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## **Standing Committee on Canadian Heritage**

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**EVIDENCE**

**Wednesday, September 27, 2006**

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**Chair**

**Mr. Gary Schellenberger**

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Wednesday, September 27, 2006

• (1530)

[English]

**The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)):** I'm now going to call to order meeting thirteen of the Standing Committee on Canadian Heritage.

Today we welcome witnesses from the Canadian Broadcasting Corporation. Our orders will be, pursuant to Standing Order 108(2), a study on the actual mandate of the Canadian Broadcasting Corporation.

I would hope we can keep to the agenda on the mandate. I would hope that would be our goal.

We welcome Mr. Rabinovitch, who is the president and CEO and the chair of the board of directors.

Mr. Rabinovitch, please.

[Translation]

**Mr. Robert Rabinovitch (President and Chief Executive Officer and Acting Chair of the Board of Directors, Canadian Broadcasting Corporation):** Thank you, Mr. Chairman. Members of the committee, thank you for inviting us to appear before you. This is our first opportunity to meet with this committee. So I'm looking forward to having a real dialogue with you today. To help to do that we will be making only brief remarks, then we would like to hear your questions.

With me today are Sylvain Lafrance, Executive Vice-President, French Services, Jane Chalmers, Vice-President, CBC Radio, and Richard Stursberg, Senior Vice-President, CBC Television.

[English]

You've asked us to talk about our mandate, and we will, and hopefully we'll have a discussion on this, but our mandate is clearly stated in the Broadcasting Act. It is literally to inform, enlighten, and entertain. It's a very broad mandate, and it hasn't really been reviewed in 16 years. A lot has changed since then, and that is why I and my board agree that a mandate review is essential at this time. We think, quite frankly, it should happen on a regular basis, because it's the only way to ensure that we're still doing what Canadians want us to do.

I have in the past summarized our mandate this way: to create audacious, distinctive programming, programming that reflects Canadians and Canada's regions, programs that help tie the country together and explain great national and international events, programming in all genres, with emphasis on news and current

affairs, drama and culture, and not forgetting our very special responsibility to children.

In a minute I'm going to ask each of our vice-presidents to talk very briefly about what this means in their services, but I would like to make two points.

First, we're not the only ones who make Canadian programming, and I dare say we're not the only ones who get government funding to create Canadian programming, but we are the only ones who can make it available in prime time, when people are actually listening and watching. We offer Canadian stories that reflect individual communities as well as the entire country. We do this in English, in French, and in eight aboriginal languages.

Second, broadcasting is an industry that is going through dramatic and dynamic changes, literally changing almost by the day. If we're going to continue to reach Canadians, we have to reach them when and where they choose, whether it's on the Internet, on cellphones like we did with the Olympics this year, on satellite radio, or on new platforms that are just being developed and being discovered as we speak.

That said, traditional media like radio and television will not disappear. These two things, producing Canadian content and making sure it is available when and where Canadians can use it, costs money, more than we can expect from government. As long as that is the case, we have to find the money to continue to fill our mandate wherever we can. We have to be creative and innovative in looking for funding sources.

In some cases, this means commercials. In other cases, it is finding new funding sources. That is why, later this afternoon, we will be filing our submission to the CRTC television policy review, proposing that all broadcasters, not just specialty channels, should receive subscriber fees for the programming they create. It's one way to ensure that there will be specific resources available for CBC/Radio-Canada to provide the programming services that Canadians want.

We want to constantly re-examine what we do. We need to take risks, which means we will not always succeed. Like any other broadcaster today, the pace of change forces us to experiment with new platforms, new genres, and new programming concepts, not all of which will work, but they all must be tried. Serving Canadians demands no less than continuous renewal.

I'm sure of one thing: Canada has few means at its disposal to bind this geographically dispersed and culturally diverse country together, and public broadcasting is one of the most essential instruments for doing just that.

• (1535)

[Translation]

I will now give the floor to my colleague Sylvain Lafrance, who will speak to you about French services.

**Mr. Sylvain Lafrance (Executive Vice-President, French Services, Canadian Broadcasting Corporation):** Thank you, Robert.

Almost one year ago, all of the French services were reorganized under a single vice-president. I would like to say that one of our fundamental roles at Radio-Canada, and one of our corporate objectives, is to improve democratic and cultural life, with all that that entails in the 21<sup>st</sup> century.

Improving democratic life by providing quality information in the 21<sup>st</sup> century means much more than it did in the 20<sup>th</sup> century. The same thing is true for culture. Today's definition of culture is very different from what it was, because of globalization, immigration, new means of communication and for many other reasons as well. In order to do this, democracy and culture must be defined.

Our action plan is based on three main components that will guide us for the next three or five years. The first element is of course distinctive and high quality programming in terms of content and technical quality. We want to ensure that we are always in the forefront as far as the means of distributing content are concerned, and to help bring Canada to the state-of-the-art level for all forms of content distribution that may exist, so that Canadians continue to have access to quality content that speaks to them.

The second element is the integration of our services, that is to say that we have integrated all of our radio, television and web services under a single management group. We are also integrating all of our management activities, because we believe that the best way to confront the technological changes and all of the new platforms is to create a very strong brand, which is that of the public broadcaster, that showcases the very strong values and that we will now be able to broadcast over all of the new distribution technologies. Therefore, the integration of services component is an extremely important one for us.

The third component deals with human resources management, as much our own employees as the thousands of people who work with Radio-Canada—musicians, artists and authors—to create the content that we broadcast. We want to improve all of our labour relations, both with our own staff and with all of the stakeholders who work on public services every day. This is the third main theme of our action plan for the next few years. All of this with a goal to simply improve overall content and the overall choice we offer to Canadians.

We often hear that people hope that Radio-Canada will be everything to everyone, and I often respond that yes, we can cover almost everything for everyone, but not on all platforms at the same time. We have radio, television, and the web. There are a huge number of different platforms, and the more time goes by, the more fragmentation there is, and the more we will choose the best

platforms at the right time and with the right content. I believe that we are currently building the structures and giving ourselves the means to do so.

Thank you. I now give the floor to Jane Chalmers.

[English]

**Ms. Jane Chalmers (Vice-President, Radio (English), Canadian Broadcasting Corporation):** Hello.

I don't know about you, but to me, as you scan through your radio in your home or when you're driving—albeit carefully, with your eyes on the road—you don't even have to look at the dial. When it stops on CBC radio, you know you're on the public broadcaster. I think it's important to note too that around the world, our programming is acknowledged as some of the best anywhere. We're heard extensively around the world.

I wanted to set it up that way because I believe we are a cherished institution for many Canadians. We've heard, and I know many of you have heard, anecdotes about how relatives and friends talk about listening to some of this great programming, one in one part of the country, another in another part of the country. They say, "This makes me feel like I'm a Canadian." It's a shared experience.

At its roots, English radio was built on a very strong foundation of local service. Our regional stations are there deliberately. Obviously, on a journalistic level, it's to explore the stories and issues of the community, but as well, on a cultural level, it's to expose and discover and showcase a wide array of artistic expression. What's unique about this is that it's always done from the perspective of the communities in which our stations live. Our network journalistic and cultural programs, which, as I said, are recognized internationally for excellence, are informed and nuanced by the work of those local stations. Our goal at radio each day is to provide the highest-quality public service radio programming we can—locally, nationally, and internationally.

I want to give you a quick purview of the scope and depth of CBC radio. I understand that some members on the committee are new, so give me a moment to tell you about our service.

We operate three networks. We have 37 stations across Canada, and news bureaus in 15 more. We produce 70,000 hours of original programs each year. We broadcast more than 725 live concert recordings. We program in English and in eight first nation languages across the north. As I said, local, and strengthening our connection to Canadians in their communities, remains our greatest focus. In the past few years we have moved more network production to the region. We've expanded local programming, starting most recently with the afternoon drive show—an extra hour—to reflect local traffic and listening needs.

We've also talked about what the role is of each of our three networks against this objective—to become more relevant to more people in more ways—because broadcasting is evolving very quickly. Radio One is a broad-based service, connecting Canadians to their communities, to the country and the world, through a broad mix of journalistic, cultural, and entertainment programming. Radio Two is our adult music service, and it has an emphasis on classical music, jazz, and higher arts. Radio Three is a contemporary music service for younger adults.

This drive for relevance that I've talked about is also taking us to new platforms, such as satellite, podcasting, and other digital delivery. We are developing now a new generation of listeners by being on the leading edge of new platforms. One example is with podcasting. This is a huge success for us and, I would say, for Canadian content. Each week we have 200,000 downloads, and these are largely from the feedback. These are new listeners who are discovering content that many of us listen to on the radio through other means.

Looking forward, we're working toward a vibrant Canadian radio service that continues to embrace programs defined by their creativity, depth, and intelligence. We see a radio service that is more celebratory of high-quality Canadian cultural and artistic expression. We will continue to pursue diversity as a core value. We envision traditional, over-the-air broadcast, combined with more on-demand content, to reach more Canadians, and one that expands its commitments to local communities across the country.

On that, I will end by telling you that means more stations. Six million English Canadians in urban centres across our country have no local service and no consistent conduit to our national airwaves. It is for us an unacceptable void in our service.

Richard.

● (1540)

**Mr. Richard Stursberg (Executive Vice-President, Television (English), Canadian Broadcasting Corporation):** Thank you, Jane.

It's a pleasure to be here.

At CBC television we're driven by a very simple focus: to make programming that better connects with Canadians, programming that matters to them and that they want to make a part of their daily lives.

English Canada is the only place in the industrialized world whose citizens overwhelmingly watch the programming stories of another country. We've been making changes that we hope will allow us to bring to air more and better programming by, for, and about Canadians. We've made key appointments in important program areas such as arts and entertainment, factual entertainment, and documentaries. Indeed, the new head of documentaries, Mark Starowicz, last week received the Governor General's performing arts award.

Like other major broadcasters, we're moving to a 24-hour-a-day schedule so that Canadians will be able to watch the programming they want when they want to watch it. We've adopted a new approach to program development focused on more long-running series, to build loyalty among viewers.

