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Monday, March 2, 2009

—
Chair

Mr. Gary Schellenberger

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•(1535)

[English]

The Chair (Mr. Gary Schellenberger (Perth—Wellington, CPC)): I'd like to call this meeting to order.

The first part of our meeting today will be one hour. Seeing the clock at 3:35, it will be 4:35 when the meeting is over.

Welcome to the Standing Committee on Canadian Heritage, meeting number six. Pursuant to Standing Order 108(2), we are undertaking a strategic review of arts and culture program expenditures.

I welcome today our witnesses: John Lambert, chair of John Lambert and Associates Inc.; Robin Jackson, executive director, Canadian Independent Film and Video Fund; Max Berdowski, executive director and chief executive officer, Canadian Screen Training Centre; and Marc Robitaille, screenwriter. I hope I was correct in pronouncing everyone's name.

In the first round you each will have an opportunity for a five-minute introduction to us, and then we will be going on five-minute questions and answers as we go around. We'll be sticking as closely as we can to the five minutes because we want to make sure we can get as many questions answered as we can in this hour.

We start off with Mr. Lambert, if you would, sir.

Mr. John Lambert (Chair, John Lambert and Associates Inc.): Do I need to move the microphone?

The Chair: That should be good there.

Mr. John Lambert: Mr. Chair and members of the committee, thank you for inviting me to speak with you today.

My name is John Lambert. I am an artist's agent. I represent Canadian performing arts companies that tour internationally as well as in Canada. I'm from Toronto originally—western Ontario—and I live in Montreal. I represent artists from British Columbia, Alberta, Ontario, and Quebec. I tour these companies to major festivals and venues in Canada and abroad.

The Canadian market is somewhat limited because of the size of our population, and so I tour them primarily internationally. I export them, as it were. This international export of productions by these performing arts companies sustains the jobs of approximately 200 people—201, if you count me.

In Canada, I tour them to such places as the National Arts Centre and the Citadel in Edmonton. Internationally I tour them to the

Sydney Opera House, to the Kennedy Centre in Washington, to the Barbican in London—all around the world.

These festivals pay a fee to cover the administrative cost—salaries, etc.—of the companies as well as provide hotels and per diems for the artists when they perform in these venues.

PromArt was a program administered by Foreign Affairs Canada that had a budget for international cultural exchange of about \$3.7 million, and \$3 million of it went towards the export of our artists abroad. This investment went to cover some of the travel costs and some of the cargo shipment costs—simply that. The total investment of both PromArt and to a lesser extent of the Canada Council has shown itself to be less than 20% of the budget of these tours. This money has pretty well gone directly to pay for plane tickets, to Air Canada and to Canadian cargo companies.

So the money received from government went directly to Canadian businesses in the travel and cargo shipment sector. In return, the Canadian economy has earned foreign currency generated by the fees earned by these companies abroad. Our industry has figures to support the assertion that every dollar invested in the cargo and shipment costs of the productions to get them to the international market has actually generated five times this amount in revenue.

The sudden ending of PromArt has had a dire effect on this Canadian export industry, which has worked productively and effectively for the past 40 years. Perhaps the government feels that Foreign Affairs Canada is not the appropriate department to administer this investment. If that's the case, the government needs to transfer the responsibility and the associated funds to the Canada Council, a body that is already set up to administer these funds.

By cancelling PromArt and erasing \$3 million from the overall government budget, the Canadian government has radically destabilized a fully functioning and highly successful export industry that is now being brought to a grinding halt. This Canadian industry has a clear market advantage internationally. One would think the government would want to invest more, not less. The cancelling of PromArt without transferring the administration of these funds has cut this Canadian export industry off at the knees.

Over the past 50 years, through the Canada Council Canadians have invested in the research and development of the performing arts in Canada to create internationally acclaimed productions. The quality of the productions has evolved and sustained itself because of this investment, so that now Canadian productions are recognized for their quality. Canadians' productions are distinguishing themselves through the integration of new technologies and innovation with the forms of performance, mixing disciplines of theatre, circus, and music in a highly and uniquely Canadian fashion.

With the announcement of the termination of PromArt, upcoming tours that have been contracted as far back as 2007 and 2008 have found themselves without sufficient financing to deliver the productions to market. Some tours have been cancelled.

• (1540)

Foreign producers are now becoming wary when negotiating with Canadian companies. We're spoiling our markets and undermining business relationships that took years and millions of dollars to build. Tours projected in 2009-2010 are being cancelled as international festivals and venues cannot assume the cost of our artists' travel and cargo shipment. They will instead purchase productions locally or from countries such as the U.K., France, or Australia, where our competitors' governments sponsor these same travel and cargo shipment costs. This is the standard internationally.

An example of how the international exposure of our artists can interact with other countries and cultures, perhaps in a way that diplomats, business people, and even politicians cannot, is found in the example of Glenn Gould's tour to the Soviet Union in 1957—one great event in Glenn Gould's life that had a long-lasting effect on the performer and audiences and would influence future generations of Russian musicians. Gould was the first western musician to perform in Russia since the Second World War. He left Canada as a well-known Canadian musician and returned as a worldwide sensation. Gould's tour was made possible with government grants.

These are the opportunities—economic, cultural, and diplomatic—Canada is losing by completely withdrawing the \$3 million budget administered by PromArt and not transferring these funds to another administrator, such as the Canada Council.

Thank you very much for your time.

The Chair: Thank you, sir.

Ms. Jackson, please.

Ms. Robin Jackson (Executive Director, Canadian Independent Film and Video Fund): Thank you, Mr. Chairman and members of the committee.

Twenty years ago a Conservative government launched a fund to help create Canadian content for use by Canadians in schools, universities, community centres, and libraries to support education and lifelong learning. The fund, which became known as the Canadian Independent Film and Video Fund, CIFVF, was in response to the concern over the shortage of audio-visual resources with a Canadian perspective and an independent voice.

