has indicated she would support our efforts in this area.

The public broadcaster must listen and be responsive to Canadians. We have expanded and will continue to expand our relationship with our audiences across the country. We have a contract with Canadians. It must be regularly renewed through increased accountability and transparency. We also have a responsibility to inform Canadians of the costs of these commitments.

We are going to continue to offer Canadians more distinctive Canadian programming, especially high-quality dramas like *H₂O* and *Temps Dur*. Our radio, television, and new media, both French and English, will work more closely together to produce excellent, cross-cultural, cross-media programming like *Trudeau* and *Le Dernier Chapitre*.

We will remain the place for Canadian programming. We will keep looking for ways to save money, modernize our production procedures, and generate revenue that we can reinvest in program-

ming. We will pursue new initiatives such as our merchandising division, our mobile division, and our real estate management, all designed to control costs while increasing revenues.

We will continue to explore strategic partnerships, like ARTV, the documentary channel, and serious satellite radio partnerships that allow us to extend our reach and provide more services to Canadians. And we will continue to work and create programming in partnership with the private, independent production sector.

These are some of the means we will use to enhance Canadian broadcasting and better serve Canadians. With this committee's endorsement and your continued support, we will deliver.

[Translation]

Thank you, Madam Chair. I would now be pleased to answer any questions you may have.

• (1545)

[English]

The Chair: Thank you.

Mr. Schellenberger.

Mr. Gary Schellenberger (Perth—Wellington, CPC): Thank you, Madam Chair, and I, too, wish to welcome Mr. Rabinovitch.

This is an historic day, and we will be breaking new ground this afternoon. Since 1936, when the CBC was first created, prime ministers have appointed more than 150 people to lead the CBC as president and members of the board. For 70 years it has been the exclusive privilege of the Prime Minister to decide who would lead our most important cultural institution, until today.

Today marks the first occasion when the Prime Minister has relinquished the power of parliamentary review. Today also marks the first occasion when a candidate for such an important office has appeared before a parliamentary committee to explain why he should be appointed.

We, on this committee, welcome the chance to consider the Prime Minister's proposal to reappoint you for the second term. It will come as no surprise, Mr. Rabinovitch, that this committee has great interest in the CBC and the services it provides to Canadians. So we will be listening very carefully to your remarks this afternoon, as we consider the Prime Minister's proposal.

As you know, this committee released a report called "Our Cultural Sovereignty" in June of 2003. I know you have read that report with interest and are aware that there are many recommendations concerning the CBC—nine, to be precise.

Mr. Rabinovitch, you have said some very complimentary things about the work of this committee. During an appearance before the committee on October 28, 2003, you said:

...I would like to take the opportunity to congratulate the committee for its report: Our cultural sovereignty. We agree with many, many of your recommendations. ... In this report you showed an understanding of the need for adequate stable funding if CBC/Radio-Canada is to meet its mandate and assigned responsibilities. You also recommended that our funding be increased. You also recognized the unique circumstance of the television production environment, especially the length of time it takes to bring a program idea to the screen, and that this means we need multi-year funding to develop Canadian programming.

It's obvious you've read the report. That's why I'm curious to know why the CBC has not replied to some of the recommendations that explicitly call for action from the CBC. For example:

The Committee recommends that the CBC deliver a strategic plan, with estimated resource requirements, to Parliament within one year of the tabling of this report on how it would fulfill its public service mandate to:(a) deliver local and regional programming.(b) meet its Canadian programming objectives.(c) deliver new media programming initiatives.

These are on pages 218, 219, recommendation 6.3.

It's difficult for this committee to be able to evaluate the proposal the Prime Minister has put before us to reappoint you without knowing what your plan is. Can we expect a response to this recommendation before we get back to the Prime Minister?

Thank you.

Mr. Robert Rabinovitch: When I appeared before the committee, I endorsed from our point of view, from the CBC's point of view, your report, and I thought it was very forward-looking. We appreciated the support that we received from the committee.

Since that time there have been elections, and it has been difficult for a person in my position to seek guidance from the government. I have in the last couple of weeks had the opportunity to talk to the minister, and the minister has also very publicly stated her desire to support local and regional initiatives. We are very advanced in developing one and I would hope to bring it forward literally as soon as possible. My intention would be to bring it to the minister, as she would have to bring it to her colleagues, and bring it for financing, and as well I'd be more than willing at the time to bring it to this committee for a comprehensive discussion of its strengths and weaknesses.

• (1550)

Mr. Gary Schellenberger: Just a supplementary to that, I know when we posed somewhat the same question to the ministry officials who were here previously, they said much the same, that the election precluded them from bringing the response back to the report by November 14. I know that many of us, pretty well everyone around this table, were running for office at that time and we were preoccupied with getting re-elected. I wonder what you or the ministry were doing. Were you out campaigning through that time, that this report couldn't come in? I know it's a hypothetical question. But when dates are set and it sounds like a good thing...I know we have to make dates, so should the CBC and the ministry not also meet those times?

Mr. Robert Rabinovitch: When I was here in October, if I recall correctly, I said we would be ready within the year to come forward with a plan. We haven't been sitting on our hands. We have developed quite a comprehensive plan. I mentioned in my opening

remarks it's a plan to extend service. It's a plan to extend service to francophones. It's a plan to develop more local and regional news services. It is really quite well developed. We were waiting for a ministerial audience as we worked on it and as we completed it, and, quite frankly, some ministerial guidance. We are in a position where we can bring this plan forward to the minister on very short notice. I have told her that we are ready to come forward and we will be going forward in a very short period of time.

I should also note that we have discussed it with our board in general terms and we have their approval. We have discussed it in general terms with officials. We have put a price tag on it that we are willing to go forward with and believe is the money we need to truly enhance local programming. We have not been sitting on our hands. We have used the opportunity. While you were out there campaigning, we were trying to put together something we could show you that would be very useful.

The Chair: Thank you, Mr. Schellenberger.

[Translation]

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

• (1555)

Mr. Robert Rabinovitch: Hello, and thank you.

[English]

The Chair: I just want to inform committee members that we have a rotation of speakers, but I only know you want to speak if you let me know.

[Translation]

Mr. Maka Kotto: No, that's fine. I have to speak on Bill C-18 right after this meeting, so I'd rather ask my questions now.

The answers I get to my questions will form the basis of an analysis. There are many. In fact we would like you to come back, because there are a large number of questions.

At the beginning of your mandate, you cut provincial late-night newscasts, you halved early evening newscasts, and [*Editor's Note: Inaudible*] provincial newsrooms. As a result, viewers are abandoning the station in droves. Newscasts are now focused on Toronto, and viewers don't feel connected.

In the future, do you plan on increasing the focus on Montreal for French television, as has been done recently in Toronto?

Mr. Robert Rabinovitch: The answer is no, we don't want to do that. Not only is the answer no, but I think it's obvious, for instance in Quebec, that we've greatly reinvested in the city to create a new production centre, a news room. Just as I told Mr. Schellenberger, with the amount of money we're asking for, we really believe that we will be able to create a new local and regional service for the regions. So our objective is not at all to focus our services on Montreal.

Mr. Maka Kotto: All right. I have a complementary question. Do you agree with the vice-president of French radio, Mr. Lafrance, that there is too much staff servicing the regions of Quebec in stations such as Quebec, Matane, Rimouski, Sept-Îles or the Saguenay?

Mr. Robert Rabinovitch: If I recall my discussions with Mr. Lafrance correctly, it isn't that there is too much staff in the regions. The issue is where the staff should be located. So, with this many people, we can offer better regional coverage but the staff can't all be in the same place. So there may sometimes be a need to change the location of staff, reallocating certain employees to other sectors. But there's no intention to cut staff. Rather, there would be a redistribution of staff throughout the different sectors of all the regions of Quebec.

Mr. Maka Kotto: Can you tell us exactly what mandate you received, at the time, from Mr. Chrétien?

Mr. Robert Rabinovitch: Honestly, it's quite simple: he offered me the position of president and chief executive officer, with no instructions. He only asked me if I was willing to accept. At the time, I was willing to accept the position, but without any instructions, except to manage the corporation as well as possible.

Mr. Maka Kotto: So, if I'm not mistaken, you received no specifications?

Mr. Robert Rabinovitch: No.

Mr. Maka Kotto: Did you receive some from Mr. Martin? If so, which ones?

Mr. Robert Rabinovitch: It's exactly the same thing. I received no precise instructions. I don't think it's acceptable to give such instructions. One should discuss business in a committee such as this one. I haven't even had any discussions with Mr. Martin; discussions took place with officials. I didn't receive any specific orders regarding my mandate.

Mr. Maka Kotto: So if I understand correctly, you were more or less given free reign each time.

Mr. Robert Rabinovitch: You could say that I was given free reign, but the institution has a long history. Radio-Canada and CBC have quite a history. I believe I was also offered the position because of my experience in the private sector, given the fact that this is a \$1.5 billion organization which needs to be managed following efficiency criteria which exist in the private sector. That's not an issue for a public service. A public service must be managed while nevertheless providing high quality services comparable to those that are found in the private sector. I believe that is why I was offered the position.