Our efforts, I think, are starting to bear fruit. We have new programs such as *Intelligence*, the crime and spy series, and the 20-episode comedy series *Rumeurs*—or *Rumours* in English—which was a huge hit and is still a huge hit on the sister network at Radio-Canada. We have a new lifestyle show hosted by Gillian Deacon and have re-developed *The Hour* with George Stroumboulopoulos at 11 p.m. on the main network.

We've created a new home for independent and in-house documentaries on the main network's prime time schedule, at 8 p.

m. on Thursday nights. We're also continuing our tradition of commissioning dramatic adaptations of the highest-quality Canadian literary and theatrical works, with projects based on Margaret Atwood's *The Robber Bride*, Guy Vanderhaeghe's *The Englishman's Boy*, and Mordecai Richler's *St. Urbain's Horseman*, all of which are now in production.

But we still have important work to do. New platforms, new technologies, and an increasingly diverse and demanding audience require that we evolve. We can no longer think of ourselves solely as a television broadcaster. We are a content producer and distributor, and it is incumbent upon us to get that content to Canadians via the medium of their choice.

In a similar vein, we're also exploring how CBC news would evolve in the changing media world. CBC news is the cornerstone of the service we provide to all Canadians, and we want to make an outstanding product even better. This process will result in a three-year strategic plan for CBC news that we hope to begin implementing in early 2007.

We are trying to effect significant change at CBC television, and not all of it is easy; nor is it without risk. Programs will fail. Some ideas won't work. But if we are to have a national public broadcaster that is relevant, that Canadians want to make a part of their daily lives, then we must listen to them and provide them with the programming they want, and that means taking risks. I believe we're on a path that will allow us to do just that.

Thank you very much.

● (1545)

**The Chair:** Okay. Are there any questions?

**Hon. Mauril Bélanger (Ottawa—Vanier, Lib.):** How much time do we have individually, Mr. Chairman?

**The Chair:** Five minutes.

**Hon. Mauril Bélanger:** Five minutes? We're going to decide the future of CBC in that time?

Mr. Chairman, I want to focus on something not in terms of the actual programming, but I need to set the stage.

In the previous Parliament this committee spent a lot of time looking at Canadian broadcasting, the CBC in particular. There seemed to be a consensus around this table that there needed to be a review of the mandate of CBC. The minister, when she was in the opposition, had supported that, as the minister supported that same thing. Then in June things came to a halt. For some reason the decision was made somewhere that we were not to proceed with a review of the mandate of CBC, which is unfortunate, because there seemed to be a bit of goodwill all around to at least look at it.

I'm going to imagine that at some point in the future this will occur. It has to occur. My question is for that reason.

I would like to know what elements, in your opinion, should be included in the mandate review. What should be looked at as a minimum and what would be nice to be looked at? For instance, in the area of the overall orientation of CBC, more or fewer commercials would seem to be a fixation for a lot of people, including our Prime Minister. And what funding formula should presumably be looked at also to accompany whatever orientation we wish to determine? How should technology be reflected in the mandate review, and the relationship of CBC with the universe of broadcasters, or the relationship of CBC with the CRTC? Should there be any regulatory or legislative review?

I would like to know.... I understand you haven't got enough time to answer all of this, so I'll invite you to say what you can, but also to forward some documents, some thoughts on paper, to all of us, because I expect we will keep pushing and will eventually see such a review.

So what are the minimum elements, in your opinion, that would have to be looked at in such a review, and what are the ones that would be nice to be looked at?

● (1550)

**Mr. Robert Rabinovitch:** You've really thrown me a big fat football. It's hard to give you a comprehensive answer, but I think you began to hit on some of the most important elements of such a review.

Personally, I believe that the review has to be comprehensive. One of the most difficult aspects of broadcasting is how elements interrelate, one with the other. If you're not in commercials, then perhaps you're not in sports programming.

I'm not sure whether a mandated review should get into specific types of programming, but it should get into questions like regional programming, local programming, and national programming. The act does talk about that, but at this point, the funds available in some ways limit our ability to do all things on top of all of our services.

The other reality is that the technology is changing so dramatically and so drastically. There are people who believe that IPTV, Internet protocol television, is the future. People will be able to choose the service they want, when and how they want it, and choose the program they want. We already have a situation in the United States where programs are shown, and then literally the next day, for 99¢, you can buy access to a program on your own. So you can see it when you want.

The whole concept we grew up with and that we wrote the 1968 and 1991 acts in, which was basically linear services—radio and television, and English, French, and aboriginal languages—is and must be up for discussion. In doing so, I think we have to look and ask, what is the role of the public broadcaster within this context? What is the best way to finance the role of the public broadcaster?

My personal feeling is that there should be a mandated review on a regular basis, as there is in the United Kingdom. As the government defines the mandated review—which is sort of a contract with Canadians—the review also defines the extent to

which the government is willing to finance the services it wants its public broadcaster to undertake.

I don't want to skate around, because I think your questions are extremely important. They are the right questions. And as I said before, we can go beyond these into the question of regional versus local. Then there's the question of whether we can do it in all our services. We believe that all the services where Canadians want programming—whether it's news, current affairs, drama, and other programs—have to be available to Canadians. We feel we must be there because Canadians are going to choose, and everybody is going to choose different ways of doing it.

I'm sorry I'm going on a bit, but it's such an important question.

The iPod story is very interesting. Our audience for radio skews old, to about 50-plus years of age. But as we've been accused sometimes, we don't have to dumb down to capture a young audience. On the contrary, a young audience—my kids—would be insulted if you told them that you have to dumb down to get them. What we're finding with iPods is that young people are discovering some of our more complex radio programs, such as *Quirks & Quarks* and *Ideas*. These are the programs they are downloading from us.

They can download their music from Radio Three, but they can download music from other places.

But to us, we're creating a new market of 18- to 35-year-olds and giving them access to programs, so they don't have to listen to *Quirks & Quarks* at noon. They can listen to it when they want, how they want.

It's all these issues that must come together when you do a mandated review.

**The Chair:** Thank you, sir.

Mr. Kotto.

[*Translation*]

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

First of all, allow me to congratulate the SRC, both radio and television, for the quality of its recent programming. We have been able to appreciate it lately, at least since the last time we saw each other. We have observed a rather positive evolution. Moreover, we listen to our constituents, and from that end, the comments are very positive. You are moving in the right direction.

Having said that, I would like to know what the situation is within the corporation in comparison to where we were when we last saw each other. Are things going better, as far as the unions are concerned? What is your current situation as far as labour relations are concerned?

•(1555)

**Mr. Sylvain Lafrance:** I can state that things are going rather well. This is one of the main areas where we would like to see some improvement. Over the last three months, we signed two significant collective bargaining agreements for which the rate of acceptance was rather high. Both sides have shown a great deal of maturity. Currently, we are negotiating with the directors' guild, but we have no reason to believe that there will be any particular difficulties. There are many negotiations underway with the artists' unions. We are also maintaining contact with the guild. People are often under the impression that the guild represents anglophones and that Quebec unions represent the francophones, but that is not quite right. In fact, the guild represents all employees who are outside of the Quebec and Moncton regions. Therefore, we have regular contact and discussions with the guild on issues that can arise concerning the management of French services.

Overall, I think that things are going rather well.

**Mr. Maka Kotto:** I have thousands of questions to ask you, but we have very little time. I know that Mr. Chairman is watching me out of the corner of his eye. I'll ask you some straightforward questions.

Do public radio and television still have their place, in the era of globalization?

**Mr. Sylvain Lafrance:** More so than ever, because the only way in my opinion to maintain our credibility will be to have strong credible branding, and the only way to get robust Canadian content will be to have the businesses that are capable of producing it.

I will give you a few simple examples as far as French services are concerned. Currently, the only mass media undertaking capable of serving francophones outside Quebec is Radio-Canada. The only mass media undertaking capable of speaking to all Canadians across the country is Radio-Canada. The only mass media company capable of opening the doors of the world to francophone Canadians is the French service of Radio-Canada. In my opinion, it is extremely important. The more fragmentation there is, the more dubious information there will be, the more important it will be to have very strong and credible broadcasters, and the public broadcaster will be part of that. This is a major democratic and cultural issue. It is a major issue for socially important questions like cultural co-existence and understanding of the great international problems.

The public broadcaster will always serve as a gauge of quality in that sense and it will be more useful than ever in the 21<sup>st</sup> century, much more useful than it was during the 20<sup>th</sup> century, in my opinion.

**Mr. Maka Kotto:** We know what your mandate is. We will not dwell on that subject, but do you, objectively speaking, have adequate means to fulfil it?

**Mr. Sylvain Lafrance:** That depends. As I was saying earlier, some people want Radio-Canada to be everything to everyone. For example, a lot is asked of us in the regions. As far as covering world news is concerned, we would need much more in order to be able to do it properly, but of course, we do not have the same means as other great international public radio broadcasters. If we look at how much is spent per capita on public broadcasting services in Canada, it is much less than in many other countries.

We could offer even better quality programming if we had more funding. Having said that, I think that given our current funding, we produce quality public radio and television.

**Mr. Maka Kotto:** Some organizations funded by Canadian Heritage have had problems recently with the new government. In your case, this spring, you will have to table a request for supplementary estimates. Do you have enough time to do so? Has this been done?

**Mr. Robert Rabinovitch:** We have not asked for supplementary estimates and Treasury Board studied that last week. For the sixth year in a row, we were granted 60 million dollars for programming with the private sector. We were given the same amount of money and the same increase of 60 million dollars, one year at a time.

**Mr. Maka Kotto:** I have other financial questions. Certain rumours—I still have connections in the production world—have been brought to my attention. People are saying that you are having trouble with the Canadian Television Fund. Can you talk a bit about that?

•(1600)

**Mr. Sylvain Lafrance:** All of the broadcasters could talk about operational difficulties, that is to say constraints that are imposed on us, for example for the negotiation of rights. When we appear before the Canadian Television Fund, the only thing we can negotiate are licences, we cannot negotiate any other rights tied to other platforms. This, in my opinion, does not correspond to the needs of the 21<sup>st</sup> century. When we decide to commit to a significant production, it is important to know how we will best be able to make use of it. Will we be able to run it on DVD, broadcast it, broadcast it on the radio or in some other form?

