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## Standing Committee on Canadian Heritage

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**Chair**

**Mr. Gary Schellenberger**

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Monday, October 16, 2006

• (1530)

[English]

**The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)):** We're very pleased to have you here today.

We'll start the meeting of the Standing Committee on Canadian Heritage, pursuant to Standing Order 108(2), a study related to Canadian museums.

We welcome here today our witnesses from the Canadian Railroad Historical Association, Stephen Cheasley, Marie-Claude Reid, and Daniel Laurendeau.

Is someone going to be the spokesperson?

**Mr. Stephen Cheasley (President, Exporail, Canadian Railway Museum, Canadian Railroad Historical Association):** I will be the spokesperson.

Thank you very much, Mr. Chairman, and thank you, committee, for inviting us to come before you today.

My name is Stephen Cheasley. I am president of the Canadian Railroad Historical Association.

[Translation]

I am here today with Exporail's Director General, Ms. Marie-Claude Reid, and our administrator and secretary, Mr. Daniel Laurendeau.

[English]

I would like to start off by talking about the Canadian Railroad Historical Association. It is a non-profit, federally incorporated organization founded in 1932 that owns and operates Exporail, the Canadian Railway Museum, in Delson—Saint-Constant, Quebec. The CRHA has 1,000 members and 14 divisions across Canada and publishes a bimonthly magazine on railway history, *Canadian Rail*—which I have a copy of here—and publishes books as well. We have just published a recent book on Ottawa streetcars, which I thought was appropriate.

Exporail, established in 1961, is Canada's largest railway museum and is considered by museum experts as one of the best railway museums in the world. Exporail is situated on 50 acres of land containing three display buildings, with a total of 125,000 square feet of exhibition space, a 25,000-square-foot reserve building, an 1882 country station, a restoration shop, and a turntable. Exporail features rides on a one-mile tramway line, a two-mile railway line, and an outdoor miniature railway. It also has an extensive HO-gauge model railway installation.

The facility also includes a library, an archives centre, temporary exhibit spaces, a multi-purpose hall, and food and retail spaces. It is designed to appeal to Canadians of all ages.

The Exporail collection is composed of 168 locomotives, tramways, and other pieces of rolling stock, and over 250,000 small objects, models, books, plans, photographs, pieces of railway art, and archival items.

In a recent report by Lord Cultural Resources Planning & Management Inc., a leading museum consulting firm, the collection is deemed to be a national collection rated as world-class. Indeed, in 1978 the museum was designated as a specialized museum for railways by the federal government, a role it continues to fulfill today.

The Exporail collection has items from the first railway in Canada, the Champlain and Saint Lawrence Railroad, built in 1836 between La Prairie and Saint-Jean, Quebec, and from Canada's entire subsequent railway history up to the prototype of a hybrid switching locomotive recently invented in Canada. It is the most comprehensive collection of Canadian railway historical material in existence.

Since the design of Exporail permits pieces of rolling stock to be moved on their own wheels, some of the rolling stock from the Exporail collection is lent from time to time to other railway museums across Canada for exhibition. In addition, travelling displays about Canadian railways are prepared and sent to other museums. The Revelstoke Railway Museum currently houses CPR steam locomotive 5468 on loan from the Exporail collection and has recently shown our travelling exhibit on women in the railways.

For the last 170 years railways have played an important role in the development of this vast country. Due to the size of the country, Canadians have had to develop world-class transportation systems, and today Canadian railroads are certainly world-class. Indeed, two years ago the U.S. magazine *Trains* named CN as the number one railroad in the world.

The Canadian railways, with their twin ribbons of steel, opened Canada for settlement and framed its infrastructure. Many towns and cities in Canada owe their origin to the coming of the railway. Many a Canadian family has a proud railroader in its background. The railways were and still are the lifeblood of Canada, moving a large percentage of Canada's goods and materials. Indeed, I was told last week by the Railway Association of Canada that no fewer than 63 million passengers were moved by trains last year, and over 65% of the material that moved by surface was moved by trains.

From a political standpoint, the completion of the CPR on November 7, 1885, provided the basis for the Canadian Confederation as we know it today. Canada, more than most countries, was dependent on the development of the railways for its very existence, and that is why it is so important that this part of Canada's heritage be properly preserved for future generations. Railway history is a major part of the story of Canada, and it must be cherished, nurtured, and retold to all Canadians.

Here's a quote from the Lord report:

Exporail is the only museum in Canada that tells this story in any depth and in fact is the only one with the mandate, expertise, and collection base to do so effectively. This outstanding Canadian collection is a unique resource that offers Canadians the opportunity to tell this story with the original material culture that made it possible.

However, the Canadian railways are always improving and changing with the result that preserving the railway heritage presents the ongoing challenge of rescuing items of historical importance before they are lost to the scrapyard or to other countries like the U. S.

• (1535)

The non-rolling-stock part of the collection is now housed in adequate environmental conditions, thanks to our new \$12 million pavilion. One-third of the rolling stock in our collection, as distinct from the non-rolling stock, is now in adequate environmental conditions. One-third of the rolling stock is sheltered from the elements, but not in adequate environmental conditions, and the remaining third is totally exposed to the elements. The items of rolling stock that are not in adequate environmental conditions or are totally exposed to the elements are slowly but surely deteriorating, and will be lost if not properly conserved. This matter is urgent.

Railway rolling stock, by its nature, is very big, but also very fragile and requires big buildings to house it, with sophisticated environmental systems to protect the items from deterioration. Due to these requirements, such buildings are costly to construct and operate.

In addition to the Exporail collection, there are some other historically significant items of rolling stock scattered among other railway museums across Canada, but very few are well conserved, due to the lack of financial resources.

In England and Europe, most national railway museums and their collections are funded entirely by national governments. The railway museum considered to be the best in the world is located in York, England, and is entirely funded by the British government. Moreover, admission is free, as in all the state museums in England under the new admissions policy introduced in 2000. The National Railway Museum in York has over 850,000 visitors per year. Steamtown in the United States is funded by the U.S. federal government through the National Parks Service, which operates that museum. The Danish Railway Museum in Odense is owned and operated by the Danish State Railways, and the Swedish Railway Museum in Galve is operated by Sweden's state authority for railways.

Over the past 45 years, Exporail has received capital grants for certain infrastructure and project grants from the museum assistance program of the federal government, but no operating grants for the preservation, conservation, and interpretation of this important

Canadian collection. The existing federal policy is not to provide operating grants to non-federal government museums. As a result, Exporail's operating funds have been largely self-generated, with additional support for the last 27 years from operating grants from the Quebec government.

In essence, for 45 years Exporail has played the role of Canada's national railway museum with operating support from the railway industry, the Quebec government, local municipalities and private companies and individuals, but not from the federal government. In reality, Exporail, the Canadian Railway Museum, has been a national public-private partnership, which owns and operates the national railway collection, but without the national level of government as a full participant.

A public-private partnership is a cost efficient and effective way for the federal government to assure all Canadians that their Canadian railway heritage is being properly preserved and conserved for future generations of Canadians.

In contrast, the federal government now fully funds, through the existing national museums, institutions dedicated to aviation, agriculture, nature, mail, science and civilization. Surely the heritage of the Canadian railways, railways that built and are still building this great country of ours, deserves equal treatment.

We would now like to make two recommendations. The first recommendation is that the federal government should acknowledge and assume its responsibility to provide adequate funding for the preservation, conservation, interpretation and display of Canada's proud railway heritage. Secondly, the federal government should become a full partner in Exporail's national public-private partnership as soon as possible, and contribute funding for the preservation, conservation, interpretation and display of the Exporail collection in adequate environmental conditions for all to enjoy.

Mr. Chairman, that's the end of the statement we'd like to make.

• (1540)

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

Questions?

First of all, Mr. Scarpaleggia.

**Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.):** Thank you, Mr. Chair.

Thank you, Mr. Cheasley, Mr. Laurendeau, Madam Reid, for coming today.

This issue is one that is giving me a certain level of discomfort, because there's something that is not congruent in the museums' picture in Canada at the moment. We have, as you said, a war museum, a national art gallery, a science and technology museum, an aviation museum, an agricultural museum—national museums located here in Ottawa. And perhaps the greatest part of our heritage and history, the railway, doesn't figure in the picture; it seems to be off on the side.

I think you're right that Canadians somehow don't seem to be focusing on rail as an activity and as a piece of our history and culture, as we have on other things. Do you have any sense as to why that might be? We have an aviation museum, but we don't have a national rail museum. It just doesn't make sense to me. We have a great company—you mentioned CN; we're the best railway in the world. Our country was built on railways, and somehow the government hasn't built a national railway museum in Ottawa.

**Mr. Stephen Cheasley:** That may have been because in the fifties, when the railways were going through a major technological change, the governments of the day did not move to save any of this equipment. Our association moved and was able to save the equipment.

In the technological development of railways, from 1836 until 1870, Canada had a railway system that was.... The gauge was the same size as it is today, but in 1850 we thought we were going to be attacked by the U.S., so we changed the gauge and made it broad gauge. Then by 1870 we realized the U.S. was not going to do that, and it would be in our economic interest to put the gauge back together so we could trade back and forth. As a result, just about everything in the way of historic railway equipment was destroyed.