Mr. Maka Kotto: Under your management...

[English]

The Chair: Mr. Kotto, your time is up. We'll come back to you on a second round if you would like.

[Translation]

Mr. Maka Kotto: I thought I had five minutes.

The Chair: Your five minutes are up.

Mr. Maka Kotto: But I haven't yet...

[English]

The Chair: Mr. Rabinovitch, just for clarification, may I presume that your mandate comes from the legislation passed by Parliament?

Mr. Robert Rabinovitch: That is correct.

The Chair: Thank you.

Mr. Angus.

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

I was interested in talk about your experience in the private sector, because in private media, ratings decide everything. I'm looking at the numbers here for the spring of 2000, before the decision to cut the regional news broadcasts. Where we had 60% of the market share in St. John's, we're down to 21% today. Where we had 18% in Sydney, we're down to 3.5% today. Where we had 25% of the market share in Windsor, we're down to 11% today, a drop of almost 200,000 viewers. I would like to ask you, the decision to cut those shows, was it a mistake?

• (1600)

Mr. Robert Rabinovitch: The decision to shrink those shows—they weren't cut—was a decision imposed on the corporation by the financial realities under which the corporation was operating. It had just had a \$450 million cut, and that was almost 50% of its budget. It was a real reality show as to whether or not we could survive. At the time we presented one option. There was a very negative reaction to that option and we therefore came up with another one, because we also thought the country, the public, might want a national newscast in the 6 o'clock slot, as exists in the United States and as has now been done as well by Global Television. We thought the two problems confronted themselves. We had the need to live within our budget because we are not allowed to have a deficit. And we had a situation where we thought we could perhaps also develop a national show, not located in Toronto, run out of Vancouver, that might meet a need of the Canadian public. I'd be less than frank if I didn't say this whole series of decisions has to be constantly in review. We have to look at different ways of doing things.

There were also other issues at the same time. In St. John's the drop was also mitigated by the fact that the private sector changed the timing of its show. So the shows were now going head to head and that resulted in some drop. I must say the drop also occurred because of the philosophy of the private sector. There was a continuous drop throughout the 1990s; it didn't start in 1999. The drop started well before that in the late 1980s, early 1990s. One of the reasons was the interest, the resources, the expense that the private sector was willing to put into the local news. For them it was a profit centre and they treated it as such, and quite frankly, they beat us.

Mr. Charlie Angus: I agree entirely. Where I live we have no regional CBC coverage. We watch private sector, and it's doing a very good job. It does concern me because of the inability of CBC to even come to the plate.

You were mentioning, in terms of your strategic plan, real estate management. Mr. Saint-Cyr is president of the real estate division. Does he report to the board of directors or just to you?

Mr. Robert Rabinovitch: All of the senior management group, the way things are structured, report to me, and through me to the board. But the way we operate as well is that all of my senior managers, all of my direct reports, have access to the board and make their presentations to the board. It's just the way I manage. I do not make their presentations. They make their presentations, but I go through them, obviously, beforehand.

Mr. Charlie Angus: On November 25, 2002, he sold the CBC's building at Sainte-Foy for \$2,495,000, which I understand was \$500,000 below market value. That was sold without public tender to Hydro-Québec. Six months later, Hydro-Québec resold that building, pocketing \$500,000 in profit. Could you explain how that happened?

Mr. Robert Rabinovitch: I would have to check the precise facts. Generally speaking, we have rules of procedure on how one goes about making a sale, what the interest was. My understanding at the time was—in fact the president of Hydro-Québec called me—that Hydro-Québec wanted the site to develop a regional headquarters. The price was determined, and I'm sure we have the papers to show that, at the fair market value at the time.

Mr. Charlie Angus: My understanding—I suppose we could all check in and correct this—is that it was sold at \$500,000 less than the market value, the exact number that Hydro-Québec turned around and got six months later.

Meanwhile, CBC was still using that building. Were you renting that building from Hydro-Québec while they were planning on flipping the property?

Mr. Robert Rabinovitch: I can't confirm nor deny that they flipped the property. I just don't know. I would have to check the facts.

We continued to rent the.... Sorry, I don't think we paid rent for it. We had access to it and use of the facilities. I think it was a fixed period of time. It was part of the strategy. It was part of the way we commenced our move downtown and how we were able to finance our new location where we were able to collocate all of our services.

•(1605)

The Chair: Thank you, Mr. Rabinovitch.

I have Mr. Rodriguez next.

[*Translation*]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Thank you, Madam Chair.

You talked about your experience, but why are you the ideal person to head the CBC?

Mr. Robert Rabinovitch: That's a good question. I have experience in both sectors. First, I learned about government when I was deputy minister for the Department of Communications and when I was undersecretary for the Secretary of State. I also was undersecretary of cabinet, planning sector, and I was the first assistant secretary to the Conservative government from 1978 to 1979. I therefore learned about how government works. I learned how it works and how it can be made to work even better.

I also worked in the private sector for 13 years. I sat on several boards of directors, including those of companies which made huge

profits and which were well managed. To be honest, I also worked for one or two companies which were not as well managed. You learn a lot when working with a company which is not well managed because you see what mistakes are being made. For instance, I was Claridge's representative on the board of Cineplex Odeon. I worked in that capacity on a near full-time basis during a very difficult period in the 1990s. At the same time, I was also in charge when RDS and TSN were acquired. I was the senior director of the board when that media group was bought up.

So, I've always worked in this area, in both the private and public sectors.

Mr. Pablo Rodriguez: Philosophically speaking, can you briefly tell us what the CBC's target audience is?

Mr. Robert Rabinovitch: In my opinion, the CBC should target all Canadians. However, we have to accept the fact that, as the chair said earlier, our mandate is contained in the Broadcasting Act. It clearly says:

[*English*]

to enlighten and entertain the Canadian public.

[*Translation*]

It is therefore up to us to develop different services for different audiences. That's why our radio service, for instance, is getting some of the highest ratings ever. Today, in Quebec City, we have a greater audience share than CHOI. In Toronto, our morning show is the most highly rated. We therefore try to provide a service, but a service which is not based on selling advertising. It's a service based on delivering information and enlightening the public.

On the other hand, in the area of television, we are trying to achieve two things, really. The first is creating programming for various types of audiences, such as youth. This is Canadian programming which does not happen on the private networks.

The second thing we are trying to do is to develop a quality news service. We want to be the top source for news for all Canadians, anglophones and francophones, when they want specific information.

Mr. Pablo Rodriguez: With respect to news programming, I believe you have reduced the number of commercials on the evening newscast. At least, that is the case on the French-language channel, for Mr. Derome's program. That obviously means a drop in revenue. Would the lower revenue be offset by an increase in the number of viewers, by the fact that it will attract a greater number of people so that you will meet your goal, or is viewer satisfaction a reward in itself?

•(1610)

Mr. Robert Rabinovitch: Mr. Rodriguez, that is what was done on the English network in our English services conversion. That was three and one half years ago. After consulting with the vice-president of the French service, and in view of the extensive changes that he had in mind, we thought that a public service... In my opinion, a public service should not air commercials during a newscast. One might even wonder whether or not a public service should include commercials. But the fact is that commercials are necessary, since we don't have a 7-billion-dollar budget like the BBC. Our budget is \$1.5 million, including the commercials. So we have to live with them.

There has been an increase in the satisfaction rate. The newscast ratings are not all that high, but they are higher than they were and they have levelled off. But changes have been made. One of them was to bring back Mr. Derome. I can't tell you whether it is because of the lack of commercials or because of Mr. Derome, but the result is the same: the ratings have become more stable and there has been an increase in the satisfaction rate. It might be a little different in French, but this is certainly the case for the English-language network. Whether or not we can continue without resorting to commercials during our newscasts remains to be seen. It is an extremely important issue, in view of the budget cuts that may be waiting for us down the road.

[English]

The Chair: Merci, Monsieur Rabinovitch.

Madam Oda.

Ms. Bev Oda (Durham, CPC): Thank you, Madam Chair.

Mr. Rabinovitch, welcome. I'm looking forward to this exchange with you. As you know, in a former life I was used to having at least a minimum of one hour to question—but I will try to be expedient.

In your first appearance before this committee in February 2000, you were only three months into your mandate. You then shared your objectives, expressing your desire for CBC to be the true public broadcaster, and you outlined four objectives at that time. They were for fewer commercials; credible, independent journalism; distinctive quality programming; and excellence in children's programming.

My first question is, where are you? And now that you are this far down the road, has hindsight given you some cause to adjust those objectives?

Mr. Robert Rabinovitch: I tried to write them down as fast as you said them.

Ms. Bev Oda: Right.

Mr. Robert Rabinovitch: I think those objectives are still the correct objectives for a public broadcaster. I believe we must do more children's programming—and we are now the lead children's programmer in the country. We have made it very clear that we dedicate the morning to children's programming.

We've had somewhat less success in what I would call teenage programming. There is a bit of a debate within the corporation on whether teenagers are interested more in *The Simpsons* or whether we can design programs for them. I would not claim we've had great

success there, although I think some of our programs for the 10- to 15-year-old group are excellent.

