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## Standing Committee on Canadian Heritage

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EVIDENCE

**Thursday, May 24, 2007**

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**Chair**

Mr. Gary Schellenberger

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Thursday, May 24, 2007

•(0840)

[English]

**The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)):** Welcome this morning to the 62nd meeting of the Standing Committee on Canadian Heritage, here in St. John's, Newfoundland.

Orders of the day: pursuant to Standing Order 108(2), a full investigation of the roll of a public broadcaster in the 21st century.

This morning we welcome Paul Pope, from the Newfoundland Independent Filmmakers Cooperative, and from the Film Producers Association of Newfoundland, Lynne Wilson.

Mr. Pope, you're first on the list, so would you make your presentation, please?

**Mr. Paul Pope (Vice-President, Newfoundland Independent Filmmakers Cooperative):** I would like to start by thanking the standing committee for coming to St. John's, Newfoundland. It's always great to see you here. It's been ten years since my last confession. I had the opportunity to speak to the standing committee at the other hotel back in 1997, and I believe at that time we were talking about the CBC. I'd like to start by saying we're still able to talk about the CBC.

For 32 years, the Newfoundland Independent Filmmakers Cooperative, NIFCO, a not-for-profit film, video, and television production, professional development, and editing facility, has been a leading light of Newfoundland and Labrador's social economy. NIFCO's mandate is to provide training, infrastructure, and support for entry-level and advanced film and television professionals. For over 30 years, the organization has enjoyed a critical partnership with the CBC in nurturing talent, training, and cultivating awareness and pride in our culture. With the support of the CBC, NIFCO has an impressive history of adaptability and growth in an ever-changing international, knowledge-based discipline. As a result, NIFCO is a nationally admired centre of cultural excellence. The organization has been an essential entryway and professional development provider for the local production community.

NIFCO's achievements are many, including the following: the establishment of introduction-to-filmmaking and introduction-to-editing classes, and film and television produced through these programs, and the creation of the first-time filmmaker program.

NIFCO has also been an essential skills-enhancement provider for the film industry through the following: workshops, job placements, and technologies that enable smaller-budget films to be made. Furthermore, NIFCO has been crucial in the growth, development, and success of our cultural community by providing

technical staff support for film festivals, screenings, and exhibitions; by giving other artists from other disciplines access to the media of film and video, including dance music, theatre, visual arts, and writing; and by offering space and technology to filmmakers for meetings, auditions, research, computer use, and so on.

NIFCO's vision and practices are key reasons for its success and longevity. Through the years, three philosophical pillars of management have governed the organization. These are, firstly, to provide access in Newfoundland and Labrador to the technological equipment required to make big-budget, market-driven film and television. Secondly, NIFCO is a focal point for creation and innovation. NIFCO encourages and provides a milieu for artistic and entrepreneurial excellence in the creation of film, video, and television in Newfoundland and Labrador. Thirdly, NIFCO works very hard to develop the film and television community overall, and, in the process, develop the industry and this province.

NIFCO is the heart and soul of the Newfoundland film community, and the CBC has been a valuable partner since our formation in 1975. Our positive relationship continues to this day.

The management of all healthy organizations is the management of change. I don't think anyone's going to stand here and say we can return to the two-channel universe of the eighties. When I think about the bright future for NIFCO and the CBC, I cannot help but think about the great accomplishments that lead us to where we are today. While I say that we can't go back in time and be a two-channel universe, I think we can look back and see what worked in that period, and perhaps apply it to our current events.

I'll tell a little tiny story. In 1975, NIFCO played a critical role in the production of some really funny films by a young comedy troupe called CODCO for use in their stage performances, sort of an early multimedia experience. The popularity of the film work with the local audiences helped inspire the local CBC to include comedy in their popular TV show, *The Wonderful Grand Band*, which was produced by the CBC in Newfoundland at the time. This in turn led to the production of the hit national TV series, *CODCO*, in the eighties, which eventually led to *This Hour Has 22 Minutes*, and eventually the successful *Rick Mercer Report*.

I put forward that there are three basic reasons a huge audience exists for the *Rick Mercer Report*. Firstly, in 1975, independent filmmakers crawled through the woods with a hand-held camera and a windup camera, inspired to film funny people. Secondly, there were enlightened producers at the CBC in Newfoundland who realized the material would resonate with Canadian audiences. Thirdly, Rick Mercer is really funny.

• (0845)

So we put forward from this example that it is important for government to provide the CBC with sufficient resources so they can strengthen their commitment to regional production and diversity. Newfoundland and Labrador is a region of Canada that is geographically, and in many ways culturally, cut off from the rest of the country. The CBC is the common thread, the cultural link that connects us to Quebec, Ontario, and all the way to B.C. We believe the CBC plays a vital role in promoting and preserving the identity of Canada, and it should be given the money and support needed to do the job properly.

Thank you.

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

Do you have a presentation, Ms. Wilson?

**Ms. Lynne Wilson (President, Film Producers Association of Newfoundland):** Sure. I'm representing the Film Producers Association of Newfoundland, PAN, as we call it.

PAN was formed in 1989 to develop the resources necessary to support film and television producers in this province. We advocate to various levels of government and to industry partners, and we provide support for our members in marketing, export development, and professional development. Many of our PAN members are also members of the CFTPA, and PAN as a group supports the paper submitted to this committee by the CFTPA. We believe it represents the vision of independent producers from a national perspective very well. We have also submitted a paper, but I won't go through that whole document. I just want to focus today on some regional issues we have here in Newfoundland.

We believe that the role for the CBC in the 21st century is to continue to provide high-quality, distinctive Canadian programming that would not otherwise find a broadcast outlet. The CBC must continue to be different from commercial private broadcasters. In the current broadcasting environment within Canada, the CBC is often forced to compete with private broadcasters. While CBC's mandate may be to offer high-quality, distinctive Canadian programming, gaining the largest audience share is increasingly becoming the benchmark by which decisions are being made. In this drive for an increased market share, programming becomes homogenized, and the first casualty is always regionally distinctive and reflective offerings.

• (0850)

[Translation]

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** This is a text that the interpreters do not have a summary of. If she would be so kind, perhaps she could be of assistance to us.

[English]

**The Chair:** Just slow down.

**Mr. Paul Pope:** She already did.

**Ms. Lynne Wilson:** I'm a Newfoundlander, I can't slow down.

**The Chair:** Our translators are going to have to make three translations.

**Ms. Lynne Wilson:** Sorry about that.

We feel that while the current mandate is vital and its implementation critical, we are concerned about the lack of specifics in regard to both the prioritizing of CBC's various programming objectives and direct mention of specific genres of programming activity. When coupled with the increasing CBC trend of using audience share of benchmarks as a primary driver, this lack of specifics leaves the mandate open to varying and often contradictory interpretation, particularly in relation to how they are then translated to CBC's actual programming decision-making. We therefore support the CFTPA's position that there be regular mandate reviews to ensure that Canada's public broadcaster remains relevant to Canadians as the broadcasting and communications environment changes.

Our nation has rejected the melting pot philosophy of social integration and identity-building in favour of the virtues of multiculturalism. This philosophy is a cornerstone of our society and must be nurtured and expressed by the nation's public broadcaster. The operational mandate of the CBC must be informed by all the voices, cultures, regions, stories, and people that inhabit and define the Canadian landscape. Therefore, in its goal to reflect Canadians to Canadians and to the world, CBC should, and must, embrace diverse programming in all genres produced in all regions of Canada.

Historically, CBC has played an integral role in the development and promotion of our regional production content across the country. The developmental nature of regional and local content from concept onwards requires that regional support from the CBC be an entrenched and a longer-term commitment. For example, the path from *CODCO* to *This Hour Has 22 Minutes* charts not only the course of CBC's historical commitment to regional programming, but also demonstrates how said commitment can translate into programming that fulfils the mandate to reflect the regions, while being allowed to build a sizeable national following.

While we appreciate that in the intervening years the nature of the production environment nationally has changed and that CBC has adapted its regional support and the manner in which it is delivered contextually, recent programming developments seriously call into question the broadcaster's regional presence in Newfoundland and Labrador. In the last 18 months we have seen a significant programming and philosophical shift at CBC towards a drive for a more homogenized populist programming. This has particularly manifested itself in the CBC's moving away from movie of the week and mini-series formats towards series with which the CBC feels it can compete more directly with private broadcasters and U.S. offerings.

This decision has impacted the regions significantly and has led to a significant reduction in regional content on the CBC. There has been no major CBC drama project in the Atlantic region for the past 18 months. With the exception of CBC's mainstay *This Hour Has 22 Minutes*, there is currently no major CBC series centred in or reflecting Atlantic Canada. This programming shift has seen the region take a hit in overall production activity and has in many ways effectively silenced this region's voice within the CBC programming schedule.