In 2000 the CIFVF was fortunate to secure a multi-year contributions agreement with the Department of Canadian Heritage. In this agreement, the CIFVF was mandated to administer a key

portion of the feature film policy, which involved giving priority to first-time applicants who were in an early stage of intended long-term careers as producers and whose project, if successful, would provide experience in filmmaking for emerging directors, writers, etc.

The department required that the CIFVF spend at least 10% of its funding on new and emerging producers. Each year we consistently spent 31% to 34% on this category and the rest of the money on middle to experienced producers.

When the agreement expired in 2006 we were evaluated by the Department of Canadian Heritage. The summative evaluation concluded that “more opportunities to work in Canada have been provided to Canadian creators as a result of the policy”. The report also said, “The CIFVF is very active in engaging talented Canadian creators. It is clear from the results that there are successes in the program from the perspective of developing talent.”

Based on the results of the evaluation, the department renegotiated another contribution agreement, but removed the 10% spending requirement on new and emerging talent. The CIFVF continued to spend a minimum of 30% each year on new and emerging talent.

The agreement went from 2007 to 2009. On May 28, 2008, the CIFVF received a letter from Canadian Heritage extending the agreement to 2010. In July we received a notice that they were withdrawing the extension and the agreement would go to 2009. On August 8 we were told that the funding would cease entirely and the CIFVF must close down on March 31, 2009.

The reason given to us for closing was that we were no longer a priority but that feature film was a priority. However, we were part of the feature-film policy, helping to implement that part of the policy that assists in launching and growing careers of producers, writers, etc. In many cases, some of the emerging filmmakers have gone on to work in drama and/or feature films. This is exactly what we were supposed to do.

If the policy had changed, should there not have been a review of the CIFVF before closing it down? If reviews were done, why were they not shared with us? Why did they not wait to review the CIFVF in 2010, when they initially told us that was what they would do?

So what's the impact of the disappearance of the CIFVF? Is there any? Yes. There will be fewer projects in schools, colleges, and community centres where Canadian young people can see Canadian perspectives and values.

As the CIFVF is the only funding agency that does not require a broadcast licence—and this is an extremely important fact for new and emerging producers—it will be more difficult for documentary producers to find money to make those projects.

While the department has said that the Canada Council can replace the CIFVF, this is not true. Only 2.6% of all of the funding that has come into these projects that we have been involved in has come from the Canada Council. The Canada Council's focus is the artist, not the producer and not the production company, which is what we focus on.

Similarly, only 2.5% of funding provided to our projects has come from the National Film Board. Their mandate is different from ours, and they do not replace us. The Film Board is a producer or a studio and not a funding agency such as the CIFVF. We can respond to a wider spectrum of project demands than the film board can.

With the disappearance of the CIFVF, there will be diminished opportunities for new, young, and emerging producers to cut their teeth on real-life producing and to set up new production companies. There will be fewer opportunities for projects to help communities and have a social impact.

Take the example of *Garbage! The Revolution Starts at Home*. This is a feature-length documentary financed by the CIFVF about how the family household has become one of the most ferocious environmental predators of our time. Five thousand people have joined the garbage online community devoted to waste reduction. More than 120 schools, universities, and colleges have bought the film. After viewing *Garbage!* at Sir Sandford Fleming College, students and teachers alike have become more aware of their consumption habits and have built an impressive display of coffee cups collected over the course of one week to quantify the waste.

• (1545)

Furthermore, while a final figure is not yet known, there's a possibility that around 100 producers may not get their last payment for their projects. This is because the Department of Canadian Heritage will not pay us for any projects that are not completed and delivered by March 31, 2009.

It should also be noted that the department will not assist us with any closing-down costs. We will have to pay to get out of our leases for office space, the photocopier machine, postage metre, and severance pay to our huge staff of two people. Those closing-down costs amount to more than \$100,000.

We had invited some of our producer partners to appear with us, but given the short time limit, some of them just sent statements.

How am I doing for time?

The Chair: You're pretty well done.

Ms. Robin Jackson: Okay. I'll just read you some of the statements.

DOC, the Documentary Organization of Canada, or L'association des Documentaristes du Canada, is a bilingual national arts service organization representing 800 members across the country. They said the following:

With the disappearance of the fund, our members' financing model, already precarious at the best of times in the documentary sector, will be seriously affected as CIFVF is the ONLY fund where a broadcast license wasn't necessary in order to apply. Documentary filmmakers make a broad range of films, many of which find their audiences outside of television audiences but rather in community centres, classrooms, church halls and libraries.

DOC is concerned that the Heritage Department's refusal to honor the outstanding funding agreements with documentary producers will place an enormous economic strain on those affected. We ask that, at the bare minimum, the funds committed be honored.

We applaud the effectiveness of the CIFVF funding, not only for the indispensable role it has played in financing both the work of novice and veteran filmmakers alike, but also as a prime example of a successful educational fund. The gap its disappearance leaves will NEED to be filled and until a new funding mechanism is instituted, many productions will be suspended...

More time?

• (1550)

The Chair: No, not too much.

Ms. Robin Jackson: Okay.

[Translation]

You will find in my speaking notes a statement by the Association des producteurs de films et de télévision du Québec, along with a comment from the Observatoire du documentaire, an organization comprised of 13 pan-Canadian associations.

[English]

The Chair: Thank you very much.

Mr. Berdowski, go ahead, sir.

Mr. Max Berdowski (Executive Director and Chief Executive Officer, Canadian Screen Training Centre): Thank you, Mr. Chair and members of the committee, and good afternoon.

[Translation]

Thank you for inviting us here.

[English]

My name is Max Berdowski. I'm executive director of the Canadian Screen Training Centre, le Réseau d'ateliers cinématographiques canadiens. I'm pleased that Marc Robitaille could join me today. He's a top screenwriter. He's led our French screenwriting training workshops for our students.

The Canadian Screen Training Centre, le Réseau d'ateliers cinématographiques canadiens, is based here in Ottawa and is this country's first national training program for film and television. Our founder, Mr. Tom Shoebridge, is with us here.