The next major change was in the 1950s, when steam was replaced by diesel and passenger cars were replaced and tramways were replaced. At that point the government didn't make any move. Maybe this was too early for the heritage movement; the heritage movement came later on. Our group, which had been started in 1932, had already saved a streetcar in 1950, and in 1955 we were able to save Sir William Van Horne's private railway car.

Sir William Van Horne's car was built in 1881, was used by Sir William Van Horne as his office, as his home for five years while he built the railway across Canada. In 1955 it ended up on a scrap line in Toronto, ready to be burned—a car that is mahogany inside and out. Fortunately, one of our members saw it, we were able to save it, and that is in the collection today. It's probably one of the most valuable pieces we have.

So to give you an answer, yes, we moved, and maybe the government felt that since we had moved and done it, they didn't have to do it.

• (1545)

**Mr. Francis Scarpaleggia:** I see.

You mentioned that you function through a public-private partnership, with some capital grants from the federal government in the past. And you get operating funding from the provincial government?

**Mr. Stephen Cheasley:** Yes, we do.

**Mr. Francis Scarpaleggia:** You seem satisfied with this formula. But again, I keep going back to the idea that it's a major part of our history, whereas we have an aviation museum that's I guess completely funded by the federal government. Our rail heritage centre, which is what you've created, which we would not have if you had not intervened in the 1950s and 1960s.... I don't understand why that has to rely on creative funding formulas from municipalities and provincial governments and industry.

Again, you seem to like that formula, but as a federal member of Parliament, it's almost scandalous to me that you have to scrounge around for funding from different sources when it's a national treasure—it just happens not to be in Ottawa, though it's not far from Ottawa.

Would you be open to the idea of the museum being integrated into the science and technology museum as a satellite museum, funded 100% by the federal government?

**Mr. Stephen Cheasley:** Yes. Our board has looked at various scenarios, and that has come up in the past. Certainly we'd be open to it.

**Mr. Francis Scarpaleggia:** I have one more comment, Mr. Chair.

I had the opportunity to visit the museum this summer, and I must attest to two facts. One, the main building is extraordinary. Secondly, the hangar where some of the rolling stock is being kept is totally inadequate. Maybe there's an assumption that because trains are big steel objects they don't deteriorate, but I saw some fascinating historical pieces of rail rolling stock that were falling apart. This is an urgent issue, and I think the federal government has to do something.

I was also told—and this disturbed me as much, if not more—that some of our finest pieces of rolling stock are being purchased because we cannot maintain or house them properly. Mr. Cheasley, can you confirm this? They are being purchased by wealthy individuals in the United States as luxury pleasure crafts, if you will.

I find it maddening that our heritage is being sold off piece by piece or is falling apart in inadequate facilities.

Thank you, Mr. Chair.

**The Chair:** Thank you.

Mr. Kotto.

[*Translation*]

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

Allow me first to congratulate you on your commitment and contribution to preserving our cultural heritage. Although your work focuses on industrial artifacts, it should be remembered that industry is also part of our culture. It is through their culture, that nations make and leave their mark in humanity's collective conscience. Through your work, you make important contributions to this process.

You argued your case well in your presentation. I would like to know for how long you have been struggling with the vagaries of financial support.

•(1550)

**Ms. Marie-Claude Reid (Director General, Exporail, Canadian Railway Museum, Canadian Railroad Historical Association):** Aside from contributions from the private sector and capital grants, the Canadian railway museum received its first official funding in 1978 when it was recognized by a federal government program as being a specialized railway museum. Consequently, the museum was given financial support to help fulfill its mission to preserve our heritage. The fact that our collection was the most impressive, the largest, and the most important in Canada was one of the factors that led to our institution being accredited by the Québec Government Department of Culture and Communications. We have been receiving operating grants for 27 years, since 1979.

The financial support provided by this department has been, and continues to be, of assistance to the museum, as has that provided by the private sector and the association's 1 000 members from around Canada. Financial support has become all the more important over the past seven or eight years as operational costs linked to new equipment have increased by 320% since 1979. In time gone by, our operating budget was far smaller, as exhibition halls were not heated in winter. This was not ideal for preserving our collection, but we were unable to receive more funding without developing capital investment projects. The association began work on capital investment projects in the 1970s with a view to housing the collection in a building that met museums standards.

Over the years several museums were renovated and new museums opened their doors, but the railway museum made little headway each year. Twenty years went by before we were able to get equipment that meets current standards. The board of directors put a great deal of effort into funding for premises that were up to standards, and had to rely exclusively on the museum's assistance program for developing interpretation projects.

Aside from funding from the Québec government, the railway museum had no access to support funding for its collections on a recurring basis.

**Mr. Maka Kotto:** Mr. Stephen Cheasley mentioned earlier that you received funding from the Québec government. Could you tell us how much you receive, and what percentage of your overall funding this amount constitutes?

**Ms. Marie-Claude Reid:** Prior to the capital investment project, it constituted around 45% of the budget, although it now makes up a smaller share.

**Mr. Maka Kotto:** Could you give us an idea of how much funding a museum such as yours should receive from the federal government, bearing in mind the activities you undertake and the unquestionable importance of your institution for the community and for Québec and Canada as a whole?

**Ms. Marie-Claude Reid:** Since its inception, 45 years ago, the association has been developing a partnership model. We believe that the association needs a budget of around \$4.8 million and the federal government, as one of the partners, should contribute \$1.2 million. Were the partnership formula any different for our particular project, the federal contribution would be modified accordingly to reflect its level of involvement. Obviously, this would need to be stable funding and would be used for upkeep and

presentation. It would not be used to fund capital projects such as, for example, updating the fixtures and fittings in some of our old buildings or undertaking major restoration projects.

By way of example, restoring a railway artifact, such as a locomotive engine that has not suffered too much damage and only requires esthetic work, costs at least \$30,000. We recently restored a tramway from the Montreal collection. We were able to restore it to an operational state, but it cost us \$175,000, without factoring in the five years of work provided by some 20 volunteers. Restoration projects can require significant investment, yet, year-in year-out, we carry out one such project. However, our collection is so vast, that we really need to carry out work on a larger scale.

•(1555)

[*English*]

**The Chair:** Thank you. We've gone way over.

Mr. Angus.

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

I heartily apologize for missing the first part of your presentation. I had a problem on my plane.

I'm very glad to be here and to speak with you.

My first question will probably be a catch-up that you've already answered. What programs do your museums access at the present time with the federal government?

[*Translation*]

**Ms. Marie-Claude Reid:** We have access to the Museums Assistance Program. The capital investment project was funded by the Economic Development Agency of Canada because, at that time, the Department of Canadian Heritage did not have the necessary funding available. Its partner organization, Canada Economic Development for the Montréal region therefore provided funding for the capital investment project.

[*English*]

**Mr. Charlie Angus:** So this would be an English museums assistance program?

**Ms. Marie-Claude Reid:** Yes, for the project, not for the—

**Mr. Charlie Angus:** Okay. I wanted to make sure I heard you correctly.

I was at John Baird's announcement last week when he announced the billion dollars worth of cuts. He specifically stated they were looking for programs that were inefficient, wasteful, and completely out of touch with the average Canadian. The Department of Heritage delivered the museums assistance program. I'm wondering, from your experience, do you see this program as out of touch or wasteful?

[Translation]

**Ms. Marie-Claude Reid:** No, quite the opposite. I have been the Director of our association for 14 years, during which time we have received funding for at least seven or eight projects. We have been able to restore our turn table and organize four Canada-wide travelling exhibitions, which allowed us to showcase our smaller artifacts across the country. The program also allowed us to computerize our collections in the early 1990s. We have, therefore, benefited from the program. Obviously, a category to support research and non travelling exhibitions would be helpful in terms of conservation. The museums assistance program is an extremely important program for museums of all shapes and sizes.

[English]

**Mr. Charlie Angus:** I'm wondering about that, because it was very specific in that announcement why certain programs were being cut and not others. Mr. Flaherty said, "Our government doesn't mind saying no to a bad idea." So why do you think Heritage Canada decided to offer up the museums for a 50% cut over something else? Is there something in the program that you think wasn't working, in terms of how the federal government would have seen this program?

[Translation]

**Ms. Marie-Claude Reid:** As an institution that uses the program, we fail to comprehend why it has been cut. Many Quebec museums have used it as, I believe, have many Canadian museums. I do not understand why it is said to be inefficient, but then I have not seen the critical reviews, if indeed any such studies were carried out. As museum professionals, we know that the program was used on a very regular basis.

• (1600)

[English]

**Mr. Charlie Angus:** With museums for railways, it must be fairly expensive at times, in terms of getting access to some very large artifacts. I'm wondering how you go about that. You talked about a public-private partnership. Would you look to a corporation to donate artifacts, and then have a write-down? Is there a level at which the provincial or federal governments would come to the table if you were adding to a typical collection? How would you go about that?

**Mr. Stephen Cheasley:** Our collection has been put together at basically no cost to us. We've been very fortunate that those in the railway industry not only supply the equipment, but move it for us at no charge and supply all the rail we require. They have been extremely generous over the 45-year period.

As I said in my presentation, we just received the prototype of the hybrid switching locomotive that was invented in Vancouver and is now going into use, and so forth. That came to us free of charge.

