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Standing Committee on Canadian Heritage

Tuesday, June 20, 2006

• (1555)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): Sorry for being a little late. We had some votes. We'll make sure that we try to keep this first section to maybe 20 minutes or half an hour so we can have our Canadian museums people come forward. I know some have travelled a long distance and have been waiting for this day for quite some time.

Again, welcome to the Standing Committee on Canadian Heritage. Pursuant to Standing Order 108(2), this is a study related to Canadian museums. We welcome from the Department of Canadian Heritage, someone who comes on quite a regular basis, Lyn Elliot Sherwood. Thank you very much for coming. We will listen to your comments first. As I say, we'll keep it to 20 minutes to half an hour with Ms. Sherwood.

Ms. Lyn Elliot Sherwood (Executive Director, Heritage Group, Department of Canadian Heritage): Thank you, Mr. Schellenberger.

We understood from the committee staff that you wanted to begin with an overview of the programs in the heritage portfolio, so that's what I'm going to do, and I will try to go very quickly. Then I'll be happy to answer any other questions that I don't hit in the introduction.

I do want to stress that what I'm talking about is the funding available within the portfolio of Canadian Heritage. There is funding that is made available to heritage institutions by other departments, such as the Human Resources Department or the regional development agencies, but I'm only focusing on the heritage portfolio.

Clearly, the most significant investment we make is in the five national institutions: the four national museums and Library and Archives Canada. Under "Grants and Contributions", we have a variety of programs, some of which are focused on museums and others for which museums are eligible clients. In those other programs, there is not necessarily a dedicated envelope for heritage or a sub-envelope for museums. So the total I've given you on the left-hand side of that column, the \$37.8 million, is an average based on the use of the programs by heritage institutions.

The museums assistance program is the longest-standing program. It has existed since 1972. It accounts for approximately 25% of the total annual funding that goes to heritage. It has four components, one of which deals with access and promotes primarily travelling exhibitions; another promotes excellence in museological practices; the third is focused on aboriginal heritage; the fourth component is the annual funding we provide to the Canadian Museums Association to support the services it provides to its members.

The second program, the movable cultural property program, is a very small grants program of just under \$1.2 million. It is used to support acquisitions by museums of cultural property that is threatened with export or that may become available on international markets. So in recent weeks you will have seen the news coverage of the 18th century Nascapi coat that is being acquired by The Rooms Provincial Museum in Newfoundland—we were able to support that—or the Southesk Collection that was in a British family and became available at auction. The Royal Alberta Museum has acquired that with support from the program.

The Young Canada Works program has two components. One is primarily a summer employment program; the other is designed to foster careers for recent graduates in relevant disciplines. We have five delivery partners for that program, of which the Canadian Museums Association is one. Of the \$3 million in that program, which is part of the youth employment strategy, the museums account for \$1.7 million.

In the broad package of programs generally known under the umbrella Tomorrow Starts Today, the Canadian arts and heritage sustainability program has one component that is specifically dedicated to heritage. That component focuses on fostering business skills. The museums assistance program fosters museum skills; this one fosters plans to increase financial sustainability and plans that look at the governance of institutions, that kind of activity.

The Audio-Visual Preservation Trust of Canada is a very small program, \$300,000, which goes to a single recipient, the A-V Preservation Trust. You may have noticed in the news every spring their announcement of the 12 master works that are selected for special preservation treatment. That program supports that activity.

The next line of programs under "Grants and Contributions" are ones for which I'm not directly responsible. I therefore beg your indulgence if I have to get back to you with any detailed information you may ask for. Heritage institutions have access to the Cultural Spaces Canada program, which supports the improvement of infrastructure. That's another program from the Tomorrow Starts Today envelope.

Similarly, Canadian Culture Online is a partnership fund that is used to create online content and is also a source of funds for heritage institutions.

• (1600)

Outside the department, the Canada Council offers assistance to art museums and public galleries, particularly for the promotion of and education in contemporary art. A limited number of the fine arts museums in Canada can access that program. As well, Library and Archives Canada has a grants and contributions program focused on the needs of archives across the country.

[Translation]

In terms of support other than grants and contributions, under the Movable Culture Property Program, tax incentives are provided when cultural property is either donated or sold to public institutions.

The Cultural Property Review Board certifies between \$100 and \$200 million in cultural property each years for tax credit purposes. From a tax standpoint, the Finance Department pegs the value of these credits at between \$7 and \$36 million per year, depending on whether or not we consider these credits have changed people's behaviour or actions.

Two weeks ago, we discussed the Indemnification Program. It is estimated that the program has generated savings of approximately \$20 million over five years in insurance costs. There are also two national centres of excellence and expertise worthy of note. Firstly, the Canadian Conservation Institute conducts research and provides training and services such as the sharing of knowledge in the conservation field. Secondly, the Canadian Heritage Information Network handles the creation, management and preservation of digital content, including national databases of museum collections across the country.

The Virtual Museum of Canada program is one of the programs managed by the network which now encompasses approximately 1,200 museums nationwide. All of these institutions work together to create digital content. The Virtual Museum is responsible for two programs, neither of which falls into the category of a grants and contributions program. Rather, they involve contracts and tenders for projects aimed at creating digital content. The goal of the Investment Program is to create major exhibits. Finally, the Community Memories Program gives small museums an opportunity to develop small exhibits relating to local history.

[English]

I'm going to stop there. I believe you have also received extracts from the department's book of summaries of the various programs that are available.

I would be more than pleased, Mr. Chairman, to answer any questions.

The Chair: Thank you.

Mr. Bélanger.

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Thank you, Mr. Chairman.

I will wait until we've had presentations from the other witnesses to address questions concerning the entire program and where we believe things should be headed. However, there's a practical matter that I think needs to be addressed today. Our witness mentioned the Young Canada Works program, that there are two components. As far as the summer component is concerned, the museums of Canada are basically the largest partner of Heritage Canada; I think they have 500 of the 800 jobs, just rounding off numbers here. As of mid-May, they were all told to hold off, that this was going to get done, but as of mid-June, last week, it hadn't been done. A number of museums, small museums and large ones, across the country are waiting—or they were as of last week anyhow—for a decision to be made out of Heritage.

I'm wondering if Madam Sherwood is in a position today to confirm that it's done and that these museums, and the four other partners as well in the Young Canada Works summer component, are now in a position to proceed with hiring their staff. It's been very late this year.

• (1605)

Ms. Lyn Elliot Sherwood: Yes, it has been late. I know that some of the files for the delivery agents, the delivery partners, have been signed, and I believe the others are in the final steps of the due diligence process. Those should be signed momentarily.

I don't have the information from today, so I will need to get back to you and confirm—

Hon. Mauril Bélanger: Signed by whom, Madam?

Ms. Lyn Elliot Sherwood: The minister needs to approve the documents. There's a process, as they go through the department, of due diligence. I honestly can't tell you today where in the process they are.

We are certainly conscious of the urgency on this file.

Hon. Mauril Bélanger: Indeed. We're almost at the end of June.

Mr. Chair, I want to share this with the committee so that perhaps collectively we can encourage the department and the minister to get on with this, because the information I have—whether it is correct or not remains to be seen—is that these are, for the most part, held up in the minister's office and have been for quite a while now. Whether that is true or not—I'm not trying to cast blame here—I think it's increasingly urgent that it be done. I'm certainly passing that on to Mr. Abbott so it can be looked into and we can get on with the summer employment, which benefits both the students and the institutions that get the funding to hire them.

Thank you.

The Chair: Thank you.

We'll go to Mr. Kotto.

[Translation]

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

Welcome, Ms. Sherwood. I have a few brief questions for you and I'd appreciate some brief answers.

How long have you worked for the department?

Ms. Lyn Elliot Sherwood: I've been with the department since its inception, if I'm not mistaken, in 1993. Before that, I was the Director General of the Canadian Heritage Information Network.

Mr. Maka Kotto: I see.

How long have you been associated, directly or indirectly, with museums?

Ms. Lyn Elliot Sherwood: I've been with the National Museums of Canada for some 25 or 30 years now.

Mr. Maka Kotto: Therefore, you've been able to follow the evolution of the process to develop a new museum policy, from committees and focus groups through to discussion groups.

Ms. Lyn Elliot Sherwood: That's correct.

Mr. Maka Kotto: So then, would you agree at this time that numerous consultations on the museum policy have already taken place and that many advisory committees have already been set up by both the department and the Canadian Museums Association?

Ms. Lyn Elliot Sherwood: There certainly have been many consultations and considerable research has been done, which isn't unusual. Each government sets its own priorities and targets areas of interest, a process that requires some analysis by officials.

Mr. Maka Kotto: I understand.

I realize that you can't make any comments of a political nature, but based on your observations and your personal experience, is museum policy defined by the culture of government? Or, is the primary consideration in fact the role museums play in the community?

• (1610)

Ms. Lyn Elliot Sherwood: It's really a combination of factors, given that various levels of government — municipal, provincial and federal — are involved in the process. Each level of government plays a different role.

It all depends on the situation, on the local environment and also on what the Government of Canada can do.

Mr. Maka Kotto: I see.

At the end of the day, given these broad consultations and the various information gleaned, the department is sitting on a tremendous amount of information it could us to redefine the museum policy.