Currently there are huge limitations involved with the Canadian Television Fund. For us, these constraints are less and less acceptable. If we invest significant amounts to produce, for example, the show *Rumeurs*, we have to know what all of the various platforms will generate for us. I feel that such constraints create major difficulties and do not correspond to the environment towards which we are heading.

[English]

**The Chair:** Thank you.

Mr. Angus.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Thank you very much for coming again to the heritage committee.

I want to follow up on my colleague's question about the mandate review, because it was our understanding that with our new minister the mandate review would be one of our first steps taken. We were very much under the impression that the mandate review was going to be announced at Banff, then suddenly it disappeared. Were you expecting a mandate review this spring? What did the minister tell you about not having a mandate review?

**Mr. Robert Rabinovitch:** We were never given the precise date as to when there would be a mandate review, but I did have discussions with the minister, and the minister has said publicly that she would like to undertake a mandate review.

There are two other reviews going on at the present time, and I suspect that she would like to have some of the information from those reviews, especially the section 15 review that she asked the CRTC to undertake—in other words, a definition of what's going on and what has happened and what can be anticipated from a technological point of view. That report is expected by December 14, and I suspect that it might actually enrich the mandate review by elaborating on—what I was saying before to the member—the technological changes that are happening, that it would enhance the types of questions she might be asking in the mandate review.

**Mr. Charlie Angus:** Once again, Mr. Rabinovitch, you are in the position of being both chair and president. Have you spoken with the minister about when a replacement will be named? Is there any sense of how that process will be undertaken?

**Mr. Robert Rabinovitch:** It's really in the hands of the government, sir. I have no idea whatsoever.

**Mr. Charlie Angus:** But have you spoken with them?

**Mr. Robert Rabinovitch:** I have spoken only with the deputy minister, who has told me that she believes they may move forward. They'll move forward with due haste, as they say. I honestly don't know when, and we will govern ourselves accordingly.

**Mr. Charlie Angus:** Do you speak very often with the minister at all, or do you deal with her assistants?

**Mr. Robert Rabinovitch:** I speak from time to time with the minister. It is not normal for the president of the CBC to speak regularly with the minister, as we are an arm's-length independent agency. I do speak to the deputy from time to time—and she talks to me as well—as to what is going on within the government.

**Mr. Charlie Angus:** Thank you.

I don't want to second-guess decisions, because, as you say, you have to take risks in television, but when we met last October you were very emphatic; you said, "We do not do reality TV. Other people do, we do not." It seemed to me that was a very clear part of your mandate for a framework of television. Then this summer we had *The One*. We bumped *The National*. It caused quite a national stir and then it bombed after two weeks. Whether it bombed or it didn't is neither here nor there to me, but what is important is that we had a very clear understanding at committee that the CBC had a very clear vision about what it did and did not do. I'm wondering, did something change dramatically in the six or seven months between deciding on that show and when we were told that we would not have reality TV?

**Mr. Robert Rabinovitch:** I must admit, sir, that the answer I gave is unambiguous to a very ambiguous situation, and that I was really talking about a type of reality program. There is no question I said what I said, but I was really talking about a particular type of reality program that I think is not appropriate for a public broadcaster. But as I was speaking, we were doing shows like *The Greatest Canadian*, which is a reality show. We did *Kraft Hockeyville* and we're doing a show right now called *The Great War*. These are reality shows. But what we will not do is shows like *Fear Factor*, *Extreme Makeover*, and *Survivor*, particular shows that stress plastic surgery, sex and humiliation, and eating of insects. I was too general in my answer at that time, because in fact we were doing some forms of reality shows. I simply think we have to do our shows much more carefully and with taste.

● (1605)

**Mr. Charlie Angus:** On the decision with *The One*, because it didn't do very well out of the U.S. and it was an American program, do we do Canadian-type reality? Do we report American reality? Obviously we're not going to do bugs, but what are the criteria for deciding good reality TV that CBC partakes in, as opposed to bad?

**Mr. Robert Rabinovitch:** We will do reality TV, and I think it's important that we do some. I think it has to have redeeming graces and reasons. It's a perfect opportunity for me to throw the ball to Richard, to give you a more elaborate answer.

**Mr. Richard Stursberg:** It may be of interest to people to track back through what the controversy over *The One* was about, since I think sometimes it was a little bit misunderstood.

*The One* is a show that in French Canada was known as *Star Academy*, with big success in French Canada, having that on our network. And it has been a huge success for the BBC, for example. The show is essentially a celebration of young talent. You get a bunch of talented young people, you put them together, you train them, and then there's a competition to see who is the most talented. So the idea is to promote talent.

The format for *Star Academy* has been pursued in countries all over the world—public broadcasters, private broadcasters—very, very successfully. So we had entered into a conversation to do a form of the Canadian *Star Academy* in English. What happened was, during the course of our concluding this, ABC in the United States decided that they would like to do *Star Academy* too. We thought, "Well, that's nice; that's interesting." They were going to do it in a slightly different way. They were going to do it in the summer, and our plan was to do it in the late fall.

So we bought the American show, because we thought buying the American show would do two or three good things for us, one of which is that it would allow us to sort of educate the English Canadian public as to how the format works; secondly, it would provide us an opportunity to learn what they did right and what they did wrong; and thirdly, it would allow us a tremendous opportunity to be able to promote the Canadian show that would be coming out in the fall.

When we bought the show, the only way you could do that as a practical matter was to simultaneously substitute the American show, which would have been sitting on ABC, and overlay our signal onto that. In doing that, we don't control what time the Americans want to put the show on. We don't have control over that. They put the show on, and then we're stuck with taking whatever time they put it on. So that's what happened. Then, unfortunately, ABC, to be perfectly honest with you, made something of a botch of the show, but they also put the show on at a time that forced us to move *The National* from its traditional time slot. That's more or less what happened.



From our point of view, we obviously don't like moving *The National*. We don't like moving *The National* for anything, if we can possibly avoid it. So what we tried to do was make sure that *The National* was available on Newsworld—so it was available at 9 o'clock on Newsworld, 10 o'clock on Newsworld, and 11 o'clock on the main channel—and then we tried to point people, as effectively as we possibly could, to Newsworld to make sure that nobody would actually miss the show. We actually did, I think, a pretty commendable job, since, interestingly, the numbers for *The National* on the nights that *The One* was on were higher than their summer averages. So we think we learned something. That had gone reasonably well.

That said, obviously, when it comes to a show like *The National*, what you want to do is limit, to the maximum extent you possibly can, moving it around, because it's fundamental to English Canada.

• (1610)

**The Chair:** Thank you very much for that. That was a little over time, but....

Mr. Lukiwiski, please.

**Mr. Tom Lukiwiski (Regina—Lumsden—Lake Centre, CPC):** Thank you very much, Mr. Chair.

Mr. Rabinovitch, thank you for being here.

I'm going to narrow this down a bit and talk about an incident I feel certainly does not conform with your stated mandate. Let me start off by giving you a hypothetical.

Let's assume for a moment there was a movie made. The movie claimed to be in the year 2006 and was a movie about the CBC. In this movie there was a character who portrayed the role of the president of the CBC, and this character's stage name in the movie was Robert Rabinovitch. This character was portrayed in the movie to be a member of the Ku Klux Klan, and clearly, sir, you are not. This character also was portrayed in the movie to be an alcoholic, and I can only assume, sir, that you are not. Also, this character in the movie, let's assume hypothetically, was portrayed to be a corrupt individual and someone who was engaged in many illegal activities. I can only assume, Mr. Rabinovitch, that if this movie aired you would be very much offended by the characterization and the tarnishing of your reputation, particularly since many people in this hypothetical situation consider this movie to be factual.

Obviously, sir, I'm not going to get you to comment on a hypothetical, but as you well know, there was an instance that was very similar to this and it was not hypothetical, it was real. It was a movie that played on CBC called *Prairie Giant: The Tommy Douglas Story*. In that movie the character of the Honourable James Gardiner, a former Liberal Premier of Saskatchewan, a former Liberal cabinet minister, and in fact I think the longest-serving Minister of Agriculture in the history of Canada's Parliament, was portrayed in exactly the light that I have given in the hypothetical.

I never had the privilege of meeting Mr. Gardiner, but by all accounts he was a very highly principled man and very moral man, a man who stood up against the Ku Klux Klan in Saskatchewan in the 1930s, when it was not popular to do so. He was a man who was not an alcoholic; in fact he was a teetotaler. This was a man who was mischaracterized so severely in this movie that it's moved his family

on many occasions to communicate, or at least try to, with your organization to get this situation rectified.

My question, Mr. Rabinovitch, is how does this movie, which clearly misrepresents the reputation of a great Canadian, enlighten Canadians, particularly school children? At this point in time there are over 10,000 copies of the DVD of *Prairie Giant: The Tommy Douglas Story* in the hands of Canadians through libraries and schools.

I know there have been some attempts by CBC to rectify the situation. To your credit, you decided to pull a rebroadcast of this movie in June, but there's been precious little done, in my view, beyond that. There has been no effective disclaimer put on. I do not know whether CBC ever plans to rebroadcast this. There certainly hasn't been a disclaimer that meets the approval of the Gardiner family.

I am concerned, sir, that as a national public broadcaster, receiving public money, you would air a movie like this that seriously besmirches the character of someone who was not on the same side as I politically, but was someone who represented our province and country very well. Frankly, sir, I think it was disgrace. I was appalled when I saw the movie. I should say my son appeared in that movie as an actor, so I had a great interest in the movie, but when I saw the characterization of Mr. Gardiner, I had no qualms about standing up to what I believe was an intolerable act from a national broadcaster.

I ask you, sir, again, how does the airing of that movie help enlighten Canadians, particularly school children?

**Mr. Richard Stursberg:** After the film was first aired we received representations from a lot of people, not just the Gardiner family, that the portrayal of James Gardiner in *Prairie Giant: The Tommy Douglas Story* was unfair. This was not really an issue of legal liability; it was really to your point that there was a question of fairness at root. If you identify a person by name then I think you have an obligation to be true to the nature of their character, particularly if they're dead and they can't defend themselves.