So on the collection side, it's generally us versus the scrapper. That's the situation. If they give it to us, then we will get it. Although as Mr. Scarpaleggia mentioned, you have people in the U.S. who come up and buy railway equipment because they want to convert them into private railway cars, and things like that. But the collection hasn't really cost us anything.

**Mr. Charlie Angus:** Is the cost in refurbishing them?

**Mr. Stephen Cheasley:** Yes, it costs to bring them up to exhibit standards. We spent nearly \$175,000 on the tramway that was mentioned. Year in and year out, the members put in nearly 14,000 hours. We have 125 volunteers who are working there, so that's on top of the money. That's also been very helpful for us.

**The Chair:** Mr. Abbott.

**Mr. Jim Abbott (Kootenay—Columbia, CPC):** Thank you to the witnesses. We really value your participation here.

I have two outstanding railway exhibits museums in my constituency. I know they work very hard and are very well accepted. They do a tremendous job of not only telling the story and making us proud as Canadians, but also bringing tourists into the area to take a look at them. I sincerely credit you with the job you're doing.

At the conclusion of this I don't want to not enter into a debate, but I want to correct some of the figures and assumptions of Mr. Angus. I don't want to do that right now because I want to make sure we make productive time of our witnesses.

I notice that in item 7.4 on page 51 of the English brief you gave us, you talk about required government support of \$3.6 million for each of 2005, 2006, and 2007. These figures are exceptionally valuable because they will help the government to quantify the ask, and it's very legitimate that you come here and ask.

Could you help us as a government and a committee, as we form a museums policy, to move forward from this point? I would like your input on the criteria we should be using for what the responsibility of the federal government should be. It's one thing to say it's a great big federal treasury, there's \$200 billion there, so it's a big pot. That's true, but in order to access money from that pot, from a railway museum perspective, what is the most helpful criterion you could suggest to us as to what should be accessed? Secondly, on what basis.... In other words, quantify absolute dollars that you think would be of value.

**Mr. Stephen Cheasley:** That's a very interesting question. And by the way, we would certainly be pleased to be involved in any kind of development of a policy. As you can see, we've been in this business for a long time, for 75 years as of next year.

I think one of the things the committee should be aware of is that the word "railway museum" is a word that's used to cover a whole lot of things. You have locomotives in parks that have been there for 40 years and are rusting away, and yet there'll be a railway museum sign beside them. You have railway stations with a cabooses, and maybe a car beside it, called a railway museum. You have what they call tourist lines, where people get together and have a locomotive and run it up and down a line, and that would be called a railway museum. Then you have museums like the two in your riding—and this one—which in fact, in my view, are museums, in the sense that they are preserving, conserving, displaying and interpreting, and which have archives and what you would call a normal museum look about them.

That takes you into a very interesting debate, because a lot of people across Canada will say our particular small station should be financed, and so on. Then you have to back up into looking at what is in the national interest, what is nationally significant, and what you should be saving. I'm told there are 250 cabooses saved in the province of Alberta alone. I don't think we need to worry too much about the preservation of cabooses, because that's been taken care of.

So you have to develop what is important for our national heritage, and then decide where that's going to be displayed and how that's going to be done. It needs long-term protection. You've seen it, and it makes you want to cry, because back in the sixties, when they changed over from steam engines to diesel, there were tons of steam engines that went out into parks, and they're mainly gone today because they just rusted away. That's how fragile these things are. So you have to put them in a proper environmental condition.

I don't know if that helps you or not, but certainly we'd be glad to work with you to develop a policy.

I think those are your two big elements.

• (1605)

**Mr. Jim Abbott:** If we could quantify this, you mentioned that if it doesn't go to the scrapyards you can get your hands on it. Do you have a written description? I know the Science and Technology Museum has written criteria they have before they will take a bicycle, a washing machine, or whatever it is they're looking at, so they can make an objective decision. Do you have those?

**Mr. Stephen Cheasley:** Yes. We have a collections committee, which has been in place for many years. They go ahead and look at the existing items that are on the railways to identify which ones are worthy of being saved. That is written up and debated, and then a recommendation comes to our board. At that point the board will approve it, and if it gets approved then it goes onto the list. We normally identify that to the railways.

**Mr. Jim Abbott:** Should federal planning be involved? It's not just the acquisition cost, but it's also the recovery cost of the asset you've acquired. So there is a capital cost there, but there is also an operating cost. In your judgment, which part of that...or should it be both of those aspects? In other words, the rebuild costs and the facilities would be on the capital cost side, and the others would be on the running cost side, as I go through your figures here.

In your judgment, which part of that should the federal government be involved in? And if you were to put a responsible number on that, what would the annual number be?

**Mr. Stephen Cheasley:** To answer the question, you need both. You can't just take an item and save it without having a building in which it can go, because the preservation and conservation includes the building, as you have to have it in a proper environment. So our concern is that the federal government should be looking after the preservation, the conservation, and the interpretation. That's what we're saying here.

What kind of a number would be put on that? Have we discussed that?

[*Translation*]

**Ms. Marie-Claude Reid:** It would depend on whether it is for a specific collection or for a set of historical artifacts belonging to several organizations. We are fully aware of the problems faced by our collection because we work with it and know the extent to which our premises are run down. It is crucial that the federal government work as a partner in terms of operational costs. It should also be involved in capital investment, but once a capital investment project is underway, operational upkeep funding is also needed to allow a museum to fulfill its mandate.

In our case, had the Quebec's government Department of Culture and Communications not supported us from the beginning, the collection would not have been saved. Our association could not have saved it. Given the size and needs of our collection and our building, we need a considerable amount of money. A not-for-profit organization without support from the federal government could not manage alone. That is why it is very important for us that the federal government, which has provided us with intermittent support in the past, become a full-fledged partner, like the other members of the partnership.



Mr. Cheasley spoke earlier of our collection. The Canadian Railroad Historical Association was founded by railway lovers, most of whom came from an academic, railway, or historical background. Strict guidelines as to what constitutes a railway collection have been in force since the association was first set up in 1932. They have been strictly adhered to throughout the years. New members have always respected these guidelines and have chosen artifacts that are in some way representative of Canada, be it technologically, historically, socially, or because of their association with a historically important figure. That is why our association has the most impressive collection. Any expert would agree, even those working for the Québec government's Department of Higher Education Science. Our association selected the best artifacts when it first established the collection, and we continue to do the same today. That is why this collection is inimitable. Simply having an instruction car is not enough for another organization to open a museum elsewhere. Our collection boasts an instruction car, the right postal car, and the private cars of Mr. Van Horne and Mr. Hays, the President of Grand Trunk Railway. Our collection boasts those key artifacts that reflect the participation of all Canadians in building their country. Other artifacts around the country have a certain value, but our collection is priceless. I really believe that these artifacts are worthy of significant support from the federal government.

•(1610)

[English]

**The Chair:** Thank you. We went a little over time there.

Mr. Bélanger is next, please.

[Translation]

**Hon. Mauril Bélanger (Ottawa—Vanier, Lib.):** Thank you, Mr. Chairman. I await the comments of my colleagues, Mr. Abbott and Mr. Angus, with baited breath. I hope that we will have the opportunity to respond, and that you will not simply let him wrap up the meeting.

I have some questions for you on a different matter. I apologize if they have already been asked, but I had to step out of the room. My questions concern the underlying principles that govern State involvement in museum funding. You compared your situation to that of museums in England, France, the United States and Denmark.

Are you comparing like with like? Who owns your collection? Is it the same situation in France, England and other countries with a high level of State involvement?

**Mme Marie-Claude Reid:** No.

The collection belongs to the Canadian Railroad Historical Association, which is a private not-for-profit body. It is extremely uncommon for an important railroad collection not to be State-owned. Usually, when it is not State-owned, it is owned by the State body responsible for railways. In France, for example, the collection is owned by the SNCF and administered by a not-for-profit body.

In other countries, the collection is under State ownership. In some cases, it is owned by the Department of Transport or the National Railroad Company, but in general collections are State-owned.

•(1615)

**Hon. Mauril Bélanger:** Do you think that state ownership ought to be one of the conditions for receiving a high level of funding from the Canadian government?

**Ms. Marie-Claude Reid:** Our president stated earlier that the board has no objection to the collection becoming a state owned collection. The first and foremost objective of our association has always been the preservation of Canada's railroad heritage. We are therefore open to aims of achieving this goal.

**Hon. Mauril Bélanger:** If I understood correctly, from what was said earlier, there are three such museums in Canada?

**Ms. Marie-Claude Reid:** There are several railway museums, but they are not all of the same size. Ours is the only one that is so large.

There are some museums with smaller collections. The Pembroke Museum, for example, specializes in Canadian Pacific's passenger transport. Often, the smaller collections focus on one specialized area.

The Canada Science and Technology Museum's collection is far smaller. Mr. Abbott made mention of an institution earlier. In a case like that one, our association lends artifacts from its collection. When it is important for a particular artifact to be in a given region, our association will lend it to a well organized museum interested in showcasing it. That is what we do for the Revelstoke Museum, for example. Other museums around Canada also own some of our artifacts. Generally, the loans take the form of 25-year leases.

**Hon. Mauril Bélanger:** If, in a context of a museum's policy, we were to develop a series of principles on ownership and the number of national, regional, provincial or even local institutions, what recommendations would you make?