Objectively, do you believe new studies are warranted to gather additional data with a view to developing a new museum policy?

Ms. Lyn Elliot Sherwood: As I said, each government has its own issues...

Mr. Maka Kotto: I realize that, but haven't we collected enough data?

Ms. Lyn Elliot Sherwood: You're putting me in a rather awkward position, Mr. Kotto.

Mr. Maka Kotto: That wasn't my intention, Madam.

Ms. Lyn Elliot Sherwood: As a public servant, I must say...

Mr. Maka Kotto: Your silence speaks volumes.

The following is noted in the Department of Canadian Heritage's Report on Planning and Priorities, which comprises Part III of the 2005-2006 Estimates, and I quote:

To ensure that communities across the country are able to capitalize on the value of their heritage assets, a new museum policy will be proposed. Key issues that require attention include deteriorating collections and the need for institutions to adapt to a changing Canadian society characterized by increased competition for audiences and volunteers.

The discussion paper on a new museum policy refers to a policy formulation process. What is the current status of this process?

Ms. Lyn Elliot Sherwood: Prior to the elections, we were involved in a policy development process. Right now, we're working with the new minister and answering this government's questions.

Mr. Maka Kotto: In your opinion, are we in urgent need of a new museum policy?

Ms. Lyn Elliot Sherwood: The federal government plays an important role in this process, but there are also a number of equally important issues to consider, for instance, the whole question of fixed costs borne by institutions.

Mr. Maka Kotto: Thank you. That's all for now.

[English]

The Chair: Mr. Angus, go ahead, please.

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

I'm interested in the concept of funding nationally significant programs, because it seems to me many programs that exemplify our regional diversity across the country will not meet that criteria.

[Translation]

For example, we met with representatives of the Écomusée de Hearst, the only Franco-Ontarian community museum in northern Ontario. This small museum is in danger of closing. It's unacceptable that the Franco-Ontarian community lacks the necessary resources to keep this facility open.

Does the Department of Canadian Heritage intend to support museums that reflect Franco-Ontarian culture?

[English]

Ms. Lyn Elliot Sherwood: It's certainly a priority for the department to look at minority language communities, and across the country there are a number of francophone museums that are supported. I don't have, off the top of my head, the list in Ontario or in your area.

I think the issue you're raising is in fact one of operating support for museums. At the moment, all of our programs are for project support and écomusée. One of the criteria is that museums be notfor-profit entities, and some museums may not fall into that category. They may need, therefore, to look more to an economic development agency rather than to the department.

Mr. Charlie Angus: One of the areas that came up when we were looking at regional museum policy in the north and at how to build a federal role is the fact that, again, by itself each collection doesn't constitute a nationally significant story, but in a regional area—for example, mine with its history of mining and the gold and silver rushes, and the multicultural development of these regions from Val d'Or to Sudbury—is a nationally significant story, and yet each piece of the puzzle will not provide for a federal understanding of that.

Is there a role the federal government could play in grouping together regional stories, whether they're in Saskatchewan or northern Ontario, to develop a nationally significant story, which would be housed not in one collection but over a series of five or six or perhaps ten various museums in a region ?

• (1615)

Ms. Lyn Elliot Sherwood: I think it may be useful to talk about the two existing heritage programs that depend on the criterion of national significance. One, which is no longer in our portfolio, is the national historic sites program in which very clearly across the country there are national historic sites that reflect quite a diverse understanding of national importance.

The other is the movable cultural property program under which, to be eligible for certification, objects and collections need to pass a national importance test. I think the diversity of objects that have been recognized through that program—which is closer to the museum experience—is quite remarkable. So I wouldn't make the assumption that because the museum is small or because it is not in a major city it doesn't possess something of national significance. I think that capacity exists in all institutions. The issue is whether they have the capacity to tell people about it or indeed the documentation to understand the importance of what they do have.

Mr. Charlie Angus: In terms of adapting to new media's digital opportunities, I'm wondering about how much the heritage department has moved and shifted its understanding of collections. I'll give you an example.

When I was working with the Algonquin Nation, we tried to put together an online proposal through which we would put online various historic references and artifacts of the fur trade in the Algonquin-Outaouais region. These stories have been told by the Oblates and by the Hudson Bay Company, but nobody ever put them all together from the Algonquin perspective.

Because we didn't own any particular piece of the collection, we were getting permission to borrow it from Hudson Bay. We were looking to put it online in a comprehensive story told from the Algonquin perspective, but we couldn't find funding anywhere after months and months. We finally gave up. But it seems to me there are new ways to tell history, and there are new mediums through which to tell history. I'm wondering how far ahead on the cutting edge the department is keeping.

Ms. Lyn Elliot Sherwood: I think there are two funding programs, one under the Canadian Culture Online program—and as I said, I'm not directly responsible for that, but I do know they have funded a number of aboriginal projects. The Virtual Museum of Canada, a number of first nations, Inuit, and I believe at least one Métis project as well have been funded by that program. A major project was a partnership between the Innu in northern Labrador, The Rooms, and the Canadian Heritage Information Network. The Haida on the west coast and a number of other exhibits across the country have had very strong leadership from aboriginal peoples.

The feedback on those exhibitions is wonderful. The power of the exhibitions to capture language as well as to reflect other dimensions of culture has been remarked on.

Apart from operating the Virtual Museum, CHIN also conducts research, develops learning resources, and is dedicated to assisting the museum community, together with aboriginal peoples, to use the new medium. Last year, the Virtual Museum of Canada attracted about 10 million visitors from around the world, so it's proving to be a very powerful mechanism.

The Chair: Thank you.

Mr. Fast.

Just before I take Mr. Fast's question or allow him a question, I think what we'll do is—we can always have Ms. Sherwood back. I know it might be next fall, but I would like to hear from some of the other witnesses we're going to have here today.

On top of that, because we started a little later—I should maybe have done this first—I was wondering if by chance we did want to go on a little longer, could we accept another 15 minutes to our meeting today?

Hon. Mauril Bélanger: Mr. Chairman, I don't speak for others, but I'm okay until a few minutes before 6. I have a commitment somewhere else at 6.

Second, perhaps Madam Sherwood could stay in case we need information following the testimony of the other....

• (1620)

The Chair: I would hope so, because I'm quite sure some of the other testimony here today would be beneficial to the department.

Ms. Lyn Elliot Sherwood: I'd be happy to stay, and that was my intention.

The Chair: Okay, thank you.

Mr. Fast.

Mr. Ed Fast (Abbotsford, CPC): Thank you, Mr. Chair.

First of all, I wanted to echo Mr. Bélanger's comments regarding the Young Canada Works program. My daughter applied to the local museum. I'm assuming they received funding, or are anticipating funding through that. In the end, because there was no definitive word as to a start date, she took a different job, not at all involved with museums or heritage. My fear is that not only are students missing out on the financial benefit and subsidizing their education and expanding their knowledge, but we're also losing out on some of our best and brightest students by plugging them in close to two months after their summer break starts.

In terms of my question, following up on what Mr. Angus focused on, support for the smaller museums, local museums across the country, my concern has been that most of the capital funding, certainly most of the operational funding, at the federal level is focused on our national institutions you've listed in your schedule. I sense local museums are hurting; they're struggling. I'm not sure we're doing enough. I'm not suggesting we throw money at them, but I want to focus on one specific aspect of the budget just recently passed, where we provided specific tax relief for donations made to arts, cultural, and heritage institutions, among others. I fear this special benefit is going to benefit, for the most part, the national institutions and not the smaller museums. We're talking about tax credits and tax benefits arising out of the transfer of listed securities. My guess is most local museums aren't going to be able to take advantage of that or aren't attractive enough to someone who's going to give that kind of benefit.

Is your department looking at ways of strengthening local museums across the country, giving them some hope that we're seriously interested in preserving that aspect of our culture in addition to the national cultural aspects?

Ms. Lyn Elliot Sherwood: Before I answer the latter part of the question, Statistics Canada does report on donations and sponsorships, and what it reports is that the small museums across the country, those under \$100,000, actually do receive quite a lot through donations and sponsorships from individuals. As you move up to the larger museums, they are more likely to get the major donations from companies, or the major sponsorships from companies. Only one of the national museums currently has a foundation that can receive that type of gift, and that's the National Gallery. So right now, in terms of the competition between the national institutions and others, there is evidence that there is more money going into the non-federal institutions than into the federal ones from donations and sponsorships.

In terms of the small museums, it's true, currently the programs that have been established in relation to the existing policies generally require that museums be professionally managed. This means the equivalent of at least one-full time staff member. Many require the institutions to be open or at least accessible all year round, to have three-year business plans, and to have the full suite of museological policies.

In terms of what we do with the smaller museums, a number of the museum associations bring forward proposals to work with groups of museums in their areas that may be smaller, so there's benefit from that. I mentioned the community memories program under the Virtual Museum, which is specifically targeted at institutions with no more than three full-time employees. And museums that are entirely volunteer-run are eligible to make proposals to that program.

The Canadian Conservation Institute certainly does workshops and training. There are other projects. In Newfoundland last year the Heritage Information Network worked with the provincial association and the community museums in Newfoundland to develop strategies for low-cost documentation of collections so that these museums could add their artifacts to the national inventory of museum collections.

So those are the elements that are currently available.