When these representations were made to us we asked an historian at a western university who was an expert in the period to look at the film and tell us whether he thought it was fair. This was somebody who was unconnected to the Douglas or Gardiner family. He came back to us and made many of the points that were similar to the points you've just made. He said he thought the characterization of Jimmy Gardiner was unfair in the sense that he had been pro-immigrant, he had actually struggled against racism and the Ku Klux Klan, and so on and so forth.

That being the case, we thought we had an obligation then to deal with the matter. We decided we would not broadcast it again, not just in June, but we will not broadcast it again period. We put a freeze on the distribution of the DVDs and we advised those people who had already bought the DVDs that we had some concerns with respect to how Jimmy Gardiner had been portrayed in the film.

• (1615)

**Mr. Tom Lukiwiski:** Thank you for your comments.

How did you advise the people who bought the DVDs that the portrayal of Jimmy Gardiner was inaccurate?

**Mr. Richard Stursberg:** Actually, there hadn't been a lot of them bought already, so we sent them a note. Then we put a further freeze on all sales of the DVD.

One of the important things to bear in mind is that this is not the CBC's property, but belongs to the independent producer who made it; recently we've said to the producer that we're perfectly happy to give back the distribution rights and any further showing rights, and you can do with it what you want. That's the position we've taken.

I only say that to show we don't disagree. It has raised some broader issues for us—very interesting issues that we're going to try to think very hard about over the next little while—as to how we draw the line appropriately between taking the necessary kind of artistic licence to make something dramatically compelling when you're doing an historical piece versus being fair to the people who are characterized within it. We take this very seriously, and I think we've tried to deal with a lot of the things you've said that way.

**The Chair:** Your time is up. It's seven minutes.

Mr. Simms is next.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-  
sor, Lib.):** Mr. Rabinovitch, Mr. Stursberg, monsieur, madame, it's good to see you again. If you remember, I was part of the last session as well, so I'm going to pick up where I left off.

You mentioned that in your regional programming of news you were doing a pilot project—would it be fair to describe it as that?—in three different markets: St. John's, Montreal, and Edmonton. St. John's is extended to an hour.

For the sake of the other members, I'm talking about the supper-hour newscasts that several years ago were reduced from one hour to half an hour across the country. It was detrimental in many markets, because some markets were actually doing extremely well and suffered as a result. There you have it. Would you call the pilot project a success?

**Mr. Robert Rabinovitch:** I would say the one in Newfoundland is a success and is developing. The other two did not work out very well.

**Mr. Scott Simms:** But did you do any?

**Mr. Robert Rabinovitch:** No; we never got beyond the mock-up stage—in other words, trying to put together shows we thought would be different and distinct. We worked in both markets with the people, and we never were satisfied that we had made the progress necessary to have a distinctive, different type of show.

**Mr. Scott Simms:** How do you gauge success, then? Obviously, strictly, you could say that in private enterprise, it's the number of viewers.

**Mr. Robert Rabinovitch:** In our case—because I think we have to start with the understanding that the private sector does this very well—we had to ask ourselves what is distinct, what is different, what the holes are, and what type of programming we could do that would be different and would meet a public service mandate.

Our conclusion was that we did not have, quite frankly, the competence to do it in a way that would be distinctive and different and have a chance to draw a very good audience. I'm not going to say it's going to draw a good audience, but if I may finish, the

consequence of that has been that we've gone back to the drawing board—and Mr. Stursberg can talk to you a bit about that—and we are re-evaluating all of what we do in terms of local and regional news.

**Mr. Scott Simms:** You're re-evaluating it over a period of time, I gather. How are you going about doing it? Is it in a way similar to this one? I ask because I'm struggling to find out how you would gauge the success of a program that never went to air.

• (1620)

**Mr. Robert Rabinovitch:** Well, you can, sir, gauge the success of a program, because you look at it. You do full mock-ups. You run the show and you look at it and you say that this show is not different enough, not unique enough, and we are not ready to put the money in to go the next step. You have to do things in stages, and you conclude in analysis, in looking at it, that you don't have a product that's going to work. That's why many shows don't even make it to air, let alone reach success—because in doing the shows in development, you begin to realize they're not coming together.

**Mr. Scott Simms:** Yes, I understand that in the sense of drama, but I have somewhat of a news background myself, and I just find that difficult. The question remains: are you going to use that same paradigm for your upcoming...?

**Mr. Richard Stursberg:** I've been very preoccupied by the situation with respect to local news. Local newscasts in the CBC have been in decline for 15 years, for whatever reason. At the same time, we know a couple of things about Canadian viewers: for them, local news is exceptionally important.

When we did those pilots last year, we attempted to see whether we could figure it out. What we did when, as Bob said, we tested them was actually take them out and show them to people, and we did focus group tests on them to see which ones we thought would work and which ones would not. One worked out, and the others didn't.

We understand that what we need to do is to think about where CBC news is going overall, not just with respect to local news but also with respect to what Bob was talking about earlier, the fact that Canadians increasingly consume their news on non-television and non-radio platforms. They consume them very heavily on the Internet, and it's going to be on mobile phones by and by. We thought it would be a good opportunity to think very hard about how we ensure that over the course of the next three to five years we deliver news programming to Canadians that is as compelling, as deep, as pertinent, as relevant as we can possibly make it across all platforms.

This turns out to be a fairly complicated thing to think about. That's why I said in my opening remarks that we've done that. We're kind of half-way through it. We expect to have it concluded to a point where we can discuss it with our board towards the end of November, so that we can begin to roll it out probably sometime at the beginning of the new year. It's something Jane and I have been working on very closely together, to figure out how to deal with the kinds of platform integration issues Sylvain was referring to earlier.

**Mr. Scott Simms:** I'm assuming, Ms. Chalmers, you want to talk about this as well.

**Ms. Jane Chalmers:** That's fine.

**Mr. Scott Simms:** What I don't quite understand.... I see what you're saying in an overall programming sense, and I wholeheartedly agree. But when you say to me that after 15 years supper-hour newscasts have declined, my question is, where? Where did it decline?

I think you're looking at it one way, and I'm looking at it another way. In St. John's, it's a success. In Edmonton, it may be a success, but we still don't know. I'm worried when you say it's an "overall strategy", because that's what happened the last time, when they went down to a half hour. You looked at the overall and decided it needed to be cut in half. Lo and behold, regional programming suffered in some of those areas.

**Mr. Richard Stursberg:** Today is actually my second anniversary working at the CBC. Some of these decisions go back a little before my time.

To be honest with you, I agree with you. I think the only way to look intelligently at local offers is to look at them in terms of their local markets and local communities. The idea that you do something as a cookie cutter that applies to every single place across the country in exactly the same way strikes me as being absolutely inimical to the notion of locality and localness.

One of the things we are thinking very hard about is precisely how to get to a situation, with the kind of organization we have, where what we do in each individual area reflects the individual requirements of that area. I have to tell you, I think radio has done an outstanding job of this over the course of the last number of years, and I know Jane is pushing harder and harder in that direction.

It's not something we've done in television. Television, traditionally, we've managed in a relatively centralized fashion. I think in this particular area there's a lot we can learn from radio, and there's a lot we're trying to learn from radio as we move forward, to try to get a better hand on the local issues.

•(1625)

**The Chair:** Mr. Simms, I've given you overtime.

Mr. Malo.

[*Translation*]

**Mr. Luc Malo (Verchères—Les Patriotes, BQ):** Madam, gentlemen, thank you for coming this afternoon.

When I heard that CBC/Radio-Canada was going to broadcast certain events under the auspices of FIFA, I remembered a discussion that I had had with some paralympic athletes on their return from the Olympic Games in Turin. They shared the fact that they were very disappointed with the coverage that those games received, particularly on the French network. In light of that, I am thinking that perhaps there might now be more sports broadcast by French television on Radio-Canada.

**Mr. Sylvain Lafrance:** That is certainly a good way to look at it. When we consolidated the services, we announced the creation of an integrated sports service. We are therefore in the process of rebuilding it, for all of the services. To be honest, we had dropped several franchises and were operating somewhat outside of the group. And so we decided to recreate a sports branch, which would

bring together all of the people working in sports, that is to say some fifty people at Radio Canada.

As far as the right to broadcast FIFA is concerned, I must say that this is really good news, as much for Radio Canada as it is for CBC, for several reasons. First of all, this interests more and more Canadians. It has the enormous advantage of interesting Canadians of all origins. Currently, if there are any sports that bring people of all kinds together, it truly would be those represented by FIFA. We are, of course, extremely happy to have acquired that franchise. Within the sports service, people were of course extremely happy.

The French service is, for us, a starting point. We do indeed wish to build up a franchise that will centre on FIFA, on amateur sport and on sports news. Soon, we will announce the main strategic directions the new sports service will take, but I can tell you that it is already taking shape. Those who are watching us are beginning to have some understanding of what this strategy will be; it will also be based on amateur sport.

**Mr. Luc Malo:** It will not come as news to you that there are still some regions in the Abitibi that do not get Radio Canada signals. I am simply wondering if an antenna, which people want and which is desirable, will someday exist that will cover all of the sectors that currently still do not receive the signals.

**Mr. Sylvain Lafrance:** Are you talking about television or radio?

**Mr. Luc Malo:** I am referring to radio at La Sarre.

**Mr. Sylvain Lafrance:** La Sarre does not have radio reception? Pardon my astonishment, but I believe that it does.

**Mr. Luc Malo:** There are still certain sectors that do not.

**Mr. Sylvain Lafrance:** There are still areas that do not?

We will check on that. I was not aware of the problem. I truly believed that everyone got the signal now, because five years ago, we opened our station in Rouyn-Noranda that broadcasts over the entire territory. I truly believed that signal was picked up across the entire territory, but I will certainly check on that.

**Mr. Robert Rabinovitch:** If there are areas with no reception, that must be corrected.

**Mr. Luc Malo:** Therefore, in your opinion, according to the information you have in your possession, the signal is consistently available across the province?

**Mr. Sylvain Lafrance:** Honestly, I knew that there was a problem at one point in time in Témiscamingue, but I thought that we had settled it. As far as La Sarre is concerned, I am very surprised, and I will check on it.

**Mr. Luc Malo:** So much the better if that problem has been solved.

Currently, the committee is studying the issue of copyright. I was wondering if, with the integration of radio, television and Internet services, this was posing new challenges for you as far as copyright requirements are concerned.

