



House of Commons
CANADA

Standing Committee on Canadian Heritage

CHPC • NUMBER 059 • 1st SESSION • 39th PARLIAMENT

EVIDENCE

Tuesday, May 15, 2007

—
Chair

Mr. Gary Schellenberger

Also available on the Parliament of Canada Web Site at the following address:

<http://www.parl.gc.ca>

Standing Committee on Canadian Heritage

Tuesday, May 15, 2007

• (0905)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): Good morning, everyone. Welcome to our witnesses here this morning.

Welcome to meeting 59 of the Standing Committee on Canadian Heritage. Pursuant to Standing Order 108(2), we are continuing our full investigation of the role of the public broadcaster in the 21st century.

This morning, for the first hour we have Jean-Louis Robichaud and Robin Jackson from the Canadian Independent Film and Video Fund. Welcome.

Ms. Jackson, please proceed.

Ms. Robin Jackson (Executive Director, Canadian Independent Film and Video Fund): Thank you very much.

Good morning, ladies and gentlemen. I am the executive director of the Canadian Independent Film and Video Fund. With me is Jean-Louis Robichaud, chair of the fund and former director of the Centre provincial de ressources pédagogiques in Saunierville, Nova Scotia. We thank you for the opportunity to appear before you today.

The Canadian Independent Film and Video Fund is a dynamic private sector funding body that supports non-theatrical film and video projects created by Canadian independent producers to enable lifelong learning. The fund provides financial assistance to documentaries and educational and informational films and videos, and has also supported new media projects.

These programs are destined for use in the educational sector from kindergarten to university; in museums, film festivals, libraries, health services, community groups, and cultural and social services; on educational and specialty television; on airlines and cruise ships; and in the business, home video, and new media markets.

Since 1991, the CIFVF has provided \$17.9 million of funding to 900 projects, covering a vast variety of subjects and using a variety of formats, including documentary, docu-drama, drama, animation, and training-instructional. In managing its financial allocations for funding to independent producers, the CIFVF strives to ensure that one-third of the funding available is designated to assist original French-language productions, and approximately two-thirds of the funding is allocated to original English-language projects.

Educational and informational production activity is carried out in all parts of Canada, and the CIFVF makes every attempt to encourage and support productions originating from all regions. To

that end, the CIFVF endeavours to ensure that one-fifth of the money available at each deadline is allocated to projects originating from each of the following regions: Atlantic and northern Canada, Quebec, Ontario, the Prairies, and British Columbia.

Please note that the CIFVF is providing responses today to only certain issues raised by the Standing Committee on Canadian Heritage on the role of the CBC.

[Translation]

Mr. Jean-Louis Robichaud (President, Canadian Independent Film and Video Fund): The Canadian Independent Film and Video Fund, the CIFVF believes there is a role for the CBC in the 21st century. Canada's public broadcaster should offer high-quality, distinctive Canadian programming that would not otherwise find a broadcast outlet. It should not be offering programs intended to attract mass audiences, in competition with private broadcasters. We believe that CBC must make a greater commitment to Canadian documentary programming as well as to Canadian theatrical features, including long-form documentaries.

CBC Television's commitment to high-quality Canadian content should be realized through a strengthened relationship with the independent production sector. To this end, the public broadcaster should serve as a model for other broadcasters, by engaging in fair and equitable business practices with respect to contract terms. This means paying adequate licence fees, not requiring unduly lengthy licence terms and sharing equitably in rights exploitation.

The CIFVF is of the opinion that the legislative mandate of the CBC is still valid. We see little merit in the committee's question as to whether or not stronger partnerships should be forged between the Corporation and private broadcasters. We believe that private broadcasters are too commercially driven to espouse the goals of the CBC.

While it is not the purview of the CIFVF *per se*, we would like to say that there is a need for the continuation of CBC Radio as there is no viable national alternative to it. By this we mean that both CBC 1 and 2 (in English and in French) should be made available on all cable programming distribution services.

This past year, the cable industry applied for and obtained from the Canadian Radio-television and Telecommunications Commission (CRTC) changes to the Broadcasting Distribution Regulations that accord cable operators greater flexibility with respect to the carriage of local radio stations. While cable providers must still carry CBC and Radio-Canada services, they are only obliged to carry one in each language. In some cases, cable providers have chosen to carry only the Radio One service.

The committee has posed the question of how and to what extent CBC/Radio-Canada programming should be re-examined with respect to different types of programming on the various services of the CBC. CIFVF's comments are limited to documentaries (including arts and cultural programming).

While CBC, SRC, Newsworld, RDI and RCI have been valued financing partners in many CIFVF-funded projects over the years, we have recently observed a marked decrease in its support for documentary programming over the past three years. CIFVF statistics indicate that CBC participation in CIFVF-funded projects has declined from greater than 1 in 3 (35.7% in 2004) to less than 1 in 4 (23.9% in 2005) and now to less than 1 in 5 (19.1% in 2006).

According to statistics reported by the Documentary Organization of Canada (DOC) and the Canadian Film and Television Production Association (CFTPA), the number of hours devoted to documentary programming on CBC English television has declined from a peak of 263 hours in 2003-04 to 122 hours in 2005-06. Both organizations indicate that they have been advised by CBC staff that *The Nature of Things* will be reduced from its 17-hour series to just nine hours, which will air in the summer. *The Passionate Eye* also has a decreased presence and both *Life and Times*, which has been the CBC premier biography series, and the cultural series *Opening Night* have been cancelled.

At the recent CRTC hearing into CBC's application to acquire effective control of The Canadian Documentary Channel, CBC management said that the Corporation has reaffirmed the importance of documentary programming on English television by appointing an executive director of Documentary Programming.

• (0910)

One of the first results of this renewed emphasis on documentary has been the creation of *Doc Zone*. While we are pleased to hear of this announcement, these improvements have not been extended to the CBC's specialty channels — Newsworld, RDI and Country Canada — and we are gravely concerned about the restricted resources at their disposal for documentary programming.

The CBC has reduced the opportunities for programming that promote public discourse through the airing of social issue and point-of-view documentaries. Such programming, when it is provided by independent producers, is different from in-house production. Independently-produced documentaries have a high degree of authorial control and expression. They benefit from an independent voice and are not subject to the sort of constraints that are imposed by internal rules and mandates.

This is why the funding support by the CIFVF is so vital. Our organization funds documentaries which are not "main stream" but which provoke thought, public discussion and action on various issues. There is a great need for diversity in this country. Given the CBC's mandate to "contribute to shared national consciousness and identity", CIFVF believes that Canada's public broadcaster should be responding to this need by broadcasting these types of documentaries.

The Documentary Channel has been one of the few broadcasters in Canada which has provided air time for programs on social issues and point-of-view documentaries. CIFVF sincerely hopes that, if the

CRTC approves the CBC's application to take effective control of the Documentary Channel, the Channel will continue to play this important social role.

[English]

Ms. Robin Jackson: We have been advised by our producer clients that while the CBC continues to exhibit documentary programming, more and more of this is in-house production. It is difficult for us to confirm this because the CBC is not required to report on exhibition and expenditure allocations between in-house and independent production. The CIFVF contends that the CBC should be directed to commission more independently produced documentaries.

We are concerned that independent producers are being asked to give away rights on multiple CBC broadcast platforms without appropriate compensation. The bundling of exhibition rights for the main CBC television network and for CBC-owned specialty channels without separate or increased licence fees is of considerable concern to independent documentary producers. If the CBC does take control of the documentary channel, the public broadcaster should be required to negotiate separate licence agreements with independent documentary filmmakers.

The CBC has had a policy of not broadcasting documentaries if the Canadian International Development Agency, CIDA, is involved. Other broadcasters have not had the same problem, and the CIFVF continues to fund projects in which CIDA is a financial partner. The CBC's refusal to show CIDA-financed projects therefore limits the number of possible broadcasters to show projects on international development subjects.

The CBC is requiring independent producers to include their tax credits as part of financing structures. This practice distorts the original intention of the tax credit incentive, which was a guaranteed source of income to be reinvested back into production companies, much like the child tax credit. Because the tax credits are not paid out to the producer until after completion of a project, the producer must seek interim financing from a bank to cover the shortfall in order to finance the project in question.

The CIFVF would like to see a more specific commitment made to regional documentary production or inter-regional co-production for documentaries, so that television audiences can have access to a wide expression of Canadian perspectives, which allows for a diversity of views.