Our children's programming, I believe, now speaks for itself. I'd mark that up as a success.

In terms of less advertising, again, we took out advertising. We have no advertising in children's programming. There's Thursday night's slot, *Opening Night*, which is high culture and has no advertising. We don't do advertising; we do some sponsorship, and we're doing a very big program and a special type of program. We took advertising out of the news for the first half hour, all of which has been very expensive, but is, I think, very important.

Again, our ability to do all of that and walk away from those advertising dollars is a function of what our government grant will be and the flexibility we will have in that.

In terms of excellence in programming, I am quite comfortable that in both English and in French we have been audacious and able to put on—often in co-production with channels such as Channel 4 in the United Kingdom—programming that has been cutting-edge and unique. We have not succeeded in coming up with a 12- or 13-point series, but I think we've done a reasonably good job. I say “reasonably good” because, quite frankly, it's a straight function of money. It takes three years to develop a program like *Trudeau* or *Le Dernier Chapitre* from the time it's an idea to the time the scenario is written to the time it's financed. I think we have made significant headway, and it shows in our audience share. But there's still a lot more to do.

•(1615)

Ms. Bev Oda: Then you appeared three months later before the committee—and Mr. Redekopp was with you—to explain the repositioning or transformation exercise, which had actually started before your appointment as president.

The transformation exercise was undertaken for two primary reasons. One was that you felt that in CBC English television there was an identity crisis coupled with a financial crisis. Since that time in May 2000, have those two crises been dealt with? Do you feel you have succeeded in overcoming those two problems?

Mr. Robert Rabinovitch: On the identity crisis, I think we have come a long way in defining a distinctive public broadcaster. My feeling was—and Mr. Redekopp and I agreed on this, which is why I was such an enthusiastic supporter of the transformation exercise—that the CBC had to be distinctive. It was not in competition with the private networks but had to have its own unique set of programs, including programs that tied the country together. I think we have come a long way in defining what you'll find on CBC. Again, it's our specials and programs of that nature, such as *H₂O* and *Le Dernier Chapitre*, and the integration of English and French programming so that we can spread the cost over both networks, yet develop programs that talk to both audiences.

We have come a long way. We are only constrained, I would say, by several things. Number one is always money. Number two is the development of quality writing in Canada. We have a great industry in this country of production, especially in the private sector and also with CBC, but what we desperately need is to encourage the development of more writers so that we can write and take chances.

The other thing, of course—and I think I said so in one of my appearances here—is that we have to be willing to take risks. Risks mean you are going to fail; you can have great successes, but you're also going to fail. When you're so dollar-tight as we are, it is very hard to contemplate failure—but you have to do it.

The money part is a continuing exercise. As you know, we got the \$60 million. I think we were given the \$60 million for the last four years, which all went into programming, which was the intent. We were able to show the government, particularly the Department of Finance and the Treasury Board, that we were well managed and that the money wouldn't be wasted. The money could go where we said it was going to go.

Ms. Bev Oda: Mr.—

The Chair: Ms. Oda, I have Mr. Lemay next.

[Translation]

Mr. Marc Lemay: Good afternoon, Mr. Rabinovitch. I think we will have to ask you to come back. I have a number of questions to ask.

With respect to regionalization, you said that you would be providing services. If I understood what I read, it appears that services are more important than ratings. How do you determine the importance of a program, if it provides a service, even if the ratings are low?

For example, Radio-Canada no longer airs any literary programming.

Mr. Robert Rabinovitch: No, that is not correct.

Mr. Marc Lemay: I mean programming in French; there is very little. What I would like to know is how do you evaluate a program... We know what the ratings mean. It is easy to understand, it is quantifiable, it can be done much more quickly. Moreover, you say that services are a priority. How do you do that?

Mr. Robert Rabinovitch: First of all, I do not discount the need to look at the ratings. I said that it was one of the measures, but it is not necessarily the most important one. For example, for youth programming, there is no way that we can win the ratings war for that time slot. However, it is a priority for a public network to provide programming for our youth.

We do need to assess our programming, but we first have to have an idea of the number of people that we are hoping to reach. That is an indication of the number of viewers that we want. For example, if we produce a program like *Opening Night*, in English, or *Les beaux dimanches*, then we know immediately, if we are only concerned with ratings, that we will be losing in that time slot. But it is important to provide an opportunity for quality cultural programming.

For us, it is a matter of providing programming to a number of groups, while having some, perhaps subjective idea, of how well a

program is doing. We can determine that through the mail that we receive, through contact with people, but there is always a way for our audience to provide feedback, besides the simple ratings.

• (1620)

Mr. Marc Lemay: Mr. Rabinovitch, are you familiar with the *Union des écrivaines et des écrivains québécois*?

Mr. Robert Rabinovitch: I am familiar with the organization. I do not know any of them personally.

Mr. Marc Lemay: You have never met with them?

Mr. Robert Rabinovitch: I may have met them. I have, of course, met many members of the organization, but not necessarily in that capacity.

Mr. Marc Lemay: Let me change the subject. Those who know me, here, are aware that I am a sports fan. The only sport that we ever saw on Radio-Canada was hockey. For certain reasons, that is no longer the case. We know that the CBC is very much involved with the Olympic Games. There is a program in French, called *Adrénaline*, where people talk about sports. But in your "CBC/Radio-Canada corporate plan summary for 2004-2005 to 2008-2009, Building for the Future", I don't see any reference to sports programming, other than the fact that you hold the Olympic Games contract until 2008.

Does the CBC intend to provide any good quality sports programming over the coming years?

Mr. Robert Rabinovitch: To be honest, I must admit that it is not one of our priorities. I believe that *Adrénaline* is only about two years old. What is important to us is to feature our olympic athletes, in English and in French. I mean the athletes who hope to take part in the Olympic Games. We hope to continue to do that with a program like *Adrénaline*.

I might point out that I was a member of the TSN board of directors. This is an all-sports network that does not give too much coverage to olympic sports.

The Chair: You may continue.

Mr. Robert Rabinovitch: Yes, we will no doubt continue.

The Chair: Thank you.

[English]

Mr. Khan.

Mr. Wajid Khan (Mississauga—Streetsville, Lib.): Thank you very much, Madam Chair.

My question relates to visible minorities. Visible minorities have achieved leadership roles in many fields of enterprise and competition, as you can see around this table. Yet, surprisingly, the CBC has no representation of visible minorities in senior management or in the executive branch, unlike its private sector peers.

Why are there no visible minorities in CBC management roles? What is the CBC doing to actively recruit proven visible minority managers and executives with direct or related experience and skills?

Mr. Robert Rabinovitch: The question raised is one of concern to me. I must say, to the extent that I set priorities in this area, the priority I set was to attract people to be on air, to be program producers, to be involved in making sure we had diversity and a diversity that represented Canada, the new Canada, but on air. So to that extent I will claim that the first step, the most important step for a public broadcaster, was the program production function, the creativity function, and the on-air function.

Have we done the job in terms of senior executives? I can't pretend that we have. But I can tell you this, sir, that the number of people we have working for us who come from the various communities of Canada will make it inevitable that we are going to have some superb people within the next few years.

• (1625)

Mr. Wajid Khan: Thank you.

I'll combine my last two questions because of a shortage of time.

In the last 20 years, despite a growing audience of Canadians hungry for content that reflects the culturally diverse reality of Canada, the CBC has produced very little culturally diverse dramatic programming compared to its overall programming budget. Why is the ratio of programming funds spent on cultural diversity initiatives to the overall programming budget so low, and why have the projects been done by mostly non-visible minority producers when there are award-winning visible minority producers available to do the work?

Lastly, Statistics Canada census projections indicate that by 2011, six years from now, the GTA, which represents 60% of English Canada's TV-viewing audience, will be comprised of 70% visible minorities. What long-range strategic plan does CBC have beyond short-term internships, commissioning short films, and training initiatives to employ visible minorities in the challenge of feeding a new and growing audience the kind of programming that reflects the reality of a culturally diverse Canada? Are there any targets or goals identified to evaluate your success?

Mr. Robert Rabinovitch: It's a long question, but I will try to answer it.

We have done quite a few different things, especially in the GTA and in Vancouver. If you listen to our local radio program, the tone, the control, and the way in which it's presented have changed dramatically in the last two years, and this has been very deliberate. We are now much more on the street, we are much more involved with the community, and you hear it in the accents, you hear it in the people involved in the programming.

At first—and I'll be very candid—we had complaints from our traditional listeners. I received a fair number of complaints: “This is not the CBC I'm used to”, and “This is not what I would call a white Anglo-Saxon CBC”. But the complaints disappeared. And not only did the complaints disappear, but Andy Barrie's program is now number one, which means you're absolutely right.

There is an audience for this type of programming. It's our job to develop it, it's our job to find it, and it's our job to go after it. Part of that is going after the people.

I don't want to belittle intern programs. Internships are a start. Internships are a way to bring people in. Shorts are a way to bring

people in. They're a way to teach them the skills, because we all want quality programming on the air at the end of the day. The fact that it's done by a visible minority or a majority or what have you is not an excuse. It has to be good programming.