**Mr. Sylvain Lafrance:** Yes, huge ones.

We signed an agreement with l'Union des artistes approximately six months ago. In fact, technology is evolving so quickly that as we were signing the agreement, new gadgets were being invented. For example, podcasting is not part of the agreement with UDA, because it came into existence during the negotiations.

There are therefore a lot of talks with the artists' unions. These are going quite well. In many cases, we have agreements that allow us to do a bit of research and development on the products, but it is complicated, first of all because we are talking about the entire country. It is international, it affects all of the platforms and evolving economic models. Therefore, there is a very high degree of complexity, but we will be successful.

Up until now, this has not prevented us from doing a lot of development in the area of new technologies, while still respecting all of the agreements that we have, without rushing things. We have managed to move forward at a good rate, but it is an enormous challenge, and one of extreme complexity.

**Mr. Luc Malo:** You spoke earlier about podcasting. Can you comment on people's response to this new service, its use and your results?

• (1630)

**Mr. Sylvain Lafrance:** I can say that the service is working very well. I do not know the numbers offhand, but we are very pleased with our podcasting service, including audio podcasting, which can be found on the *Bande à part* service. The service is also available on *Les premières à la carte*, a program that revisits the highlights broadcast on la Première Chaîne. Some programs, including Christiane Charette's, are available as audio podcasts.

We now offer video podcasting. The latest example was a public affairs program on the events of September 11, from a Canadian perspective. The program was video podcast, and we are quite impressed with the results. Video podcasting allows us to reach a younger audience, which is extremely important to us, but it is especially helpful to better understand such emerging technologies, which are very different from what we have been doing until now. So we are very pleased with this development.

[English]

**The Chair:** Thank you very much for that.

Mr. Fast.

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

I want to thank all four of you for coming here. For some of us it's our first opportunity to have a face-to-face meeting with you.

Staff were kind enough to provide members of this committee with some background material, and included in that material is a table that shows the decline in CBC's viewing share, certainly by station group, between 1993 and 2004. It shows that share dropping from a little under 13% to about 6.5%. That's a dramatic decline. That's in all provinces except Quebec. Quebec has a better experience and I won't touch on that this time. But it does highlight some of the challenges that CBC faces.

I had an opportunity to review the Lincoln report, which is a report, I believe, of a previous iteration of this committee. It certainly highlighted some of the challenges you face, the rapidly changing

face of technology, as well as, and perhaps more importantly, the audience fragmentation you face.

I believe it was Mr. Lafrance who referred to the fact that there are some people who want CBC to be all things to all people. I certainly don't subscribe to that view, and my guess is that most of us on this committee acknowledge the fact that it's just an impossibility. Given the fact that we have these huge challenges and that I believe that Canadians do see CBC as having a much more focused mandate than many of the other competitors, such as CTV, CBS, NBC, ABC, the pay and specialty channels, I'd be really curious to hear the president's and the chair's comments on his vision for the future of CBC.

We don't have a lot of time—you probably have maybe three minutes—but perhaps you could give us a glimpse of where you see CBC going to try to fulfill the mandate that you believe it has.

**Mr. Robert Rabinovitch:** As I mentioned when we started, the mandate is very broad and a mandate review would be very helpful, given the new environment, in terms of focusing on what Canadians want us to do. I should note, to start with, that the drop from 13% to 6.5% is now approximately 7%. If I look at my... I shouldn't even call them competitors, because we are different, but we are conventional broadcasters. If you look at Global, they're at about 9%; if you look at CTV, which is by far the leader, they're at about 14%. If you compare them back to the 1990s, we were all in the 30% or 40% range. The world has changed dramatically with fragmentation. Even on the French side, it's amazing how well Radio-Canada has done, given the amount of fragmentation, the number of channels. We're up to 90 channels in some communities, some highly specialized.

This is the reality of the world we live in. Add on to it, of course, iPods and all those things. I think our role is not that complicated. It's complicated in one sense, but it's not that complicated in another sense. I think we have to be the best in news, in local, regional, and national. We have to do Canadian drama; we have to focus on those programs that other broadcasters won't do because of the cost involved. These are very expensive programs, drama, and we have to focus on that. We have to focus on children's programming. And I still believe that we have...there's a French word, *rassembleur*, and I can't think of an English word that makes as much sense. We have to focus on events that pull the country together.

Sports play a unique role in that, whether it is amateur sports or professional sports. I see us focusing on those areas, and that's why, as Mr. Stursberg was talking about before, it's so important that we re-evaluate the news product we give today, given the dramatic changes on how people receive the news. By ten o'clock, if you're interested in an issue, you have probably picked it up on the Internet. You've probably picked it up somewhere else. So a ten o'clock show is not so much a fact show, it is a factual but an analytical show, a show that puts things into context. These types of changes have to develop over time, and those are the types of things we have to do with the changing environment.

I would say Canadian drama, Canadian news and current affairs, be it local, regional, or national, are critical elements of what we must do on the English side. On the French side we have a whole other role, in terms of serving *les communautés francophones hors Québec*. We have a very real responsibility for that, whether it is news or whether it is simply connecting them and bringing them together. Our responsibilities are different, but they are in some ways the same.

•(1635)

**Mr. Ed Fast:** Just so you know, Monsieur Bélanger and also Monsieur Angus said that perhaps the CBC mandate review wasn't going to take place. I don't believe the minister has actually said that. In fact, the minister directed the CRTC to conduct a review specifically of broadcast technologies to create a context for any further reviews that might take place and to establish policy in the future. I think that's probably an appropriate approach to take, because the information you'll be able to assimilate from, say, a CBC review will be much easier to understand when it's placed in the right context.

So, not to discourage you, although I don't know that a CBC review is coming, we certainly haven't foreclosed that possibility.

**The Chair:** Thank you.

Mr. Eyking.

**Hon. Mark Eyking (Sydney—Victoria, Lib.):** Thank you, Mr. Chair, and I thank the guests for coming here today.

This is really my first time on the committee. I have a point, and then I have some questions.

My first point is similar to that of my colleague from the Bloc on lack of coverage. I'm from Cape Breton, and northern Cape Breton has a real lack of CBC coverage. There's a community called Pleasant Bay; they're even willing to get land for you to put up a tower—they have a request in. This is more for the record, to tie in with my colleague's point. If you can look into that, it would be really appreciated.

I have two questions. One is, we are a CBC house, and my children tend to stay with me most of the morning and listen to the radio, if they have to, but we all tend to lose it in the afternoon.

I was just wondering: when you sit around the table among producers.... I'm trying to think who would listen between one and four o'clock to CBC radio. I'm not trying to be too critical, but it's the commentators and the music, and I just don't find it relevant to 99% of the people. I like to keep the channel on all through the day, because.... But music can be changed and be relevant to all groups of people. So that's a question: did you ever think of changing the format or what's on in the afternoon show?

The other one is dealing with employees. I've had complaints even from reporters from the CBC who work in my region. Do you find, concerning flexibility with employees—upward movement, young talent coming in—that the unions, maybe, or the people representing your employees are stifling that, or keeping the CBC's hands tied, inasmuch as you could have a better mix or vibrancy, or even a better coverage on the weekend if they wanted to do overtime? That's my second question.

**Mr. Robert Rabinovitch:** I'll start, but I'd like Jane to talk to you about the afternoon shows, because we have been experimenting with different combinations. Some work for some people, and some don't work, but it has historically been a drop-off in the CBC. The morning goes up, plateaus, comes down, and it comes back up again with—for lack of a better term—the “rolling home” shows.

But Jane, you're going to an asymmetrical model, where you'll change it and go back and forth in different areas. So why don't you talk about that? Then I'll go back to the other question.

**Ms. Jane Chalmers:** Specifically concerning the afternoons, first of all we're looking at this program and working with those people very closely. I want to assure you of that. The idea was really to increase local time. That was the idea behind the music show. First of all, we saw that in certain parts of the country the drive home started much earlier, and it made more sense to start the show at three o'clock. What we did is put the word out to the regions, so that in your region it was decided locally what pattern they wanted to use, whether they wanted to start their afternoon show earlier—which they still might. That means that in some places you actually have an hour extra of local time. We wanted to give the location more control over the kind of schedule they wanted to create.

We also did some research—and we do quite a lot of talking to people, audiences—and they thought a music format was better, because people tend to use radio in the mid-afternoon more as background, and actually, CBC radio programming is always troughed in terms of listening.

We wanted to give exposure to Canadian music, and.... You know what? We're still working on this program, and I'm hoping you're going to be a little bit patient with us as we try to figure out exactly how it's going to work and what we're going to do.

•(1640)

**Hon. Mark Eyking:** Just on this point, if you're in a car listening.... I find it's really intriguing now, because my kids are listening to the same music I'm listening to, and my parents—for instance Abba, or Neil Young. We're all listening to the stuff. What an opportunity for the CBC to take advantage of that, instead of going off into some spectrum that most of us aren't listening to. I guess that's my point.

**Ms. Jane Chalmers:** I hear you, and I do want to tell you something else, though. One of our real thrusts at CBC radio since I've started is really trying to work in getting people's creative juices flowing. If you've listened through the summer and at different times, we're really working hard with our producers to get new programs.

I want to create a new energy in the place. Certainly I'm really proud of my colleagues who are programming and working the service. Some things will work a little better than others. I think one of the problems we had with this specific show is that we actually launched it too quickly. We should have worked a little bit more with the.... We learn every time, so we were sort of developing on the air. We want to deliver the kinds of schedules that people want and like but we also want to be fair to our producers and programmers so that they get time to work it out and work with the audience to get the show where it needs to be. It can be a very difficult process, but, inevitably, we want it to be a very positive process for our folks.

**Mr. Robert Rabinovitch:** With respect to your second question, it would be grossly unfair, I think, to say that the problems we have in terms of bringing in new talent and new programming people are due to the union structure and the union contract. The problems we have are due to a company that has been shrinking for the last twenty years in terms of number of employees, amount of money it has, and it's only right and fair that union contracts be written to protect existing employees. Sure, it's frustrating because of bumping rules and all that—and that's one of the reasons we are quite satisfied—but I must say that the current contract we have with the CMG allows for more contract employees, more temporary employees, and in that way at least young people can come in to help ventilate the place, help develop new programs and with time actually become permanent employees.