The emergence of content for new distribution platforms provides an opportunity for the CBC/Radio-Canada, as it does for all broadcasters and producers. However, it is our understanding that broadcasters, including the CBC, are either not paying for new platform rights or are paying just a nominal sum. While we acknowledge that, at the moment, there is little monetary value attached to the content that is created specifically for these new media, it is safe to assume that it is just a matter of time before these new exhibition platforms will be earning revenue. Given this, the CIFVF recommends that the CBC not request these rights from independent producers, or if they do, that there be a clause that allows for review of the situation within a reasonable time period so that the producer may be appropriately compensated according to market rates. To this end, the CBC should be required to incorporate this aspect of its dealings with independent producers into its independent production protocol that has been established for carrying on business with the independent production community.

• (0915)

[Translation]

Mr. Jean-Louis Robichaud: We thank you for having received us this morning. We will be pleased to answer your questions to the best of our ability. In the event that we do not have the necessary documents at hand to answer your questions, we will be pleased to send them to you as soon as possible.

[English]

Ms. Robin Jackson: Mr. Chairman, this concludes our remarks.

The Chair: Thank you very much for that report.

First question is to Ms. Keeper.

Ms. Tina Keeper (Churchill, Lib.): Thank you, Mr. Chair.

Thank you for your presentation.

I'd like to go to a couple of comments in your presentation. One of them is when you talked about the decline in the projects that have been funded. On the CBC participation in terms of funding projects, the numbers you have listed here are just since 2004. The point, I guess, is that there has been a marked decline since 2004. Has there also been a similar pattern over the last decade, or last 12 to 15 years? Have we seen a decrease to 19.1% for 2006 from a much higher number in 1996, for example? Can we just talk about that pattern?

• (0920)

Ms. Robin Jackson: We can talk about it, but I don't go back to that time. I was a little pressed for time, so I haven't done that. I certainly can supply it to you. My impression is that they were more involved previously. I may be wrong, but I'm certainly willing to send you the information.

Ms. Tina Keeper: So you suspect that there was a higher involvement, say 10 or 15 years ago, and that it has been a steady decline in the last few years.

Ms. Robin Jackson: I think so. I'm not entirely sure.

Ms. Tina Keeper: Presentations have been made that talk about the erosion of the television industry in Canada, the commitment to Canadian content over the last number of years. There are a lot of

stakeholders involved. The CBC should be a hub of that, and you've said that in your presentation.

I want to get a stronger sense of what the filmmakers you're working with are saying. Is that in the presentation here? Do they feel that the public broadcaster should be central to the type of filmmaking they're doing? In your presentation you talked about the number of venues that your filmmakers have, so I'm wondering about the sense in terms of the public broadcaster. I didn't get a really clear sense of that.

Ms. Robin Jackson: I would say there's a general—

Ms. Tina Keeper: I guess what I'm asking is whether this is one of a number.... How important is it to the filmmakers?

Ms. Robin Jackson: I think it's important, because all broadcasters are important. Broadcasters are key in this environment right now. Producers are in a lesser position. What a broadcaster wants to commission and what they air is of critical importance to the filmmakers we work with.

I think it's a general concern about all broadcasters, but with the fact that the CBC is the national broadcaster, there's a certain expectation on the part of producers that they would ante up to this responsibility more than say a commercial broadcaster.

Ms. Tina Keeper: Okay. That's what I was wanting to know. So you don't currently have a sense that the CBC is playing a stronger role than the private broadcasters?

Ms. Robin Jackson: No. I think there was some concern when it was stated that they wanted documentaries that attracted audiences of 1.5 million. I see they've commissioned a documentary series called *The Week The Women Went*, which is based on a BBC format. Men are forced to cope in a community where all the women are removed for seven days.

Ms. Tina Keeper: That's a reality documentary?

Ms. Robin Jackson: I'm not saying anything about this, other than that I don't know that this is really the kind of thing our filmmakers want to make. Our filmmakers are very dedicated to social issues, to examining issues of real content in this country. This will knock off a number of other documentaries that won't get shown by the CBC.

Ms. Tina Keeper: Well, I was a little surprised when you talked about *The Passionate Eye* having a decreased presence, and that *Life and Times* has been cancelled. The downsizing of CBC series, which I assumed were successful, are another indicator in terms of this shift in Canadian television. Are you hopeful about the new documentary channel, or that relationship?

• (0925)

Ms. Robin Jackson: The documentary channel, as you know, has been the channel where independents have been very helpful. They've done some very interesting things. They've been a leader in documentaries. There is some concern on our part, as there is for the independent community, that the CBC may diminish that role. If the CRTC approves the application, it's our sincere hope that they do not.

The Chair: Thank you for that.

We have to move on to Mr. Kotto.

[Translation]

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

Good morning. I have a few questions.

Would a private broadcaster be in a position to stand in for the SRC/CBC in terms of producing creative documentaries or educational programming?

Mr. Jean-Louis Robichaud: Anything is possible in this world.

Mr. Maka Kotto: On a concrete, real and factual basis, in the current audiovisual landscape, can a private broadcaster replace the SRC/CBC in this mission?

Mr. Jean-Louis Robichaud: In theory, they could, but this is the responsibility of the Canadian Broadcasting Corporation.

Mr. Maka Kotto: You say this is possible in theory, but is it happening in practice?

Mr. Jean-Louis Robichaud: No. I come back to the member's statement when she said that we were cutting back or reducing the number of wonderful, very successful shows, whereas it is the CBC's responsibility to present a national perspective, to show Canadians who we are and how we see things. It is unfortunate that this mandate is almost constantly being cut back.

I'm answering your question indirectly. We already have a network, a Crown corporation that is doing this work. So why would we hand that over to the independent networks?

Mr. Maka Kotto: In your opinion, the SRC/CBC is not completely fulfilling its creative and cultural mission. If you had to make specific recommendations to improve this situation, what would they be?

Ms. Robin Jackson: We made suggestions in our presentation. Personally, I believe that the CBC has the mandate to anticipate this situation.

Mr. Jean-Louis Robichaud: The whole issue of freedom of expression is at risk when producers and directors create programs on issues that might interest Canadians. They do so with a certain independence, whereas the people at the Canadian Broadcasting Corporation do so with a corporate mindset that takes into account internal politics. There is markedly less independent thinking at that level.

Mr. Maka Kotto: You said that independent producers were being asked to give away their broadcast rights on multiple platforms. The CBC is not the only one to say no to them: the private sector is doing the same thing.

What do you propose to bring about a fair agreement between the broadcasters and the independent producers on these platforms?

• (0930)

Mr. Jean-Louis Robichaud: You're asking me a very difficult question. The Canadian Independent Film and Video Fund is currently trying to draft a policy on this. It is not yet entirely clear in our minds. It is therefore difficult to propose something to others whereas we ourselves have not yet decided upon a specific measure.

Mr. Maka Kotto: This is not a new debate. We would like to follow what is happening in the field. Could you keep us informed of new developments?

Mr. Jean-Louis Robichaud: We intend to hold a planning session in October to deal with this issue.

Mr. Maka Kotto: Alright, thank you.

[English]

The Chair: Thank you.

The next question to Mr. Angus, please.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you for a very interesting presentation this morning.

I'd like to ask you this at the beginning. What percentage of your projects would end up on television, on either the CBC or on a private network?

Ms. Robin Jackson: If you phrased it another way, I would say 80% of them have financing from broadcasters from television. Probably because there are after-acquisitions, as opposed to pre-sales, I would say probably 90% end up on some form of television.

Mr. Charlie Angus: Do you have a breakdown between public and private broadcast?

Ms. Robin Jackson: I don't with me, no, but I could get you one.

Mr. Charlie Angus: All right. I think it would be very key to get a sense of that.

You had mentioned that CBC does not do any productions that involve CIDA. I wasn't aware that CIDA did documentaries, so I'm interested in this and why CBC would not be participating.

Ms. Robin Jackson: CIDA doesn't produce, if that's what you're saying.

Mr. Charlie Angus: They finance.

Ms. Robin Jackson: They finance, just as we do. My understanding of the situation is that because the slot for them would be considered news, and because it wasn't balanced journalistically, giving both sides, they made a decision not to show them at CBC.