On the national level, the CFTPA estimates that this shift in CBC programming philosophy has reduced overall regional Canadian content to 80%, down from 90% in 2000-2001.

In terms of further negative programming regional impact, the current environment for documentary producers in Newfoundland and Labrador seems equally bleak. While the majority of our annual Newfoundland production value may traditionally have been in television big-budget drama, a majority of our local filmmakers are themselves documentary producers, with documentary production being a major ongoing foundation of our industry.

Nationally, broadcast space for documentaries on Canadian airwaves has always been at a premium. With the CBC's recent move towards more lifestyle-oriented fare and the reduction in documentary strength on CBC and Newsworld, the corporation has not demonstrated a strong commitment to independently produced television documentary programming.

Shelf space and funding for documentaries is slipping dramatically at the CBC, which is negatively impacting what has traditionally been a mainstay for regional content on the national broadcaster.

● (0855)

As stated, historically, through a variety of initiatives and programs, CBC has played a key role in the development of regional content for both a local and a national audience in recent years. This commitment has been most readily evident in CBC's relationship with Newfoundland independent producers, who have produced a variety of significant programming for the national broadcaster, *Random Passage*, *Above and Beyond*, *Hatching*, *Matching*, & *Dispatching*, and so on.

The Broadcasting Act states that the Canadian broadcasting system must include a significant contribution from the Canadian independent production sector. Given CBC television's role and mandate as the most important outlet for Canadian television programs, and because independent producers create programs in drama, comedy, and documentary genres, the relationship between the independent producers and CBC Television is, as the CFTPA suggested, symbiotic.

The Canadian independent production community is a strong supporter of CBC television, and as stated, this is even more so in our region. We rely on the CBC as the main outlet for our regional production, our stories, and our content to make it to a national audience. In return, it is that very content that has historically built audiences for, and helped fulfill the mandate of, the CBC.

In light of this symbiotic relationship and the recent negative regional programming trends, it is imperative that CBC both review

its regional mandate and renew its relationship with independent producers in Newfoundland and Labrador, one of the real and vibrant parts of Canada referred to in the Broadcasting Act.

Specifically, this includes issues such as a commitment and a need for local and regional programming in all genres, and an examination of CBC's program development fund—formerly the TransCanada Development Fund—for development and pilots from the regions. Over the past 12 months, despite commitments to the contrary, the administration of this fund has been problematic and has resulted in less than positive results in the Newfoundland production community and in demonstrable commitments to regional activity. It is our opinion that this development fund is inadequate and falls short of what is really needed to seriously develop programming from the regions.

Another issue is the need for more local and regional airtime for independent regional productions to be seen—prime-time windows, not just fringe periods.

Also needed is a re-examination of the current programming philosophy and how the move away from movies of the week and mini-series has negatively impacted production from all regions outside central Canada.

Another issue is the need for re-examination of the role of documentary programming on both the main CBC network and CBC Newsworld, as well as a clearly defined operational philosophy for CBC's programming of The Documentary Channel, in view of documentaries' significant historical and regional content development roles and the current declining state of documentary presence within CBC.

Needed overall is a renewed and reinvigorated financial commitment from the Government of Canada to the CBC. In recent years reduced public funding, cost increases, increased competition, and audience fragmentation have forced CBC television to become more and more reliant on commercial revenues to continue to fulfill its broad mandate. This inevitably forces it to compromise on some aspects of its important public service mandate; regional content and regionally distinctive programming are usually first on the chopping block.

The Film Producers Association of Newfoundland believes that the CBC is an essential component of the Canadian broadcasting system. The success and viability of Canadian independent producers and productions, particularly within the regions outside central Canada, are in numerous ways directly reliant upon a strong and vibrant national public broadcaster that showcases almost 100% Canadian content on multiple platforms.

Historically, while CBC television has done a relatively good job of fulfilling its mandate, specifically the regional component, in the face of considerable financial and competitive challenges, recent years have seen an almost continual bleed-off of service, commitment, and tangible presence in Newfoundland and Labrador. Exacerbated by recent changes in programming philosophy, the relationship between CBC and the independent producers in our region has reached a stage that cannot be characterized as anything less than critical.

• (0900)

Nationally, this trend has been reflected in other regions outside of central Canada, and the overall homogenizing and centralizing effect this is having threatens the very goals, mandates, objectives, and foundations upon which the CBC brand and its rich history have been built.

The Newfoundland and Labrador independent production community highly values its relationship with the CBC and remains a committed and valuable partner in the realization of the goals and objectives of our national broadcaster. However, this must be tempered by the current context, which calls for an immediate review, renewal, and reinvigoration of the role that the CBC plays in bringing Canadians to Canadians, and in turn, to the world.

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

For our first question, we'll go to Mr. Simms.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-  
sor, Lib.):** Thank you, Mr. Chair. Indeed it is an honour.

Ms. Wilson and Mr. Pope, thank you so very much for those great submissions.

I want to start by asking you, Mr. Pope, about your experiences with *Above & Beyond*—which, I might add, was a fantastic production. Given the fact that this is all going on the public record and I'm sure the executives of the CBC are probably reading what I'm saying, I would just like to put a plug in. I think *Above & Beyond* should be a continual series. I think it's a good idea.

Before you comment on that, I'd also like you to comment on your experience as a independent in getting *Above & Beyond* onto the airwaves of the CBC and what you would like to see the CBC change in the process of getting your production on the air.

**Mr. Paul Pope:** I have to quote an unnamed producer by starting off by saying "It's a miracle that any television show ever gets made." So under no circumstance, anywhere in the planet, is it simple.

The process was relatively straightforward. It started as a pitch package that we put in front of three networks, two years before production, and the CBC was the first to come at it. Then we worked through the system and it made it on the air. It really was quite straightforward except for the natural torture that one will experience in making a television show anyway, regardless of what network you're working for.

I think the CBC is very clear today in terms of what they want. Perhaps there are producers who are hearing stuff they don't want to hear, and it is certainly a challenge. We are in the process now of closing a deal with the CBC to do a movie, set in Newfoundland, and it's still going on, but it's clear from statements they've made that they're interested in television series. This a programming choice, and one has to respect that they are programmers. We are producers. There is a reality that once you establish two or three one-hour series, then the amount of time available for mini-series and movies of the week will be diminished. The movies of the week and the mini-series do lend themselves as a production model to smaller companies because of the capital required to produce it. You're making only two or four hours of television. When you start

coupling it with the provincial investment funds and with the size of the pool they are, they are a nice fit. Also, there can be eight or twelve movies and mini-series per year.

From my own perspective, I'm hopeful that the movies of the week and the mini-series will continue, but that's programming choice. I'm also actively trying to come up with a one-hour series. And by the way, I did pitch them *Above & Beyond* as a one-hour series, where we settle in 1942 and stay there for the whole time, just after the Americans arrive.

Thank you for the kind words. It was a pleasure to shoot in your district.

**Mr. Scott Simms:** It was a pleasure to have you, too. On behalf of all businesses and many kids who got involved, it was a chance of a lifetime.

In your submission, you talk about the CBC's TransCanada Development Fund. I want you to comment on that and the difficulties you may be having with that, as illustrated here. But also—I brought this up last night when we were talking about infrastructure and talent—boy, it must be quite a challenge to keep the talent here in this particular small corner of the world, given the fact that, as I mentioned yesterday, if we had to wait around for a feature film like *The Shipping News* to come in, that only happens once in a very long time. So the CBC becomes a cornerstone of keeping infrastructure and talent here.

You just mentioned, Paul, a movie staged here, I think it was. Did I get that right? I know there's one in Corner Brook. I mentioned that last night.

• (0905)

**Mr. Paul Pope:** Right, and there's equipment here. In terms of infrastructure, the industry itself, through NIFCO, through the studio co-op.... I mean, Newfoundland is an island, and there's nothing we can do about that except deal with it. Stuff that has to be brought in will always increase the cost and make us less competitive. So in terms of the three pillars—production equipment, post-production facilities, and crew infrastructure—I think we've been working quite strongly in that direction. Of course, as with everyone, you still have to have an ultimate buyer.

I'll ask Lynne to speak on the TransCanada Development Fund.

**Ms. Lynne Wilson:** On the former TransCanada Development Fund, which is now the Program Development Fund, we met with the local CBC the other day, because we've been finding over the past year that there's been kind of a disconnect between local producers and CBC locally and nationally in terms of how this fund is set up, how we can access it, and how they can use that money to help us develop new shows. They clarified a lot for us the other day, but one of the alarming things we found out was that they've only allocated \$65,000 to Newfoundland to develop new shows. It's laughable. According to them, we've never had any more than that. But the industry is growing, and there are changes to the CTF—development has become even more important in the regions. How are we to develop shows that are going to catch the interest of the national CBC if we only have \$65,000 a year to throw at writers and researchers? It's just not enough.