I think we have gained a significant amount of flexibility, but let's bear in mind that we're talking about an organization that is essentially shrinking. In that situation it's only right to protect those who are already employed.

**The Chair:** Mr. Abbott.

**Mr. Jim Abbott (Kootenay—Columbia, CPC):** Thank you very much for your presentation today.

I have one question and then a broader one. I'd like you to describe what you were talking about, Mr. Rabinovitch, with subscriber fees. That was in the latter part of your presentation and it seemed to be an orphan, so I didn't understand what it was about.

I think it would be very helpful, not only for people on this committee but for Canadians at large who are all investing \$30 a year in the CBC.... With the \$900 million plus that the CBC is getting, people understandably are asking, how does all that work?

I have read through CBC financial documents and so on and so forth. Either I'm very slow or somebody is very fast at being able to put together documents that ordinary laymen can't understand. I would dearly love to see on one, at the most two, pages, "The management and overhead for the CBC is  $x$  number of dollars; the expenditures on CBC English television are  $y$  number of dollars; the revenue side is  $z$  number of dollars." Do you understand what I'm saying—simply bang, bang, bang, bang?

It would be exceptionally beneficial and would enable us to conduct sometimes more intelligent discussions about the CBC if you could completely grossly oversimplify the numbers for us.

• (1645)

**Mr. Robert Rabinovitch:** We have prepared those types of fact sheets, sir, and we will clarify them and send them to the committee to be circulated. And we, as individuals or together—and this is an offer to all members of the committee—and perhaps my chief financial officer, if you wish, at any time are ready to sit down and talk about those numbers and how those numbers come together.

We pride ourselves more and more on transparency. I think your government stands for transparency. I believe government must demand that of us, and we are more than willing to do it. We can give you numbers right now off the top of our heads, because we live with these numbers every day, but it's probably better, if you wish—or if we have time later on we can go into it—to give you a fact sheet and then after that, in your offices or back at the committee or any

way you wish, we would love to discuss it with you, because you must be informed and understand what these numbers are. Once you start breaking them down into components, they become very small relative to our competition. And I don't mean Canadian competition, I mean outside the country.

**Mr. Jim Abbott:** On the question of subscriber fees, what were you referring to?

**Mr. Robert Rabinovitch:** The CRTC is holding a TV policy hearing and they've asked for submissions from the public, from the broadcasters, and today is the deadline for those submissions. They highlighted certain particular points, one of which was HD and the move to HD. Another was how to ensure that there is more drama in the system. They want to talk as well about the health of the broadcasting system. There are many people who are very concerned, especially about conventional broadcasting, because conventional broadcasting has essentially been financed through advertising and advertising for conventional broadcasting has plateaued or gone down in the last couple of years, with the growth of the Internet, with the growth of other alternatives.

So the very model on which conventional broadcasting is built may turn out to be a foundation of sand. So a lot of us are very concerned about that and are looking at different ways and means to finance conventional broadcasting. It is conventional broadcasting that produces the most, about 80% or 85%, new programming. Therefore we have to make sure that it is healthy and that it can move forward. The government does a lot in terms of CTF, in terms of tax credits, etc., so we all get money from government in one form or another to do programming.

What we are suggesting here is not something new, and it's something that all of the conventional broadcasters, I believe, will be putting forward; that is, now that the Canadian public, 85% to 90% of the Canadian public, receive television not over the air but from a satellite operator or from a cable operator, there should be a fee paid for those programs that we deliver. That's what we mean by a subscriber fee.

As I say, the hearing will be in November, the end of November. The deadline for filing of briefs is today. I'm sure there will be stories in the press, because almost all of the broadcasters, public and private, are going to say they don't want to give their programming for nothing, that they should get a fee because they need another source of revenue if they're going to be able to do Canadian programming.

From the point of view of the CBC, we feel exactly the same way. Our finances from government are basically static, if not decreasing in real terms. Our advertising revenue is relatively flat and we don't anticipate it going up dramatically, perhaps going up with inflation but not much more than that. Yet the cost of programming continues to rise. The amount of programming we want to produce is going up very significantly. Richard's up to I think 175 hours this year from about 125 hours two years ago of Canadian drama, and it's the same on Sylvain's side.

So we see the subscriber fee as a legitimate payment for service rendered. And I might say that this debate is going on in other countries as well.

•(1650)

**The Chair:** Thank you.

Mr. Angus.

**Mr. Charlie Angus:** Thank you.

I always wonder how you guys do it, because when someone doesn't like something on CTV, they change the channel. If someone doesn't like something on CBC, they phone Charlie Angus, their local, their regional, their national heritage critic, and they demand accountability and say they don't want their tax dollars being spent on this.

For example, this summer I had a letter of outrage about your pro-Israeli coverage and they wanted me to check out a news show. Two days later I got an almost similar letter demanding action on your pro-Lebanese coverage. And each one ended with, "I don't want my tax dollars being spent on this kind of outrageous programming."

So I'm always wondering how you resist political pressure. I know if you, for example, cancel a curling show, I'm sure there will be members of the government party standing up in the House saying they don't want their tax dollars being spent because they're not getting curling.

It brings me to the question raised by Mr. Lukiwski, who is unfortunately not here right now, but he was quite charged and quite upset about *Prairie Giant*. He talked about this portrayal of an alcoholic Ku Klux Klan member. I've seen the movie. I think he had a drink in his hand once. So God help him if he sees me with a bottle of wine after work; I don't know how he might describe me. But the issue of *Prairie Giant* to me is important. It raises the question how does the CBC present programming that doesn't please everybody and how you have a mandate and a clear plan for dealing with this so that it's transparent.

I've looked at the case on *Prairie Giant* and I've got both the statement and the rebuttal. It seems to me that to cancel a movie based on the work of "anonymous", someone who wouldn't come forward with their name, raises questions. The fact that I've got two or three rebuttals from researchers and directors to that... It would seem that you would have a platform where this could be looked at independently and then a decision could be arrived at, but that wasn't the case with *Prairie Giant*.

You had an anonymous person make claims. You did not allow the screenwriters to rebut, so the movie was canned, the movie that's up for nine Gemins. So I'm wondering what steps would you have in place to protect not just your writers, not just your screenwriters, but your journalists as well, from political pressure?

**Mr. Robert Rabinovitch:** Let me do the journalist and then I'll throw the hot potato to Richard, if you don't mind, because you've hit the nail right on the head.

The *Prairie Giant* story is one of the most complicated stories I've ever seen. And there's probably right, I would say—in fact there is right—on all sides, and it's very frustrating. My own personal feeling is we've learned a lot about how to do this in the future, which I'm more than willing to talk to you about and I think Richard will talk to you about as well in terms of standards and whether we let our standards down, etc.

With respect to journalism, our problem and our job is to get the facts out. Facts are not always objective, or the facts that are objective for one person are not objective for another person. As you say, you get e-mails. Given I'm from a minority group, I get a lot of e-mails, as you may well expect. But I take comfort in the fact that we have the most sophisticated ombudsman system in the world, and it's a model that's being adopted by other public broadcasters. That ombudsman is not an apologist. They—both the English and the French—look at complaints very seriously and have from time to time taken real issue with the journalist making the report. Very often they support the report. We do now have a conflict of balance between a program—it may not be within the same program but it must be within a legitimate period of time—but these are principles the ombudsman has developed in consultation with the public and will continue to develop.

I'm very proud of that fact that we have this system that allows the public to come forward and say they disagree with our presentation and with our citing of the facts. On that I think we are in reasonably good shape. Sure, we get a fair number of complaints, and we should, for many reasons.

In the case of drama, it's even more complicated. In drama, sometimes you take artistic licence; sometimes you create a composite character. The questions are very fundamental, though. Should you create a composite character and give him a real name? If you're going to start playing around and root into that nature and have composite characters, maybe there should be a principle that you cannot use a real name, that this is a fictitious story, and not do what we did with Mr. Gardiner.

I think Richard should also add to this.

•(1655)

**Mr. Charlie Angus:** But, sir, you've been doing television at CBC for 60 years. Haven't you had a policy on this up until now?

**Mr. Richard Stursberg:** Well, just to be clear, separating out journalism, there is a standards handbook that all the journalists get that lays down the standards that are expected of CBC journalists. That's the first point, and they all get trained into it. The second point is that the job essentially of the editor in chief is to ensure that what's put on the CBC by way of news reflects the standards laid out in the journalistic handbook. That's his job.

Beyond that, as Bob points out, if you think we haven't done a good job, you can go to the ombudsman and the ombudsman will look into the matter and decide whether you're right or wrong. If he says you're wrong, that's one thing. But if he says you're right, then what we'll do is we'll issue corrections and apologies.

Finally, what we also do when there are things that are matters of major public interest like elections is we set up independent panels. The independent panels are there to look to make sure we're treating all the parties fair and square.

That's the type of journalistic standard.

On the fiction side, as Bob points out, the waters are somewhat murkier. This is not a new practice to actually create composite characters, to add to characters things they did not actually do or say. For my part, as I was saying earlier, I found the *Prairie Giant* conversation very interesting and very troubling and very tricky to deal with, because we were dealing with essentially a fictionalization of real events.

I think what we probably need to do is we probably need, on the drama side, to codify in a similar sort of way to the way we have on the journalistic side what constitutes reasonable principles to be able to guide people. Currently right now we don't have that except in the most general sense. One of the things we are going to try to do—Sylvain and I and Jane are talking about—is precisely to figure out what is the appropriate artistic licence to give people and when does it step over the line when you're naming real people who are real historical characters.

**The Chair:** We've gone over time again. I'm sorry for that.

Mr. Bélanger.

[*Translation*]

**Hon. Mauril Bélanger:** Mr. Chair, I have four brief comments to make.

First of all, Mr. Stursberg, some colleagues around the table might be interested in taking a look at the CBC handbook for journalists. This might give us some ideas on how to better interact with them.

**Mr. Richard Stursberg:** Absolutely. We certainly can give you a copy.

**Hon. Mauril Bélanger:** Mr. Rabinovitch, you have been president and chief executive officer of CBC/Radio-Canada since 1999, I believe. I want to ask you for your opinion, and I do not know whether you will want to answer my question.