CSTC/RACC training has launched and supported the development of countless careers. Our graduates are among Canada's top screen professionals and include the Academy Award-winning Denise Robert, the producer of *Les invasions barbares*. We provide emerging filmmakers with a truly unique opportunity to interact and learn from the best in the business. Our instructors are the creators behind *Bon Cop*, *Bad Cop*, the Oscar-nominated *Water*, *Shake Hands with the Devil*, *The Border*, and I could go on and on.

In what Dr. Richard Florida has dubbed the creative age, he writes that prosperity requires investments to be made, in people and our infrastructure. He writes that our goal must be to harness and use our full creative talents in order to grow the businesses of the future, that we must build the talent and education system attuned to the demands of the global creative economy. Well, film and television jobs are exactly the types of creativity-oriented occupations he's referring to. Why? Because creative business is big business.

The Conference Board of Canada examined the impact of culture on our community. They valued it at \$84 billion. It's an economic powerhouse, and this is no time to scale back on its support—quite the contrary. How else can we nurture and grow these highly valued jobs if not through professional, industry-focused training programs such as those offered by dedicated, not-for-profit training institutes like ours? A vibrant creative industry behoves support no less than any other industry, and it's training that provides this needed support.

Film- and television-makers must be trained, not just in time but by anticipating trends. Rapid change demands rapid responses, and a training institute like ours has a demonstrated capability to do just that. We're knowledgeable of the industry's needs and nimble and responsive in delivering our programming. CSTC/RACC instructors work every day in the industry and keep us attuned to its evolving needs.

As an industry, film and television is highly labour-based. In fact, half of all production expenditures go to its workers, our students. Failing to invest in their training is akin to failure to invest in any industry's future.

Our organization is one of four that comprises the national training program in the film and video sector, which will be terminated at the end of this month. NTPFVS funding of \$200,000 annually constitutes 40% of our budget. In today's economic climate, replacing this has proven to be quite challenging. Our traditional funders, the country's broadcasters, are undergoing financial stresses of their own and inform us they are unable to fill the gap. Unless this critical core funding is replaced, we will close our doors in perhaps a year's time.

With the modest annual investment received from government we have been delivering highly accessible, top-calibre training to 500 students yearly right across the country. Furthermore, CSTC/RACC is a leader in diversity training for the industry, with fully 25% of our students coming from diverse cultural backgrounds. After 29 years, CSTC/RACC training has earned its well-established reputation as a premier training ground for the next generation of this country's creative film- and television-making talent, talent this industry will surely need if it is to survive today's challenges and flourish.

Training is not a luxury; it is vital. Without it, the future of this particularly creative industry will be severely compromised.

Marc.

•(1555)

[Translation]

Mr. Marc Robitaille (Screenwriter, Canadian Screen Training Centre): Good day.

I want to thank the members of the committee for having us here. My name is Marc Robitaille. I have been working as a screenwriter in Quebec for the past 12 years. I'm here today to speak to you briefly about the impact that training has had on my work and on my career.

I work primarily for the film industry. I have also written several books that have been published as well as some screenplays for television. Last year, one of my screenplays made its way to the big screen—it's now available on DVD— while another film based on one of my screenplays is scheduled to be released before the end of 2009. In addition to writing screenplays, I work as an advisor on other projects and occasionally, I teach screenwriting, for example, at the Canadian Screen Training Centre.

In a field to which many are called, but where few are chosen, I have been fortunate indeed to have some of my screenplays produced. In this business, timing is everything, but there is another reason why I have had some success in the field of screenwriting. I think it's because I have had an opportunity to meet people in the business who have helped me to understand and learn the ropes. Where did I meet these people? In most cases, I met them while I was taking classes and attending workshops. Between the ages of 30 and 40, I had several opportunities to train with experienced screenwriters who worked in the business and were prepared to share their knowledge of what they had learned along the way. I received this training while attending programs offered by the CSTC, the Canadian Screen Training Centre, as well as from experienced authors from France, the United States and Canada.

The knowledge acquired while attending these workshops still stands me in good stead years later in my career. These individuals taught me the basic principles of screenwriting, and they taught me to strive for excellence. In addition, while learning alongside them for many weeks, I was able to appreciate that screenwriting was indeed a real career and that it was possible to actually become a screenwriter. Of course, I continued to perfect my craft and to work as a writer in the months and years that followed. When my courage would waver or when I lacked motivation and wondered if I would ever succeed, I could always go back and attend classes and in the process, revive my passion for my craft and regain my conviction that I would be successful.

When I first became interested in becoming a screenwriter, I was told that it would take me 10 years to succeed in this business. I convinced myself that I wouldn't need that long to reach my goals. But ultimately, it did take me exactly 10 years. However, I'm convinced that had I not had access to the programs offered by the CSTC which I spoke of earlier, I would not have persevered for 10 years; I would probably have given up on my craft much sooner. Programs such as these are the true reason why people like me continue to be passionate about their work.

Thank you very much.

[English]

The Chair: Thank you.

I will ask our questioners and our witnesses if we can keep our questions and answers short and concise. We're going to stay within five minutes. We're only going to have two rounds anyway, but we have to stay as close to five minutes as we can.

Mr. Rodriguez, you're first, please.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Thank you, Mr. Chair.

Good day to all of you. Thank you for joining us today and congratulations on the fine work that you are doing in your respective fields. I would have preferred to meet with you under different circumstances and speak to you about films and foreign productions. However, we're here to talk about cuts that I see as brutal and unjustified in many respects. Our objective today is to look for answers, since we do not have any. When we put specific questions about these cuts, whether to the Minister or to departmental representatives, we fail to get any answers. We're told that it's generally for administrative reasons, that things are poorly managed. However, no one can prove it to us, because the documents involved are confidential. Moreover, that is the reason why I tabled a motion requesting that all documents having to do with any decisions made in this area be turned over to us. I hope to get an answer from the government.

Were you consulted, or did you hear anything about these upcoming changes or cuts?

[English]

Mr. John Lambert: In terms of the cancelling of PromArt, I think it was in the autumn of 2007 that there was a suspension of PromArt for about six months. We were in the middle of marketing our artists internationally, and right at the time when the marketing is done, in September, it was suspended. We didn't know whether or not this funding was going to be there. A year later, it was cancelled entirely.