Mr. Charlie Angus: One of the perspectives that has come out here is that we have our national broadcaster attempting to chase the ratings game in a losing battle and running after reality TV, or whatever else we have to compete with in order to get that. Meanwhile, we have an excellent set of resources for doing production. We have Telefilm. We have the CIFVF. We have the Canadian Television Fund. We have the National Film Board. The suggestion has been made that with all these resources we could fund one major public broadcaster, whether they distributed on the documentary channel or on their main channel. How would you feel about being brought in closer into the orbit of a national broadcaster for distribution of your products?

Ms. Robin Jackson: Well, it certainly has an appeal. A producer's end objective is to get their product shown, so that certainly has an appeal.

I'm wondering about your question, though, when we have the CBC. Are you saying this because you think the CBC doesn't meet its mandate? I'm not quite sure.

Mr. Charlie Angus: The issue, quite simply, is how much more money would we have to put into CBC in order to be able to carry out the mandate it has? Meanwhile, we are putting money into all these various funding envelopes that are producing great works, but a lot of that is not being shown on CBC. These were all structures that worked great in the 1970s. In 2007, should we be saying we are funding numerous projects all over the place, but they are part of one central broadcast system? Would you support that?

Ms. Robin Jackson: Well, certainly. It reminds me of when Famous Players, I think it was, was for sale many years ago and there was discussion among the bureaucrats and other people on whether the government could buy it so that Canadian films would be shown in those cinemas. It sounds to me like a parallel kind of idea. It certainly has an attraction.

• (0935)

Mr. Charlie Angus: I guess the question would be, if CBC were the main area where we look to bring these various funding envelopes for distribution, how would you see it being worked out with the fact that your call for more independent production—out-of-house CBC production—would then be bringing their product to CBC? You raised questions about the licensing agreements and the financial agreements that are being asked by CBC in order to get broadcast rights.

Ms. Robin Jackson: I'm sorry, I didn't quite understand what the question is.

Mr. Charlie Angus: If you go back to my previous question, which is should all these funding envelopes be part of the spokes of the hub that feed into CBC as a national distributor, one of the suggestions is that CBC could become an international television network, given the quality of programming we would be able to show. How would you see that direction vis-à-vis the desire for the independent producers who are creating the product to get adequate recompense if CBC were the end distribution and basically could be the sole distribution of their work?

Mr. Jean-Louis Robichaud: I really don't think one goes against the other. I think there's a place for both to be there, CBC as a broadcaster, but independent filmmakers receiving moneys to do programs that otherwise would probably not come to life in an institution the size of the CBC. There is more room for independent thought. I don't think one contradicts the other.

Ms. Robin Jackson: I also think that the thought of having only one or two commissioning editors at the CBC.... They tend to like only certain programs. People are human, and commissioning editors tend to favour certain filmmakers or certain types of projects. If that were the only game in town.... I think we're advocating diversity. As we say, there shouldn't be one funding source; there shouldn't be solely one exhibition outlet.

Much as your idea has some attraction, there is a negative side to it in terms of the types of projects the CBC might not want. Where does that producer go? I know that brings up an issue of whether the producer should be making the project in the first place, but it also speaks to the issue of diversity and freedom of expression of opinion and viewpoints.

Mr. Charlie Angus: So I'm clear on the record—

The Chair: Very short.

Mr. Charlie Angus: I think we recognize the role of independent producers and think it is very valuable. I only wanted to clarify whether or not there's a way of writing the agreements or whether we do need to have other sources in order for it to have good competition in terms of the cultural market.

The Chair: Thank you.

Mr. Fast.

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

Thank you for coming.

I was a little surprised that you couldn't answer Mr. Angus's question as to what percentage of your projects are actually shown on CBC. Do you have absolutely no idea what percentage that might be?

Ms. Robin Jackson: I went at it from the point of view of what's financed. If it's financed, it's pretty well the same thing. If it's financed, it's going to show on CBC.

Mr. Ed Fast: You finance productions, correct?

Ms. Robin Jackson: We finance productions, yes.

Mr. Ed Fast: And I think your evidence was that 80%, perhaps even 90%, are shown somewhere on TV.

Ms. Robin Jackson: Yes.

Mr. Ed Fast: But you have no idea, of that 90%, what percentage would be shown on CBC?

Ms. Robin Jackson: No, I didn't go at it that way, but I can.

Mr. Ed Fast: That's really important, because this is a CBC mandate review. We're trying to get to the bottom of what's required to continue to sustain CBC and perhaps make it more robust. It's that kind of information that we need. So perhaps you could bring that back to the committee.

Ms. Robin Jackson: Yes.

Mr. Ed Fast: I went back over some of your testimony, and I think in general terms you're against broad collaboration with private broadcasters—I think you said that early on—because I believe you feel they have divergent goals. You've also said that you oppose CBC trying to appeal to a mass market. You've stated that you'd like to have more of a focus on niche markets, and a focus on high-quality programming that otherwise might not be shown. This brings me to the question, which is again the commercialization of CBC.

You've suggested that CBC focus on activities that might not generate as much advertising revenues. There have been two schools of thought presented at this table. One is that CBC should get out of the advertising business altogether, perhaps follow the radio model as opposed to English and French television.

There are those who believe that we're into advertising now, and if you want to maintain a robust CBC you will have to maintain those advertising revenues and perhaps even top them up with more government funding.

Your suggestion seems to be that we should be weaning CBC from reliance on commercial advertising. Am I correct in reading between the lines?

•(0940)

Ms. Robin Jackson: I guess I look at the model of CBC radio. There's no alternative out there, really. It's head and shoulders above any other type of radio in this country. I guess I wonder why we can't do that on the television side. I'm not sure that I'm well qualified to talk about whether they should be getting out of advertising completely or not. I know that the financial ramifications are huge, if they do.

I do wonder about what drives them. I think there's a direct connection between the type of programming they're putting on the air and their advertising considerations.

Mr. Ed Fast: I think you're probably right in that conclusion, but there are hundreds of millions of dollars a year now that CBC earns from advertising revenues. When we were in Winnipeg probably a month or so ago, we had some of the writers giving testimony. We assumed they would like to see CBC move away from commercial revenue, and their response was "no, no, no—hold it, hold it". There's so much money now coming from advertising revenues. If we take that away, we don't believe government is in a position to replace that advertising and of course top it up to boot. They felt that the commercial model was in place and it's now going to have to stay there. Their appeal was for additional government funding.

I suppose the direction you've been going with your presentation is that in an ideal world we should have less advertising on CBC. Some of the activities you want the CBC to refocus on are likely going to generate less revenue. Is it your suggestion that these advertising revenues should be replaced with government funding?

Ms. Robin Jackson: Have you studied CBC radio? Why is that different? What's the difference there? Why does that model work so well and there's no advertising?

Mr. Ed Fast: We have had some testimony before us on that, and I'm not sure I want to answer those questions, but I think there have been a lot of reasons given for the distinction between the success of the radio and the lack of success in English television. As you know, there's also a huge marked difference between the success of English television and French television. Again, there are language circumstances that come into effect and a lack of competition from the United States in French television, which isn't present in English television.

Let me get to one last question, and that has to do with sources of government funding for your organization. You mentioned you get funding from a number of different sources, but one of those was government agencies. How much money do you receive from government agencies, and from which specific agency?

Ms. Robin Jackson: We get about \$1.6 million from Canadian Heritage.

Mr. Ed Fast: Directly.

Ms. Robin Jackson: Yes, through a contributions agreement.

Mr. Ed Fast: There are no other agencies within government that you receive funding from.

Ms. Robin Jackson: No.

Mr. Ed Fast: How long have you been receiving that level of funding?

Ms. Robin Jackson: How long...?

Mr. Ed Fast: Has the \$1.6 million been topped up over the years, or has it been—

Ms. Robin Jackson: No, it's been reduced.

Mr. Ed Fast: When was it reduced?

Ms. Robin Jackson: In 2002 or 2003.

Mr. Ed Fast: Thank you.

The Chair: Mr. Scott.

Hon. Andy Scott (Fredericton, Lib.): Thank you very much.

I think this whole issue around the commercialization of content, the resource question that has driven the CBC television toward advertising... I don't think there's any disagreement that this has been chasing revenues they need to operate. They were seeing reductions from the government. It's going to be a very difficult balance—I'm looking for a reaction, essentially—to make the case for government support, government resources, going to the CBC around a mandate that talks about distinctiveness and all of those things, and at the same time watch the content chase advertising revenues that would be contrary perhaps to that mandate. I don't have to say "perhaps"—witness whatever you call the program you described around the reality thing.