I'm at a bit of a disadvantage to speculate on future decisions by government, but I'm happy to answer questions about existing measures.

• (1625)

The Chair: Thank you.

Thank you, Ms. Sherwood, for your time. I hope you will stay around to hear our other witnesses.

If our other witnesses would like to come up....

While everyone is getting in place here, I want to tell the members of the committee that in the briefing notes there is one mistake—it's too bad it is a mistake; it must be wishful thinking. In part B, "Museums in Canada", it says the museums have earned revenue of \$224.8 billion, and that should be million. Wouldn't it be nice if it was billions?

I wanted to make that correction. I didn't find it; it was our analyst who found it. They were the ones who processed this, so they found their own mistake. That's great.

Who will be first?

Mr. John McAvity (Executive Director, Canadian Museums Association): I'll introduce the crowd here.

But just a comment. When we heard about that \$224 billion, we were quite excited as well. We thought we'd see if we could be listed on the Toronto stock market.

My name is John McAvity.

[Translation]

I'm the Executive Director of the Canadian Museums Association. With me today are Mr. Cal White, the Chairman of our Association and the CEO of the Toronto Zoo, Karen Bachmann, the Director of the Timmins Museum and National Exhibition Centre, and Michel Perron, the General Director of the Société des musées québécois. He represents all Quebec museums.

[English]

Dean Bauche is the director of the Allen Sapp Gallery in North Battleford, Saskatchewan, and Bob Laidler is the past president of the Association of Manitoba Museums.

We're not quite sea to sea.

We do have a very short presentation that should be just under 10 minutes. If you don't mind, we will do this, and this will be complimenting the written report, which I hope you did receive. This will be delivered by the members, except for myself and Mr. Laidler.

Mr. Cal White (Chairman, Canadian Museums Association): Mr. Chairman, we're delighted to be here to discuss the urgent situation facing museums in Canada. We're very pleased that you've taken immediate action to study our recommendations for a new Canadian museums policy. There's overwhelming support for a new museums policy and increased federal investment in museums. The Standing Committee on Finance made strong recommendations in 2004-05. This committee also made similar recommendations. The Auditor General has spoken out on the serious issues facing the protection of our heritage assets. In September 2005, provincial and territorial heritage ministers unanimously supported the development of a new federal policy. The museums community fully endorses a new policy and sees it as the number one priority. The CMA has talked to just about everyone. Our approach is strongly endorsed by municipalities, including the Federation of Canadian Municipalities, the tourism industry, educators, and community leaders, amongst others. As well, there's overwhelming support from the public in our public opinion surveys. We were pleased that all political parties supported the call for a new museums policy during the federal election.

There are many good reasons for a new Canadian museums policy, and it is urgent that it be concluded in this Parliament. We urge this committee to seize the opportunity and provide recommendations in a timely manner to help secure a new policy before the end of this year. The recommendations that the CMA made to the minister are practical, pragmatic, and achievable. Our financial requests are within reason and based on a sound business framework that will assist museums in achieving greater financial sustainability for a long-term solution.

• (1630)

[Translation]

Ms. Karen Bachmann (Director, Timmins Museum and National Exhibition Centre): Museums are important and popular institutions in Canadian communities, attracting large numbers of visitors. There are over 2,500 non-profit museums in Canada, ranging from large metropolitan galleries to small community museums run by volunteers. They contribute to economic development, provide thousands of jobs and employ over 50,000 volunteers. Their economic impact is estimated at over \$17 billion per year. Museums are also the cornerstone of our tourism strategy.

Museums attract over 59 million visitors each year. Studies show that over 60 per cent of all international tourists visit a Canadian museum during their stay in this country. Museums are dynamic centres of learning and exchange and serve as meeting points. They help members of our society acquire a better understanding of a wide range of subjects. They provide people from every generation and all walks of life with rewarding learning opportunities.

Today, museums are vitally important to improving education programs. Over 7.5 million school children visit museums each year as part of their active learning process.

[English]

Museums are bridges to improving understanding, celebrating achievements, exploring differences, and discovering what we all share.

Most importantly, museums preserve our heritage. If they don't, we lose it and it doesn't come back. The history and heritage of our communities are in our local museums. They tell the stories of our families, our roots, and our values. Our heritage is not just in federally managed museums; our community heritage is every bit as important, and we are losing it.

Finally, museums are landmarks in our communities. When we welcome world leaders and international dignitaries, we do so at our museums. They showcase our rich history and who we are.

[Translation]

Mr. Michel Perron (General Director, Société des musées québécois): It must be mentioned that museums in Canada operate based on diversified funding. We support this diversified system and have no intention of asking you to make any major changes.

Museums have, however, significantly reduced their reliance on government support over the past decade. They have extensively diversified their funding sources by seeking out independent sources, sponsorships and various types of partnerships.

Today, we're reaching the saturation point in terms of our capacity to increase outside funding sources. It's critical that we restore some kind of balance between private and public revenue sources.

Museums in Europe and most other parts of the world are more dependent upon governments than in Canada. A common perception is that museums in the United States are all funded by the private sector. That is not the case and US governments from all levels are actually beginning to increase their level of contributions to museums.

In our extensive consultations with museums across Canada, the overwhelming need identified by museums of all sizes is sustainable financial resources. We have repeatedly heard this very telling message. Unfortunately, governments too often fail to provide the operational support to the museums they wanted built in the first place.

Admittedly, this is not the sole responsibility of the federal government. All governments need to be part of the solution. Today, we are talking about the federal role that, in our view, is quite clear.

The federal government indeed finds itself in a strong, strategic position to provide leadership in developing new policies.

• (1635)

[English]

Mr. Dean Bauche (Director, Allen Sapp Gallery): The federal government can't, and shouldn't, become stewards of all museums in Canada, but neither can we deny that our national heritage is housed in museums across Canada. Unless we act to properly preserve and exhibit it, we won't have it in the future.

To address these concerns, we've developed a series of principles for a new policy, which can be found in our brief. They include: community impact, sustainability, engagement of Canadians, appreciation, and participation and inclusion. We have outlined a series of recommendations that are sound and practical and pragmatic. Our recommendations require a new federal investment of \$75 million per year for non-federal museums. As we heard from Canadian Heritage, there are several good programs in place now, which should be part of that new policy, and they should be maintained, but we need to address some key gaps.

Primarily, we need to address the inadequacy of the museums assistance program. It is insufficiently funded; it is too restrictive; it is too limiting and unpredictable, making it impossible for museums to plan on the basis of funding for only one- or two-year terms.

To address this, we recommend there be new multi-year, multidimensional program funding. This program would provide support to address specific business plans submitted by museums and would provide predictable levels of support over three to five years. Museums are not fly-by-night operations; you cannot transform and improve museums with unpredictable one-year projects.

This program would allow museums to plan and implement, to measure success, and to report on projects deemed to meet federal priorities, as well as to serve the mandate of those museums in their communities.

Federal criteria for eligibility should be broader than those in present programs, so as to assist more museums. We recommend that a museum be able to access investment in the range of \$25,000 to \$400,000.

The kinds of programs supported by MAP are still important. Museums should be able to apply for project funding for specific actions, such as travelling exhibitions, professional development, international projects, aboriginal museums, and so on and so forth.

Endowments need to be established for long-term stability, and the federal government could assist with matching incentives, with fundraising capacity, or even with innovative ideas, such as funding chairs for research or for collections.

If you, as our elected members of Parliament, do not take action, we are in peril of losing much of our heritage. In the past year alone, a handful of museums have closed, and many more are in slow and silent decline. We are in danger of losing the knowledge and the inspiration that help build communities, that help build regions, and, ultimately, that help build us as a nation. Canada's museums contribute to our sense of place and identity in a very significant way, and they are important elements of our society and need to be properly supported and properly respected.

We thank you today. We thank you for listening to us, and we sincerely hope that this committee will act and provide recommendations to ensure that a new policy will be realized by the end of this year to preserve and to present our heritage in the interests of all Canadians.

Thank you. We're available for your questions

The Chair: Who's going to be first over on this side?

Mr. Scott-or Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Chair, you can call me whatever you wish, sir—

The Chair: Okay. Thank you.

• (1640)

Mr. Scott Simms: -as I'm in awe of your abilities!

Some hon. members: Oh, oh!

A voice: Oh, he's throwing it out today!

Mr. Scott Simms: I just want to point out to everybody in the room that minority Parliaments do actually work across the board, if handled correctly.

I come from the other side, the east coast, and we have a tremendous problem with a lot of the smaller museums. Let me just back up by saying that in my novice view, because I'm no expert on museums or the collection of artifacts and whatnot, there almost seems to be a perverse attitude on the east coast, where government funding available for small museums can only be achieved under the guise of economic development for creating work.

Mr. Bauche, you seem to agree with that, because I'm sure you're probably going through the same thing as I am. Even though you're on the other side of the country, I'm sure it's very similar.

Now, that being said, they tell us the biggest problem is the lack of core funding. So I want to pick up on some of the points you made, including the \$75 million per year for non-federal museums. Are we talking of that over a multi- or three- to five-year period, as you mentioned? Is that what you think? Is that the intention of what you're saying?

Mr. Dean Bauche: That's per year, but we would see that kind of program awarded not on a per year basis but rather on a three- or four-year basis.

Mr. Scott Simms: I wholeheartedly agree with you on that one. It does provide the stability that allows them to plan.