• (1600)

Mr. Pablo Rodriguez: Were you consulted about the program? Were you consulted, because you were using it—

Mr. John Lambert: No.

Mr. Pablo Rodriguez: No? By the government?

Mr. John Lambert: No, there was no consultation.

Mr. Pablo Rodriguez: Very quickly, was anybody consulted on this?

Mr. Max Berdowski: In the case of the national training school program there was no—

Mr. Pablo Rodriguez: Not at all, right? But you're the experts on this. You're the one using it, and being it, so.... No consultation at all?

Mr. Max Berdowski: No.

[Translation]

Mr. Pablo Rodriguez: Mr. Lambert, with respect to PromArt, other countries offer these kinds of services and support their artists. Do you not feel that when you must compete with them these days, it's a little like competing with both hands tied behind your back?

[English]

Mr. John Lambert: It's a very difficult time financially right now because of the financial insecurity around the world. Foreign currencies are falling, so when we sell, for example, to Korea, the Korean money is devalued in terms of the Canadian dollar, so they're feeling poorer. It becomes a trade barrier in a certain way because not only do they have to pay more for the fee but they don't have the funds to also pay for the travel and the cargo. So they will take a product, a production, that comes from Australia, the United Kingdom, or from France, where the travel and cargo costs are covered.

[Translation]

Mr. Pablo Rodriguez: So then, this is very bad for the industry here in Canada.

[English]

Mr. John Lambert: Also, we have Canadian festivals such as Luminato in Toronto and the Festival TransAmériques in Montreal. When they purchase productions from other countries, they expect the British Council to pay the cargo and the travel to deliver to our market.

[Translation]

Mr. Pablo Rodriguez: Therefore, our competitors have a real advantage over us.

[English]

Mr. John Lambert: We have an advantage in terms of the quality of what we're offering because it's really very well.... Robert Lepage, Cirque Éloize, Marie Chouinard, all these companies are really the top artists around the world, but we're at a disadvantage in terms of delivering to market.

[Translation]

Mr. Pablo Rodriguez: You would recommend then that a program like PromArt be maintained, but that it be administered by, say, the Canada Council.

[English]

Mr. John Lambert: I can see why Foreign Affairs Canada might not want to administer this program any more because of other priorities in terms of the military, etc., diplomatic, but we have the Canada Council, which is set up—

Mr. Pablo Rodriguez: Would that be your priority, to transfer it and be managed by the Canada Council?

Mr. John Lambert: They have a jury system set up and they actually do have an international program, but it doesn't have enough money. It's a secondary program entirely.

[Translation]

Mr. Pablo Rodriguez: Ms. Jackson, you were told that your fund is no longer a priority for the government. Is that correct?

Ms. Robin Jackson: I believe the department's priority is full-length feature productions. We produced documentaries.

Mr. Pablo Rodriguez: Therefore, it is incorrect to state that each time, these cuts were made for administrative reasons. The government made some choices based on content and set production priorities for Canadians. Your fund happens to not be a priority.

[English]

Ms. Robin Jackson: You'd have to ask them. I don't really see a coherent film policy to be able to say we fit in or we don't. I don't think there is a policy.

[Translation]

Mr. Pablo Rodriguez: I have a short question for either Mr. Robitaille or Mr. Berdowski.

[English]

The Chair: Very short.

Mr. Pablo Rodriguez: Very short, Mr. Chair.

You said "We may close our doors in a year".

[Translation]

That is what you said. If you're not active in this area, what repercussions will this have on the film and video industry?

[English]

Mr. Max Berdowski: You can't have a sustainable industry without continuing to build on its infrastructure. The infrastructure for film and television is its people, and the way you do that is through training. So it's something that is a constant that is required. It's impossible to predict what lies down the road, but it certainly doesn't look very rosy.

The Chair: Thank you.

Madame Lavallée, please.

[Translation]

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): I listened to what the three of you had to say. You described very different programs, although each one looks as practical and effective as the next, and all are adversely impacted by the cuts. We have heard about cancelled tours, aborted film and documentary projects and the closure of your school.

I have so many questions that I don't know where to start. Earlier, my colleague Mr. Rodriguez asked if you had been consulted. You said that you had not. Are you familiar with the analysis that was done of the grant program that was slashed? Have you seen this analysis, Mr. Lambert?

• (1605)

[English]

Mr. John Lambert: No, I didn't know there was really an analysis.

I don't think our milieu—

[Translation]

I apologize for answering in English.

Mrs. Carole Lavallée: It's fine, I will listen to the interpretation.

[English]

Mr. John Lambert: I don't think there was really an analysis. I think it was a departmental decision.

[Translation]

Mrs. Carole Lavallée: Have you seen this analysis, Ms. Jackson?

Ms. Robin Jackson: No, I haven't seen it either.

Mrs. Carole Lavallée: Do you also believe that it was a departmental decision, a political decision?

Ms. Robin Jackson: Yes, I believe it was.

Mrs. Carole Lavallée: And how about you, Mr. Berdowski?

[English]

Mr. Max Berdowski: There was a study done called "A Summative Evaluation..." I don't remember the rest of it; it was a fairly lengthy title. There was an analysis done of the NTPFVS, the national training school called by that acronym.

[Translation]

Mrs. Carole Lavallée: Have you seen this study?

[English]

Mr. Max Berdowski: Yes, it was shared with all the schools. It did not recommend the cancellation of the program. It advised that any decisions about the program's future be informed, through clarification of the program's role. The report that was made acknowledges that there's a strong rationale for a federal government role in the sector. It did an analysis. It basically looked at the country as a whole and concluded that not all provinces and territories have the resources or even the will to do training. It concluded that there is a strong need for training. But it absolutely did not call for the termination of the program.

[Translation]

Mrs. Carole Lavallée: When exactly was this analysis done?

[English]

Mr. Max Berdowski: It was sometime in 2008, I believe, and it was towards the summer.