**The Chair:** I'll give you another round, but I'm going to try to keep this a little shorter than our rounds yesterday.

I'm going to move to Ms. Bourgeois, please.

[Translation]

**Ms. Diane Bourgeois:** Thank you, Mr. Chairman.

Good morning to our witnesses.

Mr. Pope, you were saying earlier during your presentation that the CBC was a beacon in the social economy. I took note of that. Could you explain to me what you mean by that?

[English]

**Mr. Paul Pope:** I said that NIFCO was a beacon in the social economy because largely it functions as a non-profit facilitator or aggregator of opportunity. It provides access to a normally restrictive environment because of rental costs or equipment acquisition or access to personnel. So it's empowering people to create micro-businesses called film and television that employ a lot of people, which is the economy side, but with a social conscience. They're still making work that's about their place and their people.

I'll give you an example. If you look at the last year for which numbers are available, which would be two years ago, there was somewhere in the area of \$26 million worth of independent production in Newfoundland and Labrador. It was all instigated by small companies like Lynne's and mine. Our numbers show that approximately 60% of that was for labour, and approximately 55% of that was spent directly in Newfoundland and Labrador. So it works out to be approximately \$8 million or \$10 million worth of labour paid straight into the cultural workforce economy.

When we did a sub-analysis of where that crossed over, it was impressive, because the film and television industry put more money into writers' pockets than the publishing industry. The film and television industry put more money into actors' pockets than the theatre industry, and it put more money into technicians' pockets. The only sector that beat us was music. The music industry put more money into the musicians' pockets than we did by hiring them for film.

So when somebody decides they have to make a film or television project that's important to them and important to the community, that's the social aspect of it. The economic aspect of it is that we can aggregate that activity to provide them with resources, trigger other

money, team them up with the CBC and broadcasters, and get it out to the audience, and at the same time we create economic activity in a positive way that is non-polluting, labour-intensive, and export-oriented.

• (0910)

[Translation]

**Ms. Diane Bourgeois:** Thank you.

If I understood correctly, the CBC is already fulfilling part of its mandate as an economic leader in Canada. The fact that it is developing the artistic economy in general seems to make you very happy.

[English]

**Mr. Paul Pope:** The CBC is a leader and should be a leader and will be a leader because it has the shelf space available. As producers, there's no point in our making a television show unless people are going to get to see it, and if we look at where the shelf space is in the country, the prime time shelf space sits on the CBC. While the private channels, CTV and Global, are important—and we encourage them to do as much Canadian programming as possible, and both networks are committed to doing so—they still have a mandate to shareholders that requires a heavy reliance on simulcasting and a prime time schedule that's not Canadian. So the CBC is critically important in terms of getting the message out, but also of providing the place for the shows to be purchased to put on, in that its prime time is nearly entirely Canadian.

[Translation]

**Ms. Diane Bourgeois:** Ms. Wilson, on her part, seems to be flashing a warning light. She stated that there is currently some discord between the CBC and the independent producers, and that the situation is very serious. She also talks about a change in philosophy.

Did I understand you correctly, Ms. Wilson?

[English]

**Mr. Paul Pope:** Could I just jump in first?

They are not mutually exclusive. I am taking a big-picture, 30-year look at the CBC, as a discussion of its importance and what to learn from moving forward. I will agree with Lynne—I think I'm consistent with this statement—that in the short term there are things happening that are throwing out some of the good stuff from the past that we need to look at; hence the story I told of the regional production and the development.

**Ms. Lynne Wilson:** I agree with that. Over the years we have gone from being the producers of *CODCO*, *This Hour Has 22 Minutes*, *Random Passage*, *Above & Beyond*, and in this past 12-month period, all of a sudden our development dollars are \$65,000 for the year for our region, and we've had 18 months of no major regional production happening.

Historically the CBC has been really important to our region. It still is, but it seems as if, with the cuts, we're getting hit first. The regions are getting hit first.

● (0915)

**The Chair:** Thank you for that. We're going to move on. You'll have another opportunity.

Mr. Angus.

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

Thank you for your presentation this morning.

Ms. Wilson, I'd like to follow up on the last sets of comments. We've heard fairly consistently about the disappearance of resources from the regions, not just of the funding envelope, but the complete loss of a generation of producers, of script support, of the people at CBC in the various regional offices who were looking for the new ideas. If they're not there, you're going to have to go to Toronto to pitch your story. That seems to be a sense we're hearing across this country.

I'd like to ask you a two-part question. First, is it your experience here in Newfoundland that the actual infrastructure of ideas and support at the regional office of CBC here is disappearing through the loss of key people?

Second, we haven't had a major drop in budget at CBC in the last 18 months, and yet it seems that the empire strikes back. Toronto and Montreal are pulling in all their markers. Is this a senior management decision? Are they just not interested in the regions of Canada? What would you say is the cause of that?

**Ms. Lynne Wilson:** I don't know. It's been my experience.... I've been producing for seven years, and Paul along with me, and in that seven years I've noticed that we used to be able to go to the regional CBC and pitch an idea and get some money for development and then you'd end up going into production shortly thereafter, especially in the documentary world, where it's very quick. But I've noticed in the last two or three years that we are going to Toronto to pitch our ideas, and we are having to go to the Banffs of the world and talk to the national people more so than the regional. We used to be able to do this, start a project regionally, and now we're finding that's not the case.

I'm not sure what your experience is with that, Paul, but that's what I'm finding.

**Mr. Paul Pope:** It's always been a situation of generating some interest at the local level, which we still can do, and then getting it into the network to pitch.

You ask a really interesting question about why it's happening, because we look at it the same way. I guess we ask ourselves the same questions. I'm an eternal optimist, and I would argue that, please God, if we talk about this enough it will be a self-correcting course. I believe the CBC is committed to regional production and I believe that regional production has worked for them in terms of the audience and the numbers they've had.

So if we're going through this CBC reorganization right now, which we have been in terms of their taking a direct approach to

adjust market share upward, I don't think I'm talking out of school to say we've seen certain reality and lifestyle in Julie Bristow's department move in to take over some of the spaces that were typically documentary. That's a programming decision. Whether you like it or not, some of these shows are doing extraordinary numbers: *Test the Nation*, 1.5 million; *The Next Great Prime Minister*, 700,000; even *Dragons' Den*, 400,000 or 500,000. So you can't sit back and say this stuff doesn't work.

So the challenge for producers and for us is to keep ourselves front and centre and to make sure our ideas are in there and being well received, which I think they are. I think the role of this committee and of Heritage Canada is to make sure the CBC's management, whoever they may be at any given time, are well aware of the responsibilities of having the keys to the canoe.

**Mr. Charlie Angus:** We've seen examples. *Little Mosque on the Prairie* is our big hit machine right now. It's produced in Toronto. Is there a neighbourhood in Riverdale in Toronto that we can make look like St. John's, and can we do regional St. John's programming down on Eastern Avenue? Is that possible? And what effect do you think that would have not just on the legitimacy of the show, but the relevance of it?

● (0920)

**Mr. Paul Pope:** Not being from Saskatchewan, if you're going down the path of appropriation of culture, *Little Mosque on the Prairie* may be an interesting one to talk about, but I don't have a comment as to whether that's good or bad.

**Mr. Charlie Angus:** Okay.

We look at the cost of television. Reality TV is cheap, so people produce it. It used to be that—and you can correct me—documentary would get half the audience that drama would get, but it would only cost one-third. So there was always an interest in going for documentaries because the returns were fairly good. Yet what I'm hearing is that documentaries seem to be flatlining. So we're not getting the regional drama or comedy and we're not getting documentaries at the same level. Is that an experience you have here in Newfoundland?

**Mr. Paul Pope:** I think the audience of today is less interested in a show on how the car performs on the highway and more interested in a show on "car in the ditch, car in the ditch". It's feeding a certain element of the audience's taste, but at the same time I think it's important there's a balance out there when we make programs.



You're talking about the cost of production skyrocketing. It certainly is, and if you look at the last set of CTF guidelines there is recognition that the cost of pilots is almost double the cost of an aggregated one-hour series. The guidelines have been revised to reflect this. You can expect a half-hour pilot of *Little Mosque on the Prairie* to cost \$800,000, with a run rate of around \$400,000 if you are doing 13 of them. This has just been recognized by the Canadian Television Fund in the new guidelines, and there are new licensing and contribution thresholds to reflect the high cost of pilot production. So the cost of production is also a stress on the amount of production that will be done.

**The Chair:** Thank you.

I want to comment on the “car on the road” and the “car in the ditch”. It reminds me of a personal thing. I did a walk a number of years ago. I lost weight, trained, and walked from Tobermory to my little town of Sebringville. I had an agreement with the local newspaper to call them every day at nine o'clock.