A key gap is that they are too restrictive. I practically have to hire someone on my staff to get through all these programs, and there are programs I still don't even know of at this point.

When you say less restrictive, can you be a little more precise about what you're suggesting with regard to how this would work? I would ask other members to pitch in as well. What do you mean by less restrictive, and how would this be accessed?

Mr. Dean Bauche: Right now there are museums that aren't even eligible to access MAP funding. There are organizations such as ours, for example. We're only a three-person operation, but to access MAP funding as it is, and then to be accountable and have the onerous expectations that come with that, we become absolutely stretched thin. It's project-based, which means that when we actually access it, we've taken on one more dimension of operation.

It's not about what we're doing. Yes, we're serving our mandate. We have a national touring exhibition right now, and that is an additional demand on my staff. What we're talking about here, ultimately, is that the funding would serve our core operation. **Mr. Scott Simms:** Let me paint a scenario for you. Let's assume that here is one museum and they require two things. First, they can't afford to heat the place during the cold winter months. Second, they need to transfer a lot of their old clippings of newspapers to digital format. If they're not two different programs within Canadian Heritage, they are certainly two different programs at two different levels of government. Should they be accessed in the same area? In other words, should both come under the same funding, the \$75 million per year? I'm asking you how we do that.

Mr. Dean Bauche: You're asking excellent questions, and I think the answer lies in working this out. You're cutting right to the practical implications of this. I don't have any ready answers.

Mr. John McAvity: Quite honestly, I hear you. There are these silos for very specific projects. By pulling together a multi-year approach, they should be able to design a program that meets the needs of the local museum so they can put together a business plan that shows, over three to five years, the types of activities they need to do to preserve their collections and make them accessible to people. Yes, it should be able to be done, from our perspective. Rather than have to apply to a thousand different programs, it could be integrated into a more user-friendly and comprehensive approach.

Mr. Dean Bauche: You're absolutely right with respect to the premise. It is seriously problematic for a small museum to have staff who have the wherewithal and the ability to know all the programs that are out there and who have the time to access them. Ultimately, instead of running our museums, that becomes what takes up all our time.

Mr. Scott Simms: One of the other comments was about diversified funding. I want to talk about the main contributors outside of government funding. I'm talking about non-federal museums. What are some of the other major revenue streams, beyond government funding?

• (1645)

Mr. Cal White: Typically, admissions account for a large part. Usually there are operations such as gift shops or food operations. Depending on the size of the operation, there may be other opportunities for revenue generation, such as rides, shows, or what have you. Typically, you'd have a donation program and a membership program. There are grants. So there's a large source of opportunities for funding.

I think what we'd like to see is leadership from the federal government. I think following that you're going to get the provincial governments coming on side, and municipal governments, corporations, and so on. But we need that broad base. The fact of the matter is that the federal government has, in real dollars, reduced the amount of money over the decades, and it needs to be a partner.

Mr. Scott Simms: Can I just stop you right there? Can I stop ...?

I think we're both being stopped.

The Chair: Yes, I think you can both be stopped here right now. We're pretty well at the five minutes. I want to make sure everyone gets a chance. Those were very good questions, Mr. Simms.

Mr. Malo, please.

[Translation]

Mr. Luc Malo (Verchères-Les Patriotes, BQ): Good day.

In your presentation, you mentioned a study involving your members. I imagine your objective was to sound them out to get some idea of their concerns and needs.

I'm wondering if this study will soon be available? Can you share some of your findings with us at this time?

[English]

Mr. John McAvity: In our brief we refer to our consultations and our study with our members. That's where we received a great deal of evidence that is both anecdotal and statistical about what their needs are.

We've quoted to you some of the real-life examples of collections that are in barns that are not heated, where mould and insects are damaging the artifacts, and the museums that are in unsafe facilities, with leaking roofs. The worst words museum people hear are "insects", "mould", and "leaky roof", and we hear them over and over again.

We'd be delighted to share this with you. It isn't a statistical report, but we have evidence from all regions, all provinces, all types of museums throughout Canada.

[Translation]

Mr. Michel Perron: I would just like to add something to that. The Société des musées québécois also consulted with its members with a view to developing a strategic plan for the next three years. What became clear over the course of five consultation sessions in various regions was that our members were overwhelmingly concerned about achieving some financial stability in terms of their operations.

I've been working in the museums field for 25 years. I can honestly say that I've never witnessed this kind of financial instability before. I believe two factors are to blame for the situation: the lack of resources and, more serious still, the lack of a minimum degree of stability and level of support. To put it simply, because museums, both large and small, lack financial stability, considerable energy is expended on trying to keep these institutions open. As a result of this overriding concern, museums have lost their direction in some respects. Much of the work done consists of keeping the facility open and paying heating costs. This has become of problem of major proportions.

Quite frequently, a museum may be forced to apply for 20 or 25 separate grants each year to maintain its activities. That's an average of one grant application every two weeks. This gives us some idea of the prevailing climate of financial instability. In short, funding is proving to be a very costly and somewhat inefficient process, because multi-year funding is not available.

That's why it is important that we broach the question of multiyear support at this time.

• (1650)

Mr. Luc Malo: As you know, the previous government initiated a review of the museum policy. I imagine you had an opportunity to make some recommendations to that government.

How much progress had been made before elections were called?

Mr. Michel Perron: Mr. McAvity, I believe you're in a better position that I am to answer that question.

[English]

Mr. John McAvity: Yes, we had extensive consultations with the community and developed proposals. We worked very closely with the previous government, and during the election we went out to all of the parties, and all of your parties have supported this. Museums are phenomenally popular. Fifty-nine million visitors attend them, and public opinion polls such as we have done verify their popularity. I think all political parties would be envious of how popular museums are.

The museum policy was very close to fruition when the election was called. Unfortunately, it was unable to move forward at that point, but literally, consultations were finished and it was ready for a decision.

The Chair: Thank you.

Mr. Angus.

Mr. Charlie Angus: Thank you.

I'll say at the beginning, gentlemen, don't take it as a slight that I'm going to ignore you for the next five minutes; not that Ms. Bachmann is a voter, she is.

Ms. Karen Bachmann: I am.

Mr. Charlie Angus: I have spent hundreds of hours researching in museums and libraries, so I am aware of the urgency of the issue. I'll focus on my region because I know it very well.

You raised the issue of the role it plays in economic development. I think there's certainly a push from a tourism perspective to promote our heritage and our history. But we often get the settler history from tourism, the kind of kitschy, two-dimensional story that people know before they see it. It seems to me that it's the role of the museum to mine our history, find new histories within our history, and look for stories that weren't seen as significant 30 years ago, 20 years ago, or even 10 years ago.

The problem the museums are facing is this. What kind of support do you have for field researchers to get out and do first-person narratives before they're lost and to work in partnerships with universities to get collections of photos, from people who moved away, before these photos are scattered? Is there support within the programming dollars for that role?

Ms. Karen Bachmann: I'll speak on behalf of my site. I don't want to generalize museums across the country, but I'm quite certain there are a number that are going to echo this.

I'm the sole researcher on my site. I am also the director-curator, and I do whatever else I need to do. However, on a lot of the smaller sites, we rely on those wonderful student programs and human resource programs where we hire students every year. On a lot of sites, a lot of the core research is being done by these kids. Some of them are very good and some of them are not so good.

It's an issue that brings about the fact that curators on smaller sites don't have the luxury of time to devote to actually doing the job. It becomes something that we don't do firsthand because we're looking for funding, we're worried about watching the contractor who's fixing the roof because we're now liable for that, or we're doing things like that. It's a big issue.

You brought up the tourism issue, and we talked about this last summer in Timmins. Whenever you talk about using heritage to stimulate economic development, it has a role; however, I find that the big discussion is on tourism. How are we going to get all of these other people to come to our sites, without actually looking at the fact that museums service their communities first, not the tourists? Yes, tourists come and visit, and it's wonderful. We all welcome them to our doors, and we'll never turn them away. But we have a responsibility to our people as well, and that doesn't always happen.

A lot of the discussion then becomes not about the importance of the museum and the heritage of the community but about how we're going to get some bucks out of this to support something else. The issue is always skirted. It happens on smaller sites. I'm not going to say it happens everywhere, but it certainly happens on a number of smaller sites.

Mr. Dean Bauche: Can I make a short comment on that?

• (1655)

The Chair: A short one, yes.

Mr. Dean Bauche: I think it's important to also recognize the difference between core funding and project funding in terms of being able to do that.

Two years ago, we undertook a project called "Through the Eyes of the Cree", where we interviewed elders. It was part of a project that was funded by MAP, a wonderful project. In the course of that, we began to realize that the elders we had created a dialogue with were telling us about events surrounding 1885. It was the first time the first nations were telling their stories. We kept the cameras running and recorded those stories. We then tried to get funding for a project in order to get that information, but our elder died.

The elders are dying across this country. The keepers of the stories, who know what those artifacts are about, are not going to live forever. The urgency that we're talking about here isn't only because buildings are rotting and the artifacts are disappearing. It's because the keepers of those stories, the people who know the history, aren't going to be around forever. You and I know that in our own families.

It's the difference between project funding and operational funding. If we had core operational funding that would allow us to have curators do the jobs they're supposed to be doing, we wouldn't be losing those stories.