Do you believe it's possible to continue to hold...? I was of the view that the advertising revenues are so important that it's hard to imagine getting rid of them. We're talking about the 21st century. This is a long time. Are we going to be able to sustain the willingness to support the CBC as it becomes less and less distinctive, as it chases those revenues? Maybe it's necessary to simply make the decision that if we want to have something that is independent, distinct, and meets the objectives of the mandate, it's going to have to be supported by not necessarily direct resources, the way it's done now, but other interesting options that have been put forward. Is that possibly what we're going to have to do? Would you believe that for the remainder of the 21st century we would be able to somehow pull off this hybrid that is changing, in my mind, quite significantly in a direction that I don't think is consistent with what I see the CBC being?

•(0945)

Ms. Robin Jackson: It seems to me you people have quite a tough mandate. Not only are you having to deal with these issues you've raised about the CBC, but the whole broadcast versus new media question is dogging us all because we don't know the answers. I sympathize with your mandate. It's pretty tough.

I don't know what to say. To be honest, I haven't thought a lot about this. I like the idea you talk about, having something that is independent, that shows things that are like CBC radio, higher quality, better quality, social issues, things that make people think. The funding issue, I acknowledge, is a problem. There's no clear answer. This idea you've suggested is quite interesting, though. I think it bears examination.

Hon. Andy Scott: Pursuing the same thinking—and this is the debate we have to have if this is going to be real—the logic in the argumentation is that the high-quality stuff doesn't have the big audiences, and that's why it doesn't generate advertising revenues. That's the fundamental idea. At the same time, if we're trying to promote a Canadian identity and all those kinds of things, isn't there a requirement to do that in a way that attracts audiences independent of advertising? If we're telling our stories to each other, to what extent is it not necessary to try to do it in a way that is accessible to Canadians, the same Canadians who perhaps are appealed to by advertising? In other words, if we make it such that there's a small audience, are we not preaching to the converted?

Ms. Robin Jackson: I really think the CBC has a mandate—that is our hope—to give us the material that helps show us who we are as Canadians. It allows that discourse. Again, I talk about CBC radio. I think it really does those kinds of things. It's a model in that respect. Otherwise, what's the point of doing this? It could be just another private station.

Again, I don't have any answers on how you finance it, but I really think it's a conundrum. That question has to be posed.

• (0950)

The Chair: Thank you for that.

Mr. Kotto.

[*Translation*]

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

Why does the CBC refuse to broadcast CIDA-funded documentaries? Does this refusal limit the number of possible broadcasters willing to broadcast projects on international development subjects, as you noted in your brief?

Ms. Robin Jackson: I did not hear the question. I'm sorry.

Mr. Maka Kotto: Why does the CBC refuse to broadcast CIDA-funded documentaries? Why does this refusal limit the potential number of broadcasters willing to show projects on international development subjects?

Ms. Robin Jackson: As I explained, there is a policy regarding news. The feeling is that CIDA-funded documentaries lack balance, and that poses a problem.

Mr. Maka Kotto: Could you specify what you mean by balance?

Ms. Robin Jackson: Pardon me?

Mr. Maka Kotto: Could you specify what you mean by balance?

Ms. Robin Jackson: A balanced perspective is lacking. The news trend must have a balance, be objective.

Mr. Maka Kotto: Objectivity. So from their perspective, if there is a bias in CIDA's outlook on these issues...

Ms. Robin Jackson: No, I do not think that is the case.

[*English*]

It's not distorted, it's just journalistic norms, I think.

[*Translation*]

Mr. Jean-Louis Robichaud: This programming does not meet journalistic standards of presenting different viewpoints and standards of objectivity.

Mr. Maka Kotto: All right. Following that, you stated that this limits the number of possible broadcasters to show projects on international development subjects. What is the connection between the CBC's refusal to broadcast these subjects and the limit on the number of other broadcasters willing to show this programming? Could you clarify that?

Mr. Jean-Louis Robichaud: Sir, could you please repeat the question?

Mr. Maka Kotto: Here is an excerpt from your brief: The CBC has had a policy of not broadcasting documentaries if the Canadian International Development Agency, CIDA, is involved. Other broadcasters have not had the same problem, and the CIFVF continues to fund projects in which CIDA is a financial partner. The CBC's refusal to show CIDA-financed projects therefore limits the number of possible broadcasters to show projects on international development subjects.

Is the CBC the only broadcaster to refuse to show these documentaries, and does its refusal mean that other broadcasters will refuse to broadcast projects as well?

Ms. Robin Jackson: No, in my opinion, it's only the CBC. Other broadcasters haven't backed down.

Mr. Maka Kotto: Is this something negative in your eyes?

Ms. Robin Jackson: It is negative for the producers because they cannot make any money. It is an issue of having another means of broadcasting...

Mr. Maka Kotto: All right, I understand you perfectly. However, the CBC is concerned about ensuring that the information it disseminates is objective, do you not feel it is legitimate on its behalf to...

Ms. Robin Jackson: Yes.

Mr. Jean-Louis Robichaud: CIDA is largely funded by the Canadian government, which shows the support that Canada grants to the other inhabitants of this planet. The CBC is largely funded by Canadian taxpayers. It has the mandate to contribute to a shared consciousness and to national identity. We are wondering how one works against the other.

Mr. Maka Kotto: It has the mandate to inform, and informing implies a certain level of objectivity.

Mr. Jean-Louis Robichaud: Yes, of course.

Mr. Maka Kotto: I like where you are going with this. Have I any time remaining?

[*English*]

The Chair: Please make it very short.

[*Translation*]

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

You state that the public broadcaster, the CBC/SRC, should not compete with private broadcasters. Do you think that is still a realistic objective, in view of audience fragmentation and volatility, if there is no increase in or strengthening of public financial support?

• (0955)

Mr. Jean-Louis Robichaud: Are you talking about the CBC?

Mr. Maka Kotto: Yes.

Mr. Jean-Louis Robichaud: It isn't only a matter of funding. The CBC also has a mandate to fulfill.

Mr. Maka Kotto: —which could disappear. Will defending its mandate within a context of competition, audience fragmentation and volatility and focusing solely on this objective be enough to ensure the corporation's viability?

I am playing the devil's advocate.

Mr. Jean-Louis Robichaud: I admit that it is a tough question to answer.

[English]

The Chair: Thank you.

Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): Thank you, Mr. Chairman.

Thank you very much for coming in this morning. We appreciate your being here.

There are a couple of questions I want to ask, but I should confess to begin with that I believe the CBC has an important role to play in preserving our national unity. That's just a personal belief of mine, and I think you'd find some consensus on that throughout the country in certain areas—but maybe not all areas. So I come to this from maybe a little different perspective from others.

You say in your testimony that the CBC should not be offering programs intended to attract mass audience, in competition with private broadcasters. I have to ask, if Canadians or all taxpayers are paying for this program, why are we not attempting to attract them? What target audience are you specifically going after? I think there was some comment that we're preaching to the converted; we're trying to attract a certain audience that already has a strong sense of national unity. I'm wondering who exactly you and your organization believe the CBC should be attracting, and why not the rest.

Ms. Robin Jackson: I just wonder, going back to this example of *The Week The Women Went*, whether that's something the CBC should be spending its money and time on, whether that shouldn't be done by the private sector, by the private broadcasters.

I take your point about everybody paying into the CBC, and maybe it's a question of trying to seek a better balance of things that are geared towards national identity, trying to keep the discourse at a certain level. I don't know.

It's like we all pay for education, but not all of us have kids.

Mr. Chris Warkentin: I take some exception to that. If we don't all have kids, we were all at one point educated, or for the most part, all Canadians took advantage of the public school system. So it's a little bit different when we're looking at the mass—

Ms. Robin Jackson: It's for the common good.

Mr. Chris Warkentin: —fragmentation of the television audience right now.

If we're not aiming to attract more than there are currently—and we're seeing a downward trend in terms of the audience, the percentage of Canadians who are watching CBC—if we aren't trying to reverse that trend and yet we're still asking taxpayers to increasingly give more, I think there's an issue here in terms of us asking Canadians to give more but we're giving less back. I think

that's the paradigm we're all trying to grapple with here, around the table.

