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Mr. Gary Schellenberger

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•(0910)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): Good morning, everyone. Welcome to the 23rd meeting of the Standing Committee on Canadian Heritage.

Pursuant to Standing Order 106(2), we need to elect a vice-chair from the opposition. So I will take nominations.

Mr. Scarpaleggia.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): I nominate Mr. Andy Scott.

The Chair: It is seconded by Mr. Angus.

(Motion agreed to)

The Chair: Welcome, Mr. Scott, vice-chair.

We will move to the second order of business, a notice of motion from Mr. Scarpaleggia, as follows:

Given the Standing Committee on Canadian Heritage is embarked on a mandate review of CBC/Radio Canada and that is has no immediate plans to proceed to the production of a report from museums study

That notwithstanding the motion adopted by the Committee on November 1, 2006, the Standing Committee on Canadian Heritage recommends that the government officially designate Exporail as Canada's National Railway Museum with dedicated long-term funding outside of the Museum's Assistance Program, and report this recommendation to the House of Commons.

Mr. Abbott.

Mr. Jim Abbott (Kootenay—Columbia, CPC): As you probably know, I have a very cordial relationship with Mr. Scarpaleggia. We find ourselves more often than not on the same side of issues. It's a long-standing relationship that I value. That said, unfortunately I don't think I can speak in favour of this motion for a couple of reasons.

First, there is a process currently in the works that will give us a revised museums policy. The difficulty I have with this motion in that context is that we don't know what the museums policy will say. Of my own accord, and not speaking on behalf of the government, I have been pushing an initiative with the minister for a process by which we can define national significance.

This is relevant to the two railway museums in my constituency: the Canadian Museum of Rail Travel, and the Revelstoke Railway Museum. If we're talking about taking a specific amount of money and having the funds go to Exporail in Montreal, what does that do for museums that happen to be in my constituency, the museum in

Squamish, or other museums without a definition of national significance?

Therefore, as much as I have a tremendous amount of empathy for what Mr. Scarpaleggia is trying to do, and a tremendous amount of respect for Exporail in Montreal, this becomes a satellite with no place to go. It becomes an object. I don't have a clue where this motion would fit in. At some point in the future it has to fit into a national museums policy containing a mechanism to define national significance.

Therefore my recommendation to my colleagues is that, regrettably, we vote against the motion, and I would recommend that for the consideration of my colleagues on the other side.

The Chair: Mr. Angus.

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

We have spoken about this in the past. I agree with my colleague. I think Exporail is an excellent site. However, I am concerned about us as a committee making decisions here and recommending individual projects as being nationally significant.

We had the opportunity to decide whether or not to do a museums study here, but the fact that we aren't—We know that the government is undertaking a museums study, and the issues of national significance have to be addressed within that context.

I'm not very comfortable recommending one site because it was brought forward to this table, and saying we want this to be given special funding outside of all the other projects. I don't really feel that's our mandate. It's different for us to say that we support a project program within the museum assistance program, and we think it should be given more funding because of our recommendation. But to take one individual site, separate it, and ask for specific funding for it, I do not feel that's something we should be doing at this time.

•(0915)

The Chair: Mr. Scarpaleggia is next, and then Mr. Kotto.

Mr. Francis Scarpaleggia: I'll let Mr. Kotto go first.

[Translation]

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

First of all, I want to point out that the museum is not in Mr. Scarpaleggia's riding.

We have heard witnesses here representing this museum and we have read their submission. In my opinion, given that this museum is adrift at the moment, it could turn out to be a national loss. This is the biggest museum of its kind in Quebec and Canada. As far as I know, a motion is not a bill as such or an act.

Mr. Abbott just now mentioned the study under way regarding the museum policy. We in fact made a request on those lines to the minister by presenting motions such as the ones we have adopted here since May of last year. So much the better if a study is under way. The motion, once adopted, would help the government to articulate its work by taking account of this situation. It is a unique museum, and we must, as parliamentarians, in the light of what we read in the submission and what we heard as evidence, support this motion. That is why I am supporting it.

[English]

The Chair: Thank you.

Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: Thank you, Mr. Chair.

I would like to call the vote. As a matter of record, though, I would just like to say that the Cranbrook museum and the Revelstoke Museum support this motion. I would look forward to debating it in the House.