[Translation]

Mrs. Carole Lavallée: So you think the government decided to slash your grant program despite this positive, conclusive study?

[English]

Mr. Max Berdowski: It was roughly in August, without any consultation.

[Translation]

Mrs. Carole Lavallée: If the results of the program analysis were positive, why then was a decision made to go ahead with some cuts?

[English]

Mr. Max Berdowski: In fairness, it wasn't a glowing report about the state of training in the country. It points out that what was required and what it called for was that the Department of Canadian Heritage decide on a role for training in this country and be very focused in terms of what it might want the program to achieve. It refers to the fact that a number of benefits have come as a result of the work of the training schools and calls into question whether or not it's as a result of the training school program as a whole. It doesn't say it is and doesn't say it isn't, but it does say that there was a great level of satisfaction among the students.

[Translation]

Mrs. Carole Lavallée: Mr. Lambert, can you confirm for me the existence of a tacit agreement among all world producers whereby when a foreign company is hired, the party doing the hiring does not have to cover the performers' travel costs, that is their airfare? For example, if the Cirque Éloize goes to Paris to perform, the Canadian government covers the travel costs. The producer in Nice merely pays the performing fee, plus the cost of travel from Paris to Nice. Is that really the way it works?

[English]

Mr. John Lambert: In the way it functioned, PromArt had criteria that were fairly strict. The tour had to have at least ten performances; it had to go to three countries, and one of the countries had to be a priority country for the Canadian government, economically or politically, such as Britain, France, Italy, China, Japan; and it only paid out part of the travel and cargo shipment to the first destination. If you had a European tour, it would pay to get it to Paris and back from Paris, but all of the European touring inside the continent would be assumed by the local presenters. It was really to get you to market, and once there, then the local market would look after you. So it's basically to make Canadian industry competitive on the home terrain.

It's a common practice; it's what pretty well all the major developed countries do for their artists. Some are subsidized more than others. There are some projects that need a higher level of subsidy because it's important for the Canadian government that they be there, and so they pay more of the cost. Other times, you can get it so that the presenters actually pay quite a bit of the cargo and the travel, so that the investment of the Canadian government is less. It depends on negotiation. We try to get as much covered as possible.

• (1610)

The Chair: Thank you for that.

Ms. Chow, please.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Chair, the Jewish Film Festival is starting soon, and so is the Hot Docs, Reel Films, Planet in Focus, the Inside Out Film Festival. And then the International Film Festival is starting in the fall. It creates thousands and thousands of jobs, it creates GST, it contributes to the economy, it's good for our identity, it talks about who we are as Canadians. These cuts are completely contrary to everything that we, as a country, should stand for.

I look at the bigger picture. The entire heritage department has been cut by 12% year over year in terms of transfer of payment, from \$1.1 billion to \$960 million. And the stabilization projects, support for endangered arts organizations, those funds, as we need them most because of the economic downturn, seem to have been eliminated. And with Telefilm, there was the cut of \$2.5 million. It went from \$107 million to \$104.6 million, which is probably one of the reasons the training program got hit, because Telefilm also got cut. The Canadian Television Fund, according to the estimates that came out on Thursday, went from—and this is dramatic—\$119 million to \$20.4 million. So you're looking at a \$99.5 million cut—that's a huge cut—in the program book that I have in front of me.

Yes, Richard Florida talked about the creative class. I guess the Conservatives are not seen as the creative class. I don't know what

class they're really representing—certainly not the middle class, because a lot of them go to see films and help train a lot of filmmakers and want to support that.

What do you think is the real reason behind these cuts? I don't quite understand the 12% cut in culture all across the board. I can list all the organizations, but you don't want me to go on for five minutes.

Mr. Dean Del Mastro (Peterborough, CPC): Point of order, Mr. Chair.

Just for the benefit of the witnesses, the document being referenced by the honourable member, as she well knows, is an estimate that did not reflect all of the spending in arts and culture this year. The numbers that she's reading are misleading to the witnesses. They should know that there will be further estimates come forward to authorize additional spending in the budget.

I'm sure the member wouldn't want to mislead the witnesses as to the total government spending in arts and culture.

Ms. Olivia Chow: But I don't have the supplementary estimates in front of me. I have the main budget.

Who wants to tackle why there are cuts for Telefilm, for example?

Mr. Max Berdowski: Well, I can say this specifically about the Telefilm situation. In the case of the Telefilm cut that you were referring to, the \$2.5 million, that is the total national training program for film and video. That entire program was cut. That was a \$2.5 million cut. It was administered by Telefilm Canada. So they weren't discretionary cuts; that program was terminated. That's where that \$2.5 million comes from.

Ms. Olivia Chow: What I don't understand, though, is that in this budget that is in front of us for 2009, the Canadian feature film policy, the Canadian Independent Film and Video Fund, is still at \$1.5 million. It's on the books, but you've heard that you've been cut off.

• (1615)

Ms. Robin Jackson: I can show you the letter.

Ms. Olivia Chow: I know. I've seen it on the website. I've seen the letter. Why do you think that's the case? It's quite astounding that it's still there on the books.

Ms. Robin Jackson: I can't account for the books. We're a not-for-profit, two-person organization that's just running to get work done. I don't know. I can't answer those questions. I don't have the answers.

Ms. Olivia Chow: I know that *Bon Cop, Bad Cop* did really well and it really helped cross the language divide. It's hilarious. Perhaps you could describe what kind of impact that film had, because of the training, which I heard you mention earlier in your submission.

Mr. Max Berdowski: The impact the film had?

Ms. Olivia Chow: What you've done and the impact on that film, for example.

Mr. Max Berdowski: What I can speak to is the fact that it speaks to the level of filmmakers who are giving back to the next generation of filmmakers. In the case of *Bon Cop, Bad Cop*, the producer of that film, Kevin Tierney, taught a class for us in producing, an advanced producing class. And that's just one example, but what it attests to is the level, the high calibre of the training we offer, the access our students get to the top professionals in the industry.

Everything we are doing is very industry-based training. It's all about what is currently being done, the best practices of what's being done in the industry at the time. That's a level of training that, potentially, will not be available in a year's time, certainly not through us.