Mr. John McAvity: I wanted to add as well that this is a good question you've asked.

Also, because of the decline in public support over the last 20 years from federal-provincial sources, museums have had to cut back. Their attention has been on what we call the front-door activities, which are the gift shop, marketing, and special glamourous activities to attract people.

What has declined has been behind the scenes. Our storage facilities, the state of collections, and the amount of research that's done. That's number one.

Number two, there is virtually no source of funding for research, as Mr. Angus asked for. For example, we have researched federal research agencies that provide money to post-secondary educational institutions, such as SSHRC, NSERC, and the Canadian Foundation for Innovation. They are wonderful agencies, but they don't fund museums. They do not take museums as serious research institutes. We object to that and would like to see it change. We think museums should be eligible. Right now, the only way they can be eligible is if they get into bed with the universities and have a cross-appointment, or something similar.

So the door is starting to open at these agencies, and we'd really appreciate it if you could encourage them to make museums more eligible.

The Chair: Time is up. It was a very good question.

Mr. Charlie Angus: I only had one question.

Some hon. members: Oh, oh!

The Chair: We'll catch you again when the time comes around. I did give you a little extra time, because those were great answers for your great question.

Mr. Charlie Angus: Did I tell you that I hold you in great awe, Mr. Chairman?

The Chair: Don't butter me up.

Mr. Warkentin, please.

Mr. Chris Warkentin (Peace River, CPC): Thank you very much for coming out today. We certainly appreciate the miles that you have travelled, as some come from further distances. We do appreciate that, especially those of us who travel long distances every week.

There are a couple of questions I want to bring up. Actually, when Mr. Angus was talking about the website that had been developed, or he was hoping would be developed, by the museum he was involved in, it got me thinking that this may be very important for future generations. Obviously, as museums, you collect old things, but obviously you're having to move into new mediums. Can you explain some of the initiatives that are coming forward? Obviously generations that come may start to consume things differently, and they won't necessarily always travel through bricks and mortar, or concrete buildings. They might go through the Internet and so on. Could you explain some of the initiatives here?

Mr. John McAvity: Ms. Sherwood referred to the Virtual Museum of Canada, for example. This is an agency that has helped fund very innovative museum Internet applications. So it is possible, it is widely used in school systems, and it is a very good step. Of course, museums already have their own websites and other virtual things. These are wonderful steps, but they're never going to replace the real thing—the visit to a museum and seeing and touching history or art—which is what we're really interested in. So those kinds of activities are happening.

I think it's also important to say that, frankly, museum people lie awake at night worrying about how their institution can be more relevant to society and communities. I truly mean that. Most of our conferences look at the question of how we build relevance. Today's museums really want to become different. They want to become community centres where people from different cultures can meet, share ideas, and work together.

In fact, we've said in our brief that in many ways we complement the health care and educational systems. We want to be community centres of learning and exchange. We want to see them as dynamic institutions—not dusty places where there are old things, but dynamic institutions addressing the needs of society today.

Many museums put on contemporary exhibitions that discuss contemporary issues. Shortly after 9/11, British Columbia's Museum of Anthropology opened a major exhibition about Islamic culture in Canada and the values that Muslims bring. These are important bridges to building understanding in our society.

• (1700)

Mr. Chris Warkentin: The next question I'll ask carefully, because it may be sensitive. I've been involved in a fund-raising campaign for one of our local museums. It was to build and expand our local museum. Then I was asked to be involved in the neighbouring communities, and then down the road we went. Right now there are seven different museums involved, in close proximity to the city I live in.

It causes me to wonder how much is too much. When do we decide that, in terms of the long-term viability of each of these museums, we might fall into a situation of challenge where we're not able to sustain everything we're building?

Of course, every local community and every ghost town wants to honour the past in that specific location. It goes back to that whole thing of having something tangible—the bricks and the mortar—to touch and to feel in order to experience the past.

How do we as parliamentarians from the federal level start the discussion as to how we can manage things to ensure we don't leave a huge burden to future generations that they're unable to sustain?

Mr. Cal White: That's an excellent question, and it's one we deal with. I think it's important for all jurisdictions. If you're going to be involved in the construction, the capital, the building of a new facility, make sure there is a business plan. They're all for excellent purposes. Make sure, no matter what, it is sustainable; otherwise, we're not doing anyone any good.

Those business plans can be done. You make sure the partners are in place. It's not helpful just to put in capital money and construct and not worry about the future, and I think a number of museums have found themselves in that position.

The other side of the coin, of course, is not to be involved in funding and let it dwindle away over time. There need to be longterm commitments. One of the problems we have is with this short-term, one-year thinking. And it's not just the feds; we need to get partnerships with other levels of government, with business, and the community.

Mr. Chris Warkentin: Certainly, and I appreciate that.

I'm wondering if I'm out of time.

The Chair: Yes, you are; that's the right question. I hope you can keep that question.

Mr. Scarpaleggia, please.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Now I'm really in awe, Mr. Chair.

An hon. member: He finally got your name right!

Mr. Francis Scarpaleggia: What is the main criterion for funding under the museums assistance program? You say it's too restrictive on many levels, but is there a main criterion for funding?

Mr. John McAvity: The first criterion in terms of eligibility is basically that the museum has to be open year-round and have a minimum of one professional staff. That's at the beginning. That takes the universe of 2,500 museums down to roughly 1,000.

Of the people who then put in applications for projects—this is a rough figure, and Ms. Elliot Sherwood would have a more exact figure—only about 100 per year are actually funded.

Mr. Francis Scarpaleggia: You say the shortfall or the funding gap that exists in the program is around \$75 million per year. I believe that's the figure you used?

• (1705)

Mr. John McAvity: That's what we've requested.

Mr. Francis Scarpaleggia: Actually, that seems a little modest. I thought it would be much greater than that.

Mr. John McAvity: We're a very modest organization.

Mr. Francis Scarpaleggia: Does your organization include ecological museums?

Mr. John McAvity: Yes.

Mr. Francis Scarpaleggia: Are they eligible under MAP?

Mr. John McAvity: Yes.

Mr. Francis Scarpaleggia: I'm trying to understand what museums provincial governments should be funding and what museums the federal government should be funding. Is there any kind of rationale for having one level of government fund certain museums and other levels of government—municipal or federal—fund other museums?

Mr. John McAvity: Of course, the federal government does fund the very excellent national museums—

Mr. Francis Scarpaleggia: I mean other than the big five.

Mr. John McAvity: —here in Ottawa, and the provincial governments generally have their provincial institutions.

Culture, as you know, is not an area that is defined in the BNA Act. It's an area of jurisdiction for both. The provinces were consulted on this museum policy and unanimously approved it last September. It's a difficult area in which to say-

Mr. Francis Scarpaleggia: There is no hard and fast rule in your mind. Okay.

Mr. John McAvity: —A, B, C is federal, and D, E, F.... I think the important thing is that there is an agreement and that there is complementarity in how it's done.

What we're also—

Mr. Francis Scarpaleggia: One last question-

Mr. John McAvity: Excuse me, just one last point I wanted to make is that an investment by the federal government shows leadership, and the provinces are starting to respond. They've looked at the museum policy. The Province of Nova Scotia has, as a result, started a new museum policy. The Yukon has started one. We're aware that Newfoundland is looking at it, and Saskatchewan.

This is wonderful. It shows leadership on behalf of-

Mr. Francis Scarpaleggia: There's a museum in Delson—the Canadian Railway Museum.

Mr. John McAvity: Yes, Saint-Constant.

Mr. Francis Scarpaleggia: Is it Saint-Constant?

It's probably an outdoor museum, is it not? So the leaky roofs and so on wouldn't be a preoccupation. What are their specific problems? I've had some representations from people involved with that museum. While I haven't gotten into the detail yet, I have a sense that all is not right. Maybe you could....

Mr. John McAvity: I've been in my job for 25 years, so I'm long in the tooth on some of the history here.

Once upon a time, that was considered a national institution. We had a program, which is now dead, and it was called national specialized museums—

Mr. Francis Scarpaleggia: This is a federal program?

Mr. John McAvity: —and Delson was recognized as the national collection for railways in Canada. It received some operating support—I'm going to say it was roughly \$100,000, or something like that, per year. Gone. History. Toast. The program was cancelled and the funding was cut. The same thing happened with the Maritime Museum. There were a series of specialized institutions.

So they receive no extraordinary support from the federal government. They are an excellent example of the type of institution we're talking about. They would get project funding: they might get money to help with the roof; they might get money to help with the collections and so on.

But in all cases, the amount of money that goes from the federal government to museums is a very small percentage—if any percentage at all.

Mr. Francis Scarpaleggia: Given that it's dealing with a major part of our Canadian heritage, namely the railway, I would think their needs should be looked at more closely.

Mr. Chair, at some point, I'd like to recommend that they be called to appear in the fall.

Thank you.

Mr. John McAvity: If I may, I have one last point on the federalprovincial role. Our perspective is that all the museums and all the collections across Canada—whether it's the Mary March Museum in Newfoundland, or Delson, or the one in Duncan, British Columbia are our national fabric.

Our point of view is that our stories start at the grassroots and go up; it's not from the top going down. Sometimes we hear the stories—the big man stories that start at the top, that you have to be a prime minister or something, or that you have to be famous and national. Our perspective is much broader. The provincial museum associations all agree with us on that perspective.