A classic example was *Human Cargo*, which was a very tough program and a program that did not draw a good audience, if audience is your measure—and now I'm getting back to the point that Monsieur Lemay made. But audience is not the only measure. We have measures in terms of what its effect was upon the population. Did people talk about it? Did it meet the criteria in terms of being a program about the diversity of the country? It met all those. It didn't win on *cotes d'écoute*, but it won on every other ground, and it's an absolutely first class, as you know, very tough program.

So we're feeling our way, but it's a deliberate strategy and it's a deliberate policy. We have some programs, such as express programs, to help make sure that programs reflect their community. The places where we've done most of this have been in Toronto on radio and in Vancouver.

The Chair: Mr. Tweed.

Mr. Merv Tweed (Brandon—Souris, CPC): Thank you, Madam Chair.

In June 2003, this committee made a recommendation, in its report entitled *Our Cultural Sovereignty*, to change the way your position is hired. A portion of that recommendation states that “in the interests of fuller accountability and arm's-length from government, nominations”—

• (1630)

The Chair: Mr. Tweed, I don't want to interrupt, but the Standing Orders specifically limit the committee to questioning Mr. Rabinovitch on his qualifications for the job specifically, not on the procedure of appointments or on other unconnected matters.

Mr. Merv Tweed: I'm clearly reading this statement to lead to my question. I'm not crossing the boundary, I assure you.

The Chair: All right, thank you.

Mr. Merv Tweed: The portion states that:

...in the interests of fuller accountability and arm's-length from government, nominations to the CBC Board should be made by a number of sources, and the CBC President should be hired by and be responsible to the Board.

The government has indicated that it intends to implement this change but to date have been unable to do so. Instead, we're reviewing what I would say is a very interesting three-year interim appointment.

Your second term as president and CEO of CBC will expire on November 15, 2007, approximately two and a half months after the renewal of the corporation's television and radio licences. In essence, this will place your long-term vision for the corporation in the hands of your eventual successor. I wonder if this is acceptable to you, or if, as is stated in the November 5 *Globe and Mail*, while you were seeking a five-year term, a one-year term was offered and apparently a three-year term was agreed upon.

Mr. Robert Rabinovitch: Madam Chair, I—

The Chair: I think that question does not go to Mr. Rabinovitch's qualifications.

Mr. Robert Rabinovitch: I'm ready to answer part of it.

The Chair: I'm just trying to keep the committee consistent with what the Standing Orders allow us to do and what our mandate is.

Mr. Merv Tweed: Then, Madam Chair, knowing that he has accepted a three-year term, I might ask him if he still sees the five-year term that he was seeking as better for the corporation.

Mr. Robert Rabinovitch: Should I try?

The Chair: Perhaps you can do a link to your qualifications to the film industry.

Mr. Robert Rabinovitch: Well, I have had five years to try to learn the job.

Mr. Tweed, I hope I'm not overstepping the bounds, but the government's appointment and discussions with me occurred after my board unanimously recommended me for appointment. So it partly met what you are talking about, to start with. In terms of the length of the appointment, I feel that three years will represent an eight-year appointment, which is more than adequate for me to continue and complete the work we have started. That is why I accepted it.

Mr. Merv Tweed: Thank you.

You've also said that we have added more regional content to reflect the diversity that stems from our nation's geographic makeup, yet in October of 2000 CBC unveiled a new blended regional national format for the supper-hour newscast called *Canada Now*, eliminating the full one-hour regional newscasts that Canadians were familiar with. The decision was completely counter to the CRTC recommendations to increase, not decrease, regional planning.

As a result, as stated earlier by my colleagues, audience share has dropped. I can tell you that in the province of Manitoba the drop was by more than 50%, from a 15.4% share to a 7.3% share. Nationally, the drop has been 494,000 to 324,000 viewers for the regional news portion. Do you have any plan to revive the viewership of CBC supper-hour news broadcasts in the next three years?

Mr. Robert Rabinovitch: Yes. We did several things, and I think it's worth reviewing them. We didn't only cut back, we tried to change the mix on the national newscast. To do that we opened up 22 new bureaus across the country. We've introduced new programs, such as *All Points West*. This is a program out of Victoria, to cover all of British Columbia other than Vancouver, so they're not only getting Vancouver traffic reports. We created a \$5 million regional seed fund to help generate new product in the regions, so it wasn't as if we left the regions. We tried to do a different mix and we tried to bring the regions into the national newscasts. I think on those counts

we have succeeded extremely well. If you look at our national newscasts now, they are much more diverse and much more representative of the entire country. It's not a Toronto-centric newscast. That was very much our intention and that's where we put a fair amount of our funds.

At the same time, as you will know, we were highly constrained in terms of our budget. When I came in, we were facing a \$60 million shortfall. We had to figure out a way to live within the budget we had. We made the changes we did in the supper hours. As I've mentioned before, sir, the supper hours were on a slope downwards for at least the whole of the 1990s.

Did that slope accelerate as a result of the decisions made five years ago? I don't think so. But I don't think we've arrested it either. And I don't think there's an overwhelming acceptance on our part that we've got it right. On the contrary, I think we realize that we must re-evaluate, as you must do with all programs. When you don't have it right, you must be ready to accept that there are other ways of doing things, to the extent that we have the funds.

If I may say—and I know I'm going on, so I apologize—because of new technology, because of changes such as ParkerVision, which allows us to produce a program with much fewer resources, because of news integration between radio and TV, we believe we may very well be able to do things, especially if we get some help from the government on regional programming, that we couldn't have done before.

• (1635)

The Chair: That's seven minutes, Mr. Tweed. I was a little careless in watching my timing here.

Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you, Mr. Rabinovitch.

I'm going to belabour the point even further about supper-hour newscasts and say that in my home province as well it was a huge hit. I think it had to do with more than the content itself—in other words, the news item—it also had to do with the mix of programming. There's a popular one called *Here and Now* in Newfoundland and Labrador, and there was more to it than just the content, as I say; it was commentary, it was a slice of entertainment, and so on.

At the time you made the decision, did you at any point consider maintaining some of these newscasts in full format as before and perhaps eliminating others where it was not feasible? Is that a possibility in the future?

Mr. Robert Rabinovitch: At the time, my board counselled very strongly against doing different things in different parts of the country. That was the basic advice we had received, and I will take the responsibility for doing that, not going with a different model in different parts of the country.

But to get to the point you made to start with—and I think you're absolutely right—I don't think it's only a matter of resources and I don't think it's only a matter of doing more local programming; I think it is a matter of the mix. It is a matter of attitude.

I think historically in CBC, the regions, the local newscasts, were very often seen as the jumping-off point to a national desk, to a national job, whereas with a lot of the private stations, when you get to be the anchor of the local news, you have made it. If you look around, you will see that a lot of them have made it, and the result of that, of course, is that they have more connection with their community. They're really much more part of the community; they're not just passing through. We have to change our attitude toward local and regional news. It's a money issue; it's also an attitude issue. And if we can succeed in doing that, you will see significant change in our role.

Mr. Scott Simms: I want to switch gears for a bit.

You talk about no major private sector pursuit. Did I get that right? Am I quoting you right on that one? Earlier you mentioned the private sector, and I want to zero in on *CBC Sports* for a minute. The way I look at *CBC Sports* is something that is very, very aggressive in private sector pursuits. You said earlier, if the audience isn't the measure.... I guess what I'm asking you is, what is, when it comes to *CBC Sports*?

I understand *Hockey Night in Canada* is an institution, but you are the Olympic network, right?

• (1640)

Mr. Robert Rabinovitch: Now, yes.

Mr. Scott Simms: Now you are.

When it comes to the Olympics and that sort of thing, you've been very, very aggressive in achieving that coverage. So it's kind of the antithesis of not being totally wrapped up in the private sector. Would you agree?

Mr. Robert Rabinovitch: Let me be a bit more precise on what I said about going after ratings. There are certain types of programs where ratings are important, and one of those is sports, except for what we call Olympic sports. Our Saturday afternoon program is designed more than anything else to expose the athletes. We have a saying that we don't want you to see an athlete for the first time at the Olympics. You should be able to have seen them on *CBC Sports* at some other time. And we're the only ones who cover these Olympic sport events. TSN covers maybe three a year, Sportsnet maybe four a year. We do about 40 a year of the various different sports.

So from our point of view, the Olympics is a jewel in the crown. It's the culmination of four years of work in the sports arena. That's why we go after the Olympics. We also feel it is very much one of the programs that brings the country together. But there is a certain price over which we will not go after the Olympics. We will go only to a certain amount. But I must say, at that point we'll have to reconsider what we are doing in Olympic-type sports.

When it comes to hockey it's a different story. We were the only one who was willing to bid for hockey because we were the only one who had the flexibility to change our schedule from April to June. If you are a private broadcaster—and believe me, I was one and I fully understand and accept it—you're into simulcasting. That's where your money is. You're simulcasting American product. And American product is produced right through to the third week of May. There's a sweeps period even in May. So you're going to lose money if you show a hockey game rather than a new copy of *Law and Order*. So we're the only ones who actually showed up to bid when it came to hockey.