The Chair: Okay, thank you very much.

Mr. Del Mastro.

Mr. Dean Del Mastro: Thank you, Mr. Chair.

To begin with, I'd just like to correct the record. I feel it's incumbent upon me to do so. I just want to cover some of the commitments made by the government in our economic action plan, budget 2009, and also point out that the honourable member from Trinity Spadina is not supporting these investments in arts and culture.

Of course, we've got \$540 million of total investment in arts and culture, \$276 million of which is new investment, Mr. Chair. That's an increase of 10% in the total budget. The Canadian Television Fund will be receiving \$200 million over two years, cultural infrastructure will receive a \$60-million investment, \$100 million for marquis festivals from coast to coast in this country, \$20 million for national arts training, \$25 million to create a new Canada Prize, an endowment fund, \$30 million over two years for magazines and community papers, to support those organizations, \$28.6 million for the Canadian new media fund, and of course \$75 million for upgrades to historical sites.

So we've got a very, very substantial increase in the budget, a substantial increase in the budget for heritage. Obviously, we already had increased that by some 8% since we took government. So I don't want the misrepresentations of the member to lead the witnesses to believe there's been a cut to heritage, because there's only been an investment into heritage.

Now, there have been reallocations. There have been programs that have been terminated. I don't want to mislead anyone into thinking that is not the case. But the misrepresentations by the members across is abhorrent to me, Mr. Chair.

Mr. Lambert, I wanted to ask you a couple of questions.

First of all, you indicated you didn't think there was an analysis. I can assure you the government has mandated all departments to undertake a strategic review, to indicate the bottom 5% of programs in each department. That is an analysis that is going on in every single department, and this one department was not singled out for that. So I just want you to—

Mr. John Lambert: Well, I wasn't made aware of it, though.

Mr. Dean Del Mastro: Okay. That was mandated back in 2006 by the government, and that's been undertaken by all departments, not just the heritage department.

Now, you talked a little bit about how you didn't know if we realized how much was lost by some of the reallocations and so forth. You spoke about PromArt, which is a DFAIT program, and you said you didn't know if we realized how much had been lost. But just to come around to my question—

● (1620)

Mr. John Lambert: I didn't quite say that. I don't believe I said that. All I'm doing is trying to bring to the committee some of the impact, immediate impact, and long-term impact that it's having on an industry that's functioning very well, and that's actually one of our more successful industries. I was just bringing forth to the committee that these cuts have destabilized an export industry.

Mr. Dean Del Mastro: Okay. No, that's fine. I'm not arguing with exactly what your quote was, but what I wanted to come back to was this. Could you therefore comment on what an investment program, like putting \$100 million into festivals, summer festivals, would mean, how much you think that might generate? You indicated PromArt has about a five-to-one generation multiplier. The substantial increase we put behind Canada Council for the Arts, or the \$22 million we're providing to DFAIT to assist in the promotion of artists abroad—can you comment on how these investments are assisting artists, and what that means to them?

Mr. John Lambert: I think this is what I'm actually telling you, sir. The Canada Council is responsible for the research and development of a highly esteemed product. It's a product that's esteemed around the world. We have that in science and technology in Canada as well. Canadians have invested over the years in developing quality. What I'm saying is that if one department feels itself not suited to administer funds that are to follow through, then the money shouldn't be cut off, it should be transferred to another administrative body that can do that and is set up to do that with a jury system and with a good knowledge base on how to do this.

When you're developing work you have a local market, but then you have a very expansive international market, especially when your product is good and so you want to take it to market. What's happened now, we're just cutting that money out. We have other programs that are being proposed to establish the prestige of international work in Canada and to really highlight that. I think that's a good ambition, but we're already doing that through the export of our artists to the major festivals—the Vienna Festival, the Sydney Opera House—around the world. We're looking pretty good because of our artists.

Mr. Dean Del Mastro: I agree.

Thank you, sir.

The Chair: Thank you.

Ms. Dhalla.

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): I want to take the opportunity to thank our witnesses for coming and providing a little insight into the impact that the fund has had, not only on your organizations, but I think Canadian artists across the country.

With all due respect, the parliamentary secretary was speaking about all these investments that have been made. I can tell you from the e-mails and hundreds of phone calls that I've received in my office, there are many people who have been impacted by the cut. I haven't yet had many phone calls from people who have benefited from the investment, but people have been talking about the cut.

Robin, you mentioned that you had received a letter. I think my colleague Mr. Rodriguez had asked you whether or not there was any consultation done, but you just received a letter in the mail or a phone call one day. How did you find out about the fact that your organization was receiving a cut?

Ms. Robin Jackson: I got a call on August 8 saying that the program would be terminated, and then we had a follow-up letter afterward.

Ms. Ruby Dhalla: Max.

Mr. Max Berdowski: I had a phone call in August. I don't remember the exact date.

Ms. Ruby Dhalla: Did that phone call solicit any advice or suggestions as they were doing a strategic review of the departments and their programs to see how you could perhaps provide input into some of the policies and programs they already had in existence?

Mr. Max Berdowski: No, it was just to inform me.

Ms. Ruby Dhalla: Robin, you had mentioned it's going to cost almost \$100,000 to get out of the leases that you have, both in terms of the place you're renting and also photocopiers and other equipment. Have you written to the department to request any type of assistance for this?

Ms. Robin Jackson: Yes, we've had a conversation with them. I sent them all the closing-down costs. In an e-mail of February 5 they said they will pay for the storage and shredding-related costs. Because we're a charity, we have to keep our books until 2015, which means we have to keep all our files from 2003 to 2008. We have to keep those until 2015, and we have that. They said they'd pay for that, but they have said they will not pay for anything else.

• (1625)

Ms. Ruby Dhalla: Robin, for the benefit of the committee, would you forward a copy of the letter you received with regard to the cancellation of the Canadian Independent Film and Video Fund? Also, could you provide a copy of your request to the department for assistance with the closing costs you would incur as a result of the department's decision?