I strongly believe we have to have a CBC all Canadians can have some affiliation with. And I'm not saying they have to watch it all the time, but I'm saying every Canadian should have some desire to watch it at some point. So that's the question. Maybe I have to change my thinking in terms of believing that the CBC is not or should not be for all people, but I'm not willing to concede that as of yet, unless you can give me an argument as to why that should be.

• (1000)

Ms. Robin Jackson: Again I go back to CBC radio. I don't know why that's working, and nobody is complaining about that.

Mr. Chris Warkentin: I think there are reasons for that, and I think fragmentation is one of the reasons. As we're looking at new media, we're seeing a major assault on CBC radio in terms of satellite radio.

I'm just a layperson, I'm not a statistics-type person, but I do listen to my constituents. More and more I hear people are getting satellite radio, and there's competition. Currently, the CBC is the only talk radio station that's provided in my area, but now, with satellite radio, there's major competition. I'm just wondering how we preserve the audience share, or preserve the necessity for CBC, period, in this increasingly fragmented world. If we don't start to identify ways we can bring more audience to the CBC, we're in real trouble.

Ms. Robin Jackson: Are you talking about the content, or the distribution platforms? I'm not sure they're necessarily the same.

Mr. Chris Warkentin: Well, they may not be, but I think content is the first thing that will drive people to access whatever platform is available.

The Chair: We'll have to end with that. Our time is up.

I thank our witnesses this morning for their answers and for their presentations.

We'll recess for just a few minutes to get our next witnesses ready.

• (1000)

_____ (Pause) _____

• (1005)

The Chair: Welcome back. Welcome to our new witnesses here this morning.

I understand that you do have a presentation that is going to be done, so I welcome you. You'll have to bear with me; I'm a unilingual person, but I'm trying. We welcome the Association des radiodiffuseurs communautaires du Québec, the National Campus and Community Radio Association, and the Alliance des radios communautaires du Canada. Welcome to your groups, and I welcome whoever is going to make the presentation first.

Thank you.

[Translation]

Ms. Brigitte Duchesneau (Secretary-Treasurer, Association des radiodiffuseurs communautaires du Québec): The members of the three associations would like to introduce themselves.

I represent the Association des radiodiffuseurs communautaires du Québec. The aim of the association, which was established in 1979, is to further the recognition of community radio.

We represent 30 radio stations from throughout the province of Quebec. We have a presence in 17 administrative regions. We have an audience of 500,000 listeners in Quebec. Our membership numbers 22,000. These radio stations employ 230 people, and every year, about 1,500 volunteers contribute to our programming. Our annual sales total more than \$10 million.

Last year we came together under the Radiovision banner to create a brand image for Quebec community radio.

My colleagues will now address the committee.

Ms. Magalie Paré (Assistant, Communications and Members Services, Association des radiodiffuseurs communautaires du Québec): My name is Magalie Paré and I am an assistant with ARC's Communications and Member Services. With me is Brigitte Duchesneau, the Secretary-Treasurer of the board of directors of the Association des radiodiffuseurs communautaires du Québec.

[English]

Mr. John Harris Stevenson (Advisory Board, National Campus and Community Radio Association): I'm John Harris Stevenson. I'm on the advisory board of the National Campus and Community Radio Association. I'm also president of CHUO—FM, here at the University of Ottawa.

Ms. Melissa Kaestner (National Coordinator, National Campus and Community Radio Association): I'm Melissa Kaestner from the National Campus and Community Radio Association, the NCRA. I work with John. I'm the national coordinator for our association.

We've been in existence since 1981 and we have a similar mandate to help develop and promote the campus and community broadcasting sector for English Canada. Currently, we have about 47 members in our association. They represent campus-based stations as well as community stations. We also have small closed-circuit stations as well as native stations and one Internet-only broadcaster at the moment. Our individual revenue is approximately \$4 million. We make our money mostly through fundraising and donations.

[Translation]

Mr. Serge Paquin (Secretary General, Alliance des radios communautaires du Canada): My name is Serge Paquin and I am the Secretary General of the Alliance des radios communautaires du Canada.

Our movement currently represents 21 operating stations, nine stations that are under development, four of which will be going on air this year. We have a presence in nine provinces and two territories. We produce 76,000 hours of local original Canadian programming per year. That represents a large number of hours and involves about 1,000 volunteers.

It can be said that French language community radio outside Quebec contributes greatly to the development of the French language and culture. We have about 250,000 listeners and our ratings are out of this world. I have a feeling that the public broadcaster might be a little jealous of the success that we have had

in the regions. This is radio that people can relate to, and it meets a local need. The community can identify with this type of service, and that is why it works so well.

• (1010)

Ms. Magalie Paré: I will explain what we would like to discuss with you today. We will provide you with an outline of our sector. We represent three associations, but we work together on certain issues that are common to all of us. We will explain what community radio in Canada is all about, particularly as it relates to the CBC. Then, we will tell you about a project that is of great interest to us, namely a Canadian fund for community radio.

[English]

Mr. John Harris Stevenson: We sometimes think of Canada's media landscape as having really two monoliths that are sometimes in opposition to each other, one being commercial radio and the other being CBC/Radio-Canada. But the legislation that defines a broadcasting system in Canada actually defines three components: public, private, and community.

Private radio, as you know, is broadcasting for profit. The aim of commercial outlets is to provide popular programming that attracts an audience. Therefore, commercial broadcasters are often as answerable to the businesses that advertise with them as with audiences or regulators. Music and information programming of private radio is typically directed toward entertainment, and that makes economic sense for them.

Public radio, on the other hand, is a form of public service broadcasting and it's intended to serve diverse needs of a listening public on the national level. The competition in which CBC should be engaged is in good programming rather than numbers, with quality as a prime concern. Public broadcasting, particularly in Canada, is geographically universal. That means that broadcasts are available nationwide with no exceptions. While this creates a single consistent service for all Canadians, it is also inherently top-down. The criticism one often hears of the CBC—and it's a bit of a cliché at this point—is that there's too much decision-making taking place in Toronto and Montreal. But systemically the CBC will always do a better job of national programming than it will of local programming.

This is where local and community media, the third sector of the broadcasting system, powered by people, comes in. Community radio is inherently bottom-up. While having a mandate in many ways similar to public broadcasting, community radio is even more clearly a public service broadcaster, with a twofold mission of social and cultural development, while providing essential local information and entertainment programming. The Broadcasting Act speaks specifically of this community mandate when it talks about diversity, drawing upon local resources, educational and community programming, and reflecting particular needs of linguistic minorities across the country. We believe that each of these elements has a place in the broadcasting system and there are sound economic reasons to support non-commercial broadcasting in Canada.

While cooperation between companies within a single industry, such as commercial broadcasting, may be necessary for the health of that industry as a whole, the industry also benefits from an external environment that is competitive. Non-commercial broadcasting contributes to this environment by providing creative innovation and identifying new potential marketplaces. We believe that commercial and public radio are stronger if the community radio sector is also strong.

[*Translation*]

Ms. Magalie Paré: To properly understand our role in Canada's broadcasting industry, it is essential to understand how community radio began here in Canada. The first student radio station was born in 1922, at Queen's University, in Kingston. Then, community radio developed in large urban centres, particularly during the 1970s, during a time of great social upheaval. Community radio stations sprung up in Montreal, Quebec City, Ottawa and Vancouver.

During the 1980s, the model became regionalized, and during that time, more specifically in 1988, the first French-language radio station outside Quebec, Radio Péninsule, went on the air in New Brunswick.

The creation of all of these stations led to changes in the broadcasting industry regulations. In 1991, the CRTC recognized community radio as a full-fledged industry partner. It was allowed to sell advertising and, therefore, take its rightful economic place within the broadcasting industry.

In closing, I would just like to mention that last week, the 141st community radio station began broadcasting in Bécancour, on the south shore of the St. Lawrence River, just across from Trois-Rivières.

• (1015)

[*English*]

Ms. Melissa Kaestner: We each individually talked about a few statistics from our associations. But when you look at the sector as a whole, we have approximately 140 stations, and those 140 stations have approximately 4,500 volunteers who come from the local communities that they serve, or in some cases with the universities, being from the students as well. The stations are run by approximately 500 staff people from across the country.

In terms of programming, we have approximately 6,200 different radio programs per week, which means tens of thousands of hours of locally produced programming on our stations. It's not only in English and French. As well, we have more than 40 different languages that are spoken on our stations.