On the first day I called in I had walked for a couple of days, and the day before I had walked 27 miles. They asked where I was, and I told them. They asked how I was feeling, and I said I was fine. They asked if there was anything wrong, and I said no, but I have a blister. So it came out in the paper that Shellenberger had developed a blister on his walk. The next day when I called in, the very first thing they asked was, “How is your blister?” I said, “I got two more.”

It's like “car in the ditch, car in the ditch”. People back home thought I was crawling down the road on my hands and knees with these big blisters. They were sore, but I made it through. That really sold newspapers. In fact, by the end of the week, when I finally got home, the people were very relieved that I was finally there. But the interest wasn't necessarily in me walking down the road. As soon as I was in the a bit of distress or “in the ditch”, that's what sold the papers.

So I know what you're talking about, from that particular instance. That's just a little history. Sorry about that.

Mr. Scott.

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

You referred to your region a number of times. What is your region? How do you define it?

**Ms. Lynne Wilson:** I define my region as Newfoundland and Labrador. Politically speaking, in the CBC world I guess our region is Atlantic, which includes the four Atlantic provinces.

**Mr. Paul Pope:** We are actually CBNT, which is Newfoundland and Labrador. CBHT is in the Maritimes.

**Ms. Lynne Wilson:** St. John's gets a chunk of the TransCanada Fund, and then Halifax, New Brunswick, and P.E.I. get a chunk. So we do have that.

• (0925)

**Hon. Andy Scott:** I'm exploring the possibility that part of the problem has to do with the definition. Mr. Pope referred to the CBC over time, and you referred to it more recently in the context of the different proponents. Is it the same CBC? We've heard a lot about resources. Coming into this exercise, I would be one to believe it's

really a matter of resources. But beyond that, is the thinking the same and is the vision the same?

If there were not a resources problem and we figured out an amount of money equivalent to what would have been available to the CBC when it was in its heyday—when things were happening that you've described—would the effect be the same, or would that resource go to an entirely different vision? How do you feel about that?

**Ms. Lynne Wilson:** I'm not sure I understand.

**Mr. Paul Pope:** Well, I feel like Castro: I'm on my third vice-president of CBC television, and I'll probably still be producing when I meet with my fourth. So the CBC vision is, I think, still the same.

I would argue that what Mr. Stursberg is doing is really interesting. I mean, it's going to offend a lot of sensibilities because of the so-called lower-brow reality lifestyle type of stuff, but I would argue that if he had the resources to be able to open up what some may think of as non-destructive time slots, like regional time slots that you can put material into to see how it resonates with that audience before it went to the national audience, I think he would jump at it.

If you can't sell a product at home it's not fair to expect that you're going to sell it at foreign. If you're making a prairie show and you can't sell it in the prairies, well, then it's not reasonable to expect that it's going to do well on the network or that it's going to do well internationally. Of course, there are exceptions. If there were the resources available to be able to produce for smaller audiences, I think they would jump at it. I also believe that they would jump at being able to produce pilots that do not necessarily have to be televised in prime time.

In Canada, it's virtually impossible for a television station to produce a pilot through the conventional system with independents and not air it. If they do not air it, they're offside with the tax credits and offside with the Canadian Television Fund, so the freight has to be carried completely by the broadcaster. If there were an ability to be able to do pilots and then run them out in Newfoundland or the prairies, I think they would jump at it. But this is an expensive undertaking.

**Hon. Andy Scott:** So they've been financially squeezed. My question was around the—

**Mr. Paul Pope:** I think they would. I think their ideology would have them do that.

**Hon. Andy Scott:** Okay, that's good to know. I appreciate that.

The question was around whether the financial squeeze that has overtaken CBC over time has actually changed the way they view the world. It's not their fault. This isn't a value judgment in terms of the management as much as they're simply doing what they can with what they have.

There's so much change in the thinking, that if you reinvest at the levels you would perhaps like to, whether that would in fact manifest itself in more support for regional or whether that idea's one.... I appreciate very much your confidence, because I'd like to have it myself, that if the investment were made the outcomes you anticipate with the investment would come. I would hope that as well. I'm reassured by your comments.

**Ms. Lynne Wilson:** There will. I mean, we've proven it in the past. We've made shows. We produced *Random Passage*. It had 1.2 million viewers on CBC television. It was one of their most popular mini-series ever. So we're not afraid of competition. We can compete with other producers across the country. I think what's happening with CBC is they have to chase advertising dollars, so they're getting into more homogenized...and of course regionally, we're not homogenized.

I'm sure we'll adjust to that. We have to.

● (0930)

**Mr. Paul Pope:** There is an audience for regional production. *Above & Beyond* aired in October-November, and it held the audience record for drama, beating out *Intelligence* and a number of shows, up until the Margaret Atwood movie beat us out in February. I mean, there is a demand for it.

In terms of audience, that's an ideology. If we go back to Slawko Klymkiw, I'll quote him, and I think I can quote him from speaking in front of you guys, "audience numbers is a mug's game". He had a dollar amount that would cost them a point. He said he could spend \$600,000 or \$700,000 in off-network advertising and drive the audience share up one point. So the question becomes: Is that point important enough to displace that money being spent on programming?

Mr. Stursberg clearly set out that one million would be the benchmark for go or no-go for drama, and I'm prepared to eat a little crow here, because I was one of the people who said "You're nuts; those days are gone!", until of course *Little Mosque on the Prairie* averages over a million per show and comes in at two million for its opening episode. So it's the art of the possible.

That's the decision they're going for, and I believe they feel it's important to meet the accountability requirements of the government of the day, which was, let's not forget, one of the pillars of the government that we have in Ottawa at the moment. In terms of broadcasting, accountability is how you spend your money and what you get for it. What you get for it are the ratings that come out, so there's clearly pressure on the CBC to get good ratings, and there is a management team in place with that as a goal. It's not for me to say whether that's good or bad. It's for me to try to produce programming that they want to buy that will meet those goals.

**The Chair:** Ms. Bourgeois, did you have a short question? Do you want to ask any more questions?

Mr. Angus, you'll have a chance for a short question too.

[Translation]

**Ms. Diane Bourgeois:** Thank you, Mr. Chairman.

Personally, I do not think that the problem is only an issue of resources. Ms. Wilson, in your presentation, you talked about a

current situation that is serious for independent producers. It is difficult for us to understand the problem you are facing, because independent producers are vectors of change and evolution in our society. It must be said: you both have a social role to play in society by presenting evolving ideas and elements to the population, and to youth.

I would really like to understand the precise nature of the problem you are having with the CBC. Perhaps it is a problem of negotiation or something of a completely different nature. I would greatly appreciate your giving us a very specific, honest account, so that we can truly understand whether the problems you are experiencing here are the same as those we have heard about in the rest of the country.

Ms. Wilson, you also spoke about the issue of philosophy. Do you not believe, both of you, that the committee, like the Canadian government, will have to choose at some point between promoting local and regional culture and American culture?

[English]

**Ms. Lynne Wilson:** I think the only way they would have to make a decision like that is if the CBC no longer existed, and then the shelf space for Canadian content would drop dramatically and, yes, we'd have American television on Canadian television totally, because it draws more advertising dollars and they make more money. That's not to say the American shows are better than the Canadian shows. I think that people who are watching Canadian shows enjoy them. It's been proven with *Little Mosque on the Prairie* and with those numbers, so people do want to see Canadian content and they do want to see themselves reflected on television. I don't think the CBC is ever going to have to make a choice between culture and U.S. television shows. I don't think that's going to happen.

● (0935)

[Translation]

**Ms. Diane Bourgeois:** Mr. Pope, what do you think?

[English]

**Mr. Paul Pope:** I think that clearly, as a supporter of the CBC, I have to couch it as a supporter of the CBC. I think I'm still allowed to criticize them, and I certainly have. If you're looking for particular criticism, I would encourage the current management to spend a little more time looking at institutional history and to see what has worked and not worked in the past and to integrate that in with their bold new vision. I have a concern that they have a trend to go more urban. I'm not sure if that's paranoia or if it's real, but it's certainly something that we're watching, and we're putting good stories in front of them.

I have to just go back to add to what I felt about *Little Mosque on the Prairie* being shot in Toronto. I'm currently developing a project that is an incredibly famous Canadian book by a famous Canadian writer, and it's set in Toronto, at the University of Toronto. If I option that and do it, I will shoot it here and double it as Toronto. I think I'm allowed to do that; that's okay in our country—we have mobility laws. So that's why, I think, I didn't sort of knee-jerk and say “Those Toronto bastards, taking *Little Mosque on the Prairie* from Saskatchewan and bringing it in,” because perhaps I will shoot a Toronto show here. Who knows?

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

One short question, Mr. Angus, please.