The Chair: Mr. Scott, did you have something to add?

Hon. Andy Scott (Fredericton, Lib.): I think Mr. Scarpaleggia called the question.

(Motion agreed to)

The Chair: Next on the agenda is a motion put forward by Mr. Kotto, as follows:

That pursuant to Standing Order 108(2), the Standing Committee on Canadian Heritage recommend that the government continue funding the Court Challenges Program at the fiscal 2005-2006 level and that the Chair report the adoption of this motion to the House forthwith.

Do you want to speak on the motion, Mr. Kotto?

[Translation]

Mr. Maka Kotto: In light of all the evidence that we have heard, and which is summarized here, I feel obliged to make a gesture to challenge the decision last September 25 to abolish the Court Challenges Program, not only for linguistic minorities in Quebec, but for linguistic minorities outside Quebec, and for vulnerable groups such as persons with disabilities, women and the poor.

I think that all the evidence, if listened to objectively, argues for the need to maintain this program. Besides, Canada, at the international level, has signed agreements and treaties that, were the program to be abolished, would make it look bad in the eyes of the world.

• (0920)

[English]

The Chair: Mr. Abbott.

Mr. Jim Abbott: Just before we have a vote, it was very interesting to hear in the testimony—I believe it was in the first session—that former member Mauril Bélanger and Mr. Fast had a very interesting exchange over the fact that Mr. Bélanger, along with

a person by the name of Louis Quigley, had jointly ended up funding \$115,000 virtually out of their own pockets. Mr. Bélanger could not put the lawyer fees against the House of Commons and Mr. Quigley did not have access to this program. I believe Mr. Fast made the representation that this was a point, that Mr. Quigley should have had equal access, but Mr. Bélanger took a different perspective.

Last week I received a copy of a January 26 letter from Louis Quigley—he's from Moncton—that he had submitted to the editor of the Moncton *Times & Transcript*. He says in the letter the following:

One of the actions of the federal government that raised eyebrows was the cancellation of the Court Challenges Program, whose mandate was:

“To provide support to important court test cases challenging federal legislation... based on equality rights under section 15 and 27 and 28—of the Constitution.”

In my opinion, there are solid arguments to support its cancellation.

The government spent several million dollars each year to support this bureaucratic institution when there were numerous safeguards already in place to protect the rights of citizens, usually without any court involvement. The “arm's length” policy of the government in overseeing where and how the money was being spent did nothing to inspire confidence. Accountability was minimal.

Canadians who believe that their rights are being violated by any federal agency, whether Constitutional equality rights or language rights, may be assured that there are numerous sources of redress:

First, every Canadian has a Member of Parliament, whose duty is to hear the concerns of his or her constituents and, where justified, to help the individual find his or her way through the labyrinth of the federal bureaucracy to a source of redress.

[Translation]

Mr. Maka Kotto: Point of Order, Mr. Chairman.

[English]

The Chair: Excuse me for just one second, but we have a point of order.

[Translation]

Mr. Maka Kotto: I don't know if I'm completely wrong, but listening to Mr. Abbott, I get the impression I am hearing a witness, and the witnesses have already been heard. We are no longer at that stage.

[English]

The Chair: I know that, but Mr. Abbott can present this. He's having it read into the record. At the end, he can present his letter and we can have it as a transcript to go forward. I think he has the right to read this letter, and then we can have a vote.

Mr. Jim Abbott: Thank you, Mr. Chair.

To continue:

Second, every Canadian has access to the Human Rights Commission (toll free 1-800-999-6899). The Commission has wide powers to investigate complaints and to direct that corrective action be taken when it finds that there has been discrimination by any federal institution on grounds of race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, or disability.

Third, anyone who believes that his or her official language rights are being violated by any federal institution may contact the Official Languages Commission.

Again, there's an 800 number, which he provides.

If the individual wants to lodge a formal complaint, there is a procedure in place at no financial cost to the complainant. The Commissioner may then launch a formal investigation, again without cost to the complainant. If the Commissioner finds in favour of the complainant, the offending institution is expected to take prompt corrective action.

On those rare occasions when the offending institution declines to take action, the Commissioner has the power, under Section 78 of the Official Languages Act, to “apply to the Court for a remedy”. Once again, the costs of that Court action are borne by the Commissioner, not the complainant.