I can tell you that when the minister came, many of the members on this side of the House requested that they be provided with documentation of the analysis that occurred. Unfortunately, to date we have not received that analysis.

But the list goes on and on. I think PromArt was cut, and Trade Routes was cut. Now the Canadian Independent Film and Video Fund, Canada Feature Film Fund, the national training program for the film and video sector, and Canadian Culture Online are cut.

There have been many organizations and individuals who have been impacted. I think I can speak for my colleagues on this side of the House when I say we are trying to ensure your voices continue to be heard. Whatever we can do to assist, we are here to support you.

Some of the e-mails I've received say:

My television/video production company has been in business since 1991, founded on a grant from the Canadian Independent Film and Video Fund. The documentary I made from this funding led to over 30 commissioned video projects relating to health care and social services, from which we still derive our income. Further, the Canadian Independent Film and Video Fund contributed to another four documentary projects, which have been sold across Canada and throughout the world.

Another person writes:

This tiny fund of a mere \$1.5 million is one of the most crucial funds in the country to enable filmmakers to make films that may not seem off the top as commercially viable, but relevant to the Canadian public. The fund programmed by our peers is cost effective and very accountable, in that funding decisions are based on audience needs. Filmmakers have to make a strong case for funding for their film, through market research and endorsements from the targeted market and audience groups.

The list just goes on, as does the number of people who have benefited from the programs you provide. I hope the voices of these individuals and the great initiatives you had will be listened to by the current government to ensure that funding is restored for some of your very important programs.

Thank you.

The Chair: Thank you.

We'll move on to Mr. Pomerleau, please.

[Translation]

Mr. Roger Pomerleau (Drummond, BQ): Thank you, Mr. Chair.

Mr. Lambert, you stated that one of the main obstacles Canada must contend with is its very small population base. In Canada, the same performance cannot be staged 40 times, given the small population. We have no choice but to export our productions. Are the effects of this requirement to export productions felt more strongly in Quebec?

When I was working in Texas, I bought a book by Carl Sagan entitled *Contact*. The book was in English and I paid \$21 for a copy. I purchased the same book in Quebec for \$76 a copy. Why? Because the francophone market in Quebec is so small that prices are four, five, or six times higher. As a rule, this is the reality with which the Quebec cultural community must contend. To all intents and purposes, limiting cultural exports will only bring culture to its knees. Would you say that the repercussions are far more damaging for Quebec than for any other region of Canada?

[English]

Mr. John Lambert: Actually, Quebec has a very good network, a very professional network, for presenting the performing arts, and the Quebec artists exploit it very well.

I'm from English Canada. I'm from Ontario. I try to tour companies across the country. It's very difficult, because you're right along the border. It's a thin line across the border. And it's a very small population base. So if you're investing all this money to develop this wonderful art, and you perform it maybe ten times in Quebec.... You have the language factor, as well. And then what are you going to do with it? Because it's so good there's a demand for it abroad, and because we've worked on that for the last 40 years, we have a market already developed. It just seems a shame to throw it in the garbage. It just seems a shame. You're going to have companies that are going to fall. Tours are going to disappear. And the partnerships we've built up are simply going to evaporate. We're developing new partnerships with China, with India, and with Colombia.

I'll give you one example, if I may. Last year I took two productions to the festival in Bogotá. Right now there's political will in North America to develop relationships with Colombia that go past the drug trade. Well, there's a festival that's existed for 20 years there called the Festival de Cine de Bogotá. It was established by a woman from Argentina who wanted to instill in the Colombian people a sense of cultural pride. She developed the best festival of Latin America, and she brought companies from around the world. And when you perform at the Bogotá festival, it's not Cirque Éloize presents; it's Canada presents. So when people are going to see a show at the Bogotá festival, they're going to see Canada.

This year they went to see Cirque Éloize, and they saw this innovative company that's really leading the world in terms of new circus. They also went to see a virtual reality show, developed by a company from Montreal, on Norman McLaren, our treasure. It integrates live performance with the films of Norman McLaren in a magical fashion that only we can do in Canada. This company is going to the Taiwan festival. I'm leaving next week. It was just in Macau. It's going to Paris. It's going to London. It's going around the world with the stamp of Canada. And that's how you people have been known.

• (1630)

[Translation]

Mr. Roger Pomerleau: Mr. Lambert, you stated that exporting festivals throughout the world certainly providing a livelihood for 200 people and that the funds allocated to PromArt were generally spent on Canadian companies like the carrier Air Canada. So then, these funds are not being spent abroad. You're investing in our country's economy and the return is five times the initial investment.

You claim that you have been affected by the cuts. You never saw any study and you do not believe that funds have been transferred to other parts of Canada. Like you, I'm stunned by the cuts to this program, at a time when millions of dollars are being invested in roads, bridges and in other areas, with no guarantee of any amazing results. Yet, we know what your programs have achieved. Thank you.

I have a question for Mr. Berowski as well. You stated that artistic creativity is big business. No one denies that. Just look at the Cirque du Soleil which stages most of its performances in Las Vegas. The Cirque du Soleil started out as a troop of street performers. It was funded through a special budget set up by René Lévesque, similar to

the budgets that other premiers have at their disposal. The Cirque du Soleil received sufficient funding to get off the ground and funding continued until it was well established. Today, the company rakes in billions of dollars. The performing arts is indeed a big business.

[English]

The Chair: Your time is up, really, but you can have a very short question.

[Translation]

Mr. Roger Pomerleau: We're looking at the modern-day economy. Personally, I think that we should look to the creative arts as an impetus for economic renewal, instead of producing and manufacturing waste. Creativity does not produce any waste. What do you think?

[English]

Mr. Max Berdowski: I think it's a necessity. The point I was making is that it's not just because it's a nice thing to do; it's because it's good business to do. It's the fastest-growing sector of the economy, or it has been up to now.

The Chair: Thank you very much.

Final question, Mrs. Glover, please.

Mrs. Shelly Glover (Saint Boniface, CPC): Thank you so much, all of you, for being here today.