You do not have to answer straight away. You could submit a written response to our clerk. He would be delighted to send it on to all of us.

I have another question for you as well, although, in a certain sense, it was actually you who raised it. You said that you make loans to other museums. I know that the Canada Aviation Museum has a similar policy. Over the years, it has developed fairly close ties with, among others, an aviation museum in Hamilton.

Do you have similar such ties with the Canada Science and Technology Museum?

**Ms. Marie-Claude Reid:** In terms of exhibition artifacts, not directly. However, it has happened that the Canada Science and Technology Museum has been unable to keep certain artifacts. Although I am not privy to why this should be, I do know that, in light of our expertise in the field, we have been given some artifacts from its collection. It found it easier to offer them to us, although we did not always accept them. In addition, we have organized joint travelling exhibitions with the Canada Science and Technology Museum, although these involved small artifacts and not railway vehicles.

The museum has however send us some railway vehicles which we have integrated into our collection.

**Hon. Mauril Bélanger:** When you accept an artifact from the Canada Science and Technology Museum, or another museum or railway association, there are costs involved. There are costs related to upkeep, storage and so forth. Do you receive financial assistance from these institutions?

**Ms. Marie-Claude Reid:** No. The railway companies provide transport and help us with specific projects. For example, over the past few years, certain railway companies have renovated vehicles before giving them to us, thus making it easier for us to display them. However, it is not always so; museums do not undertake such projects for us.

• (1620)

**Hon. Mauril Bélanger:** Do you have a foundation?

**Mme Marie-Claude Reid:** No.

[English]

**The Chair:** Thank you.

Mr. Fast.

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

Thank you to all three of you for giving us your time this afternoon.

The first thing I'd like to do is refer you to this report that was prepared in 2005 by Lord Planning & Management. I refer you to page 51, which Mr. Abbott referred you to earlier. I'm looking at table 7.1, which is the budget forecast. In 2005 you were forecasting into the future, and at that time you were forecasting that you would require approximately \$3.6 million per year from all levels of government. Is that correct?

**Mr. Stephen Cheasley:** Yes.

**Mr. Ed Fast:** Since that time, of course, you would have financial statements that show your performance in the year 2004-05. How much government assistance did you receive in total—as a percentage first of all, and then in total dollar amounts?

[Translation]

**Ms. Marie-Claude Reid:** Currently, our budget is \$2 million, part of which is devoted to capitalization and amortization. If we exclude amortization, our budget is approximately \$1.7 million. We receive between \$700,000 and \$900,000 in funding of all kinds, namely for student jobs. This is not necessarily recurrent funding for operations. It is for all kinds of programs, activities, or departments. The rest is generated by the corporation, and represents approximately 50% of the budget.

[English]

**Mr. Ed Fast:** Okay. And you'd like to see that support go from the current \$700,000 to about \$3.6 million per year. Is that correct?

[Translation]

**Ms. Marie-Claude Reid:** We would like our operating budget to be approximately \$4 million, an amount that experts consider conservative but realistic for a not-for-profit institution like ours. Our budget is not that of a government museum, as we have activities or resources that are not at the same level.

Given that our current revenues are insufficient and that our fixed costs are very high, many parts of our mission have been reduced to a minimum.

[English]

**Mr. Ed Fast:** Yes, I understand, but just looking at that table, it does appear that you're asking for total government support from all levels of about \$3.6 million per year. Is that correct?

The bottom line says “required government support”—and I presume it would be annual—“3.684”, the next year is “3.661”, and on it goes. Is that correct?

**Mr. Daniel Laurendeau (Secretary, Exporail, Canadian Railway Museum, Canadian Railroad Historical Association):** Well, if I may, that does include our entrance fees and the money generated by our institutions, so it's not totally funded.

**Mr. Ed Fast:** Okay. So then that means—

[Translation]

**Ms. Marie-Claude Reid:** It is approximately \$700,000.

[English]

**Mr. Ed Fast:** There appears to be a little bit of confusion. Perhaps I could be more specific.

• (1625)

**Mr. Stephen Cheasley:** Sorry, but I think I can answer your question. Let me put it in general terms

When this was made up, the experts said it was going to cost around \$4 million a year in operating expenses to run it. How do we divide that up? We will generate approximately \$1 million a year from the gate receipts, from the people coming and going.

**Mr. Ed Fast:** So 25%.

**Mr. Stephen Cheasley:** Yes, 25%. And then the other three levels of government—municipal, provincial, and federal—throw in 25% each. That was the way it was conceived, and that's what you have here. It's \$3.6 million divided by three, which is \$1.2 million each. I'm giving you round figures here, but this is where your partnership comes from. You're ending up with an equal partnership, with 25% from each level of government, plus the private sector.

**Mr. Ed Fast:** All right.

Just as one follow-up question, how much of your current government funding comes from the federal government?

**Mr. Stephen Cheasley:** On the operating side, zero.

**Mr. Ed Fast:** All right. And total funding?

**Mr. Stephen Cheasley:** Zero.

**Mr. Ed Fast:** Do you get something other than that?

**Mr. Stephen Cheasley:** I said “operating”.

**Mr. Ed Fast:** I said “total funding”.

**Mr. Stephen Cheasley:** That depends on the year.

**Mr. Ed Fast:** Say last year.

**Ms. Marie-Claude Reid:** Last year, I think it was about \$120,000.

**Mr. Ed Fast:** And what program did you get that under?

[Translation]

**Ms. Marie-Claude Reid:** Last year, we received funding under the Canadian Arts and Heritage Sustainability Program and the Museums Assistance Program, for exhibits.

[English]

**Mr. Ed Fast:** Thank you.

**The Chair:** Mr. Malo.

[Translation]

**Mr. Luc Malo (Verchères—Les Patriotes, BQ):** Thank you, Mr. Chairman.

Good afternoon and welcome.

In the 38th Parliament, in other words during the last Parliament, Minister Frulla, from the government of the day, began a review of museum policy.

Did you participate in these consultations under the museum policy review?

**Ms. Marie-Claude Reid:** Yes, we did so through the *Société des musées québécois*, but not specifically as regards the rail component. We are represented by and members of two associations, the Canadian Museums Association and the *Société des musées québécois*. They explained the requirements for the museum community, in other words requirements in terms of conservation, exhibits, but each of the specific sectors was not covered.

Since we are the only railway museum in Quebec, the information is obviously general in nature and applies to all museums. It is more or less the same thing throughout Canada. There are very few railway museums in comparison with other museums. The general thrust is the same. We agree in terms of requirements for conservation and exhibits, but more specific requirements remain, for example, for restoration. We cannot send railway cars to the *Centre de conservation du Québec* or to the *Canadian Conservation Institute*. So throughout Canada, when museums need to do railway restoration work, whether they would be large or small, they do the work on site. Access to funding for this component is therefore... That is why we asked to be heard, to explain the importance of access to funds for restoration work, because we would apply for that kind of funding for our type of collection, for example. However, programs do not always specifically fit with this kind of requirement.

**Mr. Luc Malo:** Apart from this very specific aspect, that you have just told us about, do the other observations made before this committee and put to the department in the previous Parliament suit you?

**Ms. Marie-Claude Reid:** Yes. In terms of the requirements for museums of which we are one, we fully agree. The problem specific to our collection, to Exporail, the Canadian Railway Museum, and the association, is very specific. I do not believe that Canada has any other collection of this value for the country. That is a specific aspect. However, we fully agree with respect to the other aspects outlined by the Canadian Museums Association and the *Société des musées québécois* with respect to requirements for museums.

● (1630)

**Mr. Luc Malo:** Aside from restoration, are there other problems specific to your museum and other railway museums?

**Ms. Marie-Claude Reid:** Another important factor is the fact that preserving industrial artifacts requires sizeable facilities. In the past, not enough was done in the field of documentation on protecting collections. The federal government tended not to invest as much as was needed to meet the museum community's needs in this area.

In general, museum funding, be it for exhibits, research or conservation, has been woefully inadequate over the past 12 to 15 years. There are shortages in all areas. One of the areas in which museums play a key role is memory. However, memory needs to be looked after, something that is impossible if museums are unable even to afford their power bill. And this is a situation in which many museums find themselves.

**Mr. Luc Malo:** What will happen if we do not take action now?

**Ms. Marie-Claude Reid:** We have to find solutions. Any self-respected society that wants to pass on its values to future and present generations has to invest in its heritage. That is something that is crucial. Understanding the past is a prerequisite to understanding the future; we learn from the past. It is extremely important for a child to be able to go into a museum such as ours and discover a world different from what he finds on the Internet or in a Nintendo game. Upon entering the museum, children experience a sense of wonder and of new discovery. Another person may experience this same wonder when faced with a work of art or an aboriginal artifact. In our museum, we witness the sense of wonder all day long, and it affects young and old alike. Contact with an artifact is the best way to teach life's lessons.

**Mr. Luc Malo:** I will ask my question again. What will happen if we do not act now?

**Ms. Marie-Claude Reid:** I simply cannot believe that we would stand by and do nothing ; I cannot believe that, as Canadians, the people seated around this table are not cognizant of the importance of our heritage. I have faith that those around us will be open to supporting heritage, because destroying our heritage is tantamount to saying that the ingenuity of yesteryear is worthless, which is not at all the case.