At the same time, I'm proud of what we do in hockey, because we do things such as Hockey Day in Canada, where we take hockey to small communities and do three games, all-Canadian teams. I think it's part of the Canadian psyche, and we should be involved in that as much as we should be involved in culture.

Mr. Scott Simms: Would you consider your Olympic coverage to be a success? I'm assuming you do, but how do you gauge that?

Mr. Robert Rabinovitch: I would say, quite frankly, our Olympic coverage is a very difficult situation right now. I would say the summer Olympics are a success technically, in the quality of production, so much so that in Athens, in the hotel where the Olympic family lives—and that is all the big shots in the Olympics—the program they were showing was CBC. The CBC feed was the one they chose to show over all of the other feeds. Why was that? They say, and even NBC says, we have the best quality of production, relatively speaking, with a very small number of people compared to them. So from that point of view, I'd say yes, it was a success.

Winter Olympics are a success because Canadians identify with winter sports. Summer Olympics, quite frankly, were a very hard sell. We met our numbers, but barely, and we did lose money.

The Chair: Mr. Obhrai.

Mr. Deepak Obhrai (Calgary East, CPC): Thank you.

Thank you for coming. Let me ask a question that I keep hearing from my constituents.

When you came before the committee, you indicated that CBC's English language local and supper-hour newscast does not attract large audiences, and it keeps going down and down. You told the committee in 2000 that CBC Radio must maintain credible independent journalism.

What I'm hearing from my constituents in the west is that CBC does not present a balanced view. There's a difference between an independent view and a balanced view. People are looking for a balanced view from CBC, and if they don't get a balanced view, they shut it off. It's as simple as that.

If I look at the bigger picture of what is happening—and my colleague talked about diversity—we're getting all this third-language television coming here. You somehow seem to be missing that connection. You've identified yourself as local.

My concern remains when my constituents say that CBC is not providing a balanced view. It's a concern because they're shutting you off, your ratings are going down, your advertising revenue probably goes down, and you'll be back saying you need more money. I think it's all tied in to people watching CBC and getting a level of confidence that what CBC is giving is reflective of Canadians and a balanced view, so they can put their trust in CBC. This rating business of going down is not showing trust in CBC, from my point of view.

You have this new mandate to review. What would you like to say to that?

•(1645)

Mr. Robert Rabinovitch: First, I'd like a bit of clarification. Are you talking about balance in news or balance in programming or both?

Mr. Deepak Obhrai: No, it's balance in news and documentaries. When you want to put trust in CBC, you should be able to feel comfortable when you switch on CBC. It should be public broadcasting in the way that BBC has established itself as a credible, balanced radio network around the world.

Mr. Robert Rabinovitch: It depends on the community, sir. There are many who don't believe that.

Mr. Deepak Obhrai: Nevertheless, CBC has to be seen.... I'm getting it in my constituency, and I'm sorry to say that people are turning you off. They say they're not getting a balanced view; they're getting a one-sided view of topics and issues.

Mr. Robert Rabinovitch: I would be disappointed to hear that. I must say, as you know, we have the most comprehensive ombudsman system probably in the world. The purpose of the ombudsman is to ensure there isn't bias and there is a balance in the programming. I have had complaints from different communities at different times. I've also had the same communities come back and say we're now balanced again or they're now more comfortable.

I must say, our ratings are not going down. If anything, this year, our ratings until October 31 were at 7.9%, which is quite amazing considering everything. Last year we finished at 7.4%, and that again represented an increase. I think Canadians are coming to us because we are doing distinctive, different programming, and I think the numbers, from that point of view, speak for themselves.

In terms of balance, I would be very concerned, and I would ask anybody, if they have any specifics, to please bring them to my attention.

Mr. Deepak Obhrai: Do I have time?

The Chair: One more minute.

Mr. Deepak Obhrai: You may have an ombudsman, and I don't say there's no need for an ombudsman, but the problem is, instead of going to the ombudsman, people will just tune you out. You have, of course, indicated programs like the Olympics and some of the programs that are of a nature that will attract the ratings over there, and people will watch CBC for that aspect, because as you rightly pointed out, it brings the nation together.

I want to let you know what I'm hearing from my field, that where it's news, documentaries, those types of things, people are not

confident with the CBC. I'm letting you know what I'm hearing—they're not comfortable with it.

Mr. Robert Rabinovitch: I don't challenge you, sir. I'm just concerned. I would love to have specifics, both to me and to the ombudsman. It's only with specifics that I can react, and quite frankly, I have. We have looked when people have been concerned with balance and fairness.

Mr. Deepak Obhrai: I thought I would let you know.

Mr. Robert Rabinovitch: Please.

The Chair: Thank you, Mr. Obhrai.

Now, since everybody has had one round, if the committee would indulge your chair for one or two questions, we'll come right back and start the rounds again.

I just wanted to say that anytime I have the opportunity to watch a couple or more hours of American television, I'm grateful for the CBC. I think the CBC has not only played an important role as such, but it has also set a higher standard for private broadcasting, telecasting, in Canada as well.

I would like to know, of everything that's happened in the last five years, what is the most important thing you feel you have done for Canada as president of the CBC, and three years from now, what do you hope will be the most important thing you have done?

•(1650)

Mr. Robert Rabinovitch: It's a very wide question, and as a consequence, it's a very difficult question to answer.

I'm really quite comfortable with the progress we have made to date. I am very concerned about the future in terms of our ability to fund new programming. The shelf life of a program is so short, you're constantly having to come up with new, interesting programs.

What I feel I have done more than anything else...in a period where the government was not willing to give us more money, we have been able to finance from within some very dramatic changes, including the news integration, the Ottawa project right here on Sparks Street, which is a phenomenal project bringing all the services together. We've done the same thing in Edmonton. We've done the same thing in Quebec City.

We have been able to milk our resources and get money out of the resources. It's been painful, it has hurt people, people have been concerned, but we have raised, on a continuing basis, \$65 million. That has given us...I won't say a cushion, but it's allowed us to absorb the normal inflationary pressures we have.

I am very satisfied with the extent to which we are now running one corporation. We were running four separate corporations when I came in, and that was the history of CBC. The president stayed in Ottawa and the vice-presidents came up on a shuttle service. Each ran their own independent entity. We now do a lot of programs together, and there's a lot that francophones can learn from English Canadians and English Canadians can learn from francophones. That's part of making a country, especially this country.

So programs like

[Translation]

The last chapter: Vengeance

[English]

programs like *Trudeau*—these, to me, are great successes. And more importantly, they're successes because it's gotten people to think and work together and not see themselves as separate entities who come together only for one thing: presenting their budget and coming before this committee.

So from my point of view, that is a very important integrating function that in the long run will help build the CBC into a quality public broadcaster.

I could go on, but I'll stop there for now.

The Chair: Thank you very much.

I also wanted to explore, since this is a very current issue, what the CBC's relationship is with Sirius and how it fits in with your mandate. I'm sure you understand some of the reasons I'm concerned, when I see quotes from one of the program hosts who is a kind of star of the Sirius programming.

Mr. Robert Rabinovitch: If you'll indulge me, let me put it into context.

There are two satellite systems launched by American corporations for the sole purpose of delivering radio to, basically, 100% of North America. Both of these companies have a very significant relationship with the automobile industry. The automobile industry is installing these receivers as primary equipment as we speak. As a consequence, these services will be available in Canada whether we like it or not, through a grey market or directly.

We had conversations with satellite operators in Canada when we did our homework—we are always trying to look at the different ways things are operating—and we were told very clearly that no Canadian company could afford to launch this type of satellite. The Sirius satellite system costs \$800 million U.S., and there's no way you could recapture those funds. We were also very concerned that these services would be available to Canadians and CBC would not be available because it would not be on the bird.

The other thing is we have a music service called Galaxy, which has done extremely well for us and now nets us about \$10 million a year. As a businessman I was concerned that it was vulnerable to these satellite services coming in.

So there are these two issues, plus, I guess, a third, which is the possibility of making money. And from our point of view, to the extent I can make funds available to the CBC separate from the appropriation, the more I can...not so much insulate the CBC but give it the funds it needs to be able to do the programming we want.

So if you look at all of these factors together...we decided it would be ostrich-like to put our heads in the sand. It would be a better opportunity for us to do a partnership with the corporation called Sirius and in that way get Canadian services on the satellite.

Therefore, it starts from the principle that this is inevitable: it's coming; it's here already. And there is a grey market already. But what we said to the CRTC is that the Canadian corporation will have

total control over what will be on air. So while there are a hundred services up there, we will decide, in consultation with (a) good taste, (b) this committee, if the committee wants to discuss it, and (c) the CRTC, whether or not certain programs will be allowed.

•(1655)

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

My apologies to Mr. Angus. I skipped over him.

Mr. Charlie Angus: Oh, that's okay, Madam Chair.

The Chair: Well, I don't think you had raised your hand, so that's my excuse.

Mr. Charlie Angus: I was looking at you.