In addition, there are at least two other Acts of Parliament designated to protect the rights of individuals. They are:

The Privacy Act—which provides citizens with the right to access personal information about themselves held by the government, as well as to the protection of that information against unauthorized use and disclosure; and,

The Access to Information Act, which gives Canadian citizens the right to obtain information about government programs and decisions.

Finally, as an added source of expertise it might be worthwhile for law faculties in our country's universities to consider offering pro-bono advice to deserving citizens searching for justice.

In addition to performing a valuable public service, faculty and senior students would undoubtedly benefit from the experience.

It is understandable that some members of the legal profession are reluctant to see the end of the Court Challenges Program, which has undoubtedly been a lucrative source of income, but the taxpayers of Canada are just as understandably a little tired of paying for the unneeded and redundant services whatever their source.

Mr. Quigley reported to me as recently as this morning that in response to this letter he has received nothing but positive comment. He has yet to receive a negative comment by telephone.

I thought this exchange, having occurred at the very beginning of these hearings, would be of value.

We have Mr. Bélanger's perspective, which is absolutely respected. Interestingly, Mr. Quigley, with whom Mr. Bélanger worked, and Mr. Bélanger both put their own personal financial resources on the line, and he came to a significantly different conclusion than Mr. Bélanger did.

I appreciate having the opportunity to put Mr. Quigley's thoughts on the record.

● (0925)

The Chair: Thank you. Would you put your documents forward to the clerk, please.

Mr. Angus.

Mr. Charlie Angus: Thank you.

I have to say that I don't think that letter is relevant whatsoever. The suggestion that people can go to pro bono law students for help is to me an absurd suggestion.

I don't think it actually is contradictory to what Mr. Bélanger said. Mr. Bélanger said, if I can recall correctly, that his conclusion out of Mr. Quigley case was that it did prove a need. The fact that Mr. Quigley doesn't feel a need to have gone to the court challenges program, and that he could have done it on his own, seems to me to prove that the system does work. Mr. Quigley certainly seems to have found other avenues to run his case, and that's what he's offering.

However, the bigger issue goes to the testimony we heard, and that's the relevant part of what we are discussing. In particular, we had the cases for the francophone language rights outside of Quebec, which have had to be proven in court because the provinces would

not accept those rights. The other fundamental issue is the issue of deaf rights, because the governments continue to fight against these rights even when they are proved in court.

That's why we have the court challenges program. You have to take these rights to court because government refuses to enact some of these rights.

I feel we've been over this issue many times. We've heard all the possible arguments. I'm ready to vote on this motion. I think it's a very strong motion.

The Chair: Okay.

Mr. Fast, then Mr. Scott.

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

First of all, with respect to Mr. Angus' comments, as I recall the record...and Mr. Bélanger's comments, in fact Mr. Bélanger went to great efforts to try to get the federal government to pay the costs of the Quigley litigation. To me, that's clearly an indication that he felt there should be an obligation on the part of the government to pay for that.

Mr. Charlie Angus: Why are we talking about this now? I mean, you guys have run out of options and excuses.

Mr. Ed Fast: No, hold on. I have the floor.

Mr. Charlie Angus: We're pulling out this Quigley case. This is absurd.

Mr. Ed Fast: Mr. Angus, I listened patiently to you. I would request that you listen patiently to me.

The point I'm making is that the actual motion, which I don't support in any event, has a number of preambles. I take issue with the second and the third preambles. The second one, which states that “it came to light that the reasons cited by the government to justify cancelling the Program were unjustified”, doesn't correctly reflect the record.

There were allegations made by some of the witnesses that one of the reasons the government gave for cancelling the program—in other words, the issue relating to whether Liberal lawyers were involved. That issue clearly resonated around this table. But the government gave other reasons as well for the cancellation of the program. I myself articulated some of those during testimony.

So to suggest the reasons cited by the government to justify cancelling the program were unjustified casts the net too broadly.

Secondly, it also says that “all of the witnesses stated that the political allegiance or non-allegiance of the lawyers was never a factor in the hiring of lawyers”, but in fact not all of the witnesses stated that. We had at least four witnesses who never raised the issue at all and who probably would have taken issue with that contention.

So if you're going to have a motion based on a preamble, typically a preamble will state matters of fact. My suggestion is that prior to voting on this, in order to reflect the record properly, we should clarify the preamble.