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

Seven years ago in the record business there was a model that worked. Basically, you were signed as an artist, and you didn't make any money, because everybody got a cut of your money before it ever came to you. So we had a distribution system, we had a promotion system, and it worked. We sold CDs for \$25 at the Wal-Mart.

New technology came along, and the record industry said, “Well, you know, kids are going to have to buy that \$25 CD, and we'll sue them if they don't.” And they lost the market and they're never going to get that market back, because kids wanted the song and they were going to get that song however they were going to get it. They would get it legally if the market was there, and they'll get it illegally if it's not there. So now we have a completely different dynamic in the music industry.

I'm wondering if we're basically on the cusp of a similar situation in terms of new media, where we're still talking about a 1970s model for programming when every kid is watching YouTube and watching their mobile cellphones. I haven't been able to hear one coherent argument as to why our Canadian content isn't being put up on the new platforms in a very clear dynamic way so that a new generation is going to access their programs when they want them, how they want them. I'm asking if you could explain to us what you think are the roadblocks to getting our programs onto the new media.

**Mr. Paul Pope:** We should be less polite and encourage more criminals to get involved in publicly traded companies, because it's ridiculous that we have a situation where the YouTubes can sell for millions of dollars and build their entire business model on stealing material that's rightfully owned by producers and artists.

**Mr. Charlie Angus:** Excuse me, but the BBC put their entire catalogue on YouTube.

**Mr. Paul Pope:** They compensated their people for it.

I'm talking about the fact that the bulk of the material on the Internet is there illegally. If we want to get it there legally, then the broadcasters and the producers and the creators have to agree on a royalty regime that will work in the event that royalties are forthcoming. We have to get away from this idea that we turn broadcasters from aggregators to copyright owners who can then take it and sell it on.

I would argue that the feature film market is an ideal example of how those percentages have been made. The market changes, the dollar values change, but the business model remains the same.

Whatever you pay at the box office to get in to see the movie, approximately 55% stays with the exhibitor for the nuts and bolts and heat and light, and then 45% returns to the distributor, who then takes a whopping 35% of that as their commission. So the remainder, less expenses, comes to the producer.

The producer then pays required royalties to the directors, writers, and actors, who are the creators of the material. What's left over is then divided up among investors, and—please God—there's a profit remaining for the producers so they can take a risk on other stuff in the future.

If we start looking at what the new media platforms are worth, and in terms of how we're going to share those royalties and reward the artists and producers who create them and let everybody have their little piece, then we would get in front of the situation. But where we have a situation where the producers and artists are expected to hand over the material for free and allow other people to take it and make what money they can with it, it's simply not going to work. And this is the situation we are in.

● (0940)

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

We will recess now for a few minutes for our next witnesses to come forward.

Thank you very much for your appearance this morning.

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

●

● (0945)

**The Chair:** We welcome everyone to the table, and we'll carry on with our next set of witnesses.

We have, from the Alliance of Canadian Cinema, Television and Radio Artists, Marlene Cahill and Amy House, and from the Documentary Organisation of Canada, we have Bart Simpson.

Welcome. Who is going to go first with the presentation?

Ms. House, please.

**Ms. Amy House (Branch President, Newfoundland and Labrador, Alliance of Canadian Cinema, Television and Radio Artists):** Thank you.

ACTRA supports the CBC and the current mandate. The ACTRA Newfoundland branch expresses its support for ACTRA's national submission made on March 15, 2007.

In addition to ACTRA's national presentation, we feel it is important to focus on the regional significance of the CBC. We need the CBC to return to its leadership role in reflecting our Canadian culture from the regions to our fellow Canadians. CBC remains vital to achieving a wide range of high-quality Canadian programming. The most significant part of the CBC's mandate is the production and acquisition of programs, and the organization of radio and television schedules. It is absolutely necessary for the CBC to respond to regional interest by increasing programming that reflects our regional interests and culture.

In the last 17 years there has been the destruction of high-interest, traditional, successful, and long-running programs that reflected all regions of Canada, to the point that our regional audience has abandoned CBC. Regaining that audience has proven to be incredibly difficult, even when major decisions have been reversed. An obvious example of this is *Here and Now*, our supertime news show, which had the highest ratings in the country for any regional news show of the CBC and private broadcasters. It was cut from one hour to half an hour, and the ratings bottomed out. When CBC returned to the one-hour format, the audience did not return.

CBC must be technologically up to date. The CBC must be appropriately funded to ensure that it can adapt to the technological changes and the new media platforms, so that it can carry out its mandate. This funding must be over and above any programming funding. The CBC requires adequate and long-term funding commitments.

The CBC has the obligation to produce and acquire Canadian dramatic programming attractive to audiences. Currently the CBC schedule includes far too many American programs that can be found on any other American station. These programming slots must be filled with Canadian programs that cannot be found on other networks.

The government must give the CBC the resources to produce distinctive, high-quality programming, including Canadian drama. It has reached a situation where it is very doubtful that the CBC could possibly fulfill all aspects of its mandate with its current resources.

Currently there is no in-house performance comedy or drama being produced in Newfoundland. Variety programming is scattered, at best. In its heyday, CBC created shows in this region producing national stars, such as Mary Walsh, Cathy Jones, Rex Murphy, Andy Jones, Greg Malone, and Gordon Pinsent. Regional shows such as *Up at Ours*, *Skipper and Company*, and *Wonderful Grand Band* laid the groundwork for the next generation of national icons. If we do not create Canadian drama, we cannot produce Canadian artists.

Three mini-series that were created and produced here for the CBC have gone on to national and international success: *The Boys of St. Vincent*, *Random Passage*, and most recently, *Above & Beyond*. We are capable of producing high-quality dramatic programming. *Hatching, Matching & Dispatching*, our most recent regional offering, created a huge audience draw nationally—and was dropped by the CBC, leaving no regional dramatic programming.

Regional CBC radio currently encompasses pickup performances of special events, concerts, and award shows. Regional dramatic content is near zero. This is despite a string of successful radio drama series, such as *The Great Eastern* and *Terra Nova Theatre*.

The CBC must have the resources to take the lead in addressing the Canadian drama crisis.

In conclusion, ACTRA respectfully requests that this committee recommend to Parliament that the current mandate is sufficient for CBC to meet the needs of Canadians; that the mandate of the CBC, as currently written, needs to be appropriately supported with adequate public funding; that the CBC must have special funding to make the transition to digital signals and high-definition television; and that the CBC must take the lead to ensure that Canadian English-

language drama programs are available to Canadians regionally as well as nationally.

Thank you.

• (0950)

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

Mr. Simpson.

**Mr. Bart Simpson (Board Member, Newfoundland and Labrador Chapter, Documentary Organisation of Canada):** Thank you, Mr. Chairman, *mesdames et messieurs*, for the opportunity to present to this committee.

My name is Bart Simpson, believe it or not—it could be worse—and I'm with the Newfoundland and Labrador chapter of the Documentary Organisation of Canada. I'm also the immediate past national chair of the organization.

I'm also lucky enough to have produced, with my former company, the feature film *The Corporation*, which got over \$5 million in domestic box office and is counted as the highest-grossing documentary of all time.

The Documentary Organisation of Canada is a national, bilingual, non-profit professional arts organization that represents almost 700 independent documentarians across the country. They live in all provinces and territories, ranging in size and scope from kitchen-table producers to veteran craftspeople to producers who own companies employing more than 50 people on a regular basis.

Before going further, I believe it's important to state outright that there is an historic connection between the CBC and documentary filmmaking, and indeed the emergence of the documentary industry in Canada. As CBC's mandate outlines, their duty is to accomplish many of the same things domestic documentaries strive to be—namely, to be distinctly Canadian; to provide a means of cultural expression; to contribute to our national consciousness; and to reflect the multicultural and multi-ethnic nature of Canada in both official languages.

Our national body and chapters across the country have presented briefs to this committee. I won't go into those in detail. Rather, I will refer you to the presentation made by our executive director, Samantha Hodder. Our chapter stands by this presentation and those of all our chapters, the main bullet points of which I'll outline here. Then I'll talk briefly about issues in the regions, specifically Newfoundland and Labrador.

As Ms. Hodder and national board member Danijel Margetic outlined in their brief, despite documentaries' natural fit with the CBC, we've seen some alarming declines in documentaries on the main network. Programming hours have declined from a peak of 263 hours in 2003-04 to just 122 hours in 2005-06. We've seen many strands cut or diminished over this time period, including *Life and Times*, *Opening Night*, and *The Nature of Things*.

The funny thing is that all of this is in a time when documentaries are more in the public consciousness than ever before. It seems almost counterintuitive, for example, to cut *The Nature of Things*, a well-respected documentary strand focusing on the environment, from its 17-hour peak to a nine-hour summer series when environmental issues are now in the forefront of Canadian discussion and when films like *An Inconvenient Truth* prove to be a massive success with audiences.