I can assure you that as the mother of an actor, we on this side of the room believe it's very important to support our artists. Arts and culture is very important to us. Mr. Berdowski, I think you said it very well when you said it's important to our economy.

I want you to be selfless for just a moment and I want you to answer very quick questions. When we look at the whole arts and culture realm here in Canada, I think you would all agree it's important that more money be put toward arts and culture as a whole. Agreed, Mr. Lambert?

Mr. John Lambert: It depends how it's invested.

Mrs. Shelly Glover: It's a simple yes or no. Do you agree, yes, you want more money, or no, you want less money?

Mr. John Lambert: I think it needs to be well invested.

Mrs. Shelly Glover: Very good.

Ms. Jackson.

Ms. Robin Jackson: It should go to the artists.

• (1635)

Mrs. Shelly Glover: Absolutely, I agree.

Mr. Berdowski.

Mr. Max Berdowski: I don't think you can say more is better; I think it has to be targeted and focused.

Mrs. Shelly Glover: I agree.

Mr. Robitaille.

Mr. Marc Robitaille: Focusing on development.

Mrs. Shelly Glover: Absolutely.

Now I want to point out that it's very difficult to be in government making difficult decisions, and that is why we did a strategic review. A 17% increase is what we're looking at for the Canada Council for the Arts. Is that not something that you would agree is a good thing?

Good or not good, Mr. Lambert?

Mr. John Lambert: If it's well invested.

Mrs. Shelly Glover: It's 17% higher. It's well invested.

Mr. John Lambert: No, if it is well invested.

Mrs. Shelly Glover: Ms. Jackson, is higher better?

Ms. Robin Jackson: It doesn't help our producers. It doesn't help our—

Mrs. Shelly Glover: Being selfless, being selfless.

Ms. Robin Jackson: I'm being selfless. It doesn't help our producers.

Mrs. Shelly Glover: Mr. Berdowski.

Mr. Max Berdowski: I just go back to what you said a minute ago about evaluations. Reviews were done in each area, and I just point out that in the case of our particular area, the review that was done does not call for the termination of the program.

Mrs. Shelly Glover: Mr. Robitaille, 17% more to the Canada Council for the Arts—do you think that's a good thing?

Mr. Marc Robitaille: I wish we had the same developing capacities now that I had when I was developing my trade.

Mrs. Shelly Glover: I'm just going to go back to past years.

Mr. Berdowski, I know you focused a little bit on what happened over the last few years. In the last ten years the film and video industry and its training programs in the sector have undergone significant changes. As I was doing some of the research, I couldn't help but find that we have a significant increase in a number of institutions providing training in the same area. Would you agree with the statement that over the last ten years there's been a significant increase?

Mr. Max Berdowski: Yes.

Mrs. Shelly Glover: I want to point out that there are 25, at the very least that I've found, that are supplying the same type of training. As I pointed out earlier, it is very difficult for government to make these difficult decisions, but we are doing what is in the best interest of arts and culture. Contrary to what Ms. Chow across the room has said with her misleading information, arts and culture are receiving 12% more than ever before. I'd like to know from each of you, specifically, what year did Canadian artists ever receive better?

What year, Mr. Lambert?

Mr. John Lambert: Certainly five years ago.

Mrs. Shelly Glover: Five years ago they received more money than now?

Mr. John Lambert: Better. Yes, we had the PromArt program, and it was functioning.

Mrs. Shelly Glover: We're up 12% now, sir.

Mr. John Lambert: Yes, but it didn't—

Mrs. Shelly Glover: That's 12% in total dollar value, and I have to say when you went back to 1957—

[*Translation*]

Mr. Pablo Rodriguez: I have a point of order, Mr. Chair.

First of all, I would ask that Mrs. Glover show some respect for the witnesses. It is not her place to put answers in their mouths. Kindly show some respect for our witnesses.

Mrs. Shelly Glover: I respect the witnesses.

Mr. Pablo Rodriguez: Secondly, the comments are based on the figures we have, that is on budget allocations that include the cuts.

[*English*]

If they have different numbers, please let them table them. If she's quoting from something we don't have, I would like to see those notes.

An hon. member: Just read the budget.

The Chair: Mrs. Glover, carry on.

Mrs. Shelly Glover: Can I continue?

The Chair: Order, Mr. Del Mastro, Madame Lavallée.

Mrs. Glover, please carry on and keep your questions relevant, please.

Mrs. Shelly Glover: Unfortunately, on both sides of the room, we're sometimes talking about different things.

Nevertheless, I want to assure you that our government is taking the artists to heart because we believe in them. We believe it is important to our economy. We believe it is important to our culture, and that is why we are going to continue to provide the highest level of funding of any previous government. Let me bring up 1995. Under a different government, this is what a cut is, because we've reallocated. In 1995 a cut is 44% cuts from cultural infrastructure programs, 71% cuts in multiculturalism projects, and 40% cuts to transfers to provinces for regional cultural development. That's what a cut is. We are reallocating. We are doing the best we can do as a government to provide artists with the best chance to succeed.

The Chair: Thank you.

Yes, Mr. Berdowski.

Mr. Max Berdowski: You were very accurate when you pointed out that over the last ten years there has been a healthy increase in the number of groups that offer training. That's true, but not everyone offers training at the same level. The benefit of a national training program that has not-for-profit institutes as part of it.... And particularly in our case, it's the highly accessible nature of our program. Twenty-five percent of our students are of diversity. They're from all across this country. The tuition that we charge is very modest and it's at the same level that it was in 1997. It's offered at all levels.

The point I'm trying to make is that in the spectrum of training, there might be volume but there is only one program such as the one we're offering; it's the first in this country. And I'll be happy to forward to you a great deal of correspondence that we've received

from past students who benefited from our program and are quite concerned about what lies ahead for people who will be following in their footsteps.

• (1640)

The Chair: Thank you very much for the answers. Witnesses, thank you very much for being available today at such short notice. And we do appreciate your coming.

We will recess for five minutes to clear the room for the rest of our meeting.

Thank you very much.

[Proceedings continue in camera]

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