Mr. Dean Bauche: I would like to make one note very quickly here. This issue of jurisdiction is seriously problematic. Battleford, Saskatchewan, was the legislative seat for the Northwest Territories at the turn of the century. For years it was in debate as to who should own, who should look after that building. There was a little historical society trying to resurrect that, but there was no provincial, no federal, and no territorial government that said they would come to bat for the group. It burned down two years ago. It's gone.

Part of the problem we're faced with is that this is our history, collectively, but we don't have people stepping up to the bat, except for the little historical societies in towns of 2,000 people.

 \bullet (1710)

The Chair: Thank you.

Mr. Kotto.

[Translation]

Mr. Maka Kotto: Thank you, Mr. Chairman.

Should — and I say should — the new government initiate consultations and studies with a view to developing a new museum policy, how likely is it, in your opinion, that its findings will be similar to those contained in a report stemming from round table discussions held on June 28 and 29, 2005? I believe you participated in these discussions.

[English]

Mr. John McAvity: From the perspective of the museum community, I think the chances are the same. Our needs have not changed from one government to another. Our needs are constant, and we've stated what they are to you.

I do also want to say, though, that we've had very close relationships with the minister, both in her life in opposition and now as minister. We've met with her, we've been very encouraged, and we're hopeful that with your support, the government will move on this very quickly. I think we're so close to fruition on this that there's a great opportunity for you, as parliamentarians, and for all of us, to do a great job and to have it done.

[Translation]

Mr. Maka Kotto: What kind of relationship have you established with the new Minister of Canadian Heritage? Have you connected on this issue?

[English]

Mr. John McAvity: We have met with her. She is very committed. She is very interested in it. She has encouraged us. She has asked us some questions, and we've responded to those questions.

I think she is very much on side, but she needs a little time to study the file, to be comfortable with it. You know, she has not been there very long.

But we've certainly had the right signals from this government. The Conservative Party, during the election, looked at our proposals and made a very strong commitment. We can share that with you, but they've committed to moving this file forward as soon as possible.

[Translation]

Mr. Maka Kotto: The art of governing is also the art of acting for the good of the State. This statement also applies to museums, where a non-partisan stand is warranted. This was true in the case of Afghanistan. The Conservative government did not make the decision to send troops on this mission. However, the Conservative government lived up to the Liberals' commitment.

However, since it's likely that it will be some time yet before we have a majority government, are you not worried that, should the Conservatives find themselves back on the opposition benches...

I'm merely speaking hypothetically. I don't wish anyone ill.

Do you think that with this new government, all of the work undertaken on the museum file will be thrown out?

[English]

An hon. member: A quick point of order, Mr. Chair-

[Translation]

Mr. Maka Kotto: I was merely speaking hypothetically.

[English]

The Chair: No, that's an unfair question.

Mr. John McAvity: Let me respond in a non-hypothetical way. That is, if we don't see an increased investment and a new policy orientation and we're appearing before you in another year or two, we're probably going to tell you about more museums that have closed.

We've had about half a dozen or more that have closed—le Musée d'art INUIT Brousseau, in Quebec; a museum in Nova Scotia; museums in British Columbia and in Parry Sound, Ontario. We'll be able to report on more artifacts that are lost, or buildings and natural historic sites that have been lost. That's what our concern is.

• (1715)

Mr. Jim Abbott (Kootenay—Columbia, CPC): I'd like to compliment our witnesses. You have a very tight organization that is doing a heck of a job for yourselves.

I say that because I was aware we were going to be having you as witnesses yesterday, and the very same day I received a letter from Roberto Rodriguez, who is the executive director of the Revelstoke Railway Museum in my constituency. He says, "Mr. Abbott, during the June 20 Standing Committee on Canadian Heritage meeting, we...." So he obviously was fully apprised of the fact that you were going to be here. I don't know how he got that information, I'm sure.

He makes an interesting point, though. He says:

Please appreciate that the housing, preservation and interpretation of a collection such as ours is difficult and expensive. We rely on admissions and gift shop sales to sustain our annual \$600,000 operating budget and receive no federal funding at present. Although this allows us to keep the doors open, the ability to expand our facilities, hire professional staff, properly house and preserve our collections and develop new programs are all major challenges, made even more difficult by the apparent disinterest on the part of the government to adequately fund regional and technologically-based museums.

The reason that comment is very interesting is that the minister, you may know, also has on her desk a proposal from the Museum of Science and Technology in Ottawa to spend almost three-quarters of a billion dollars.

He is faced with a \$600,000 budget; he classifies himself as being a museum of science and technology; and we have this other demand. You can see the challenge the minister is faced with—all totally legitimate challenges.

My friend Garry Anderson at the Canadian Museum of Rail Travel in Cranbrook pointed out to me a couple of years ago that anytime you restore one rail car—we have about a mile and a half of passenger cars in Cranbrook all set to be restored, and a few of them have been—you accrue a cost of at least \$1,500 a year, and that was a couple of years ago, just because you've restored it. Otherwise it just goes right into....

Oh, by the way, I have discovered in the intervening time that the minister signed the Young Canada Works program yesterday. So it is in the system.

My question is this. I was wondering if I could act like a matchmaker between yourselves and Ms. Sherwood, the executive director of our heritage group.

I don't know if presently, as the great group you are in terms of working this thing through, you have been making all your members aware of the current program the government has announced is available respecting the capital gains program.

Are you making them aware of it?

Mr. John McAvity: Yes, we've alerted them to it in our brief. We put bulletins out; we did one within hours of the federal budget's announcement.

Mr. Jim Abbott: Before my friends get all wound up here, let me say that my bringing up this topic does not imply any connection between this and whatever further government funding there may be. I'm just going to the issue that there is that funding available.

The second part of the question, though, is, have you been able to work it through so that a dummy like me would be able to take a look at the information and say, this is how I'm going to do it, this is how I'm going to go out and work with people? **Mr. John McAvity:** It's actually very straightforward. It's very simple, it's a wonderful thing, and we're very pleased with that initiative. In fact, there are some excellent tax incentives already in place.

The challenge for the museum community, as somebody mentioned earlier, is that most of the small museums do not have the ability, do not have the expertise, in terms of fundraising. The big institutions, we expect, will benefit from this. The Vancouver Art Gallery and the Royal Ontario Museum have fundraisers, but the small institutions don't.

The other day, a very interesting study came out on charitable giving in Canada that showed the very smallest percentage of charitable giving, less than 1%, goes to arts and culture. And of that 1% even, we're probably way down there at the very bottom. So we need a little help. We need the tax incentives, thank you very much, but we also need the developmental assistance to be making the cases—

• (1720)

Mr. Jim Abbott: And the training, I would suggest.

Mr. John McAvity: Yes. We fully believe museums should not depend on the federal government or the provinces, on any one source. They're much better off when they have a broad, diversified sense of support and they start developing endowments and long-term supports.

You can help us a great deal there. You've helped universities with chairs, long-term chairs; you could be helping us with curators. We—I'm talking collectively here—could be...I think there's a great example in the universities, and that could be applied to curators, or collections, or conservators. We have conservators in museums, not—

Mr. Jim Abbott: I know I'm on the record here, but what I will commit to this summer is—

The Chair: Can it be short?

Mr. Jim Abbott: Very short.

I'm going to go to the Revelstoke Railway Museum, to the Canadian Museum of Rail Travel, and I'm going to work through that program to help them recruit a life insurance salesman or a car salesman, or somebody in Revelstoke or Cranbrook who would be able to go out and do that on the basis of the program. I'm sure the Department of Heritage would be happy to work with your group to get some kind of a selling program available for the 2,500 museums.

The Chair: Okay. Thank you.

Mr. Bélanger.

Hon. Mauril Bélanger: Thank you, Mr. Chairman.

I won't have enough for five minutes, so I'll say which topics that I think as a group we may want to explore beyond today, perhaps into the fall. One is why the government needs that much more time. We had the minister here a couple of weeks ago telling us she couldn't see a museum policy coming forward in the next year, when indeed the policy itself...all the stakeholders, including the government, seemed to be pretty well in agreement, and it was a matter, then, of bringing it forward for funding. My suspicion is that if it had come forward for funding, there would have been a positive answer—the amount we'll never know. Whether it's \$75 million or more or less... you can stay awake at night dreaming about this.

For 2,500 museums...Mr. McAvity, it would take about seven years to visit them, if you visited one a day. It's a question Mr. Warkentin alluded to: Are there too many? I understand it's a harsh question to ask, but the question I want to drive at is, is there an accreditation mechanism of sorts for museums? If not, should there be one?

Mr. John McAvity: No and yes.

Hon. Mauril Bélanger: Thank you.

Who should run it?

Mr. John McAvity: I think the profession should run it. Some of the provinces have accreditation programs, such as Quebec and...oh, Ontario has standards, but—

Hon. Mauril Bélanger: If there were one, would there be a shrinkage in the number?

Mr. John McAvity: No, there wouldn't be a shrinkage in the number, but not all of them would be accredited, because many museums are at various standards. Many of them need to be updated very badly. We know that. They don't have the right facilities and so on. Our interest, as a professional organization, is to see them advance, to look and be better, be better in their public presentation but also be better with their professional standards behind the scenes.