[*Translation*]

Mr. Serge Paquin: On the next slide we have the CRTC definition, which I will not read in its entirety. What is important to remember is that we are all non-profit organizations. Community radio stations and campus radio stations belong to the community, which is responsible for their management, their programming and their operations. It is essentially an economic development, social and cultural tool that serves the communities. We have a very diversified mandate.

Because our resources are limited, it is difficult for us to respond to the musical tastes of all members of these communities. Our play

list must include a number of musical genres in order to please the general listening public, which means that, unlike private radio, which is often in the mainstream and plays popular music, we are limited in the type of musical content that we can broadcast.

I would like to say a final word about our strong community mandate, as it appears in the definition. Unfortunately, the CBC was unsuccessful in its attempt to bring itself closer to the community through community radio. It is often not very easy for the public broadcaster to increase its ratings in some regions, particular in very remote francophone regions. One might wonder why the ratings are so low, almost non-existent in some regions. The CBC has tried to get closer to the communities, but has not been very successful in its attempts.

The mandate of community radio is very different from that of public radio. Both are respected, but the CBC should not now engage in local coverage. That, for the time being, is the mandate of our radio stations and, as our ratings demonstrate, we are doing a masterful job.

Ms. Brigitte Duchesneau: I would like to give you an example of the type of radio station that we have in Canada. The first one is CKIA. It is a community radio station located in Quebec City's lower town, with a good broadcast range throughout the city. It is about 25 years old, and there are 150 volunteers working there at this time. With respect to content, they broadcast a number of public affairs programs as well as a morning socio-political current affairs program. Quite a bit of airtime is dedicated to community affairs in the Greater Quebec City region. As to musical content, the station plays a lot of international and emerging music. They try to play the type of music that one would not hear on commercial radio stations.

Of course, that is their general mandate. They aim to support citizen participation and to produce culturally diverse programming. When I say "they", I am, of course, referring to CKIA. A great deal of importance is given to local news programming.

This community radio station has evolved over the past few years; it has repositioned itself. As you know, the face of radio has changed. A community radio station must constantly review what it is doing. CKIA has adopted a rather multicultural approach in Quebec City because of the influx of immigrants in recent years.

That gives you an idea of what an urban radio station is all about.

• (1020)

Mr. Serge Paquin: Thank you, Brigitte.

Our association has chosen Radio CKJM, Radio Chéticamp, a cooperative. Approximately 50% of our members are part of a cooperative.

The birth of this radio station truly transformed the lives of the people of Chéticamp. It was a revolution. Before CKJM people did not listen to French radio at all. They were isolated. Chéticamp is located in Cape Breton, very close to the Cabot Trail. It is a very isolated and small region, where French has been spoken for the last 400 years. The area's economic mainstay is fishing, but there's also industry and tourism.

In 1995, the opening of the radio station truly transformed the lives of the people of Chéticamp. They discovered French music and local talent. They have a recording studio and the music of local artists is played on the airwaves. People speak French with their particular accent, people understand each other, listen to one another talk. Three thousand five hundred francophones live in the region of Chéticamp. People are actively involved in this small radio station which employs four permanent workers. This is quite a feat.

The radio station truly contributes to the region's economic and social development. The radio holds many events, including a hospital fundraiser. It is truly an exemplary radio station. Through a non-scientific, in-house survey, we discovered that 90% of the locals listen to the station. It is therefore obvious that a radio station grounded in the community, a station that meets the community's needs, truly breathes life and injects vitality into the French-speaking community. People are currently looking for CDs in French, but no one is selling them. The radio station has stepped in and is now selling French-language CDs. People have become hooked, and are actively contributing to this very dynamic radio station.

[English]

Ms. Melissa Kaestner: From the English sector, I turn to a station in Nelson, B.C., which is CJLY. I think it's an excellent example of community involvement and commitment. They're a co-op. The call letters are CJLY, but they're called Kootenay Co-op Radio. It's in a very small local community. As a co-op, their members join the radio station. They have over 1,400 people from the community who have taken out memberships with the radio station.

As a community station, they struggle a lot for their sources of revenue, and they have to be somewhat creative from time to time. But on top of the fact that they've had all of their equipment donated, including equipment from the CBC, they recently needed a new location. The community got together and built the radio station a building, from the concrete, to the wood, to the plumbing, to the electricity, and to the permits. The community came together and donated time, services, and labour to create a building for the radio station to broadcast from.

The radio station exemplifies the key characteristics that our stations have in terms of diversity of programming, voices, and participation. It's a little different from the campus radio stations, but you can find similar stories across the board.

[Translation]

Ms. Magalie Paré: Sometimes, stereotypes abound. People think that community radio stations are trend from the 1970s. But that's not the case, because community radio stations are riding a wave of popularity in Canada at the moment. Proposals for new stations are springing up around the country.

According to our own analysis of the situation, the trend can be traced to media ownership concentration which has resulted in a loss of local news sources, a situation reminiscent of Radio-Canada's budget cutbacks during the 1990s which led to the shutdown of regional news broadcasting stations, a move that only exacerbated the need for local news.

For this reason, since the late 1990s and the early years of the 21st century, our sector has been greatly revitalized, to the point where

many citizens are now actively involved in the movement to establish new community radio stations.

•(1025)

Mr. Serge Paquin: People do indeed have long-standing perceptions of community radio. It is often said that community radio stations are subsidized. But in actual fact, NCRA member stations do not receive any subsidies to cover their operating or capital costs. Stations represented by the ARC receive funding under the Official Languages Support Program envelope, equivalent to 50% of their capital cost. This means that a community must come up with the remaining 50% from taxpayers in order to set up a radio station. This is why establishing a radio station is an endeavour of seven to eight years in the making, notwithstanding all of the other stages in the process. Once they are on the air, radio stations do not receive any subsidies.

Quebec is the only province in Canada that recognizes the importance of community media. Since the 1980s, a program in place supplies between 10% and 20% of the funding needed to meet the operating requirements of certain stations, primarily remote stations that serve as the main source of regional information.

Therefore, it's a myth that community radio is funded by the State. This is not true. Most, if not the vast majority of community radio stations must raise funds each year in order to meet their budgetary requirements. That is the current state of affairs. Community radio has been left to fend for itself. Our government is not concerned with the community sector of the broadcasting industry. It puts all of its eggs in one basket—the Crown corporation—without any regard to the community sector, which plays an important and pivotal role in Canada's social and cultural development, in the preservation of Canadian sovereignty and in the dissemination of local news. I believe it's high time for our government to realize that the community sector has something to say and does contribute to the development of broadcasting in Canada.

[English]

Mr. John Harris Stevenson: Looking at community radio policy from a global perspective, Canada is the exception rather than the rule when it comes to how it approaches non-commercial radio. The countries that appear on the slide, and several other industrialized countries, have a more consistent approach to non-commercial media. They don't make a clear regulatory distinction between public media on one extreme and community media on the other. They see them all as non-commercial media contributing something important to the broadcasting system.

While I could go through any of those countries and explain how they fund community media in their own way, the United States is of particular interest. In the United States, as you're probably aware, there are two separate entities that are the prime movers in non-commercial media. One is the Corporation for Public Broadcasting, which is the funding mechanism. A separate organization for radio, National Public Radio, is the main provider of content to radio stations.

Because there are no clear regulatory distinctions between community and public, a station in Denver like WGNU receives about 15% of its revenue from the Corporation for Public Broadcasting, yet it broadcasts no National Public Radio programming whatsoever. It identifies itself as independent community radio, but because of its local service imperative it receives funding through this mechanism.

On the other extreme is WGBH in Boston, which I think some of you get on cable in different parts of the country. It clearly describes itself as public radio. Its schedule is made up almost completely of National Public Radio and other public radio programming, but it receives a similar proportion of CPB funding.

The separation in Canada, this false dichotomy, between the two sectors is a bit artificial. In the United States they support nearly 800 stations through the Corporation for Public Broadcasting—rural, urban, ethnic, and all sorts of different formats.

• (1030)

[Translation]

Ms. Brigitte Duchesneau: To satisfy the needs of Canadians, we believe that a Canadian fund for community radios should be created. This fund would support cultural diversity and community involvement and promote local news.

The mission, goal and mandate of the Community Radio Fund of Canada would be to help community radio stations reach their full potential as a well-funded, independent, diverse, dynamic and accessible sector of the Canadian media.