[English]

**The Chair:** Mr. Scarpaleggia, please.

[Translation]

**Mr. Francis Scarpaleggia:** To follow on from what Mr. Malo was saying, it seems that you are teetering on the edge of the precipice. Obviously, it is important that you maintain a positive attitude towards the future. In terms of other sources of funding, you have revenue generated by selling tickets to those who visit the museum. However, if I have understood you correctly, aside from some small envelopes for specific projects, you receive virtually nothing from the federal government. You have received support through the student program, although according to the announcement made two weeks ago, it would seem that the current government wishes to cut back this program.

That being said, I would like to point out that it is thanks to Mr. Abbott's interest in the subject that you are here today. Mr. Abbott supported my motion. I am targeting my criticism not at him personally, but at his government that wants to make cuts to this program. At the end of the day, you essentially get nothing from the federal government. However, you receive funding from the Quebec government.

What shape does the Quebec government's financial contribution take?

• (1635)

**Ms. Marie-Claude Reid:** It is referred to as operational support. We receive an annual contribution to cover human resources, electricity.

**Mr. Francis Scarpaleggia:** Obviously, all institutions, be it CBC or a museum such as yours, want to secure stable long-term funding. But, with respect to the contribution from the Government of Quebec, when will that agreement come to an end?

**Ms. Marie-Claude Reid:** We have not been given an end date. So long as the Government of Quebec recognizes the importance of museums that must be financially supported and so long as we perform well, based on evaluations every three years, we will continue to receive support.

**Mr. Francis Scarpaleggia:** In perpetuity?

**Ms. Marie-Claude Reid:** So long as they deem it important. As I have said, that has been the case since 1979. We do hope they will always consider it important.

**Mr. Francis Scarpaleggia:** Have funding levels fluctuated from year to year?

**Ms. Marie-Claude Reid:** No, but we have been receiving the recurring grant since 1992. Obviously, since the capital project, the provincial government has made an effort to support us, in the hope that other equivalent partners could join in, because the heritage we are safeguarding is Canadian heritage. The province of Quebec recognizes that part of this heritage is also specifically that of Quebec — the first railroad was built in Quebec, not far from the museum — but it also considers the collection to be the focus of a significant partnership with the federal government.

**Mr. Francis Scarpaleggia:** You are assured stable long term funding...

**Ms. Marie-Claude Reid:** No, we are not. We are an accredited museum. So, so long as the Government of Quebec maintains a policy aimed at supporting museums, we will be receiving support, if

we continue to offer the same level of professional service. But there is no guarantee that the program will be maintained in the future.

We are basing this on the fact that we have been receiving a certain amount since 1979. However, the amount that we receive does not meet our needs, specifically since the new building was erected. The electricity bill alone eats up the entire operating subsidy.

**Mr. Francis Scarpaleggia:** Let us get back to your financial needs. Let us assume that in an ideal world, Mr. Abbott or his Minister were to come to you with a blank cheque telling you that you will receive what you need on an annual basis, that the museum will be entirely funded by the federal government and that this amount would cover annual operating costs and capital investments. How much money would you ask for? Would 4 to \$5 million per year be enough?

**Ms. Marie-Claude Reid:** Yes.

**Mr. Francis Scarpaleggia:** Thank you.

[English]

**The Chair:** Mr. Abbott.

**Mr. Jim Abbott:** Yes, we're going to do that. Let the minutes show my tongue in my cheek.

First off, I presume that your financial statements are public documents. Is that correct?

• (1640)

**Ms. Marie-Claude Reid:** Yes.

**Mr. Jim Abbott:** I wonder if I could request those statements for the last two or three years. If you could get them to the clerk, it would be exceptionally helpful to us on this question of funding.

I'd like to go back to page 51. I apologize to the people at Lord Cultural Resources Planning & Management, because I'm not familiar with them, but I have some serious questions about their recommendations to you.

I'm looking at where we're talking about fundraising, retail and food service preparations, marketing, public relations, publications, donations, education, programs and events. It goes from approximately \$1 million to \$1.1 million to \$1.2 million in expenses. That's combining the two sets of numbers. Then I take a look at your actual revenue side, or at least the projected revenue side, of \$546,000, \$723,000, and \$900,000. I'm keying on the places where they are advising you to spend money. If I ignore the management and special projects and administration, I don't understand the advice to your museum that for 2005-06 your fundraising would be an expense that would realize only \$31,500; retail food and service operations, only \$43,700; marketing, public relations, publications, and donations, also only very low amount; educational programs and events....

I have a lack of respect for this kind of advice to your museum. Those are discretionary amounts that they are suggesting you should be spending, and yet they're projecting that you're only going to cover 50¢ on the dollar for those activities. I just don't understand that. That would be like you're creating a hamburger for \$10 and charging \$5. It doesn't make any sense to me.

I must say, by comparison, I have taken a hard look at the numbers from the museums in my constituency, where a hamburger that's going to retail for \$5 probably costs about \$2. So I'm familiar with the difference between the cost of discretionary spending, those costs and the revenue side, and how to generate revenue. It appears to me that this company is advising the management to spend a dollar and hope for fifty cents back. I don't understand that.

**Mr. Stephen Cheasley:** First of all, Lord Management is one of the top museum consultants in the world, a Toronto-based corporation that has expanded worldwide. We brought them in because we wanted to have the proper advice.

I think what you're getting at is something that I also find strange, but in the museum world it seems to be this way. This is not running a business. As I said earlier, the museums in England would have no revenue to speak of coming in; they're free. But they have heavy costs to get people in the door. My understanding from them has been that you need to spend some money if you want to get people in. The object of the exercise in a museum is to get people to come and see it. So you have to spend money to get them in the door. You're absolutely right: when you look at the numbers it looks crazy—spending \$1 million to bring in \$500,000. As you say, it's spending a dollar to make fifty cents.

**Mr. Jim Abbott:** Maybe we could pay them \$5 to come to the museum—that's the equivalent, isn't it? Of course, that's absolutely facetious.

**Mr. Stephen Cheasley:** Yes, but I'm just saying to you, you're asking where this comes from, and I'm not the expert who knows how museums work around the world, but certainly this is the advice we got from them. You're asking a question. We'd have to bring them in and ask them that question, but that seems to be the way it works.

**Mr. Jim Abbott:** Coming back to the question we're trying to grapple with, I would, and I'm sure the whole committee would, and I know the government would really appreciate receiving advice from people who are doing the job you're doing. Again, I want to be crystal clear: I think what you're doing is fabulous, and I think what the people around Canada are doing vis-à-vis museums and these kinds of displays is absolutely fabulous. That isn't the issue. The issue is how do we define in very specific, concrete, precise terms the responsibility of the federal government, and can we quantify that to establish a number?

I don't think it would make any difference which government it was, I would think even including the NDP, the request for \$4 million is most probably never going to happen. Therefore we have to quantify it and we have to determine the standard by which the funds will be released, because they are taxpayers' dollars after all, and they want to know they're getting value for money and we're acting in an accountable manner. That's where your advice to us is really valuable.

●(1645)

**Mr. Stephen Cheasley:** I think the federal government has a scale from zero to 100. In certain areas the federal government has assumed 100% of the costs of museums, which we outline here. That decision was made in the past, and you live with it. These numbers here are nothing compared to the numbers it takes to run a major national museum.

To talk about quantifying the role of the federal government, the first way to quantify it is to share the costs with other people. I think everybody now wants to find new creative ways for the government to do things, how they can spend less and get more—this is the old saying.

I've had the privilege of being involved with a PPP, a public-private partnership, in Montreal for 18 years. We formed Montréal International 18 years ago, which is a public-private partnership with the federal government, the provincial government, the municipal government, and the public sector, and it has worked like a charm. We have two mandates: one is to get international organizations to set up their headquarters in Montreal—we now have 70 of them in Montreal; the other mandate is to get international investors to invest, and we've been doing very well with that.

It works fine, but every one of the governments is not picking up the whole cost of this, and it's also sharing with the private sector. This is the model. We think this is a good model for the federal government to carry out its obligation to look after the heritage, the railway heritage. It's cheap. I'm going to be blunt about it: it's a cheap way to get into this. Even paying \$4 million a year is peanuts in comparison to what they're paying for the Canada Aviation Museum or anything else. So this is a relatively easy way for the federal government to get involved, preserve the railway heritage, and yet not have to pay a fortune to do it.

Now, quantifying that, the way it really works when you have a partnership is each year you sit down around the table and look at what you're going to do and what it's going to cost. In the Montréal International example, we do three-year contracts with the three levels of government. We sit down, we work out our budget, then they sign up and commit to put money in over a three-year period, then we'll look at the next three-year period and so on, and that's how that works. So nobody's getting stuck forever on a sum of money, and they sit around the table on the board so they can see what's going on; they get the reports. They know what's happening, so they know we're not spending money improperly or what have you.

It's a way to make sure people are getting value for their dollar, which is I think what the governments want to see these days. So that's our proposal. If we can work that out, bring in the governments and work that, I think we have a way to find a new way of dealing with the preservation of Canadian heritage, which keeps everybody involved. And it's not expensive; individually it's not expensive.

**The Chair:** Thank you.

Mr. Angus.