Mr. Rabinovitch, I'm looking at a 1999 *Globe and Mail* article that talks about the angry feud between you and the CRTC. The headline is "Broadcaster's president sees national service rather than reliance on local TV stations". At that time, that was very much identified with what you were coming in to do, which was to move us away from reliance on local to national. Two months later you appeared before the heritage committee and you said you wanted to make one thing clear at the outset: you were not asking for additional funding. A few months after that the decision was made to start cutting, shrinking, the regional newscasts, which lost over 200,000 viewers.

Today, when I asked you about that, you said you had to make those cuts because there was a funding shortfall. I don't understand why you didn't tell the committee in 2000 that you were going to be making serious cuts to regional programming across the country because you didn't have any money, that you needed money. It seems to me it was very clear your mandate was to move away from regional funding.

I would ask you today, was that decision to cut those local networks a mistake?

Mr. Robert Rabinovitch: When I appeared before the committee, I said we would not at this time ask for additional funds, and it was for a couple of reasons. Number one, CBC did not have credibility with government, and that was clear from the fact that CBC had been cut every year since about 1984, either directly or through inflation. As well, in 1995-96 the CBC was cut by \$450 million. So it was silly to say I'm going to go to government and ask for money when in fact the message was extremely clear that at that point in time CBC did not have credibility with government.

My intention was to show the senior managers of government and the senior ministers in government that we could run an efficient operation and that we could generate the funds we needed from within. The cuts you are talking about, sir, are the cuts that resulted directly from the \$450 million cut that was imposed on the CBC. It was the last step in the process. It was well advanced by the time I came in, but I will take the responsibility for it.

We had a \$60 million or \$70 million shortfall in the English network. The French network had already done its adjustments, radio had already done some adjustments, but the English network had not yet completed its adjustments. In the wisdom of the times, first with the CRTC, we said the decision they came out with pretended there were no funding problems. The fact was there were serious funding problems. Therefore, I said I could not live with the decision because it took away from my board the responsibility to manage the corporation. But it also set targets that were impossible to meet.

Now would I have cut regional programming? At the time I did not know of any other way to manage the CBC. I knew that if we didn't have a strong core program across the country, we would definitely move into irrelevance. Today we are in a different situation. Today there have been significant technological breakthroughs. Server technology has helped to a very real extent in lowering costs. Systems like ParkerVision have reduced costs. The integration of the newsrooms, so it's one newsroom whether it's radio or TV, and we can train people to be both VJs and radio reporters, has allowed us to reconsider whether or not we have the mix right.

I'm not going to say we don't make mistakes. We put on programs that sometimes don't work. Sometimes we have a program that works and we do a reprise of the program and it doesn't work. Only a fool—and I don't think I'm that—would ever say we get every decision right or that we're not willing to reconsider decisions. What I am saying is we are really re-evaluating the entire supper-hour model, which, by the way, my friends in the private sector will not be happy about.

• (1700)

Mr. Charlie Angus: Thank you for that answer.

The other night I was watching the 1975 showdown between the Montreal Canadiens and the Red Army team, and a mighty fine game it was. In fact, I couldn't remember who won, so I watched it right to the end.

I understand we're looking at \$50 million to \$60 million in losses from advertising this year. On top of that we will see \$10 million being cut by this government. In light of those losses I'd ask you two questions. You said we had continual cuts because CBC did not have credibility with the government at the time. Does CBC still not have credibility with this government? Secondly, what will the loss of this \$10 million on top of the severe losses of advertising revenue do to your ability to provide programming?

Mr. Robert Rabinovitch: There are several parts to this question. Number one, the loss on hockey is not as great as has been reported. It's more in the \$20 million range, but I can't pretend that's not significant. That is also the reason why we have sacrificed Saturday nights to movies, which are drawing really quite well, but it's not our intention to have to run a movie service. Our intention is to protect the other six days of Canadian content. But we are drawing reasonably well, in the 1 million to 1.2 million view range, and that's a case where *les cotes d'écoute c'est tout* and we were after audience, pure and simple. We show *Indiana Jones* to get audience, to sell advertising, to protect the service. So that strategy is helping us, but it will be a minimum \$20 million loss that we're looking at.

The \$10 million cut is serious. It seems like nothing on the budget we have, but remember it comes out of programming. Now, the government has been good to us and has given us \$60 million, which I think I've said to the committee at one point is two-thirds of the way to where I think we have to be, and that's without going into regional local programming, if we're going to maintain and develop the quality of service we want to in terms of the quality of programs. But basically, the \$60 million is now really \$50 million, and we don't have a guarantee that we're going to get the \$60 million. On top of that, as you know, the government is going through an expenditure evaluation, and we have no idea whether or not we will have a cut there.

All of these cuts—and I say this quite frankly, because of the five years of squeezing and looking for economies within the corporation—will be seen on the air. That's what it comes down to. At the end of the day our product is on the air, and any money we have we put back on the air. I don't pay dividends. I'm not like Hydro-Québec, where I'm expected to pay the government a dividend. Every cent we have we put into programming. So cuts to the Canadian Television Fund, because we're the largest user of the Canadian Television Fund, whether it's \$8 million here, \$10 million there, look like peanuts, but the reality is they hurt.

The Chair: Thank you, Mr. Rabinovitch. A very clear message there, I thought.

Mr. Kotto, and then Mr. Schellenberger and Ms. Jennings.

[Translation]

Mr. Maka Kotto: Thank you, Madam Chair.

Good evening, Mr. Rabinovitch. I will be asking short questions in the hope of receiving short answers, since time is of the essence.

Are you preparing to privatize part or all of the CBC?

Mr. Robert Rabinovitch: No.

Mr. Maka Kotto: Have you heard people say that you do not listen?

Mr. Robert Rabinovitch: I don't listen to what?

Mr. Maka Kotto: Take, for example, the UNEQ, *l'Union des écrivaines et des écrivains québécois* which, on numerous occasions, has asked to meet with you to explain the problems that they were experiencing, particularly the lack of literary programming on the French television network.

How do you explain that and what do you intend to do about it?

The cancelling of the cultural channel caused quite a stir. Why was this done without any consultation?

• (1705)

Mr. Robert Rabinovitch: Mr. Kotto, there may have been a lack of communication, but I can honestly tell you that there has never been a request from a group that has gone unanswered. So, I am always prepared—

Mr. Maka Kotto: Personally?

Mr. Robert Rabinovitch: Personally. I'm always willing to meet with them. I believe that you know that I am from Montreal. I spend at least one or two days a week there. As soon as they send me their request, we will set a date to get together. There might have been a communication breakdown, or the request might have been sent to someone else. Whatever the case, if they get in touch with me, I give you my assurance that I will meet with them.

Mr. Maka Kotto: Why was the cultural channel cancelled?

Mr. Robert Rabinovitch: First of all, the cultural channel was completed last year. We installed—and that was one of my priorities—20 transmitters, so that we could cover the entire country. That gave us more flexibility for our programming. We did not change the cultural programming: it was transferred to our *Première chaîne* network where we increased the number of hours devoted to culture, to writers, and so on. It went from 10 to 12 hours, which represents an increase of 20%. Moreover, the *Première chaîne* facilities are more substantial than the ones we had for the cultural channel.

We also determined that, with the other radio services in Montreal and in the rest of French Canada, there were alternatives to the classical services. For music, we developed a truly diversified product. We still have four hours of classical music daily, with more on the weekend, but we also play jazz and music from the members of the European Broadcasting Union. We tried to develop more interesting programming, something that would attract more listeners.

Mr. Maka Kotto: That was the aim of my first question. I wanted to know whether or not you intended to privatize part or all of the CBC. Privatizing this government institution, which many would consider to be the dismantling of a provider of culture, would require consultation of those who would be affected by the decisions.

You must be aware of the large number of e-mail messages that have been circulating, of articles that have been published in newspapers, and of the fact that people have deserted the network, particularly radio.

Mr. Robert Rabinovitch: I know. However, don't forget that in several articles published by French-language newspapers in Quebec, it has been said that the ratings for the *Chaîne culturelle* are constantly dropping, that even people who want us to use their programming were not listening to it, but that in increasing cultural programming on the *Première chaîne*, we would foster more genuine discussions on culture.

We've tried to make changes. From time to time they have to be made. So we thought that in reality, programming for the *Chaîne culturelle* had to change, for it to carry more and more music.

[English]

The Chair: Mr. Schellenberger, and then Ms. Jennings.

Mr. Gary Schellenberger: The report that was brought in, in June 2003 and that the committee tabled took more than two years of committee work and it produced 870 pages and 97 recommendations, I think it was. Many of these recommendations applied, again, directly to the CBC.

My question is twofold. Based on your experience at the CBC, how many of these recommendations has the government acted on, and have there been major changes in the industry in Canada over

the last few months that would explain inaction on these recommendations or that would make the committee's recommendations obsolete?

• (1710)

Mr. Robert Rabinovitch: I can only comment on those that have a direct impact on management. A lot of the recommendations, as you know, were recommendations to government. On those, I really can't and should not comment.

I can tell you that from our point of view as management, we have no problems with the recommendations that were made. In fact, as I said before at the last meeting I attended here, we actually prioritized the recommendations and said, come forward first with your regional and local plan and then we'll go on from there.