The recent Canadian documentary *Manufactured Landscapes*, made by DOC member Jennifer Baichwal, also dealt with environmental issues and enjoyed a long run in theatres in major centres in the country. It was also one of the top-grossing English productions this year.

Given all of the above, we have much concern over how the CBC will potentially operate the documentary channel—assuming it goes through—specifically in regard to feature documentaries, licence fees, and definitions of documentary.

I'd like to close with a few comments on Newfoundland and Labrador. First, we support the statements made by the Producers' Association of Newfoundland. We're a tight-knit community here. I'm not native to here, but I moved here two years ago and have been amazed at the amount and quality of work that comes from this region in particular. It's not the reason I came here, but it's the reason I've stayed.

Newfoundland has a strong storytelling history. We can help in the goal of CBC reflecting Canada to its regions and to national and local audiences. We support a regular and routine examination of the CBC's mandate. We also support local and regional airtime for locally made, well-funded productions in documentary. What's more, good development support in the region will act as a good springboard to national exposure.

On behalf of our membership, our regional board of directors, and our regional chair, Nigel Markham, thanks for the opportunity to present these remarks. I welcome your questions.

● (0955)

**The Chair:** Thank you for those presentations.

We'll go to Mr. Simms to lead off the questions.

**Mr. Scott Simms:** Thank you, Mr. Chair.

I want to thank you all for your submissions today.

I want to talk just briefly about the mandate of the CBC, but first, I think Ms. House touched on the long-term funding model. Can I ask you to give your opinion, Ms. House, on how a long-term funding model for the CBC would benefit regional programming?

**Ms. Amy House:** I think Paul and Lynne commented on this, but from my own personal experience, there was a time when we could go down Prince Philip Drive, pitch a story, and get funding to help that happen. What I see in the region now is our young artists who are writers, who are good writers, going to Toronto to pitch.

So we feel there's a big out-migration. If it were spent here, regionally, we could be creating more artists. The more artists we have, the more we create. If they all move away, we will have a lull here.

**Mr. Scott Simms:** I think that's a very fantastic point, because depending where you pitch your idea....

**Ms. Amy House:** Well, it's where you're most comfortable, too; it's when you can speak more clearly. I don't know about anybody else, but when going into the Toronto office, you're not at home, you don't speak the same way, and you don't speak as clearly—I wouldn't, anyway, speak as clearly—as here, when you're on home turf.

**Mr. Scott Simms:** So you think a stronger regional management is necessary in order to save the industry we have here.

**Ms. Amy House:** I do. I think region is, as Mr. Scott said, to be defined as.... How do you define regionally? We in Newfoundland and Labrador are isolated. This is our region.

● (1000)

**Mr. Scott Simms:** Mr. Simpson, you had some good points about documentaries. There's no doubt about it: we are into...I won't say a renaissance and a resurgence of documentaries. But in light of some of the longer feature documentaries, such as those of the Michael Moores of the world, how difficult is it for you to sell the concept of documentaries, as opposed to a drama, a feature film?

**Mr. Bart Simpson:** When it comes to the CBC in particular, I don't even want to say it's a moving target. We're in a situation now where we're dealing either with very small budgets made by emerging filmmakers, with a program such as *The Lens*, or very high-budget one-offs or a small-series situation, some of which is done in-house, such as *Canada: A People's History* or *Hockey: A People's History*, and that kind of thing.

**Mr. Scott Simms:** Okay, let me just talk about that for a moment: the difference between what is in-house and what is independent. Obviously you're going to shoulder the risk and you're going to assume a lot of it. Where is the CBC going in relation to in-house versus independent?

**Mr. Bart Simpson:** I can just speak as an independent. What looks to be happening is that obviously the CBC seems to be coming up with certain model structures or concepts, which they will then hire independent filmmakers for. In some cases, that becomes a de facto independent production.

The key is, ideally from our perspective you want to have the stories coming from the independents and brought to the CBC rather than the other way around—rather than somebody coming up with a concept and hiring out for a filmmaker.

**Mr. Scott Simms:** Then we go back to more regional autonomy.

**Mr. Bart Simpson:** That's right, exactly.

**Mr. Scott Simms:** All right. That's a very good point.

I'm going to talk, as I did in the last two presentations, including last night's, about the talent and the infrastructure that are here. You've touched on them briefly so far.

Given the current situation, do you think the CBC is a big contributor to keeping the infrastructure we have—the equipment we have here in St. John's, or the equipment that is available, whether for bigger productions like *The Shipping News*, or those down to *Hatching, Matching, & Dispatching*, and that sort of thing? Do you think the CBC in the future plays a vital role in keeping that here?

Let me put it to you this way. If the CBC decided it was going to relax its terms for regional programming, how problematic would that be for the local scene?

**Ms. Amy House:** I think the CBC is pretty much a big player in this region. If we didn't have it, I don't know where we would go.

**Ms. Marlene Cahill (Branch Representative, Newfoundland and Labrador, Alliance of Canadian Cinema, Television and Radio Artists):** For most of the licensing fees for most of the productions that are done here, the initial broadcast licence, which triggers the other funding, comes through the CBC. For the most part, the CBC is the.... Without the initial broadcast licence, everything else doesn't fall into place, which means you really have no production. Outside of CBC's not doing production, the fact that they are buying productions is also a major force here, as I'm sure....

Oh, Mary's gone.

**Mr. Scott Simms:** I think that's what Mr. Pope touched on, about replacing St. John's as a Toronto. I guess what I'm saying is, if someone wanted to film a story about Vikings in the Norway area, they could use Newfoundland as a place to do it, because we have the talent and because we have the track record for putting together a good film, such things as *The Shipping News* and *Above and Beyond*.

The CBC, then.... What you're saying is there should be autonomy for the region, obviously, but in addition to that, it's a real challenge to keep the talent and to keep the infrastructure here in this island.

**Ms. Amy House:** That's true.

**Mr. Scott Simms:** Without the CBC, that comes close to collapse. Is that too drastic to say?

**Mr. Bart Simpson:** I don't think so; I think it's pretty accurate.

Obviously we also want to look at ways we can work with other countries, and there have been quite a few co-productions through Newfoundland.

But in terms of what's going to keep the infrastructure alive on a regular basis, as something you can count on, something that will develop, and something that will take the needed time to develop projects—in particular regarding documentaries, but also fiction—the CBC provides the continuity and the source. Removing it would be very problematic.

•(1005)

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

You've gone over your time a little.

Ms. Bourgeois.

[Translation]

**Ms. Diane Bourgeois:** Thank you, Mr. Chairman.

Good morning, ladies and gentlemen.

Ms. Marlene, you said earlier on that there were too many American programs. Last night, someone came to the microphone to say that they no longer saw themselves in the current programming. You then spoke about funding to produce Canadian programs.

Could you tell us about the scope of the problem? You must have the figures to indicate what percentage of American programs are on the air here, in Newfoundland, as opposed to Canadian programs. How much money have you lost over the last few years in terms of dramatic productions or Canadian programs?

I'm not sure if I'm putting my question well. We no longer see ourselves reflected, there are too many American shows. In my opinion, it is an issue of culture, of protecting culture. Do you agree? What figures could we see to demonstrate that there is indeed an overwhelming number of American programs?

[English]

**Ms. Amy House:** I don't have numbers, I'm sorry. I know what people are watching on TV, and I hear what people say about what they're watching. When they turn on the CBC, sometimes they're watching American programming—and *Coronation Street* too.

We struggle to produce shows that reflect us, and we turn on the TV and see American culture. I don't think we're stepping up to the plate, taking the chance to produce what we do in our own country, and then giving it a chance on the airwaves.

**Ms. Marlene Cahill:** Regional programming has been gone from Newfoundland for a long time. Around 20 years ago, the CBC stopped producing in-house here almost totally, except for news and current affairs programming. But what they started doing was issuing licensing fees to independent producers with access to other forms of funding. So we still saw Newfoundland productions.

For the first few years, we saw those shown on a regional basis. The CBC still had a regional schedule to a certain degree. This has pretty well disappeared, again except for news and current affairs. As Paul said earlier, every production that comes out of here goes to national television.

I would like to see some kind of regional programming again, something that's produced for here, done here, and shown here. If this works well, then it could go to national television.

I would actually like to go back to where we were 20 years ago, which sounds awful, but in terms of developing and protecting the culture of Newfoundlanders and Canadians, doing it first regionally and then taking it to the next level, that would cut out the need for....

I understand why the American programming is there; it all comes down to dollars.

As Mr. Pope said earlier, if you talk to anyone at the CBC, they'd much prefer to be programming and airing Canadian content. The revenues and resources just don't seem to be there to do it.