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

I know full well that museums cover off a much broader perspective. In my own riding, we have a museum in Cobalt. It's centred in the old railway station, but it covers off many other artifacts. In Englehart we have an old T&NO steam engine, and then in Cochrane we actually have the rail museum. Each of them covers off different aspects of it.

I would understand or imagine that your organizations have dealt with many aspects of museums policy. Have you been asked by previous governments for input into a museums policy?

• (1650)

[Translation]

**Ms. Marie-Claude Reid:** A request was made by the previous liberal government to all museums throughout the country, with respect to the Canadian museum policy. We were asked to fill out a type of questionnaire. Institutions could also submit briefs that officials would analyze in order to set up broad policy directions.

The groups were given a chance to peruse it and discuss it. Representatives from various sectors had to look into it. I personally only saw a number of statements as well as the questionnaire. I was not seated at the table working on it, but some of my colleagues were. What was done was very important and urgent, given the needs of museums.

[English]

**Mr. Charlie Angus:** Yes.

My colleague from the governing party has invited input on a new museums policy. Your budget is being cut now, but there's a promise that somewhere down the road there might be input into another vision.

There's a British politician who laid out for their government the twelve steps to doing nothing. You know, you begin discussions with stakeholders; then you send out someone for a report; then you get the initial report back; you have more meetings with stakeholders; then you do a draft report, followed by a revised report; you might even get it to committee; then, by the time you're committed to doing anything, you're into an election, so you're running on a promise; and then you go back to square one.

I'm wondering if we're now in step two of the twelve-step process when we've already gone through the twelve steps. From your perspective, do we know what we need in terms of a museums policy in Canada? Have we previously done the work? Can we simply look at the recommendations that have come forward and have the government say either yea or nay, as opposed to putting us through another indeterminate period like the one we've just been through?

[Translation]

**Ms. Marie-Claude Reid:** It is important for museums to have a museum policy soon. It had been expected for a number of years, and the work was at the point of fruition. We, representatives of rail museums, need a policy soon. I think any additional information could be integrated within the policy. I hope it will appear in the coming months. We, in the museum community believe it is urgent for the policy to be released and for financial backing to be made available as soon as possible. The current situation for museums is critical.

[English]

**Mr. Charlie Angus:** Just so I'm very clear, my quote from the translation of what you said earlier was that the funding envelope is and has been "utterly inadequate". Now what you're telling me is that we need this policy quickly. There is a sense of urgency.

Is that the position you're bringing forth today?

**Ms. Marie-Claude Reid:** Yes.

**Mr. Charlie Angus:** Okay, thank you.

**The Chair:** Mr. Bélanger.

**Hon. Mauril Bélanger:** Thank you, Mr. Chair.

I want to follow a bit on that, but before that I need to understand where we're going here, Mr. Chairman. This question may be directed to you more than to our witnesses.

Before we continue, there's a French expression, and I'm going to translate it literally "tripping on the flowers of the carpet"—*s'enfarger dans les fleurs du tapis*. I need to understand the framework, what it is we're doing here, because, indeed, the discussion we've just heard is very relevant.

We've had this exercise. The previous government had a policy. There was extensive consultation. The museums associations have even arrived at a number, *un chiffre*, that they would be very happy to see the museum assistance program grow to, yet I've heard that the government has said we're not going to have such a policy for at least a couple of years.

I need to know if this exercise is part of a framework in which we are going to drive policy, as a committee. I'm quite prepared to do that, but I need to know if indeed the government is prepared to cooperate. Maybe it's you or maybe it's Mr. Abbott who has to answer that. In fairness to us and to our witnesses and to the people who may be following these meetings, I think it's important that we have a sense of where we're going with this, because looking at the numbers, as we have been, may be a valid exercise in and of itself, but doing so may not be relevant to establishing a policy.

And we need to look at that policy. If we're going to be doing this exercise, my sense is that we need to look at criteria such as what the museum assistance program would involve, and whether it would involve national or regional collections. We need to know if we're talking about unique events or many, and how often we're prepared to duplicate them in the country if we're going to be supporting them. We need to talk about ownership and how it has an impact on support or non-support. Accreditation and all of the rest are the principles that have to be contained in a policy. Otherwise, we're just spinning our wheels here. I'm not fond of doing that or of using the twelve-step approach to doing nothing.

So that's a consideration I'm asking for, in order that we have a sense, if any, of where we're going with this.

• (1655)

[Translation]

I would also like to ask Ms. Reid a question.

[English]

or any of the gentlemen there.

[Translation]

Earlier, you said that you agree with the overall results of the consultations held with the museums associations of Canada.

Do you also agree with the figures which appear in the conclusion? If I am not mistaken, the associations said that they would be quite delighted to see the Museums Assistance Program receive funding in the order of \$75 million annually.

**Ms. Marie-Claude Reid:** It is certain that the difference between \$11 million and \$75 million is very significant and it would go to all Canadian museums.

**Hon. Mauril Bélanger:** That was not my question, madame. I am asking you if you agree with the conclusion of this consultation, as well as the figure that was put forward by museum associations?

**Ms. Marie-Claude Reid:** I was not part of that study which compared figures for all needs—

**Hon. Mauril Bélanger:** Do you agree with the conclusion or not?

**Ms. Marie-Claude Reid:** Yes, but I cannot begin to describe to you what these \$75 million would translate into.

**Hon. Mauril Bélanger:** Nor can I, but if someone who did the math and tell us that the museum community—

**Ms. Marie-Claude Reid:** The amount is representative of the needs.

**Hon. Mauril Bélanger:** Representatives from the country's museum community told us that they would be happy with a given amount of money, which is just much higher than it has currently been. I acknowledge this, but I am not telling you that I am opposed to it. However, if you think that this amount is acceptable, that it would allow things to move forward, well, in speaking with individual museums, the same alarm it is not being sounded; therefore, I am a bit confused.

**Ms. Marie-Claude Reid:** We are not sounding a different alarm; we are simply saying that the needs of railroad museums must be known for their particularities, and if the total amount of \$75 million is sufficient, that is perfect.

**Hon. Mauril Bélanger:** If not, it is not perfect.

**Ms. Marie-Claude Reid:** If not, we are going to find ourselves with the same problem we currently have. The problem will not go away, we are responsible for preserving our national collection. It is very specific to our institution.

**Hon. Mauril Bélanger:** Thank you.

[English]

**The Chair:** There was a question put to the chair. Number one, let's get to a couple of inaccuracies that have been floated around here today. It was just mentioned that if you take \$11 million, you take off \$4.6 million. Again, I have to go back to the fact that everyone received this today, and this has been on the website of the small museums of Canada. This is our parliamentary thing, and it says:

According to the Estimates, MAP spending is forecast to be \$9.4 million in 2005-2006. However, in September 2006 the government announced that \$4.6 million would be cut from the program over the next two years.

That's over the next two years. It is \$2.3 million, and it's forecasted to be \$9.4 million. It's my understanding, it's my belief, that there will be \$9.5 million in the MAP program in the upcoming year.

It was mentioned that there was \$11.8 million in the fund per year, and there will be \$2.3 million less next time. So there will be, in the coming year, \$9.5 million. That is my understanding. To be clear on this, there will be no cut to the program as it was proposed in 2005-06. As far as actual spending is concerned, it will be the same.

**A voice:** [*Inaudible—Editor*].

**The Chair:** Just a minute. I am the chair, sitting here, and I will take the responsibility.

We are interested in a new museum policy, a policy that works for all museums, big and small. I know I have gone over some of the MAP programs over the last while, and I see nothing small in those particular estimates.

I do have a rail museum in my riding. It's a very small museum and it has gotten no government funding over the years. It does have a caboose and it does have a station. They work very hard, as you do, and I give you those accolades.

I come from a little place called Sebringville, just outside of Stratford, Ontario, and one of our biggest nemeses is the old CN shops that are still there. They are in the downtown heart of the city and they've been just a pain in the rear for everybody. A person bought them and they're still there, half torn down and half not torn down. I think your rail museum is super. It's special, because these things do have to be preserved.

We are looking forward to a museum policy that will be good for all museums, big or small. But again, we have some questions, and some of those questions have been asked here today in regard to where the government should go. I must say that I have sat on this committee for the last two years, and I was one of the first people who brought up small museums three years ago. I was told by the president at that time when he was here that it was the first time he had heard small museums mentioned in a heritage committee meeting in the last ten years.

So yes, we as a government are very interested in small museums and in a small museum policy, but policy that is not only talking in dollars that can't be accessed. We want to have good policy that can be accessed somewhere down the road.

We're going to finish with someone over on this side, because we have to complete here quickly.

Mr. Angus has a point of order.

• (1700)

**Mr. Charlie Angus:** I appreciate you giving us the government perspective on this, but we don't have a lot of time. If we're going to be talking about museums, we have other dates set up. We asked to hear from the railway museums. I have a motion on the table. I want to have that discussed. If there's time after that, I'm more than willing to sit until 5:30 and talk about people's political viewpoints on the spending cuts. But we have a motion on the table and I would like that addressed.

**The Chair:** Okay, we'll take five minutes for questions and answers, and then we'll go to your motion, Mr. Angus.

Mr. Warkentin.