With respect to the last part of your question, we are in an industry in major flux. With the development of personal video recorders, with the change in people's listening habits as a consequence—the personal video recorder is now hitting 25% to 40%, and it is being given away as free goods in the United States. This is having a dramatic effect on the television industry. It has a lot of people very worried, because the television industry is based on advertising. We're unique. Even though advertising is important to us, we are unique. I make no bones about it. Without the help of government, we can't do the type of programming we're doing.

A lot of people are talking, sir, about how broadcasting now in the United States has flattened out and how radio has gone down. I'm talking in terms of market valuations. As a consequence, people are not recommending the purchase of broadcasting stocks, which is usually a good indication of what's going on in the industry.

There are some very dramatic changes. The committee may wish to look into that and bring in some experts to look at that. From the point of view of the CBC, these are opportunities. We have to recognize that people will not necessarily watch the programs when we show them to them, but with their PVRs they will watch them on weekends or at other times. That's just fine. As far as I'm concerned, our job is to create quality programming. It's the public's opportunity to watch it when they see fit.

So I don't think your recommendations have much of an impact upon us directly, given the world's change—but the world has changed.

Mr. Gary Schellenberger: Is the mandate you've been given at the CBC a realistic one, given the resources you have? I understand that it sounds like \$1 billion is a lot of money, but is the mandate to deliver those services...is it, say, \$1.2 billion worth that this government wants from the \$1 billion it's putting up?

Mr. Robert Rabinovitch: I'll answer the question indirectly and then answer it directly. The BBC gets \$7 billion a year to produce in one language and covering the whole country; you can do it with about six transmitters. We have 1,500 transmitters. We have many services. Our total budget from the government is about \$950 million, including our capital budget. The rest we get through advertising, through specialty services. We generate about 40% now of our budget.

It is the bare minimum. I can hide behind it when I say that is the reason we did what we did on local programming. We felt we didn't have a choice, as bad and as a painful as it was.

It's just the technology changes that may give us the opportunity, and the help of this committee that will give us the opportunity, to revisit that. We are really on the thin edge of the line, especially when you consider inflation, *le droit d'auteur*, things of this nature that are eminently fair and logical, but cost us with every decision that's made and therefore take money out of programming.

Mr. Gary Schellenberger: One last question. I will be quick.

The Chair: You have 32 seconds left.

Mr. Gary Schellenberger: I do know that it's up to the Olympic committee to decide who receives the contract for the Olympics. Will there be a level playing field for the 2010 Canadian winter Olympics? In your mind, do you feel there is a fair and transparent bidding process between our public broadcasters and our private broadcasters?

• (1715)

Mr. Robert Rabinovitch: The answer is yes.

We were the ones who were most concerned about a fair and level playing field and who actually talked to the Competition Bureau. We felt it was a deliberate attempt to take us out of the play. Since that time we've had discussions with other private broadcasters. I'm now quite confident that, from that point of view, it is a level playing field.

I can assure committee members we are not going to bid like drunken sailors. There's a price up to which we will go. We will not go beyond that price. We believe we do the job well. IOC believes we do the job well.

Remember, from our point of view, the Olympics is one piece of a four-year strategy of showing Olympic athletes.

We lose money on all our programming on Saturdays, whether it's *Adrénaline* in French or whether it is the Saturday show. We lose big money, relatively speaking. I'm sure if we don't get the Olympics my board is going to ask us to re-evaluate our commitment to Olympic sports.

Mr. Gary Schellenberger: Okay. Thank you.

The Chair: Thank you very much.

Ms. Jennings, and then I'm going to call this session to a close. I'd like to have a few minutes to find out how the committee wants to proceed from here, for our next meeting in particular.

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Thank you, Madam Chair.

Thank you very much, Mr. Rabinovitch, for your presence here today.

I have two questions. One has to do with the multicultural content. Let me start by saying that I consider myself a friend of CBC and Radio-Canada. I believe you're underfunded, and I certainly support a significant increase in the budget.

That said, I do want to herald the fact that there is more multicultural content; however, I believe there is a hole that has been identified.

When we look at Telefilm Canada, the Canadian Television Fund, it has what you'd call a stream for visible minority producers. However, the bulk of that funding goes to visible minority producers outside of Quebec and within Quebec to francophone visible minority producers. English-speaking filmmakers who are visible minorities in Quebec are basically left out of the loop: one, because they're English speaking and therefore don't get to tap into the funding that goes just generally to English-speaking programming; and two, because they're visible minorities, and visible minorities in Quebec do not have the same critical mass in Montreal, for instance, that we would have in Toronto, where close to 50% of the population is visible minority.

So I'd like to know what you as the head of the CBC would do to ensure that gap and those two silos come together in order to ensure that visible minority filmmakers in Quebec who are English speaking have more access to the dollars to actually produce our stories. That's my first question.

My second question is about labour conflict. You've just gone through a major labour conflict last year with the union on the French side—with Moncton, Montreal, and Manitoba, I believe it is. The negotiations were very conflictual. I received a lot of documentation from the union.

One of the main pieces was the fact that there is inequality in the salaries that are paid, depending on one's gender, in certain positions. That has been documented and confirmed by an independent inquiry. I would like to know, one, what you as the head of the CBC intend to do to correct that; and two, generally, in terms of labour relations, how do you foresee that in the future?

Mr. Robert Rabinovitch: Should I start with the second question first?

Hon. Marlene Jennings: You can start wherever you want as long as you answer all of them.

Mr. Robert Rabinovitch: I will try, and I'm sure you will make sure that I answer them.

There was no labour conflict. The negotiations were difficult, but there were no walkouts or lockouts.

• (1720)

Hon. Marlene Jennings: True.

Mr. Robert Rabinovitch: If I may say, Madam, I really believe the union tried to make it political and came here and talked to MPs, and we did as well.

Hon. Marlene Jennings: So you tried to make it political too.

Mr. Robert Rabinovitch: We never went first. We always followed the—

Hon. Marlene Jennings: It doesn't matter, if you went there.

Mr. Robert Rabinovitch: Well, we have to answer to positions they make.

This is managing a company. And at the end of the day, by 75%, which is the highest number we have ever had with a journalist union, we had agreement. That is quite a feather in all of our caps, and I put that to both the union and ourselves. There is a game that is played in union negotiations, as you know, and it can be quite tough.

In terms of the inequality of gender, we have had an independent report done. There is a committee that is a joint labour-management committee. I made a commitment to this committee, I believe the last time I was here, that we would not tolerate this. We are eliminating it as quickly as we can, but it is done jointly with the union. I am quite confident. If you hear otherwise, please let me know, because it's my commitment and my chair's commitment that we would not tolerate this.

With respect to the Montreal anglophone community's access to the CTF, there's not much I can do directly, because we don't control the CTF, but I can tell you this: we will look at any proposal that comes forward from the point of view of whether we can support it and therefore help them to get access to those funds. Sometimes it's programming for RDI. Sometimes it's for Newsworld. Sometimes, in fact, it can be co-programming. Some of the best stuff that's coming out of Montreal now is this cross-cultural programming. There's no reason why we can't tap into those funds as well.

I would encourage them to talk to our people, and if they have a problem they can contact me. The contacts may be in Toronto, because that's where the bulk of the English money is negotiated, even though there are over 75 individual producers outside of the Toronto area who get funds to produce programming on the English side.

Hon. Marlene Jennings: How many of them are visible minorities from Quebec?

Mr. Robert Rabinovitch: I can't answer that question. I have a funny feeling that you know the answer.

Hon. Marlene Jennings: Actually I don't. That's why I'm asking the question.

Mr. Robert Rabinovitch: I honestly don't know. I will try to find out.

The Chair: May I ask that Mr. Rabinovitch undertake to provide that answer, not only to Ms. Jennings but to all members of the committee?

Mr. Robert Rabinovitch: Sure.

The Chair: Thank you very much.

I would like to take the remaining time for a bit of discussion about how we want to proceed.

I thank you, Mr. Rabinovitch, for coming. We'll let you know if the committee wants you back.

We only have a few minutes left, so I'd like to get the business of the committee for the next little while resolved.

Question number one is the agenda for our Wednesday meeting, whether the committee would like to have Mr. Rabinovitch back and whether you would like to consider a report on the testimony we've heard today.

There is one thing I would like to do in response to our last meeting and discussion. Our committee staff have put together a proposed schedule of meetings from now until the Christmas recess and then early into the new year. I would like to get that resolved so we know what we're doing from now until Christmas. I'd like to take a bit of time for that at our Wednesday meeting.

The Minister of State for Sport was invited, but is not able to be here, so we have that meeting for other issues you might want to address.

Can I have some response from the committee?

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): If I may, Madam Chairman, are we moving to future business?

The Chair: No, I don't want to do future business right now, but I would like to put that on as the first item on our Wednesday meeting.

Hon. Sarmite Bulte: Will we have had a chance to review what your researchers have put together so we can prioritize it before we come back?

• (1725)

The Chair: Yes.

Hon. Sarmite Bulte: I just want to follow up on what Mr. Kotto talked about today in the House, the UNESCO convention. I think it is important that we deal with that.

The Chair: As I say, we expected to have the Minister of State for Sport on Wednesday. He's not available, so we have a bit of time. Could I just get an indication as to whether the committee wants Mr. Rabinovitch back for any reason?