I'll be voting against the motion in any event, because I support the government's decision to cancel the court challenges program.

•(0930)

The Chair: Mr. Scott.

Hon. Andy Scott: Thank you very much.

I will be supporting the motion. I think the issues of justification or no justification are subjective.

Certainly my experience, limited to the last meeting, where the court challenges program folks were here, satisfied me that my original understanding of the government's rationale was in fact the rationale. I think that was repeated by the government members as well. As I said then and I say now, these are legitimate arguments that I don't agree with; it would appear that perhaps most of us on this side don't.

The one point I'd like to make is that an assessment was done. I think the arguments that were put were all addressed in the assessment. The assessment called for greater accountability. It was accepted that it was necessary. But generally speaking, to be fair to the assessment, the conclusion reached was that the program was working and it should go forward. That was the assessment.

As I said last week, I spoke to Gérard La Forest, who did an independent review, to explore this further, because it's an important program to me in terms of Canadians with disabilities, aboriginal Canadians, and minority language challenges across the country, but in particular in the province of New Brunswick.

It's a critically important program, and I was not close to being convinced of the merits of the government's case in terms of its cancellation. That's basically what this says, so I will be supporting my colleague on his motion.

The Chair: Okay.

It has been mentioned that we would go forward with this motion, and I will take the vote.

(Motion agreed to)

The Chair: We're going to move forward to discuss the budget for study on the mandate, the role, of the public broadcaster in the 21st century. The clerk has broken it down into two parts. First is the operational budget, which is paying for witnesses' expenses as they come to Ottawa. That has been proposed at \$37,100, and we ask that it be adopted.

The second is the travel budget. The first part would be Yellowknife, Northwest Territories, and Vancouver, British Columbia. That is \$95,747. The second part is Winnipeg and Toronto, at \$65,097. For St. John's, Newfoundland, and Montreal, it's \$62,221. The total travel budget would be \$223,065 for public hearings and site visits in Yellowknife, Vancouver, Winnipeg, Toronto, St. John's, and Montreal on our study on the role of the public broadcaster.

So we have those two budgets before us. I would expect a mover and a seconder on these motions.

•(0935)

Mr. Chris Warkentin (Peace River, CPC): As a point of clarification, there was some debate or discussion as to the number of people who would be going. I guess it's been decided that six members will go to each location. Is that correct?

The Chair: That's what it determines here.

Mr. Chris Warkentin: So the final decision was just to have six members.

A voice: And nine staff?

The Clerk of the Committee (Mr. Jacques Lahaie): For public hearings we need interpretation, console operators, me, the researcher. For public hearings, that's the minimum. It's standard for each committee.

The Chair: Yes, Mr. Fast.

Mr. Ed Fast: Mr. Chair, do the clerk's estimates take into account the opportunity to do teleconferencing to perhaps reduce costs to the taxpayer?

The Chair: I don't think that is part of this right now. Having been on a committee that travelled previously, I think it's very important that for some of these things we do hands on. I think it's very productive for a committee to be in communities and to do side visits to see what really goes on.

Mr. Ed Fast: Mr. Chair, perhaps I could just finish.

Just for the record, I want to say that I have great difficulty spending that much money on hearings when we do have technology available that could significantly reduce the cost to taxpayers. I know that face-to-face meetings are the ideal; however, given the fact that our government is running on a platform of accountability, of fiscal prudence, I think before we agree to a budget like this, we need to explore all possibilities to reduce the burden on our taxpayers. Clearly teleconferencing is one of those options, and I'm a little disappointed that we hadn't explored that prior to this matter coming before us today.

The Chair: I'll just speak to the matter. I think if you recognize—At the last meeting, we talked about how, if we travelled, the cost would be less than if we brought all those people here or even if we got into teleconferencing. The difference—or we're looking at a budget of somewhere around \$200,000 to \$225,000.

That's what I understood from the last meeting. We felt that if we

What's maybe changed this a little wee bit is that at that particular time we weren't planning to travel to Yellowknife. We were just looking at St. John's and Montreal, and Vancouver and Winnipeg. Yellowknife is a wee bit more. I think that putting this thing together, as it is, we've stayed within that budget range.

Mr. Abbott.