The Community Radio Fund of Canada would be a not-for-profit organization that would solicit and disperse funds for the development and maintenance of local programming in community and campus radio stations, in both urban and rural areas. The funding structure would be such that it would provide a solid guarantee of independence and thus garner the public's trust. Transparency and accountability would guide the administration of these funds.

[English]

Ms. Melissa Kaestner: To give you a sense of the kinds of programs we would be looking at through this fund, there are four main programs that speak to the main challenges that our sector faces as a whole. First are sustainable and capacity-building activities, which essentially constitute operational funding. Second, as Brigitte just mentioned, is local community news and access to the airwaves. Third is on the music side—Canadian talent development and emerging artists. Fourth is funding for emerging distribution technology—new media.

[Translation]

Mr. Serge Paquin: In conclusion, with respect to the CBC/SR's mandate, I think we all agree that it is important for a Crown corporation to reflect the needs and aspirations of Canadians from coast to coast. This mission must not be called into question, because this is important for all Canadians. Of course, the issue here is quality programming, and the CBC/SRC has the means to provide quality radio and television programming.

The Corporation has evolved in a competitive broadcasting environment. It is often said that we are not in competition. We do not believe that we are competing with the CBC/SRC. At least this is

true of our sector and of private radio. We play a complementary role. Obviously, people looking for entertainment radio will turn to private radio. People looking for news will tune in to the CBC/SRC. People looking for local radio, and who want to know what's going on in their community, their region, will turn to community radio. Therefore, all components of the Canadian system complement one another.

A healthier community radio sector can only benefit the Crown corporation. Currently, we serve as a training ground for CBC/SRC employees. There is a very high staff turnover rate at our stations, and the vast majority of our people will eventually move on to work for the CBC/SRC. Therefore, we are the ones who train young people, the ones who will later work for the CBC/SRC. We do not receive any credit for this. We train people, and once they have perfected their skills, the CBC/SRC "steals" them away from us. That's fine. It is our role to train people, to show them the ropes. The Crown corporation ultimately benefits from our efforts. All the better if community radio is thriving, because this benefits the CBC/SRC as well.

This complementary relationship is important for Canada's sovereignty. A responsible government cannot isolate itself and allow only the CBC/SRC to exist within the Canadian system. There is private radio to consider. The CRTC has arranged it so that there are virtually no regulations for private radio. Mergers worth over one billion dollars have recently been approved. Three mergers are valued at about \$3 billion. The CRTC is going to look into the issue of convergence. With mergers valued at \$3 billion, the sky is the limit. Private radio is no longer subject to regulations, aside from the requirement to broadcast 35% Canadian content. Private radio is growing and is posting record profits.

Private radio went through some hard times in the early 1970s. The CRTC deregulated the sector to increase competition and the move worked. Today, private radio is profitable. It posts huge profits, whereas public radio is fully funded by the State. The community sector has been left to fend for itself.

In conclusion, the Canadian government must take steps to ensure that all components of the Canadian system are interconnected, so as to balance the needs of all Canadians. Today, we are here to make you aware of those needs.

Thank you, Mr. Chairman, members of the committee. We are now ready to answer your questions.

• (1035)

[English]

The Chair: Thank you for that.

The presentation was a little long, so I'm going to ask the people who are posing questions and giving answers to be as short as possible. I'm going to allow about four minutes each. I'm sorry for that, but we have another committee following us and we have a bit of business to talk about at the end of this.

Mr. Scarpaleggia, please go first.

[*Translation*]

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): I found your presentation to be interesting, but I'm trying to identify a common thread. You seem to represent a broad range of community radio interests. I very much understand the mandate of community radio stations in remote official language minority communities in which there is no CBC/SRC presence. You reach out to a very small number of people. You also represent urban community radio, such as Radio Basse-Ville de Québec, for example, in addition to campus radio stations.

I suppose that audience ratings also vary. Do many students listen to campus radio? I wonder how many people listen to Radio Basse-Ville de Québec, given the choices that exist.

How do you perceive your own role vis-à-vis the CBC/SRC? When it comes to linguistic minorities, should you forge a closer partnership with the CBC/SRC? Perhaps you should also try to secure some funds from the CBC/SRC for your employee training activities?

There are many different opinions, and I believe that you have not sufficiently described the CBC/SRC's role in Canadian communities. Have you received any complaints about the Corporation? Does it hinder your operations in any way? I'm trying to understand how you perceive the CBC/SRC.

Ms. Magalie Paré: To answer one part of your question on urban radio, I would say that the proximity I spoke of throughout the presentation serves as a common thread. We define ourselves as local radio stations. In an urban setting, this proximity decreases and special interests emerge. Radio stations in the Magdalen Islands will draw a large audience because of geographical proximity and common interests; whereas in an urban setting, specialized programming may target a very specific segment of the population, but may still draw a high number of listeners because of the large catchment population.

• (1040)

Mr. Francis Scarpaleggia: Which segment are you targeting?

Ms. Magalie Paré: We are targeting the inter-cultural segment. Radio Basse-Ville is one very good example. Radio Centre-Ville in Montreal also targets the same audience group. These radio stations are targeting immigrant populations. The stations broadcast in languages other than French or English, or offer programming in French, but geared to French-speaking immigrants who have settled in Montreal or Quebec City. This is proximity, but of another kind.

I will hand the floor over to Serge, who also wanted to say something.

Mr. Serge Paquin: In answer to your question, let me tell you a little story. I am sitting in a bar in Clare, a region in south-western Nova Scotia, Saulnierville, Comeauville. I ask the locals what radio station they listen to. They tell me they listen to CIFA, the local radio station. I ask them why they don't listen to the CBC/SRC. They answer that: "We don't understand anything they're saying". They don't understand what they hear on the CBC/SRC.

How can a responsible radio station speak to a community in French, but in a type of French that people don't understand? Since 1991, we have been trying to establish closer ties with the CBC/

SRC. We managed to negotiate a small advertising deal with the corporation, which used to send us recorded advertisements. That partnership lasted a few years. Since we wanted these vignettes to be adapted to our needs, and to the needs of the communities, there was a great deal of effort involved. Finally, the partnership ended because the CBC/SRC didn't have the funds.

In any case, the CBC/SRC is like an ivory tower. Decisions about French-language radio are made in Montreal. The tower is impregnable. They use the union as a scapegoat, but there are no programs. They have no mandate to help community radio, and there are hardly any partnerships in place.

I am not saying that they don't do good work. They do excellent work, because they have the money to do so. However, when a francophone minority is involved, then we have to wonder about their effectiveness and what they deliver. If they are no longer effective and if there are only a few dozen or a few hundred listeners, then perhaps a new formula is in order.

[*English*]

The Chair: That took about six minutes. So the question was a little long and the answers were really good, but let's try to keep them a little shorter, please.

Ms. Bourgeois.

[*Translation*]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Thank you, Mr. Chairman.

First of all, let me say that I was not expecting to hear you deal with these subjects. The documents that you had provided were all focused on your request for an \$18-million fund. I am nevertheless quite happy to hear you speak about other issues. Committee members visited some locations in Canada. We were led to believe that the CBC/SRC radio was quite successful, that it had a large listening audience and provided a service that virtually everyone could access, with the exception of the francophone communities that were fighting to have their radio station recognized.

Your presentation was very interesting, inasmuch as you may be the answer to a request we received for a more immediate type of radio service. I think you could meet a number of local needs. Do you ever hear from people outside the region? I am thinking, for example, of the anglophone provinces. A large number of French-language communities outside Quebec have inadequate services, and, like you, they are in need of funding.

Moreover, and I will close with this, Mr. Chairman, you wanted to meet with Bev Oda, but she declined the invitation. I would like to know what is behind her refusal and what reason she gave. The time has come for us to know: we are in committee.

•(1045)

Mr. Serge Paquin: Let me qualify that. When you travel, you often meet with the elite, the people who are involved in the francophonie milieu. The average citizen does not necessarily ask to appear before the committee. Of course, these people listen to the CBC/SRC, but you have to pay attention to the real figures, because they are the only ones that have any meaning. The ratings in Nova Scotia are lower than 1%; that speaks for itself. There's no use hiding it: in Montreal, the French-language CBC radio network is a huge success. They have excellent ratings. However, as you move away from the city towards the regions, the audience share drops to 3%, as is the case in Moncton. By contrast, the Shediac community radio station, CJSE, has a 54% rating, the best one of all the stations combined, even the English-language ones. That is how things are.