According to you, and in an ideal world, what would be the minimum duration of financial support from the Canadian Parliament for the CBC/Radio-Canada budget? Would it be two years, three years, four years, five years, six years or longer?

**Mr. Robert Rabinovitch:** I would say the best possible.

**Hon. Mauril Bélanger:** The best possible, all right.

**Mr. Robert Rabinovitch:** Yes, the best possible. Our situation is not quite the same as that of the BBC in the United Kingdom, where every 10 years...

**Hon. Mauril Bélanger:** Ten years?

**Mr. Robert Rabinovitch:** Yes, every 10 years, the government makes a decision with regard to taxation and inflation. This means that the BBC knows exactly how much money it will have over a 10-year period. In the seventh year of that cycle, discussions are initiated for the next 10-year period.

**Hon. Mauril Bélanger:** Therefore, we are looking at a minimum of seven years and a maximum, ideally, of 10 years.

**Mr. Robert Rabinovitch:** Ten years would be ideal. I am willing to accept five years, however...

**Hon. Mauril Bélanger:** Very well. But it would not be one year?

• (1700)

**Mr. Robert Rabinovitch:** No. For us, the ideal is 10 years.

**Hon. Mauril Bélanger:** If I understand correctly, you are already committing yourself to productions for the 2008 season?

**Mr. Robert Rabinovitch:** At least until then.

**Hon. Mauril Bélanger:** It would take at least until then.

**Mr. Robert Rabinovitch:** In fact, Richard and Sylvain have already made decisions for the year...

**Hon. Mauril Bélanger:** I have two questions, the first one is brief and the second one is somewhat longer. Concerning the upcoming Olympic Games that will be held in Whistler...

**Mr. Robert Rabinovitch:** Are you talking about the Beijing Games, or those that will be held in Canada?

**Hon. Mauril Bélanger:** I am talking about those you will not be broadcasting. The CBC is the broadcaster of the Beijing Games.

**Mr. Robert Rabinovitch:** We will be the broadcaster in 2008, but not in 2010.

**Hon. Mauril Bélanger:** I am concerned about the 2010 Games for the Canadian French-speaking community. I know that the rights holder is concerned by the situation and was supposed to find a solution to broadcast the games to francophones from coast to coast.

Do you know if a solution has been found? If not, is the CBC ready to be part of that solution?

**Mr. Robert Rabinovitch:** I have to say that I have not been updated on the current state of affairs. I know that when they gave their presentations to the International Olympic Committee, they said that the French-language service would not be a problem, and that it would be provided by TQS and RDS.

I spoke with Mr. Rogue in Turin and told him that this situation would be unacceptable to Canadians, because there are one million francophones outside Quebec who use a French-language service. Not only will the English-language service be translated into French, but our Olympic service will provide two completely different programmings.

**Hon. Mauril Bélanger:** My question is whether the CBC is ready to be part of the solution.

**Mr. Robert Rabinovitch:** If you are talking about our French-language program, the answer is yes, but we will not simply use their signal.

**Hon. Mauril Bélanger:** Thank you. I respect that.

[*English*]

I want to go back to my first question, from the first round.

You have highlighted that in a mandate review, there should be some focus in terms of programming media—the local, regional, and national news,

[*Translation*]

the production of drama programs and the unifying role played by sports.



[English]

You also mentioned that you would like to see a periodic revision of the law, every five years, such as we do in banks, for instance. But you didn't answer my question on whether or not in this mandate review you see a need to analyze the relationship between the CBC and the CRTC, for instance, or between the CBC and the rest of the broadcasting universe in the country, the CBC and Radio-Canada.

So perhaps you can comment on that. If you haven't the time, then I would really appreciate having, perhaps in writing, whatever you feel you can share with members of the committee on that topic.

**Mr. Robert Rabinovitch:** I haven't really developed the position, and we don't have an official position, but I would say this. If...and again, it depends on how broad a mandate review, and if the mandate review will also include amending the act. Right now the act dictates—and I say that in the correct way—our relationship with the CRTC. But I think if we get to the point where, as part of the first mandate review, there is a decision to do mandate reviews on a regular basis—every seven to ten years—then that is the contract that should exist. That is the contract between the government and the public broadcaster.

I see the role of the CRTC then changing as one of perhaps just overseeing that the contract's being met—although I'm not even sure about that. But I think the real contract should be with you.

**Hon. Mauril Bélanger:** I ask, Mr. Chairman and Mr. Rabinovitch, because the House has unanimously approved the report from this committee that stated this committee should be offered an opportunity by the government to comment on the terms of reference of any mandated review—of structure, of whatever it may be—before it is launched. It would be important for us, as members of this committee, to have some formal thoughts from CBC and Radio-Canada on what elements they would like to see incorporated in such a mandated review, if ever it happens and whenever it happens.

Thank you.

**The Chair:** Mr. Abbott is next.

**Mr. Jim Abbott:** We're here talking about the mandate of the CBC, and I'd like to canvass the whole issue of sports. Rumour has it, I am told, there are people in CTV who are absolutely convinced they're going to end up with *Hockey Night in Canada*, and all of this kind of thing that's kicking around. Considering the revenue stream to the CBC for *Hockey Night in Canada*, and assuming there are obviously some costs, I don't imagine that you could answer... I'm sure you can't answer this question. I'm curious to know if you could give us a ballpark of what the net is to the CBC between the costs and the expenditures. I will completely understand if you can't answer that question.

• (1705)

**Mr. Robert Rabinovitch:** The fact is I can't, directly.

The question is much more complex than that. It also includes what you're going to do with the 400 hours that you're not now using for hockey, and how are you going to program those? There's a question of replacement costs.

If, in fact, the NHL goes to CTV—and it's distinctly possible—it would be very unfortunate, because I think it is the oldest mandate

we have at the CBC, but it is distinctly possible that we will have to seriously re-evaluate almost everything about English television.

**Mr. Jim Abbott:** That brings me exactly to my point. We've got our thumb right on it.

I can only report what people talk to Jim Abbott about. I have people who speak very positively about all of the French-language services. I have people who speak very positively about RDI and Newsworld, and Radio Canada International. Every now and then I get a little bit of unhappiness over Radio Two, but so be it. It's only a 3% market share, so it's not a big deal.

The bone of contention in the minds of an awful lot of people outside of the francophone community of Canada is the question of exactly where CBC English television fits, and I think you've probably put your finger right on the issue.

Apart from news, which is also interlinked with Newsworld, as the distinctive feature of the CBC, it was the Olympics. At Whistler that is now going to be going over to CTV, and there is the possibility now of *Hockey Night in Canada*. It is the bedrock of what CBC English television is about.

I think we're going to have to get very serious. When I say “we”, I mean the minister, the ministry, the CBC, this committee, and Canadians becoming engaged as to exactly where CBC English television fits, because this is a real possibility; it could happen. We are talking hypothetically, but nonetheless there's a large size to this hypothetical train that might be coming into the station. We're talking about an absolutely massive change to CBC English television—the reason for its existence, how it's going to support itself, and all the rest of that.

That's such a broad topic, but I wonder if you'd care to comment on it.

**Mr. Robert Rabinovitch:** I would like to, actually, and I would like Richard to comment, since he's the point man on precisely the problem.

I would say, Mr. Abbott, we're going to have a problem with English television for a long, long time, simply because of the level of competition and the alternatives that exist in the English market. But I believe very strongly that there is a role beyond hockey and beyond the Olympics in English television, and if we can't fulfill that role the government will have to decide what to do about it.

I believe there's an unbelievably important role in terms of telling Canadian stories, doing Canadian dramas, and doing it in the hours of prime time and not as fillers in order to meet conditions of licence. Some of it is done very well by the private sector, but our job is to do quality Canadian programming, not only news and current affairs, but drama and various forms of drama. Drama, I would say, is a very broad term. In the BBC's new licence renewal, that word “drama” is dropped and is replaced with the word “entertainment”. It says the public broadcaster must do entertaining programming.

So I believe we have to do that. It's a challenge—and I don't want to really get into it today—because we are grossly underfunded, given the costs involved for production. That's one of the reasons why we're pushing some things like subscriber fees. That's why we were pushing what we have done internally to generate new funds, because all of it goes right back into programming. This is why I'd be more than willing to go through all this with you. But we do have a strategy. Whether it works or not, only time will tell. The Canadian public will vote; they'll vote with their flipper, as we say.

Richard, do you want to go into a bit of this? I think it's really important.

• (1710)

**Mr. Richard Stursberg:** As I mentioned in my opening remarks, the thing that preoccupies me the most is that English Canada is the only country in the industrialized world that prefers other people's entertainment programming to their own, by an overwhelming margin. So all the things that English Canadians consume by way of drama, comedy, series, whatever, is American. That's what it is.

To my mind, this is the most fundamental cultural challenge in English Canada. English Canadians read English Canadian newspapers. They prefer English Canadian sporting events. But when it comes to entertainment programming, whether it's on television or in feature films, they overwhelmingly prefer the products of another country. It means that their imagination is completely preoccupied with other people's stories.

The CBC is the only big broadcaster in English Canada that is in any position to be able to deal with that effectively. The schedules of all the American—sorry—Canadian networks.... I called it the American networks because essentially that's what they are—whether it's CTV or whether it's Global or whether it's CHUM, they're completely populated in deep prime time, which is when Canadians are actually watching television, with U.S. shows. They can't get out of that. If they were to attempt to get out of that, they would completely destroy the economics of their business.

The CBC, as Bob pointed out, is the only broadcaster where deep prime time is actually available for Canadian shows. Having said that, the economics of this is brutal. To give you a very straight-up example, if I want to buy an hour of high-end dramatic programming right now, I can buy an American program that would cost \$3 million to \$4 million an hour to make, for \$200,000. At \$200,000, I can put it on TV and make \$425,000 in revenue. A parallel Canadian program, even if I'm not even in the same ballpark—despite the fact that whether we like it or not, we will be judged by the same production standards as American programming—is going to cost me, say, \$1 million to \$1.5 million to \$2 million an hour. What can I recover by way of revenue? Maybe \$120,000 to \$150,000, because of the relative performance of the programs. Big problem. Filling this financing gap is a huge, huge problem.