•(0940)

Mr. Jim Abbott: Just so I understand, at the top of the first page it says, "Operational budget request (not requiring Liaison Committee approval)".

I just need some understanding of the process. From here, if this budget is approved by this committee, what then happens?

The Clerk: For the operational budget, any budget under \$40,000, there's a new rule. In the past, every budget, even it was \$6,000, had to go to liaison to get the funds. But all committees request budgets under \$40,000 all the time so as to minimize the red tape. The money's there, so it's automatically agreed—if it's under \$40,000. The comptroller's office puts the money at the committee's disposal.

For any travel budget, whatever the amount, it has to go through the liaison committee.

Mr. Jim Abbott: I'm not clear on this; maybe everyone else is, but I'm not. The liaison committee consists of—?

The Chair: Chairs of all the committees.

Mr. Jim Abbott: So the chairs of all the committees would meet to consider this.

The Chair: We meet once a month.

Mr. Jim Abbott: Okay.

Thank you.

The Chair: We bring these forward—

Mr. Ed Fast: And there won't be any teleconferencing—no teleconferencing whatsoever.

The Chair: As—

The Clerk: If the committee wanted to hear more witnesses, that could be added during the process.

Mr. Ed Fast: Why not do it with the existing witnesses?

The Chair: We talked about this at the last meeting, and we—

Mr. Ed Fast: We didn't come to any conclusions.

The Chair: We didn't come to any conclusions, but we asked the clerk—

We have to have some direction. We've taken that direction that this is the direction we're going to go in this particular instance.

Yes, Ms. Beaumier.

Ms. Colleen Beaumier (Brampton West, Lib.): I wanted to speak to your issue of teleconferencing, Mr. Fast. I think if you look into the archives you'll see that many committees in the past have looked at the option of teleconferencing and we find the method of communication isn't as effective as a face to face. You miss nuances and you often miss your opportunity to interject.

I think that many committees have looked at teleconferencing. We have done some teleconferencing in the past, and I don't think people were satisfied with the results, at least from their own personal perspective, on how they were able to communicate. I think the argument has been looked at many times. Certainly we can look at it again, but I think we felt that it wasn't as effective.

The Chair: Mr. Angus.

Mr. Charlie Angus: We began this discussion the other day. My understanding, though, was that one of the reasons we were going to these centres was to see the operations of the CBC. So unless we're planning some kind of virtual reality tour for members who want to stay back, I don't really see the relevance of the teleconference issue.

We have to see these sites to fully understand what CBC's doing. That's why we picked these sites. We're going to be out in the field getting that information, and at that time we're going to be getting witnesses. As you had pointed out, the difference between pulling witnesses here or us seeing them there is not all that much.

I think it's overall a good budget, but I don't think we need to spend too much time nitpicking over it. My only question would be if it's Montreal or Toronto, which are nearby, it's fine for me. I'm guaranteed a seat on the trips either way, but for all members of our committee, I think if it's at least close to Ottawa, and there's something major in Montreal or Toronto, we should consider inviting all the members of our committee so that they have the opportunity to see the full picture.

The Chair: Thank you.

Mr. Scott.

Hon. Andy Scott: Chair, could I suggest that rather than take the full committee's time, the vice-chairs and you can sit down and work out the details. I think generally there's an understanding that you're not necessarily going to be able to understand the CBC's role in northern Canada by teleconference. Once you've decided you're going to Yellowknife, then generally that takes you a long way away, and that can accommodate others as well. I agree that we might be able to do Montreal and Toronto somewhat differently, being close by and so on. And there may be value in doing some teleconferencing that we just haven't considered yet. I have some ideas about that, and I think we've talked about it.

So I think we could look at the details with a smaller group of people representative of the committee and come back with a proposal for everybody that works out some of these things. Because I think right now we're a little vague on what we're debating.

Could I recommend that? Would Mr. Fast have difficulty with that?

Who's the vice-chair; is that you?

•(0945)

Mr. Chris Warkentin: I don't think so. I don't think we have a vice-chair over here.

An hon. member: You are the vice-chair.

Mr. Chris Warkentin: Yes, you are the vice-chair.

Hon. Andy Scott: No, sorry, I'm thinking of the steering committee, the parliamentary secretary and the steering committee—to work out the details of this.