As to demand, we have nine stations in the works, which means that nine communities want to set up their own radio station. It is a lengthy process. They have to first come up with 50% of the funding, which means that they have to organize a yearly fundraising campaign. The demand is even greater out West, because of the development work that has to be done. As you know, the francophone community in western Canada is weakened and spread out across a wide area. That makes things difficult for us.

There is a demand, but it is not easy to mobilize a community that is already challenged to set up a radio station that will take six, seven or eight years before it begins broadcasting, particularly when the tools and the funding are not all readily available. Moreover, once you have taken the plunge, you have to be sure that your head will remain above water. In a small anglophone community with 1,000, 2,000, 4,000 or 5,000 inhabitants, that is a real challenge. Setting up a community radio station in Calgary is no mean feat. There is a population of 10,000 or 15,000 francophones, but no francophone neighbourhood. It is very difficult to mobilize people and to ensure that such a project will be properly funded.

[*English*]

Mr. John Harris Stevenson: On the request to meet with the minister, it's quite straightforward. In the time that I've been involved in community radio in Canada—about 20 years—no meetings have taken place between community radio representatives and the minister. Our sector has gone through a number of transformations, and we're going through another one. We feel that the minister should meet with representatives of the main sectors of media in Canada. That hasn't taken place. And to be fair, it didn't take place with the last government either.

[*Translation*]

Ms. Magalie Paré: She told us that she could not meet with us because our application would not be eligible under of her programs.

Ms. Diane Bourgeois: That is rather far-fetched.

Ms. Magalie Paré: We're asking more or less for a program to be created.

[*English*]

The Chair: Thank you.

Mr. Angus.

[*Translation*]

Mr. Charlie Angus: Thank you for your presentation.

I admit that I am very fond of community radio and campus radio. I truly believe that you are making a special contribution to developing new talent.

[*English*]

I don't like to do glory day stories, Mr. Chair, but I'm going to indulge myself with the three minutes I have left.

When I was 18 I went on the road with a band and we'd play all these little islands of music events, and the only places we could play were places that had community radio, because nobody else played new music. We came to Ottawa, and we found out we had sold out three nights at the Roxy club, and we couldn't believe it. How was it possible that we had a lineup to see us? It was because CKCU had a signal that was heard all across the city.

On the third night, because there were so many people coming to see us—because this radio station promoted it—the DJ from the big rock station came to see us, and he came backstage. And that was in the days when the CHUMs and the CHOMs were like these giant edifices that never touched new music. He said how much he loved our band and this was fantastic, and I said, “So why don't you play us?” He explained, “Oh, you don't understand. Our radio station is for people who don't like music.” He basically said, “It's not in our mandate to play interesting music.”

My question is simple. It's a two-parter. One is on the role you play as a nursery of new talent, of new broadcasters, of cultural raconteurs who get their start. What role do you have in that, and what role do you have in relation to CBC? Secondly, now that we have the Internet and MySpace and other forms that are also acting as a cultural nursery, is that an opportunity for your industry, or is it a challenge, a threat?

•(1050)

Mr. John Harris Stevenson: I remember when you went through Halifax back in the early eighties, and I remember the posters being up. So I was involved at that point.

What drew me to CKDU in Halifax was that I couldn't get jazz anywhere. I couldn't even get rock music anywhere. That's a role that community radio has played since the 1970s. People hear a band they like, and because they have a program, they have a power to put that on the air. It's that risk-taking that allows new talent to be discovered.

When I was at CKDU in Halifax, Sarah McLachlan was in her first concert with her first band, which was this techno pop band. We promoted it at the radio station. We incubated her career, we incubated Sloan's career, and there are stories all across Canada of that happening. And it continues to happen.

Community radio and campus radio continue to have a very strong role in that area because we still have a very substantial audience compared to the high level of fragmentation on MySpace and these other sites.

That doesn't mean we're not doing more new media things, because we are. We want to do new music podcasting, audio on demand for all of our audiences, and just make that material available more widely in formats that people want to see.

But there's nothing like having a physical space where you can go and take your CD and say "Check this out. I did this." It's probably going to get played and someone's going to comment on it; and from that, careers are born.

The Chair: Thank you for that.

Mr. Abbott, for the last question, please.

Mr. Jim Abbott (Kootenay—Columbia, CPC): Thank you very much.

I appreciate your input today. I'm just wondering if you might be in conflict with something that happened a few years ago when we did the study of the status of broadcasting in Canada. One of the things that came out of that was the idea that CBC radio had an opportunity and a responsibility to be more reflective and to do more at the local level.

As it happens, in my constituency, where my constituency office is, they're looking at the following. If we receive funding, CBC says, CBC will be producing a morning show in the Kootenays, produced in Cranbrook. You'll have increased content for the noon show, which will remain regional because you have a staff person on the ground feeding content. It's going to improve. You'll have local news incorporated into the newscast seven days a week. There'll also be a cultural component to the station: there will be local culture on the local radio. It will be able to promote local culture to the network, so there will be local exposure for Kootenay artists on the network, artists, authors, comedians, musicians—we're talking about all sorts of artists. They're looking for \$25 million to make this happen across Canada, not just for that.

What the CBC has done, to their credit, is respond positively to the direction of that report, the so-called Lincoln report, and they are moving forward. It strikes me from everything you've said today that in fact what they're doing is responding to what you say you're responding to. I think there is some head-on conflict here, and I wonder if you'd help us resolve that appearance of conflict.

Ms. Melissa Kaestner: I just want to make a really brief comment about the Lincoln report. The fact was that it was a study on the state of the Canadian broadcasting system, and we were not in it. Our sector was not. And I think that this is one of the overarching points of why we're even here today. We came and approached this committee to ask for a similar review of the campus and community radio sector, and we were told that probably wouldn't happen, so we needed to come and speak here.

Likewise with the Lincoln report: with being excluded from that but there still being the need for more local and more community content, it's only natural that coming out of that report it would seem that it would fall to the CBC. And it's great that the CBC is looking at doing other things in that area, but what about the stations that are already doing it there? You're talking about increasing the local content for that station when you have at least two radio stations in the Kootenays, one that's just developing in Castlegar, I believe. I might be wrong about that. But they're already doing that, and all of the programming is local and they don't have somebody regional who is feeding information to somebody else. It's just all done by the people who are in the local community.

Had the Lincoln report included us more, I think those roles would have been a little bit more clearly defined.

• (1055)

Mr. Jim Abbott: Would I be wrong in suggesting that you wouldn't really be in favour of this expansion of CBC radio into local broadcasting?

Mr. John Harris Stevenson: I think that any service extended to people in rural areas and remote areas or cultural communities has to be encouraged. The issue that we would have is when CBC goes into an area or serves a community, and I think as a different example of Radio 3, which is broadcasting primarily independent Canadian artists. It's one of the satellite channels on Sirius Canada. This is a service that is nearly identical to a campus radio station in terms of its format and sound, yet taxpayers' dollars are going into that to create a service that already exists all across the country in most cities and in many smaller communities.

I think it's a reality that CBC cannot go into every rural area that could support a community radio station. The area that I'm from in Nova Scotia has a small village called Tatamagouche. It's not even close to Pictou, really. It's about a thousand people. They would like to have a community radio station. They'll never get served by CBC, so there has to be accommodation for both things.

The Chair: Thank you.

If there any other comments that you would like to make to anyone around this table, please send them directly to that person, but we have to have about a one-minute break here. The next committee is already coming in, and I do have a little bit of business that we have to take care of.

Thank you very much for your presentation this morning.

The meeting is suspended.

• (1055)

_____ (Pause) _____

• (1055)

The Chair: I call the meeting back to order.

This is in regard to committee business on Thursday. There is a need to see where this committee is going with our current study in order to have a better focus during our last hearings in St. John's and in Montreal.

You will receive today a draft plan of the report and possible recommendations. I would recommend that the meeting on Thursday be held in camera, since there will be discussions on some recommendations, and according to a long-standing practice of the House of Commons procedure, all substantive reports have to be kept confidential until presented to the House.

Do I have consensus around the table that we hold our meeting on Thursday in camera?

Some hon. members: Agreed.

The Chair: Thank you very much.

The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.