Back to your earlier question, then, to tie it back to sports. You asked earlier on, what is the composition of the revenues of English television? English television is now about \$580 million in total, which includes Newsworld. Of that, about \$275 million would come from the public subsidy, and about \$305 million comes from earned revenue. In other words, about 55% of our total money is earned and about 45% actually comes from public subsidy. Of the earned

revenue, approximately \$200 million comes from advertising. And if you were to split that into pieces, about half of that would come from professional sport.

So if we're out of professional sport, the first problem is we have a huge hole. The second problem is, as Bob points out, you have hundreds of hours of programming that was previously filled with professional sport that you now have to fill with something else. But as I was saying, if you want to fill it with the stuff that really matters, whether it's documentaries or whether it's Canadian drama or Canadian comedy, it's enormously expensive to do that. So we face a double problem. One is the loss of revenue and the other is the costs of finding replacement programming.

You're absolutely right when you say that if this piece were to move out in a significant way, then the economics of English television would be challenged at the most fundamental level.

**The Chair:** Thank you for that answer.

We're going to go on to another round, because I found both the questioning and the answers quite interesting.

Mr. Bélanger.

**Hon. Mauril Bélanger:** I want to follow up on that.

When you described sports, what Mr. Abbott was referring to was *Hockey Night in Canada*. There are other sports. I gather you've secured World Cup soccer—I don't know for how long—and there may be others, so that's fine. If *Hockey Night in Canada* were to migrate, or even without it migrating, the notion of public television in this country has to be addressed in a rather straightforward manner because of the numbers you have just given, which I had heard before. At that time I thought it was 54%. Now it's 55% that's earned, roughly.

The question I think the country must come to grips with, and not just Parliament, is whether we want publicly funded public broadcasting or not. If we do, how much is it going to cost and how much are we prepared to pay?

Would you care to comment?

• (1715)

**Mr. Robert Rabinovitch:** I would like to circulate two sheets to the committee. One is on per capita public funding for public broadcasting for basically all countries, just so we can put it into context. On the second sheet, because on and off we ask what is a public broadcaster and what does a public broadcaster do, we've chosen BBC, ABC, RAI—I can't figure out this other one—and we look at the percentage of their schedule that goes into drama, sports, news. I give it to you for information purposes because if we're going to have a discussion and a debate, we should look at what other countries do and what Canada has done historically in order to decide exactly what the answer is. Quite frankly, that's why to me the mandate review was so important. I can't say I want to get out of this or that, but I can say I can't do this or that unless we're ready to put the money into it. So the mandate review is an opportunity to define what a public broadcaster is at this time.

**Hon. Mauril Bélanger:** The common thing around this committee and with the resolutions that have been put forward and supported unanimously by the House, apart from the wish and the acceptance by the House of this committee having an opportunity to comment on the terms of reference of whatever mandate, is there's a distinct desire on the part of this committee that whatever mandate review structure is chosen must have very broad public consultations. I can't imagine CBC or Radio-Canada not supporting that.

Let's go beyond that a bit. If indeed we are at somewhat of a crossroads—and we've been coming to this crossroads with convergence, fragmentation, the standstill in and therefore proportionately declining public funding—couldn't CBC/Radio-Canada itself, since it has a wide access to or range with Canadians, use its own resources to engage Canadians in that debate to the benefit of public broadcasting in the country? Is it something that you have or would be prepared to consider?

**Mr. Robert Rabinovitch:** Monsieur Bélanger, it's something that we do on a regular basis. We have everything from focus groups to comprehensive surveys to discussions with leaders, but at the end of the day, it is the government that must decide what we should and shouldn't be doing.

**Hon. Mauril Bélanger:** That's what scares me right now, honestly, because with all due respect, Mr. Abbott signed the minority report when he was in the opposition, commenting that perhaps we should commercialize English television. Those are realities and we have to face up to them. What you're talking about is not massive public consultation or involvement. I'm talking about using the tools of broadcasting, whether radio or television, to reach out, because my understanding is that over 90% of Canadians support public broadcasting and support paying for public broadcasting in this country. Let's see if that's there, let's see to what extent it's there, and let's see if indeed CBC is, or remains, the chosen vehicle for the public broadcasting. I can't imagine a country such of ours in which we wouldn't have public broadcasting à la CBC/Radio-Canada.

I'm trying to see here if perhaps Radio-Canada/CBC could be more actively engaging Canadians in that debate at this time.

**Mr. Robert Rabinovitch:** As you know, from time to time other bodies independent of us—because there's only so much we can do that's self-serving—have undertaken very significant surveys, and the numbers supporting the public broadcaster are extremely high. Some people want radio, some want TV, some want English, some want French. Almost all Canadians find something they like. And as you know, our Internet services are the most popular among the Canadian Internet services. So we have a lot to be proud of and we have a lot of voting by people actually using the service. But that doesn't translate, quite frankly, into the financial support that we need. As Jane said before, we have six million Canadians who do not have an English radio service that they can call their own, and our service is very local.

In fairness, I think the mandate review is a logical way to go about that in terms of deciding how and where and what we should be focusing on.

● (1720)

**The Chair:** Before we go to Mr. Kotto for the next question, I am advising everyone that the bells will ring at 5:30. There is a vote this evening. After Mr. Kotto's question, if he can keep it relatively short and you folks can answer relatively briefly, once the bells ring we will adjourn this meeting.

**Mr. Robert Rabinovitch:** Thank you, sir. I think we have all enjoyed it. This is the type of discussion we must have with parliamentarians and with the public. At any time you wish, we will make ourselves available. If you want to focus on one service or another, we can do that. If you want to talk with us independently, we are more than willing.

**The Chair:** Thank you.

I do have a few questions of my own, but being the chair I always come last. So if the bells ring I will forward my questions to you and hope for an answer.

Thank you.

Mr. Kotto.

[*Translation*]

**Mr. Maka Kotto:** Thank you, Mr. Chair.

First of all, I would like to reassure my colleague, there were two motions. The first one of concern to us was about a project to redefine the mandate of the CBC and would have been an initiative of the Minister of Canadian Heritage and Status of Women. The second motion, which was adopted by this committee, asked that this committee review the mandates of crown corporations, including the CBC. We will therefore see each other again shortly, and we will have still more questions to ask you.

I would like to come back to the issue of the cultural and language duality, especially with regard to television. This is something we discussed during the review of the film policy that we conducted during the previous Parliament and which dealt with market differences.

It is an unfortunate fact that our anglophone friends in Canada share a common language with people in the United States. This is probably the source of the CBC's weakness. The film industry also suffers from this, with Canadian films garnering barely 1% of the market share, whereas Quebec films control close to 18%, or even 20% of market share.

In your view, given the rumours that public funding will be removed from the CBC, will this have an impact on the Société Radio-Canada?

**Mr. Sylvain Lafrance:** Naturally, there is a close connection, given that this is a single corporation. You are right that these two environments are different on a number of levels. I do not believe that it is only a question of language protection. There is the issue of history in Quebec, which has an impact not only on Radio-Canada/CBC, but also on a number of cultural industries. You talked about film; there is also music.

Quebec has a quite strong star system that has a great power of attraction. The Quebec television industry—I am not only talking about Radio-Canada—has met with enormous success, not only in society as a whole, but when compared to other television industries, also in the area of culture. I know very few cultural businesses that have such high retention rates. It can be easily estimated that, yesterday evening, 75% of Canadian francophones watched a French-language television program that was produced here. That is an enormous audience retention rate for a cultural industry, and that is important.

I believe that there is a consensus among Quebec broadcasters on the importance of the industry and the need to maintain this force, which is enormous. There is a convergence of views among independent producers as well as broadcasters on the importance of rallying around the major objectives in order to maintain this successful industry.

I am not sure if that answers your question.

**Mr. Maka Kotto:** That answers my question perfectly and brings me to question my colleagues here today.

Certain facts are obvious and cannot be denied. Were the government to withdraw its financial support from the CBC, that would have an impact, but there would also be another one. The Canadian anglophone population would be condemned to an acculturation, to a cultural alienation, even as regards what comes from the United States.

Was the entire debate following the Lincoln report in vain? These are the kinds of questions that will have to be asked when we study the redefinition of the Radio-Canada/CBC mandate here. These two issues must be linked together, in this case the financial and the cultural issues.

• (1725)

[English]

**Mr. Richard Stursberg:** I have just one little comment. What you say is completely correct, and what Sylvain says is completely correct. We live in two different worlds, utterly different. Everything goes, frankly, very well in French: people watch Canadian television shows; they watch Canadian movies—it goes very well. In English, it goes very badly. And that is not a new problem; it is an historical

problem, and we find ourselves struggling in very difficult circumstances.

To be honest with you, I would find it, as I understood the premise of your question—whether, if the government were to decide to withdraw from financing the CBC, that would have consequences for Radio-Canada.... The idea that the government would withdraw financing from the area that is having the greatest struggle to define itself and to define its culture, given the very reasons you've mentioned—the proximity of the United States and the sharing of a language.... To retire from there but continue to finance where it's going very well would seem to me a kind of bitter irony.

**Mr. Jim Abbott:** I think it's very important to get on the record—

**The Chair:** Mr. Abbott, excuse me. It's not your turn. We're not in a debate.

**Mr. Jim Abbott:** I mean no disrespect, but I can't let Mr. Kotto's assertion go unchallenged.

**The Chair:** Excuse me, but I think we have to. I think you can challenge Mr. Kotto in the hall. We have a format that we go by, sir, and I have to go by it.

**Mr. Jim Abbott:** I'm sorry, but what Mr. Kotto has said is an absolute, complete fabrication, and I don't understand why he would have said it. The Government of Canada has no such intent, and I want to get that on the record of this committee.

**The Chair:** It's on the record.

**Mr. Jim Abbott:** Thank you.

**The Chair:** I was going to relate to that, to say that I think it might be a fabrication. As the chair I'm impartial, but I have heard nothing from the government that has ever indicated anything like that.

[Translation]

**Mr. Maka Kotto:** Mr. Chairman, I said it was a hypothesis.

[English]

**The Chair:** Well, then, it's hypothetical. Fine.

With that, thank you very much for attending today. I appreciate it. I found it very interesting.

I now call this meeting adjourned. Thank you.







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