•(1010)

[Translation]

**Ms. Diane Bourgeois:** That leads me to a question on what Marlene was talking about earlier. The CBC should be on the leading edge of technology. I wonder if the population is ready to be on the leading edge of technology. Not everyone has a new television or new technology at home. It is expensive, and it all depends on the regional audience. Moreover, we talk a lot about this famous show *Little Mosque on the Prairie* at this committee. That does not mean that people are ready to accept that here.

You will therefore understand that it is difficult for the committee. We must take into account what you are doing at the local level, what the CBC is doing elsewhere and its capacities in terms of new technologies. It is rather confusing. Could you possibly go back to what you said and explain how the CBC must be ready with regard to new technologies, as well as the new message that it must be sending to all Canadians?

[English]

**Ms. Amy House:** New technology is a mystery too, but I know it's there. I know we have to tap into it. It's a growing concern, so we have to be on top of it.

Marlene.

**Ms. Marlene Cahill:** There are two things with the new media. The bigger centres of Toronto, Montreal, Ottawa, and Vancouver are much more into it than a place like St. John's. The viewers there and the producers are further ahead than we are, there's no doubt about it whatsoever. So moving over to the new technologies and all the rest, I think that's a national concern more than a regional concern, to be totally honest, except for the fact that these new platforms you talk about are what our kids are using.

I have no idea about YouTube or any of them. I don't touch them. But I have a 13-year-old and an 18-year-old who can fly through a computer and know so many websites. I had a \$270 phone bill from them downloading browser time. They're the next audience.

If CBC is going to continue for the next 20 to 60 years, that's the audience they have to access. They're on their cellphones, computers, and websites. They are watching TV, but not the same way we did. So I think the new technology is important for audience development. It's something those of us here in Newfoundland will probably catch up to soon.

**Ms. Amy House:** At breakfast we were talking about cross-pollination and trying to incorporate both. We give a little bit of what we want to the kids, and the kids give a little bit of what they have to us so we all get on the same wavelength, pardon the pun. We need to bring it together somehow. That's where I think the CBC could be putting some energy into finding ways to bring new media into our lives, and cross-promoting it with regional programming.

**Ms. Marlene Cahill:** The final thing is there isn't enough money in the CBC now. There aren't enough resources to do the programming, buy the programming, and show Canadians to Canadians. It's horrendously expensive, as we've all seen with the new equipment and everything else that's needed. It needs to be separately funded; it can't affect the programming.

**The Chair:** Mr. Simpson is next, and then we'll move to Mr. Angus.

**Mr. Bart Simpson:** I have just a small follow-up in terms of new platforms and new media.

The CBC had a terrific program, called *Zed*, which was on a couple of years ago. Nobody really knew what it was, at the end of the day, but it was designed to be some kind of way to interact with the new audience and established audiences by having it both on the Internet and on television. It was great for documentaries as well as for fiction. But the sad thing that I found was that with the last go-around, with the new model of how the CBC would work content-wise, *Zed* didn't factor into it. I think it was something that was perhaps given up on too soon.

I do a lot over in Scandinavia, particularly in Sweden. They're going nuts over the model. We invited the acquisitions editor of *Zed* over to Sweden to do a talk with the Nordic short film and documentary distribution association. They are looking seriously at this as a way of interacting with their audiences.

In addition, just when *Zed* was cancelled, one of the main founders gave a talk down in Las Vegas, and Al Gore's television station was also interested.

I think that's a model that could be picked up again and perhaps have a strong presence in the regions, because if it's strictly net-based, it might not be that difficult to work with in terms of infrastructure.

•(1015)

**The Chair:** Thank you.

We went a little over time there again.

Mr. Angus.

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

We've heard many times, "We want the CBC to be like the BBC. The BBC has excellent programming and it's non-advertising."

I'd say there are two problems with that model. Number one, my riding is the size of Great Britain. It has 85,000 people; 13% of them listen to Cree radio, 35% listen to francophone radio, and the rest, English radio. So our markets are substantially different. The other thing is that I haven't seen anybody, from any of our parties, put up their hand and offer the \$500 million that we're going to lose in commercial advertising.

So we're in a bit of a conundrum with the CBC, because people say we want quality programming, but we want it to be relevant. So if we want quality programming, we shouldn't be chasing ratings. If we don't have ratings, they say nobody is watching it, so why should we be spending \$1 billion or \$1.5 billion on programs that nobody watches? So the snake ends up eating its own tail as it's trying to catch up.

I'm setting this up because it seems to me we've heard nothing about this documentary channel. I'm just throwing this out for your feedback. I'm wondering whether or not we have an opportunity, actually, to set up a separate service that is non-advertising, that is based on content, where we have the best of Canadian programming on a stream that is not trying to change what we're doing on the CBC on our commercial revenue with *Hockey Night in Canada* and competing with drama and reality shows, that we actually have a possibility with this other network to put out the best of everything that we're producing.

What's your perspective on this, particularly from the documentary world?

**Mr. Bart Simpson:** I can speak to that.

When you say you've heard nothing about the documentary channel, are you referring to...?

**Mr. Charlie Angus:** We don't know what's happening. We don't know where it's going. We know there's a documentary channel.

**Mr. Bart Simpson:** Yes. Actually, if you speak to some people at The Documentary Channel itself, they would tell you that they don't know what's happening at this point, because of all the negotiations, etc.

All I can say as an independent filmmaker is that they've been one of our greatest allies. They don't have anything in their mandate saying they have to do feature documentaries or point-of-view documentaries. That's what they do. They invest very heavily in a small number of high-profile feature documentaries. *Manufactured Landscapes* is a recent example. It has become a home where, especially internationally, when you travel around the markets and everything, they've become a centrepiece for good, thought-provoking, audience-drawing documentary.

So the question becomes, how will the boat get rocked when the CBC comes in and works with the current establishment? It's still an open question. I don't know exactly how it's going to end up. At the end of the day, we've certainly tried to get into discussions with the CBC, the previous management especially, to figure out how we could work together to make it into something, but with the current slate of more lifestyle and reality programming on the main network, how much is that going to influence The Documentary Channel, especially when the definition of "documentary" is a bit flexible when it comes to the CBC?

• (1020)

**Mr. Charlie Angus:** I guess the question that I have—and it's been raised a couple of times—is that we are paying, as taxpayers and through government, a phenomenal amount of money to produce Canadian content. We've got the Telefilm envelope. We have the CTF envelope. We have the Independent Video Fund envelope, and we have the National Film Board. It might have all been a great idea in the 1970s, but should we be talking brass tacks here? In 2007, when, obviously, the CBC summer schedule is a bunch of American movies that I can get at my video store, should we be doing some kind of consolidation of all these funding envelopes to make sure that these points-of-view documentaries, this really good content that we're creating, has an outlet? Would it be possible to look at this other channel—it's going to be very difficult to compete with the commercial network with all the pressure that

it's under—and to use this other channel as a stream to actually showcase the best of everything that's being produced in Canada? Is that a dialogue that could go on?

**Mr. Bart Simpson:** Absolutely, it's a dialogue that could go on. At the same time, it's not to the exclusion of keeping a documentary presence of some kind on the main network. You can do interesting cross-pollinations. Maybe it's the best of The Documentary Channel on one dedicated night a week, that kind of thing. So you draw people over to The Documentary Channel.

That's totally a dialogue that we're happy to have, as long as, as I say, the presence remains on the main network in some way and The Documentary Channel really does have a well-defined view of what a documentary is, so you're not seeing the reality programs—they're fine, too—and that kind of programming on a channel dedicated to reaching the audience that would like to see that kind of material.

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

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

Mr. Scott.

**Hon. Andy Scott:** Thanks very much.

We talk about the various inputs to the broader film, and the role of fiction and documentary film—and Charlie mentioned the various programs that exist and talked about consolidation. Would they require consolidation? As many witnesses have suggested, one of the things we have to do, in terms of the role of the CBC into the next century, is to see it as a leader among players, rather than, as was historically the mindset, a player. Part of the problem that exists right now perhaps stems from the fact that we haven't figured out how to be that leader among players.

I would want a reaction to that. But I want to go back, very specifically, to the reference to the local support for the ACTRA position nationally around the mandate, and whether the mandate is sufficient.

Could I suggest perhaps the need to offer some clarity, then, to that sufficient mandate, because it's read differently? When I asked the question last night, and again today, people do react here to the fact that when I ask what the region is, they say Newfoundland and Labrador. I don't think that's the way the CBC in Toronto views the regions, because I've had the experience of being told to be satisfied with Halifax. As an Atlantic Canadian, you can appreciate how offensive that is to a New Brunswicker.

Each of us will argue in the regions—and we should, and when I say "regions" I'm talking about regions—about the unique nature of the jurisdictions. In our case, it's the only bilingual province, and we coexist. That's the story in and of itself, and we have all kinds of stories to tell about that.