Hon. Mauril Bélanger: For the record, I want to say that personally—although I suspect I could convince many colleagues—I think we should go toward operational multi-year funding as opposed to project funding. We had that discussion when you were doing your lobbying earlier this year. But that's certainly, I believe, where we should go. So if there is increased funding, it should be directed, in my view, toward operational multi-year. I think three is a good number. We'll let the wiser ones decide.

[Translation]

Mr. Perron, you mentioned that there were problems at every level. I don't really believe that this is a sound policy, but I'll ask you anyway, for the sake of clarification.

Should the Government of Canada tie increased federal in some way to a commitment to increased funding by other levels of government?

• (1725)

Mr. Michel Perron: Certainly. Currently, an imbalance exists in terms of funding sources. So much is expected of non-government sources that it's impossible, realistically, to achieve a balance. That's true of large museums in metropolitan areas. So then, you can imagine how it must be for small regional museums, who must work out such complex financial arrangements just to remain afloat that 80

per cent of their energy is spent on worrying how they will manage next year, or even next month.

Balanced funding is needed. As a member of the Canadian Museums Association, the Société des musées québécois believes that the federal government has an important role to play to maintain this balance. Clearly, there's a very positive incentive to turn to provincial as well as to municipal levels of government for support.

Hon. Mauril Bélanger: There would be a tremendous incentive, I agree, but this would not be a pre-requisite.

Mr. Michel Perron: I don't believe it could be. However, I am confident that it would serve as an incentive.

Hon. Mauril Bélanger: We agree on that.

[English]

Mr. White, and I believe Mr. Bauche, mentioned endowment. Mr. White in particular, you mentioned business plans. Should endowments be part of business plans?

Mr. Cal White: I think so. You want to include everything in your business plan in looking ahead. It's just not business; it's sustainability.

Of course, put it all in.

Hon. Mauril Bélanger: What I'm getting at here is, should there be an endowment element of a business plan for any museum on a mandatory basis?

Mr. Cal White: For some museums it may be possible in the short run; for others it may take some time to get there. It's certainly something to aim for. If they can do it, great.

You have to look at each case and see whether it's possible.

Hon. Mauril Bélanger: You'll get to answer the next one, Mr. McAvity, because it leads to it.

Should the Canadian Museums Association consider the possibility of a general endowment fund? On their own, some museums may have a great deal of difficulty building up and managing an endowment fund. I understand that. But should an endowment fund, for which all its members would be eligible, not be encouraged, created, and managed by the Canadian Museums Association?

Mr. John McAvity: There could be. It's a distinct possibility. It's a United Way approach. The only thing is many museums have their own projects and they would want to continue and maintain their own.

We established a foundation for such a purpose when there was a crown donation incentive, but as you may recall, that has disappeared.

Hon. Mauril Bélanger: So if it were to reappear, it would encourage the Canadian Museums Association?

Mr. John McAvity: Indeed. One of the few truly wonderful incentives that does exist for museums is the movable cultural property program whereby donations of certified cultural property are exempt from capital gains, similar to what the government has just done. But they are also 100% deductible. They're not restricted to a ceiling of your annual income.

It would be nice if we had such an incentive for cash donations as well.

Hon. Mauril Bélanger: The final thing is this. You were talking about a museum operator lying awake at night wondering if there's something they could do better. It's better than the agnostic insomniac dyslexic, who lies awake at night wondering if dog exists.

Some hon. members: Oh, oh!

Mr. John McAvity: Mr. Bélanger, I did want to say that in terms of the endowment question, on average the museums in the United States receive 11% of their annual operating income from the endowments they have.

In Canada the endowments museums have are minimal, if they have any at all.

The Chair: I'm a strong supporter of endowments. I'm a Shriner, and we run 22 hospitals on endowments. Way back when, someone had a great idea. And it doesn't matter whether any Shriners are left; that endowment will keep those hospitals going.

Mr. Fast.

• (1730)

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

I'm assuming that all of you were here when Ms. Sherwood addressed the committee. The picture she painted was somewhat different from the picture you're painting about the viability of smaller museums across the country.

Is that a fair statement?

Mr. John McAvity: I don't think we're at odds. I think she was talking about what programs exist, and she did acknowledge that many of those programs had very few resources.

We think many of those programs that exist are wonderful; don't mistake me. The problem is that most of them do not have adequate resources in them. In particular, the museum assistance program, which is the core program that funds museums for being museums, is at a dollar level that is virtually the same as it was in 1972. It has not increased for inflation, and yet the needs of the museum communities have grown and changed. That's why we're seeing museums close now.

Mr. Dean Bauche: Let's be clear that what Ms. Sherwood was saying to us was that indeed there are good programs—the community memories programs, and what CHIN has done—that are accessed at those community levels. Those are project-based programs. Nothing she talked about has anything to do with sustainable operational funding.

That's the fundamental difference between what we described here and what Ms. Sherwood described.

Mr. Ed Fast: But the bottom line is that you propose that there be an additional \$75 million added annually to the amount of federal funding that would be available—presumably for operational funding, program funding, core funding, correct?

Mr. John McAvity: Yes.

Mr. Ed Fast: It's one thing to have a museums policy and another thing to fund it. We don't know if it will be funded or how much will be funded.

I just want to make sure that we're not too optimistic here, because to have that in place by the end of the year may be problematic. It would take at least the next budget to find \$75 million extra per annum. I just want to make sure we're not raising expectations that this is all going to be done by the end of the year.

I am very sympathetic towards you, given that my own community's museum actually was on the verge of being dissolved. In fact, they had already talked about having a public auction to auction off all of the memorabilia and artifacts—our community's heritage. At that moment the city stepped in and was able to provide some additional funding, but it's still a financially tenuous situation for that museum, as I'm sure it is for many others across the country.

If there's one policy that we could change at the federal level that wouldn't involve the funding aspect, could you identify that? Or perhaps there isn't any one.

Mr. John McAvity: In the room with us today are many people from across Canada, but a lot of people here are involved in the small museums in Ottawa. About a year ago, the City of Ottawa threatened to cut down and close many of these institutions, similar to Abbotsford. Citizens spoke out, with rallies and demonstrations and petitions and all of that.

That's part of a process by which politicians start appreciating that culture is not a frill. It is not something that can be dispensed with. It is not an asset that can be auctioned off. It's something we have and we're going to lose.

I think there's an important message there. We've had the same thing happen in London, Ontario, and many other places. Our sector has simply been neglected. In other areas there have been investments in the performing arts, which are wonderful things. There have been investments in infrastructure and bridges and so on. But the area of culture and heritage is fundamental, is part of our daily lives, and we as a society need to start giving it just a little bit more. We're being very modest in what we're asking for, and we've been asking for quite a long time.

Mr. Cal White: If I may respond to that question, there is one item that doesn't involve money. It's on the last page of our brief, if I may read it to you:

Simplified, Speedier Reporting Systems.

The demands now placed on programs for accountability and efficiency are resulting in significant delays for all museums. The present administrative system is inefficient and produces delays that are costly and de-moralizing. While we all appreciate the need for appropriate controls, the present system is one of over control and is costly and inefficient. New ways of delivering programs to museums need to be considered including an arms' length approach, which works very successfully in some provinces for museum programs (e.g. Alberta and Saskatchewan). Assessments and recommendations from peer juries should remain as an essential element in any new funding system.

So that's something that would not cost any more money but would make life an awful lot better for museums and for, as you mentioned, students and people who are trying to enhance their careers and their futures.

• (1735)

The Chair: Thank you.

We're going to finish with Mr. Angus, and then I will probably wrap up after that.

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

First I'm going to tell two stories and then have you respond to them, because I don't think I'll have time to do both in five minutes, if we do question and answer.

The first is a positive in terms of programs that I think work digital collections. I'd like some comment on that.

When I worked with the Algonquin Nation we used digital collections to take hundreds of taped interviews that we wouldn't dare play for anybody in case they became damaged. They were digitized. We trained young people to do it. We got field workers in the community taking band history and photographs and building together. We added it onto the website, so it's now part of the national perspective of Canada. That collection would not have been used anywhere; we wouldn't have been able to use it.

So I'd like a comment on the role digital collections could play. How can we expand that so we can get many of the collections that are sitting in the back sheds of our museums, that we don't have space to use, out for public view?

So that's a positive.

The question I have on the more divisive issue is on the issue of national significance and the difficulty for regional and smaller voices. To prove that, I'll give an example.

I was the chair of the heritage silver trail committee for Cobalt. We had 100 sites, the only sites of their kind, showing the kind of mining that was done in the early boom days. And year after year, those sites were bulldozed. When we were meeting with the provincial bureaucrats, they would say, "Prove to us the value of your sites or we will bulldoze them". We were literally facing bulldozers. We were trying to explain the historic significance of sites that were being erased. Then, fortunately for us, a provincial television show had some historians on and they voted Cobalt the most historic town in Ontario. Suddenly the bureaucrats all jumped up and said, "My God, we have to save these sites"—the sites that yesterday they were sending the bulldozers in on. Fortunately, the federal government identified it as a national historic site.

But in the meantime, we've lost so many of the artifacts. So many of them have been scooped up because we never had the money. We've lost sites that were intact; they're now gone. So seeing this happen, I see the difficulty of a small, regional community explaining to bureaucrats the significance of a site that they know is nationally significant.