The Chair: Okay. I accept that. I think we can get—It can be something that we build on as we go through.

Hon. Andy Scott: In principle, I do support the budgets.

The Chair: Okay.

That's what we have to do today. We have to pass these budgets so that we can take them to the liaison committee and we can get them okayed.

Yes, Mr. Angus, one last thing.

Mr. Charlie Angus: I don't have a problem with that, except I don't know if we're all that far off. Are we ready to go now? If not, if it has to go to something smaller, then I want to make sure that—I'm not a vice-chair, but representing the New Democrats who want to be part of that.

But I have a sense that we've already talked about this once. We know what we need to do. Maybe we should just—

The Chair: Could I get a motion on the operational budget?

Moved by Mr. Angus, seconded by Mr. Scott.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Can I have a mover for the travel budget?

Moved by Mr. Scott, seconded by Mr. Angus.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: We'll move on to the next order of business, pursuant to Standing Order 108(2), a statutory review for the purposes of section 5.1 of the Canada Travelling Exhibitions Indemnification Act.

I think everyone received three recommendations in a package. On the first report—the list of exclusions, annual liability limit, coverage for transportation of insurable objects and accessories, and minimum threshold—I think that is the status quo. That is what we have right now.

I'm open for comment.

Mr. Abbott.

Mr. Jim Abbott: I would recommend that the committee consider report number one. The reason is that if we take the most significant difference between these reports—between report number one and report number three—particularly on the minimum threshold—

As I recall the discussion, I may even have been a proponent in the discussion of taking a look at the fact that if you had the \$50,000 to \$500,000, it would give an opportunity for smaller exhibits possibly to be able to travel. But having made that suggestion, I'm now eating my words.

It strikes me that at \$50,000 to \$500,000, we would effectively be putting the Government of Canada in the general insurance business. We would have to work out premiums, actuarial rates—heaven only knows what.

Option one is not dissimilar to the provincial emergency preparedness arrangement, where at a particular point in a natural disaster or something the province has to come to the federal government. At a particular point it becomes very onerous on the provincial government. So as a standard, once it reaches whatever the number is—\$1 million, \$10 million, \$100 million, I don't know what the number is—then the federal treasury simply steps up to the issue, because the federal treasury has far deeper pockets than do the provincial jurisdictions. You can't do an actuarial scale on whether there's going to be a hurricane or a cyclone or Hurricane Hazel is going to hit Toronto or whatever the case may be. It just becomes a fact that because the federal treasury has deep pockets, it will help.

Following that parallel—and I realize it's imperfect—then the purpose, as I understand it now, having had an opportunity to think about this a little bit more, of that \$500,000 is that if you had an absolutely irreplaceable artifact, and it borders on a natural disaster kind of occurrence, the federal government will step up.

So that's the purpose of the indemnification. The purpose of the indemnification, if I may repeat myself, is not for the federal government to run actuarial scales and become a general insurer, which is option three and which is where I was going originally. Option three, as I say, brings in a totally different element to what the indemnification act is all about.

• (0950)

The Chair: Mr. Angus.

Mr. Charlie Angus: Well, twice today I'll concur with my colleague Mr. Abbott. Until we move to public auto, I don't feel that we're in the position of becoming general insurers.

My concern over the dropping of the threshold—and that was something we were all very interested in—is that it was very unclear whether by dropping that threshold, the travelling exhibits that would have then been able to come in would actually be able to meet the criteria anyway because you have to have such a strict set of criteria. This is a very special fund that is used in a very specific set of circumstances. It's not a general fund for just moving art or historical exhibits back and forth. We have a very specific fund here.

I think that dropping the threshold to \$50,000 would make it very difficult, first of all, for a small museum to be able to meet the criteria we have to maintain to be able to maintain insurance at \$1.5 billion. So I think the program works. There are problems with it, but I don't know if dropping the threshold would work at this point.

The Chair: Mr. Warkentin.

Mr. Chris Warkentin: If we recall, I think the reason we were looking at this originally was to allow smaller museums to access some of these artifacts. What we heard from one of the witnesses—and I don't recall the individual's name, but maybe I would just refresh the committee's memory that we did hear from a couple of witnesses who basically said that, really, because of the criteria of the fund or the indemnification program, those smaller museums wouldn't be able to host these types of events anyway. They don't have the necessary environment within a lot of those museums and those art galleries.