It may be necessary to simply offer more clarity to the mandate. I don't think that is necessarily the overall thing, but I think it may be necessary. My fear is this. I think there is a resource problem. I think that the CBC has changed. No fault to the CBC; they've been forced to change. Unfortunately, it might very well be that we would be surprised to find out that if we restored the funding to levels that we believe to be necessary to offer what you seek from 20 years ago, we'd restore the funding but we wouldn't get that back.



Now, in some ways we're not going to get it back anyway. But even to the extent to which we think, at this moment, if there were a significant amount of money made available, I'm not convinced that it would change, in terms of the interventions that I get in my constituency, in Fredericton, or that we're getting here about the nature of what they expect of the CBC. I'm not sure it would necessarily come, and I'm trying to figure out how to get it.

I would be fearful that we would make the resources available, but we would be surprised with the outcome. It may very well be that the institution has changed—no fault to the institution—because of the cutbacks.

• (1025)

**Ms. Amy House:** The institution has changed, but we talk about reflecting our culture, and the culture of Newfoundland and Labrador is very different from the culture of New Brunswick, which is very different from Toronto. So maybe you're right, maybe the mandate should be clarified and maybe we should talk about exactly what we mean by the region and exactly what this means in the mandate so that we know. If the CBC could get funded to the capacity that we could answer some of their prayers, then it would be distributed and we would all get a fair kick at the cat, as they say. We'd get that chance. And when we talk regionally, we mean in our own province, because we have a culture, in the same way as you have a culture, in the same way as Toronto has a culture. That's what makes up Canada, our multi-cultures. So I think that's profound, that maybe we do need to redefine what the regions are.

**Mr. Bart Simpson:** Just to follow up on that, it's slightly out of my portfolio, as it were, but there was an interesting suggestion that you may have heard before. It was made by a local actor here. It was that one thing that would really work is having something like a half-hour slot in time for each province, or territory in the case of CBC North, an amount of time available for new programming that's locally developed, locally produced, and locally done. And again, following up on what Amy was saying, it's a way of being a testing ground to see what's going to work nationally.

From the documentary perspective, it doesn't really work the same way. It might look like maybe that same amount of money could be given to simply develop an idea and go out and do some test shooting, find your subjects, and not restrict ourselves in that case to regional stories. It would have to be open to international stories, as long as it's a regional filmmaker making the story.

**The Chair:** Thank you.

Ms. Bourgeois. Please be shorter this time.

[Translation]

**Ms. Diane Bourgeois:** I will try to be brief, Mr. Chairman.

Listening to you, Mr. Scott, a thought came to mind. I will share that thought with you, and then, I will ask my question of Mr. Simpson or perhaps even both of you.

You spoke about a culture that is typical of Newfoundland, of Acadian culture and the culture of New Brunswick. We, in Quebec, talk about our francophone culture. I tell myself that we wanted so badly to make this country, Canada, a great melting pot that we suppressed all of the cultures in order to make a single one, Canadian culture, forgetting that there are particularities within each of the

regions. Having said that, I think that Canadian culture is now facing a serious problem. It will soon drown in American culture if Canadians do not take care and do not quite frankly go in a new whole new direction, as Quebec did at one time. That does not mean that one should become separatist, it means that we must want to define who we are in each of our respective regions. The ball is now in your court, ladies and gentlemen.

My question is for Mr. Simpson. You advocated a regular review of the CBC's mandate. I already know what the answer will be, but I would like to hear it. Currently, does the CBC consult you regarding the funds it receives from the public, money coming from taxpayers, and regarding its programming and the use it makes of these taxpayers' funds? Have you been consulted? If yes, in what way? If not, how would you like such a consultation to be done?

• (1030)

[English]

**Mr. Bart Simpson:** That's a great question. It's changed slightly. And again, I'm speaking somewhat from personal experience.

Certainly in the past, our organization has had a very good relationship with CBC. We've been talking about... Again, that's when the documentary tradition was perhaps more visible on the network.

Now with this latest round, I can tell you, as somebody sitting in the audience as the new leadership was coming through, it wasn't an involved discussion. I had the experience of it being a speech, a talking-to conversation rather than a talking-with conversation. Certainly there were times when they asked us questions, but was that ever really taken extremely seriously? It didn't feel like it to me.

Obviously, things move forward. Rather than falling back to the way it was, we'd rather find new ways of working with the leadership in a creative dialogue. Obviously, there are lots of people. Documentary isn't the only thing that would be showing on CBC. There's also variety, there's sports, etc.

We just want to get into a regular dialogue as part of that pan-industry discussion. We're open to how that looks. We had a good relationship in the past with the documentary unit. It's not as powerful now simply because it's not a focus of the main network.

Does that answer your question?

[Translation]

**Ms. Diane Bourgeois:** No. I'd like to hear from Marlene, if she has any ideas. In fact, it could be either Marlene or Amy.

[English]

**Ms. Marlene Cahill:** We're not producers; we're representatives of the performers who take part in the productions. So no, the CBC doesn't consult us on funds or on programming. It's between the producers and the CBC. We come in at the next level. I honestly don't see us taking part in that process. It really is between the producer and the broadcaster.

Other than in a forum like this, a public forum, one-on-one in terms of what's being programmed and when and whatever, it's not something I've ever been involved with, on a regional level anyway.

[Translation]

**Ms. Diane Bourgeois:** Thank you.

[English]

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

We'll move to Mr. Angus.

**Mr. Charlie Angus:** I feel for CBC management—not all the time, but every now and then.

The game we're in right now is very high stakes. The cost of a pilot is enormous. We've set the benchmark; we're trying to compete with *House* and *CSI*. If a show is a clunker, they have to come before the committee and explain why they made a bad show. If they cancel curling, we're going to hear about it in the House of Commons. *Altar Boys*, oh my God, we're going to have editorials. I don't think anybody even got to see this show. If CBC gave me a bootleg copy, at least I'd appreciate it.

We're in a strange situation where you really have to either be absolutely safe or absolutely guaranteed. So we're not going to do a lot of interesting television because of that.

Yet the question I'd put to you is.... If we think of the best Canadian television we've had, it's been fairly cheap. If you look at *The Second City*, we've created a generation of not just stars, we've created a generation of superstars from a program that was done very much on the fly, and it allowed people to develop their skills. John Candy would not have been a superstar if he hadn't had endless hours on television developing his craft and building an audience.

Is the argument to be made that it's worth it in the long run to put some money into regional programming where the *CODCOs* come out of and the *Rick Mercer Reports* are born, rather than having to put everything on the one roll of the dice in Toronto, where if you don't make it, that's going to cost a lot of money, it's going to be egg all over our faces, and we're going to have to debate it in Parliament? Is there a better argument to say there's got to be a funding envelope to allow the bubbling up of new ideas we never would have expected, and if it fails, what the heck, it didn't cost us all that much money anyway?

• (1035)

**Ms. Amy House:** I think Bart's idea of the half hour in each region.... That gives us a chance to have a go at it, so we see the best of what we can get out of each region. That, historically from Newfoundland, is how we have produced national icons, by starting small, by getting the word out, and it becoming a national show and producing stars. That seems to be the template. And I think that

could probably work again if we were given the opportunity to get the best regionally and then take it from there.

**The Chair:** Go ahead, Mr. Simpson.

**Mr. Bart Simpson:** I think the answer is a definite yes to the idea of regional funding for development. Again, just to highlight the documentary difference, it might look more like putting money to develop an idea and do a test shoot.

I'm going to Nicaragua in two weeks, for example, and bringing down a seasoned crew. We're putting the money into that, and then taking that internationally. CBC might get a first opportunity at a window of that documentary down the road, rather than seeing a small half-hour documentary. That might be a different way of dealing with it.

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

Just before we conclude, there's one thing. We've been to Yellowknife, Vancouver, Winnipeg, Toronto, and here in Newfoundland, and tomorrow we go to Montreal, but there is one thing—there are almost four CBCs. There's CBC television, English and French; then there's CBC radio in English and French. The one thing we hear, as we hear in St. John's today, is Toronto, Toronto; in the English, it's all about how we don't want to be like Toronto necessarily. All we hear is coming out of Toronto.

One thing we heard in Yellowknife and in Vancouver and from the francophone community outside of Quebec was that we don't want to hear all Montreal, all Montreal. There's a lot of CBC francophone transmission from Montreal, and it seems to come back to the Montreal area.

How to make all of that stuff work is quite a quandary. I've heard a lot of things here last night and today that have been echoed across the country in various other regions. They also want to know the definition of a region.

Again, I thank you very much for your presentations today and for answering our questions. Thank you.

We will just recess to see if we have our next witnesses.

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

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• (1055)

**The Chair:** I've just reconvened to say that our next witnesses have failed to arrive. So with that, I'm going to adjourn this meeting.







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