Mr. Gary Schellenberger: No, I don't think we need him to come back.

The Chair: Are we reasonably satisfied?

Does the committee—

[*Translation*]

Mr. Maka Kotto: As you know, Mr. Rabinovitch will be appointed for three years. But we are only discussing the renewal of his contract for two hours, without getting to the bottom of things. I have many other questions to ask. I had ten minutes, but the answers were so long that the questions that are of interest to the people who listened to us or will listen to us were not asked.

I'm concerned that people may get the impression that the committee did not give due consideration to the questioning of such an important witness. This goes to the core of cultural issues. This is my reservation. I would like the witness to come back, because I had many other questions to ask.

[English]

The Chair: I'm a little in a difficult situation here because it appears that most of the members of the committee are satisfied with the questioning they have had this afternoon. If there's one member of the committee...I'm wondering if you might want to pursue that with Mr. Rabinovitch directly, Mr. Kotto.

[Translation]

Mr. Maka Kotto: I understand, Madam Chair, but let's not do things in isolation, it would be a mistake. We are here to serve citizens, and if they are not satisfied with the questions asked here this afternoon, the committee's reputation will be compromised. This is the only way for me to make you realize how important this issue is. Thank you.

[English]

The Chair: I understand your concern. I'm not sure that using the vehicle of the extension of Mr. Rabinovitch's appointment is the way to pursue some of these issues in more depth. For instance, we might very well want Mr. Rabinovitch back at another time for a more intense look at a number of issues, which we can certainly do.

Mr. Angus.

Mr. Charlie Angus: Madam Chair, I would strongly disagree with that position, because it seems to me that what we're saying is we have no questions regarding his appointment and we can have him back after the government has appointed him. I think Mr. Kotto is right, there are numerous questions. I have not gotten all my questions answered, because the questions did go on for very long and in five minutes the bell rings.

I would suggest that I'm more than willing to have him back, because this is a very important moment and the CBC is crucial to our sense of identity. I think the credibility of our heritage committee would be on the line if we say there are lots of questions but we don't really have the time to look at them because we're going to look at other things.

The Chair: Mr. Angus, I think I was doing nothing except reflecting what I got from the committee, which is that most members of the committee felt they didn't need to have Mr. Rabinovitch back, at least on the appointment. I'm not sure we can pursue every question we want to about the CBC in this context—

Mr. Charlie Angus: I didn't say that. I didn't say "every question", but there are a number of questions we did not get a chance to address.

The Chair: I'm in the hands of the committee, as always.

Ms. Bulte, and then Mr. Lemay.

Hon. Sarmite Bulte: Thank you, Madam Chair.

Unfortunately, I couldn't be here to participate in the questioning of Mr. Rabinovitch because I happened to be in the House on Telefilm, which has been referred to committee. I should add that it will be another thing we will be moving on forthwith.

I was here at the beginning when what was tabled in front of us was the number of times Mr. Rabinovitch has appeared before this committee on the question. So he's no stranger to this committee whatsoever. At any time when there was any kind of problem, Mr.

Rabinovitch was forthcoming. Today the issue was about the appointment.

If there are questions as to where the CBC should be moving, or where Radio-Canada should be going, or where ICI should be going, those are legitimate things that we as a committee can determine. Plus, Madam Chair, I'd like to remind members of the committee that we just re-tabled the report on the state of broadcasting, which has a whole chapter on the CBC. We could use that to bring not just Mr. Rabinovitch forward, but the head of English language programming, French language programming, and radio on both sides. It is a very important cultural institution, and nobody knows that better than I do. We studied it for two years when I sat on that committee for two years.

Did we fail to get the questions with respect to his appointment? Let's not confuse his qualifications to be appointed with what is the vision and what is the direction of the CBC, which, as a committee, we can direct.

• (1730)

The Chair: Mr. Lemay.

[Translation]

Mr. Marc Lemay: I will try to be clear. We had two hours to meet with Mr. Rabinovitch, and over that time, the committee received this document to read, and we were expected to be ready. Moreover, we found out Thursday that this gentleman would appear before us on Monday. Regardless of whether Mr. Rabinovitch was there or not, I would ask for the committee to at least hear from the vice-presidents, because the vice-presidents will be responsible for the implementation of future decisions.

I don't know what my anglophone colleagues think, but as far as I'm concerned, as a francophone, I want to know what direction francophone radio and television are going in. So I would at least like to meet with the two vice-presidents. We know what to expect from Mr. Rabinovitch, but the two vice-presidents are those that are going to be implementing future decisions. Under the circumstances, I think that would be a minimum requirement.

[English]

The Chair: I think that's especially important since one of the vice-presidents is new.

Mr. Khan.

Mr. Wajid Khan: Madam Chair, I know we have reviewed the qualifications and Mr. Rabinovitch has been here. I think, in my opinion, there is no doubt in my mind the man is qualified for the job. But any further questions right now regarding several vice-presidents...we can continue with that, but I think we should get this business over with about his appointment. You can ask for a vote and go on with that.

The Chair: I am trying to respect the tradition of this committee of operating by consensus, and it does seem that most members don't feel, with regard to the issue of his appointment and his qualifications and competence as such, they need more time with Mr. Rabinovitch. That's not to say there aren't a lot more questions. I think the issue is we can schedule however many additional meetings we want on the CBC as such.

I'll come to you in a minute, Mr. Angus, and I don't think Mr. Schellenberger has spoken on this yet.

Can I settle one thing? Is there agreement that we should spend some time at our Wednesday meeting looking at our priorities for the next four weeks and then into the new year so that our staff can go ahead with some planning? All right, we'll do that. One thing is settled.

Mr. Marc Lemay: One thing. Do we have the agenda, the schedule, because you said,

[*Translation*]

Madam Chair, that we were going to receive a bill. But I don't have it. When will we receive it?

The Chair: I'm sorry.

Mr. Marc Lemay: All right, it's Mr. Lahaie.

But you had said that we would have a schedule of meetings and a list of people we would be hearing from. So, I would like to know when we are going to be receiving this document.

The Chair: All right. There is a document based on our last discussion, but it's a draft. Mr. Lahaie can send it to your offices tomorrow morning, if you like.

[*English*]

Now the second question is, does the committee feel it needs to do a report on this afternoon's discussions?

Mr. Schellenberger.

Mr. Gary Schellenberger: Yes, I think there should be a report from this committee on our meeting here today. Either that or our whole proceeding here was in vain if we just sit around the table and say, yes, it's okay, it was a great presentation. I think we should bring in a report. As a recommendation we should do that, probably at our next meeting, after we decide what our itinerary is going to be for the next number of weeks—who will be coming.

I must say, it would be a great benefit to us on this committee to receive material on what's going on. I think my briefing notes came in at 11:30 this morning, and those things should be here at least a couple of days ahead of time. Probably when we know we have an agenda we can get those, but I only got mine this morning, I think at 11:30.

• (1735)

The Chair: I think everybody understands this came up quite quickly, as the House was recessing. I know our staff did the best they could.

Mr. Gary Schellenberger: I think we—

The Chair: But you're right, with the projected order of business, it will be easier and better.

Mr. Gary Schellenberger: I must say, to bring Mr. Rabinovitch back for another day, we'll probably come up with the same thing. I think we can debate that amongst ourselves as we bring a report forth, and that report should then go to the Prime Minister.

The Chair: Okay. Let me propose, Mr. Angus, that at our meeting on Wednesday we discuss the possible contents of a report. At the end of that, if it's still felt by members of the committee that we want to have Mr. Rabinovitch back to clarify any issues, then it's a decision we could make at that time. Would that be acceptable?

Mr. Charlie Angus: It seems that decisions are being made very quickly. I know that consensus is usually looks from around the table.

The question asked was whether we felt we had enough time with Mr. Rabinovitch to make a decision about supporting his reappointment. Three of us feel we have not had enough time.

I know he's no stranger to the committee, but he's a stranger to me. I'm not obligated to take what was said in the past, because I'm here and this is the 38th Parliament. I would like to meet Mr. Rabinovitch again before making up my mind. However, if the majority of this committee doesn't believe that's necessary, then I would say, on the record, based on what we saw today, what we're asking is whether we are ready to make a recommendation, yea or nay, on Mr. Rabinovitch. Is that the will of this committee?

A voice: Yes.

Mr. Charlie Angus: If that's the will, then I will live with it. As long as on Wednesday we can put in our report that we feel what we saw today is enough to let us know whether this man should be leading the CBC or he shouldn't.

The Chair: Thank you very much.

Okay. We're in agreement. We'll do future business of the committee and set an agenda. We'll give out that material to you tomorrow, and then we'll go back to considering the kind of report we want to write on the appointment of Mr. Rabinovitch. Agreed?

Some hon. members: Agreed.

The Chair: Is there any other business?

Hon. Sarmite Bulte: To be clear, does that mean we've agreed that we're not going to recall him?

The Chair: Yes.

Hon. Sarmite Bulte: Okay. I only wanted to make that clear. Thank you.

The Chair: This meeting is adjourned. Thank you.

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