**Mr. Chris Warkentin (Peace River, CPC):** Thank you very much for coming. I certainly appreciate not only your presentation today, but also the work you have been doing, and I look forward to actually visiting your museum. Mr. Scarpaleggia talked to me about the museum about a month ago, and he just inspired me to take a real interest in this particular field. I am very interested in old trains. I've had the opportunity to ride on some, and I do look forward to visiting at your place.

You talked about your 125,000 square feet. In practical terms, that's just a huge undertaking in terms of trying to keep up and maintain into the long term. Of course, there are a lot of practical challenges that come along with that.

When the project was first conceptualized, of course there was obviously a need to house these things. Certainly there would have been a plan at that time as to how big the museum would get and what types of different artifacts you'd collect and that type of thing. I'm just curious. As you've had the evolution of your particular museum, how have you seen your original plans unfold? What can we take away from that when we're looking at a new museum policy, specifically about how you would address differently, possibly, things like expansion of your museum? How would you limit it from getting too big, where it was completely unmanageable? I don't think you've reached that point, but there's always the concern for any museum that, as artifacts are collected, eventually the collection gets to the point where it's unmanageable.

• (1705)

[Translation]

**Ms. Marie-Claude Reid:** A collection has to reflect a society's evolution. We believe it is important for the collection to continue to be developed. However, that does not mean it must develop exponentially, quite the contrary. Because the collection is made up of large and very expensive objects, the collection committee has always ensured that the development of the collection was strictly monitored. But if a collection is to represent the evolution of society, it is important to develop it and to do it right, which is what we have always done.

A collection of historic objects requires smaller warehouses than a collection of a railway cars, but it just happens that railway cars make up our collection. We have chosen to build a wing which can hold 12 tracks, which will allow us to add more tracks. We had always planned on having additional space in order to expand our collection. Of course, our collection is much more expensive than many others.

[English]

**Mr. Chris Warkentin:** Have you ever considered an endowment fund or some type of partnership with a foundation that would address some of the issues as you grow, so that some of those issues would be dealt with in the financial respect?

[Translation]

**Ms. Marie-Claude Reid:** We had already thought about creating a foundation, but we just never had enough resources. Aside from

funding campaigns which have enable us to maintain our capitalization and our regular activities, the organization, even though it generates a lot of money each year, could not generate the five or six million dollars needed to create a foundation, nor as it received generous donations of \$20 or \$25 million.

Donors have given amounts of \$50,000, \$100,000, \$150,000 and \$200,000, which have helped us maintained the museum activities repair or add new buildings. But up until now, we have not been able to create a foundation which would generate enough money. We issue receipts for income tax purposes and have to spend the money we raise in the course of a year.

• (1710)

[English]

**Mr. Chris Warkentin:** Do you believe an endowment-type situation would be good as you move forward? Would that be part of a policy that you would adopt?

[Translation]

**Ms. Marie-Claude Reid:** Yes, that is what the association would like.

[English]

**Mr. Stephen Cheasley:** If I may add, Mr. Chairman, because it's an interesting question—you talked about the collection growing and so on—one of the things we have been able to do over the past few years is distribute our collection to other places, such as Revelstoke, and we have equipment in New Brunswick, Smiths Falls, Edmonton, British Columbia—right across the country. That's part of it. You don't have to have all of your collection in one place. Art galleries have their things out around all the time—except these are big. But they do have the advantage of being able to be moved on their own wheels, so that's one thing we have going for us.

**The Chair:** I must thank you very much for your insight and your revelations to let us know of your great museum and your hard work to make things work. I know museums across the country, the small museums, have their noses to the grindstone every day. They're out selling potato chips and calendars. In our local museum, a lot of the elderly ladies in the museum got together and did a calendar like they did in England. They've gone to great expense and through trials and tribulations to make sure that the museums do carry on. So thank you again for your answers. We appreciate your coming today.

We'll just take about a two-minute recess, and then we'll come back quickly for Mr. Angus's motion.

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\_\_\_\_\_ (Pause) \_\_\_\_\_

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• (1715)

**The Chair:** Let's get this meeting back to order, because we have only about 13 minutes.



**Mr. Jim Abbott:** Mr. Chair, if you would recognize me, I have just a small correction to the minutes of the proceedings, and it's an important correction.

At the bottom of page 1, the third paragraph above the bottom says: "After debate the question was put on the motion and it was agreed to". I think my colleagues on the other side will agree that in fact the vote was the same on Mr. Bélanger's motion as it was on Mr. Kotto's and Mr. Angus's motions, which was yeas 7, nays 3. On both of those, I think you'll find that Mr. Bélanger's motion did pass. That isn't the question. I would just like it noted in the minutes that in fact the vote was the same—yeas 7, nays 3—on Mr. Bélanger's motion, as well. It's important from the point of view that "was agreed to" would make it appear as though the government side agreed to Mr. Bélanger's motion, which we did not. So I would just like that corrected.

**Hon. Mauril Bélanger:** You don't agree to that change, Jim?

**Mr. Ed Fast:** You must have read the minutes.

**Hon. Mauril Bélanger:** Was it three or four against?

**Mr. Ed Fast:** It was three.

**Hon. Mauril Bélanger:** I don't have it in front of me, Mr. Chairman, but we'll rely on the good judgment of the chair.

**The Chair:** That correction will be made. Thank you.

Now we move to Mr. Angus's motion: "That the Standing Committee on Canadian Heritage invite witnesses from organizations who have utilized the Court Challenges Program."

Mr. Angus, could you be short, please?

**Mr. Charlie Angus:** Yes, I will be very short.

There will be a question, of course, about which witnesses and what organizations we have. I had left that vague because I find that we end up with a motion arguing about who we should have and then having to write it in formally, and I don't think that's the best way to go. It hasn't been exhibited to be in past practice.

What I'm suggesting, and I talked to our clerk, is that if there are people who are interested in bringing forward witnesses, they should bring that to the clerk. He speaks with them and sees if they're available, and I think this is something we can wrap up. I'm not looking for a hearing on this; I want a meeting on this. If there are two or three groups that want to come in, that's fine.

I didn't specifically come with a written agenda. I'm interested in learning about the effect, because it was cut from Heritage Canada, and that's why I'm bringing it forward.

**The Chair:** Yes, Mr. Fast.

**Mr. Ed Fast:** Mr. Chairman, the motion as it's presently crafted I wouldn't be able to support. However, if in fact there is some desire to be balanced in the types of witnesses we bring forward, Mr. Chairman, you may find that there is a consensus at this table. Essentially, what I'm proposing is an amendment that would also add witnesses who have applied but were unsuccessful. I'm hoping that the scope of our discussions, when the witnesses are here, through the questions and answers, will also encompass what kinds of criteria the witnesses would propose for individuals or organizations to qualify for funding. That's been one of the big issues that

disappointed organizations—those that didn't receive funding—have raised.

My amendment would simply be that we expand the organizations that would be asked to appear as witnesses to include those who applied but were turned down. I know one in particular, already, that has expressed interest, and there may be a couple of others.

• (1720)

**Mr. Charlie Angus:** I'm sorry if I'm out of line here. Just for clarification, I'm not sure who has been.... I know some of the groups that have been successful in the way it was used. I'm not sure who hasn't been successful. Do you have an example to give us that would help clarify this?

**Mr. Ed Fast:** Well, at this point in time, I'd rather not say who it is. I do have one organization, specifically, in mind. One of the issues, of course, is confidentiality. You may be aware that under that program, unless the organizations formally give us permission to disclose that information, it may be a breach of the non-disclosure requirements. So I would beg your indulgence on that. I can certainly share that with you in a different setting.

**The Chair:** Mr. Scarpaleggia.

**Mr. Francis Scarpaleggia:** In a sense I suppose there is nothing wrong with Mr. Fast's point about wanting a balanced view, but where it breaks down for me is.... I think what Mr. Angus is trying to show is that this was a valuable program, and he wants to bring people who used it to show that it did help them. The logic Mr. Fast seems to be using is to bring people who didn't benefit from the program to tell us why it should be abolished. Unless there's something I'm missing, which is quite possible, it just doesn't make sense to me.

[Translation]

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

From the outset, it must be said that the reason the program exists is because it was needed. It was created out of necessity, it was founded, and when you cancel this type of program, you are taking away something from people which they have had access to in the past. We are talking about museums, we have heard witnesses who are stakeholders, who have worked on the architecture of museum projects, we have spoken to people whose lives are deeply intertwined with museums or who are simply museum visitors. In parallel to all of this, we have been asked to hear from people who could not care less about museums and who can live without them. The reason museums exist is because they are needed. A country needs museums to preserve memory, to educate the masses, to educate its citizens, and if the reason this program exists, the reason it existed, is to support the most vulnerable people, minorities, and the most marginalized groups in society. I do not see why we should hear from people who could not care less about this program. It is a historic fact that this program was born out of necessity and that it has played a useful role. But today, it is being cancelled and, as a result, a lot of people will end up on the street.

Thank you.

[English]

**The Chair:** Mr. Warkentin.

**Mr. Chris Warkentin:** On Mr. Kotto's point, if we don't bring people who were unsuccessful, who applied to get funding through the court challenges program, if we don't ask them to come and be witnesses, then we aren't going to address whether or not the program actually was working.

To use your analogy, if we only invite museums that traditionally got funding, if we never invite museums who never got funding, then we don't have a clear picture with which we can move forward. Every application should be valid, and we need to talk to those people.