So just to reinforce your point, it really isn't going to expand it for smaller facilities.

The Chair: Mr. Kotto.

[*Translation*]

Mr. Maka Kotto: I concur with Mr. Warkentin. I simply want to point out that the witness in question was the Société des musées québécois, which has been raising this problem for years. I really like report number 3, but regarding the list of exclusions, the all risk insurance, I would really like to know what that means. I presume that means that everything is covered. The list of exclusions in report number 1 is more appropriate because it is not always possible to ensure or ship works of art, under dangerous conditions, or to cover the transport in extreme weather and other conditions; it would be too expensive. That is the argument I want to make. I like report number 3 very much, except that I would use the list of exclusions from report number 1 rather than the one from report number 3.

• (0955)

Mr. Marion Ménard (Committee Researcher): Mr. Kotto, for your information, I will remind you of the presentation that the program managers made last June. I'm going to list the cases they mentioned, which are generally not covered. In the list of exclusions, we find normal wear, gradual deterioration, vermin, inherent vice, pre-existing flaws or conditions, radioactive contamination, wars, strikes, riots and civil commotion, and repair, restoration or retouching processes that have not been undertaken at the minister's request. Opting for all risk insurance would mean that all those elements I have just mentioned would be covered.

Mr. Maka Kotto: That would entail what, potentially? Can we extrapolate, for example, a war's impact on a travelling exhibition?

Mr. Marion Ménard: We can assume that the risk increases as soon as—

Mr. Maka Kotto: That was my reservation. Thank you.

[*English*]

The Chair: Okay.

We've all had an opportunity to voice our opinions on what we have before us. We have three reports.

No one has spoken on report number two, so would we just at least get rid of report number two—

So we put that aside and we're back to report number one and report number three. I would suggest that because report number one is number one, maybe we could go to a vote.

And if we vote on report number one first—

Yes, Mr. Scott.

Hon. Andy Scott: I have a question. There seems to be a little inconsistency in terms of the interpretation of the witness who was referred to. In one instance, I think it was argued that we couldn't access it anyway. The other witness gave the same testimony. He said this was something for which the gentleman had been fighting for a long time, and he was happy with number three.

I'm only trying to square this; I wasn't here.

Mr. Chris Warkentin: Sure. I don't recall anyone saying it had been fought for or requested for some time. I recall hearing from a couple of people, including the folks from the indemnification program, that it was really an expansion. They basically said there hadn't been any major appeals for it to be changed.

At one point, I think this committee thought it would maybe make it more accessible, but then we heard that the criteria for the program wouldn't change the accessibility to the program just because of the facilities these smaller groups are housed in.

The Chair: I think Mr. Kotto has one more comment.

[*Translation*]

Mr. Maka Kotto: I just want to point out that it was not an individual who was fighting for this, but the Société des musées du Québec. The reason these people were doing this was to further democratize applications, because the initial threshold we had enormously limited the options for biology museums or for small museums whose potential would have allowed them to go show what they had elsewhere. The doors were closed to them. The issue was important to them. That is why I made this clarification. It was not one individual who intervened, but the Société des musées québécois.

[*English*]

The Chair: Mr. Angus.

Mr. Charlie Angus: Thank you.

The issue that had been raised, and I think we were all very partial towards moving in that direction when we were hearing the testimony, was that the high cost of insurance is now really affecting many museums, and small museums are finding it very difficult to get insurance now. So they were looking at this program as a possible means of alleviating that.

The problem when the testimony came through was that in order to be able to have a special indemnification fund for travelling exhibits worth up to \$1.5 billion, you would have to have a very special set of criteria in order to meet that. Either we become, as Mr. Abbott said, general insurance brokers offering various sliding scales of indemnification for a very small museum wanting to move something down the road to another exhibit at \$50,000, or we're moving a Picasso from New York City to an exhibit in Montreal. The program isn't set up to do both.

So \$500,000 at the low end of the scale still allows the certain category of art and historical artifacts to move, but it becomes very difficult to expect any small museum to meet—because they have to have extremely stringent requirements. So far, if I recall correctly, there hasn't been a single payout. You have to really meet the criteria before you can even be eligible.

Whether or not a small museum, even if we offered it to them, would ever access it is very unlikely. So the status quo at this point seems to be the realistic option.