Is there a mechanism or a means or even a review committee that museums could put forward to explain to bureaucrats in Ottawa—in our case, it was with provincial bureaucrats in Toronto—that yes, these are nationally historic sites that need to be protected, rather than bulldozed, or they're collections that shouldn't be just shipped off?

Those are my two questions.

Mr. John McAvity: I'll answer the second question. I'll let my colleagues deal with digitization.

In terms of significance, there is a program that works very nicely, and I mentioned it a minute ago. It's called the cultural property program. The cultural property program certifies objects that are of national significance. Its legislation and the way in which it interprets "national significance" is quite broad. It says that curators and the local people are essentially the ones to make the argument of what constitutes national significance. Yes, there are checklists of "John A. Macdonald slept here" and that sort of thing. But it's an open process that allows the arguments to come from the bottom up, as it were. And it works, I think, quite effectively. It's not set in cement, and so on. About \$100 million of donated artifacts are accredited each year and make it into our museums.

So I think there are ways.

That doesn't help you with the archaeological example. We're museums. We're not looking after archaeological sites so much. We look after the products that come out of the sites, because in Ontario they have to be deposited in a museum.

So I'd recommend to you at least that program as one way of looking at the national one. Our point of view is that virtually everything in Canada should be considered part of our national fabric. We are the sum total of our communities, if we are a nation. We are the sum total of our regions, of our provinces. That's what makes up Canada.

• (1740)

Mr. Dean Bauche: I'd just like to quickly comment on the whole issue of digitization. The issue of technology was brought up before.

I can tell you that through the leadership of Heritage Canada and CHIN, there have been significant inroads. In fact, a lot of the cutting-edge work in digitization in Canada is coming out of museums; there's a good understanding and valuing of it. In our particular case, oral history is one of the cornerstones—exactly what you're talking about.

It's very interesting, because when we introduced the possibility of capturing oral history in digital format, the elders didn't know what we were talking about, and it was very suspect. When we finally completed the project and unveiled our site for the Virtual Museum of Canada, they came and said, you keep doing this, as they saw what it meant.

Also, digitization is a critical thing to bridge generations to generations. It is the language of the young, and it is the vehicle by which our young people are going to explore their history.

But what John has pointed out is also interesting. Our site for the Virtual Museum of Canada—which is through the eyes of the Cree —was transformed into a national touring exhibition in order for it to be fully realized. John is right: the stories themselves are made powerful by the artifacts that people can come and see and be close to.

Hon. Mauril Bélanger: Thank you.

There's one witness we haven't had a chance to hear from, Mr. Laidler, and I was wondering if he might have a chance to address us as well.

The Chair: Well, do you have something to enlighten us with?

Mr. Bob Laidler (General Manager, Oak Hammock Marsh, Oak Hammock Marsh): Our Association of Manitoba Museums is very concerned with succession. Not all of our museums are going to be with us 25 years from now; that is a fact. Hopefully, those artifacts can find a new home and we can find a way of working with other museums, both nationally and provincially significant museums, so that those communities can still have that bit of their history shared and have a chance to be able to bring the artifacts home from time to time.

Our definition of museums will probably change. In Manitoba we have a number of non-traditional museums that are on the way. Our first nations and indigenous peoples are starting to deal with the collections that you're talking about now—the oral history, so that it can become digitized.

We are looking for a national policy to start with. It's critical for Manitoba to have a provincial strategy so we can work with our communities. We need the leadership from around this table and, I'm going to say, from around this room as well—from the department, from the governments, from our leaders, and from our communities.

You said many years ago that the Shriners put together an endowment plan. They were recognizing the future. We need to do that now, and if endowment plans are the solution, they take time to build, and we're losing things. So, please, if you can, give us a national museums policy so that we can work provincially and in our communities.

That's it.

The Chair: Thank you very much.

We've heard from everyone, and that's great. We have come all this way, and it's great to hear from everybody.

I have just a couple of statements to make, and then I have one question.

First of all, I feel that programs sometimes are very complicated, and I think they should be easily accessed. Sometimes there should be broad parameters established, at least for certain parts of things, so that people can work within those parameters without having to take six months to get something together to apply for something that might just keep the lights on. Programs should be devised to be a little easier to get at.

I do know of various other people in other lines, who, when the money is there, and the program is there, and they've spent six months trying to access that money, still have never found out how to trigger it. If money is to be there, it has to be accessible.

Ever since I've sat around this table, I've heard "long-term sustainable funding", whether it comes from the CBC or whatever. I know as a businessman I had to look ahead and make sure I could cover my costs. I could project myself ahead to estimate how much money I could make or could potentially make in those times.

Endowments I've already touched on.

Sometimes I think rules and regulations have to be a little less stringent. Sometimes I've heard people say, "Well, you know, if I could just get some government funding". I've said, "Sometimes what happens when you get government funding is you get all of these other things along with it". You might, on a \$100,000 project, get \$10,000 from the government, but then you have to do it the way the government says. So you have to follow all the rules and regulations that come into play to get that funding.

I'll look at one little "for instance". My office is over in the Justice Building, and across the road there's a heritage building that's going to get a paint job. I happen to have been a painter all my life, and I could have had the place painted by the time they got the scaffolding up and all the protection around and everything like that. That's just the way it goes. That's how far the money goes sometimes.

I live just outside of Stratford, Ontario. We have quite a problem with our museum in Stratford. It's looking for a home. It's been kind of beat up a little wee bit. And I know the library is looking for a home, and the archives. I couldn't even work in the archives. I'd be stuck between the rows, and they'd have to extricate me.

• (1745)

Mr. Jim Abbott: There's a solution to that, Mr. Chair.

The Chair: But I think sometimes some of those things....There's another solution, too. When the library needs more space, and the archives need more space, and there's no space where they presently are.... I think it would be great if some of these institutions could be put in proximity to each other so they could use the same parking spaces, maybe have one common area, so that if the museum wanted to put on a presentation they could do that, and if the library wanted to put on things, they could use the same area.

With that said, I do have a question.

On June 6, this Standing Committee on Canadian Heritage did a review of the Canada travelling exhibitions indemnification program. Under this program, the government assumes liability for any loss or damage that may occur to objects displayed in travelling exhibitions. The committee has to report back to the House about this program within a year.

To what extent are you satisfied with this program? Could the program be improved?

Mr. John McAvity: We're very familiar with this program. We were involved in its inception and in fact pushed for it. We're very pleased with this program.

Could it be expanded and improved upon? Yes, it could. I think we now have a number of years of experience under our belt. We've seen there have been no claims and the program has worked very smoothly, and we would hope the program would be broadened to include a wider range of exhibitions.

Eventually, if we are holding in trust objects of national importance and significance, why can't the Government of Canada indemnify all of the museum collections in Canada in the name of the public interest? That would be a no-cost way to save museums from having to pay insurance—and I don't have to tell you how expensive insurance is.

We've actually looked at setting up a program called reciprocal insurance, which is how the universities do it. We have a group insurance plan now with about 350 museums in it, but we'd gladly dismantle that program and have it covered by a federal indemnity program. This does exist. Some governments also indemnify boards of trustees. In Nova Scotia, this is now happening, so that the charities do not have to purchase directors and officers liability insurance. In some states in the U.S., they do the same thing.

These are very expensive insurances that we have to have, and there has never been a case where a museum or a non-profit organization has been sued in Canada successfully. There have been some attempted suits, so there are legal costs, but this could be covered.

• (1750)

The Chair: Thank you very much.

Monsieur Kotto.

[Translation]

Mr. Maka Kotto: I request unanimous consent from committee members to table a motion pertaining to the discussion that has just taken place.

Hon. Mauril Bélanger: At the next meeting.

Mr. Maka Kotto: Yes. I'm working on the assumption that the House will be adjourning Thursday. We may not have a meeting on Thursday.

Hon. Mauril Bélanger: We'd have the motion by Thursday. Mr. Maka Kotto: Yes.

[English]

The Chair: The thing is-

[Translation]

Mr. Maka Kotto: I could easily read it to you.

[English]

Mr. Charlie Angus: Let's hear it.

The Chair: Okay.

Mr. Jim Abbott: The interpreter asked that you read it very slowly, please.

[Translation]

Mr. Maka Kotto: Fine then. It reads as follows:

That, in the Committee's opinion, the government implement as soon as possible the new museum policy discussed in 2005 and respect the work and consultations undertaken by the Department; that this new policy, once developed, be studied by the present Committee before its introduction in the House; and that the Chair report to the House.

[English]

Mr. Jim Abbott: I think that could be a notice of motion, and we could debate it next Thursday.

The Chair: I would suggest that.

Mr. Charlie Angus: Mr. Chair, my understanding is that we aren't meeting on Thursday.

The Chair: That was the one other thing I wanted to talk to people about.

Mr. Charlie Angus: It seems to me this would be a perfect time to go around the table and just get a sense of whether we support this or not. Otherwise it stays until October.

The Chair: I would suggest that we try to get together for a little time on Thursday, because I think only about three people have made any suggestion of what we want our analysts to do over the summer and what our program is going to be in the fall. So I would suggest that we have a meeting on Thursday, at least for an hour, and we can discuss this then.

The meeting is adjourned.

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