**The Chair:** Okay. Mr. Kotto.

• (1725)

[Translation]

**Mr. Maka Kotto:** We could debate this issue at nausea, but I do not want to engage in sophistry. Of course, we have to be realistic. Let's take the example of museums, to come full circle. In the last ten years or so, the funding from museums has been cut by half, and there are figures to prove it. In the last two years, that funding has been cut back by 25%. Some museums need money and do not have access to funding. This is probably due to the lack of vision on the part of those people who are responsible for developing a museum's policy. But to come back to the motion, inviting witnesses who have not used the program does not mean that reducing the program's budget is in any way justified. It is an aberration.

[English]

**The Chair:** Okay, I've got two questions, first for Mr. Angus and then for Mr. Scarpaleggia. And I'm going to tell you, we have three minutes. I'm going to have the vote before 5:30.

**Mr. Charlie Angus:** I would not be able to accept that amendment at this time because we're not talking about changes to the program. We're not talking about faults in the program that if we were at committee, we would suggest changes. So if there are people who could use that program, who felt it wasn't responding to their needs, what we're talking about is the fact that apparently these groups have already been heard, because the government axed the program. The government has made its decision. The government said this is not a program worth going forward. So I think discussion at this point about groups that didn't like the program is moot. What needs to be heard is was there a need and was this responding to a need? So I would prefer to keep it simple.

**The Chair:** Mr. Scarpaleggia.

**Mr. Francis Scarpaleggia:** Basically Mr. Angus made the point I was going to make. If the issue was that the program will remain and you can make it better, I would agree with Mr. Fast. But that's not the case, so we should call the vote.

**Mr. Ed Fast:** Mr. Chairman, we're forgetting one thing. There is a motion that's been passed here, even though we voted against it.

**Hon. Mauril Bélanger:** No, we're not forgetting it.

**Mr. Ed Fast:** No, not this motion.

**Hon. Mauril Bélanger:** No, I know what the other motion was.

**Mr. Ed Fast:** The previous motion was passed.

**Hon. Mauril Bélanger:** So the committee has taken a stand.

**Mr. Ed Fast:** Yes, to restore the funding. So what Mr. Scarpaleggia is saying is not quite correct.

**Hon. Mauril Bélanger:** Keep that in mind. If I may very quickly—

**Mr. Ed Fast:** I have the floor right now.

**Hon. Mauril Bélanger:** I thought you had the last word.

**Mr. Ed Fast:** I do, actually.

**Hon. Mauril Bélanger:** Can I get mine in before you?

**Mr. Ed Fast:** Sure.

**A voice:** Let's do it that way.

**Hon. Mauril Bélanger:** Thank you.

We have to keep in mind that this committee has already taken a position. I don't have a problem after that, in listening to witnesses, and I don't have a problem listening to witnesses who may have applied and weren't successful. That implies we will take a very serious look at this particular program, and I'm quite for that. I think it's one of the more important programs of the Government of Canada.

We can uphold this motion whether or not it's amended as you want, Mr. Fast, and still say, because

[Translation]

in French, it says “qui ont fait appel”.

[English]

*Qui ont fait appel* does not mean “that have received help or not”.

I would suggest that by close of business this Friday, any one of us who has any—should this be approved—suggestions of witnesses should convey them to the clerk so that next week we can determine who we'll have.

**Mr. Ed Fast:** You're suggesting the motion would just delete “who have utilized the Court Challenges Program”.

**Hon. Mauril Bélanger:** No, just leave it as it is. By applying, you've utilized it.

**Mr. Jim Abbott:** This is a very important point of order. In fact, there is a discrepancy between the English and the French.

**Hon. Mauril Bélanger:** I think there is.

**Mr. Jim Abbott:** If we were to accept the French and render it in English as “invite witnesses from organizations who have asked to use the Court Challenges Program”, that would be the end of the problem.

**Mr. Charlie Angus:** Point of order. It's my motion. If Mr. Bélanger wants to bring a motion inviting other groups on Friday, I'm more than willing to have him say that.

**Mr. Jim Abbott:** No, there's a discrepancy—

**Mr. Charlie Angus:** Mine is in the English. It's very clear. I want to vote on this motion. If Mr. Bélanger wants to make another motion—

**Mr. Jim Abbott:** Which motion do you mean, the French or the English motion?

**Mr. Charlie Angus:** The motion that says to invite “witnesses from organizations who have utilized the Court Challenges Program”.

**Mr. Jim Abbott:** Okay, just a second. Then, Mr. Angus, the difficulty with the motion is that according to Mr. Bélanger—I apologize that I don't understand French— your motion, when translated, is not the same motion.

**Mr. Charlie Angus:** Well, it's very clear what that motion was. If we want to vote on that, then let's vote on that. If Mr. Bélanger wants to bring forward another motion that opens it to anybody—

• (1730)

**Mr. Jim Abbott:** Are we voting on the English or the French?

**The Chair:** Just one second. The amendment is on the table. If we're going to have a vote, we're going to vote on the amendment.

**Mr. Ed Fast:** Can we just clarify how it reads?

**The Chair:** No, we don't have an amendment on because it has to be a friendly amendment. It has to be accepted, and he's not accepting the amendment.

**Mr. Ed Fast:** But I can move an amendment to the motion, which I did. In fact, those were my words. I would move an amendment.

**Mr. Jim Abbott:** Furthermore, if we do get to the motion, the motion in French is not the same as the motion in English. So which motion are we voting on, the French version or the English version?

**Mr. Ed Fast:** Why do you want to exclude witnesses, Charlie?

**The Chair:** It's been explained to me that what we have to do, because Mr. Angus has specified that he wants “who have utilized the Court Challenges Program”, is make an amendment to the French translation that's here.

**Mr. Ed Fast:** Just to clarify my amendment, add the words, “and from organizations who applied for funding under this program and were unsuccessful”.

**The Chair:** We'll vote on the amendment.

Yes, Mr. Malo?

[*Translation*]

**Mr. Luc Malo:** It is just a matter of correcting the translation. It should not say “ont fait appel”, but rather “ont eu recours”. It is the literal translation of Mr. Angus's motion.

[*English*]

**The Chair:** What we're going to do here—

[*Translation*]

**Mr. Luc Malo:** It is just a matter of correcting the translation.

[*English*]

**The Chair:** First of all, we're going to vote on the amendment.

**Mr. Charlie Angus:** Excuse me, Mr. Chair.

They're using this amendment in an attempt to bring forward that amendment in another way.

**Mr. Ed Fast:** They're correcting the language.

**Mr. Charlie Angus:** They are not correcting it. They are changing it. And you're changing the wording of my motion.

**Mr. Ed Fast:** No, they're not. My amendment is on the table—

**Mr. Charlie Angus:** Their amendment is not an amendment. It's clarifying the language, and that's what we're asked to do here.

What you're trying to do, Mr. Chair, is allow them to change the wording that I brought forward in English, the original wording in English,—

**Voices:** No. No.

—which is that we are inviting “witnesses from organizations who have utilized”, people who actually used the program.

**The Chair:** He is proposing an amendment. He has the right to propose an amendment to your motion.

The motion we're voting on will be what it says in English: “that the Standing Committee on Canadian Heritage invites witnesses from organizations who have utilized the Court Challenges Program”. The French translation will be corrected to say that.

Now we are going to vote on the amendment by Mr. Fast. Mr. Fast's amendment is: “and for organizations who have applied and were not successful”

All those in favour of the amendment?

**Mr. Ed Fast:** Hold on a moment, please.

Could we count the votes?

**The Chair:** Okay.

[*Translation*]

**Mr. Luc Malo:** I would like to have a clarification on the amendment. Are we adding or substituting something?

**Mr. Maka Kotto:** That completely changes the meaning of the motion.

**Mr. Luc Malo:** Are we adding or substituting something?

[*English*]

**The Chair:** It's adding additional witnesses.

This my fault. I've gotten a little mixed up here. I've let you guys get me out of control.

This is how the motion will read with the amendment:

That the Standing Committee on Canadian Heritage invites witnesses from organizations who have utilized the Court Challenges Program and from organizations who have applied and were not successful.

(Amendment agreed to)

• (1735)

**The Chair:** Now we vote on the motion, as amended. I will read it again:

That the Standing Committee on Canadian Heritage invites witnesses from organizations who have utilized the Court Challenges Program and from organizations who have applied and were not successful.

**Hon. Mauril Bélanger:** I have a question. I want to know if we would all of us have the opportunity to submit names to the clerk, and if all of us will decide who will and who will not be heard.

**Mr. Ed Fast:** Who are all of us?

**Hon. Mauril Bélanger:** All of us includes all of us.

**The Chair:** As chair I will say that this committee has the right to put names forward for witnesses. I think that's part of what the committee is about. As for picking the witnesses, let's bring it back to the committee. I have no problem with that.

**Hon. Mauril Bélanger:** If that's the case, thank you very much.

**The Chair:** So now we will vote on the motion.

(Motion agreed to)

**The Chair:** Mr. Bélanger.

**Hon. Mauril Bélanger:** Do we have until Friday to submit names?

**The Chair:** I would say yes. Have those names of the organizations here before Friday.

Thank you.

The meeting is adjourned.

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