• (1000)

The Chair: That being said, I would take the vote.

Those in favour of report number one?

Those against?

(Motion agreed to [See *Minutes of Proceedings*])

[*Translation*]

Mr. Maka Kotto: Excuse me. I would have moved—but the vote has been held—that we have a point-by-point debate on the two reports we set aside, 1 and 3.

[English]

The Chair: I think we've debated. We didn't go item by item, but I think we have a good consensus around the table. I called the vote.

[Translation]

Mr. Maka Kotto: If you request the vote on report number 1 and it is adopted, there is not, in report number 1, the issue of the minimum threshold that is found in report number 3, which is an essential aspect for us.

[English]

The Chair: I would like to clarify here that I called the vote and now we're in debate again.

[Translation]

Mr. Maka Kotto: It's because this report, it's the status quo.

[English]

The Chair: I've heard from Mr. Kotto, I'll hear from Mr. Abbott, and then I'll make a decision.

Mr. Jim Abbott: I might be wrong, but I think Mr. Kotto agreed with the first three points of report number one. The question that Mr. Kotto had was on point four, the minimum threshold.

That being the case, it strikes me that there was a fairly thorough discussion about leaving the minimum threshold at the existing level—or going with the \$50,000 to \$500,000, which I understand is Mr. Kotto's preferred option.

So we ended up voting, as it were, on one, two, and three, in favour of what I believe Mr. Kotto had indicated that he was in favour of. The question with which we have a respectful difference of opinion is on the issue of point four, the minimum threshold.

My understanding of the vote was that we were voting primarily on the issue of the existing minimum threshold of \$500,000. And I believe it was eight to two, or whatever the count was.

The Chair: Okay.

One more rebuttal, Mr. Kotto.

[Translation]

Mr. Maka Kotto: Before requesting the vote, Mr. Chairman, you asked that we consider, because we had already set aside report number 2, reports number 1 and 3. I was waiting until there was a discussion of these two reports. It would have been useful to go over the points one by one. I had initially talked about the list of exclusions, and clarifications were provided concerning—

[English]

The Chair: I respect what you're saying, Mr. Kotto. You have expressed to us your desire for report number three, of changing the list of exclusions, correct? That's what you liked—or changing the list of exclusions from report number one?

I think we've had debate. We've had debate around the table. I brought the motion. No one even talked about report number two. That's why I took two out of the scenario.

So we had two things to vote on, report number one and report number three. If number one carried, then number three was redundant. And that's where we stand.

• (1005)

[Translation]

Mr. Maka Kotto: That is the injustice, Mr. Chairman.

[English]

The Chair: I'll turn around and make you a deal. I'll tell you what we'll do: we'll vote on number one and then we'll vote on number three.

[Translation]

Mr. Maka Kotto: Perfect.

[English]

The Chair: Can I do that?

I can't make deals.

We've already voted on report number one. So report number one was eight to two—and you were voting against report number one, correct?

[Translation]

Mr. Maka Kotto: For the reasons I gave you, yes. I lean toward report number 3, and I would have preferred that the first part of report number 1, the list of exclusions, be part of report number 3.

[English]

The Chair: Well, the vote has been asked for. It's been carried. Report number one has been voted...and we will not be voting on number three, because report number one has been accepted.

[Translation]

Mr. Maka Kotto: Mr. Chairman, I want to make a clarification. The vote was called for only one report, but there are three. The second was excluded as a result of your proposal, but we haven't decided on report number 3. That's what's worrying me.

[English]

The Chair: It's my understanding that we discussed all three reports. No one even discussed number two, so I took it out of the scenario. Then we have number one or report number three, and report number one carried.

When that happens, we don't vote on report number three. Whether we change anything in there, it's—

I called the vote. The vote was eight to two. Report number one carries.

[Translation]

Mr. Maka Kotto: I give in, but I would mention one thing for the archives. Consider that you have just opted for the status quo. Nothing is going to happen, in short. So I would have liked, assuming you are amenable, to be able to vote, at some point, on the issue of the minimum threshold in report number 3.

[English]

The Chair: I'm sorry, but the motion has carried.

Mr. Paul Steckle (Huron—Bruce, Lib.): You win some, you lose some.

The Chair: The meeting is adjourned.

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