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Chair

The Honourable Michael Chong

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•(1550)

[Translation]

The Chair (Hon. Michael Chong (Wellington—Halton Hills, CPC)): Welcome to the 33rd meeting of the Standing Committee on Canadian Heritage, on this Tuesday, November 30, 2010.

Pursuant to Standing Order 81(5), we are here to study the supplementary estimates (B), 2010-2011.

[English]

The chair will be calling the votes on 5b, 15b, 40b, 45b, 50b, 55b, 65b, 80b, and 90b under Canadian Heritage.

To allow us to consider these votes and to study the estimates, we have in front of us three representatives from the Department of Canadian Heritage. We have Mr. Wallace, Monsieur Blais, and Monsieur Scrimger.

Welcome to all three of you.

We'll begin with an opening statement from Mr. Wallace.

Mr. Stephen Wallace (Associate Deputy Minister, Department of Canadian Heritage): Thank you very much, Mr. Chair.

Thank you to members of the committee for inviting us here today.

As you mentioned, Mr. Chair, I have with me Monsieur Jean-Pierre Blais, assistant deputy minister of cultural affairs—no stranger to the committee—and I'm flanked on my right by Tom Scrimger, assistant deputy minister of citizenship and heritage. He has also served as our chief financial officer, which is relevant to our discussions today.

Mr. Chair, as you mentioned, we are here to respond to questions on supplementary estimates (B). In this regard, I wanted to briefly run through the elements of our mandate and recent activities that touch upon our expenditures.

[Translation]

As you know, our mandate affects key aspects of Canadians' cultural and civic lives. Canadian Heritage works with Canada's major national cultural institutions to promote arts and culture, heritage, official languages, citizenship and participation, as well as aboriginal, youth and sport initiatives. Our programs are delivered in communities throughout Canada.

[English]

We've had a busy year, Mr. Chair.

[Translation]

It has been a busy year for us with the renewal of many programs, work on a digital strategy, Expo 2010 in Shanghai, the royal tour, the Commonwealth Games in India and, of course, the Vancouver 2010 Olympic and Paralympic Winter Games, where we were the lead department.

[English]

I think a high-water mark in the life of the Department of Canadian Heritage over the last several years.

[Translation]

We continue to provide in the range of 7,500 grants and contributions every year, and have for the first time published service standards for their delivery.

[English]

Let me turn quickly to Canada's economic action plan. We've been busy delivering on this over the course of the last year, and we do remain on target.

In 2009-10 we funded projects and programs worth more than \$150 million on action plan initiatives.

This year, as of October 31, we've funded more than \$106 million of initiatives developed through five programs: the Canada Cultural Spaces Fund, the Canada Arts Training Fund, the Canada Periodical Fund, the Canada Media Fund, and Special Olympics Canada.

As we are here, Mr. Chair, to respond to questions on supplementary estimates (B), I'd like to go through, if I may, some highlights with the committee.

Let me start with the bottom line. The net impact of the supplementary estimates will be an increase of \$30.1 million to the spending authority of the department. This funding is being used for the following initiatives.

•(1555)

[Translation]

I will start with sport.

Budget 2010 renews funding of \$5 million annually that was originally announced in Budget 2003. This supports the *La Relève* initiative for the identification and development of the next generation of high-performance athletes.

Additionally, \$17 million annually has been added to continue to develop high-performance athletes participating in the Olympic and Paralympic Games. These funds will continue to 2014-2015.

Canadian Heritage currently provides \$47 million annually towards enhanced excellence funding for targeted summer and winter sports as part of the own the podium (OTP) initiative. The new funds are expected to increase OTP-winter funding to \$22 million and OTP-summer funding to \$42 million per year.

To support persons with a disability, the Government of Canada is providing an additional \$5 million to the Canadian Paralympic Committee and another \$1 million to Special Olympics Canada annually for the next 5 years. These funds will enable these organizations to build on their participation activities and athlete-development initiatives, encouraging participation in sport.

In 2007, the Government of Canada announced the renewal of ParticipACTION. An additional investment of \$3 million per year for 2 years, announced in Budget 2010, will help the organization promote healthy lifestyles through physical activity and sport participation, and generate more resources through the private sector.

[English]

I'll move now to the arts, Mr. Chair. Through the supplementary estimates (B) the Government of Canada is also supporting Prairie Scene 2011, which will be held in Ottawa from April 26 to May 7, and will showcase artists from the provinces of Manitoba and Saskatchewan. This is the fifth scene event produced by the NAC. Previous events showcased the Atlantic, Alberta, Quebec, and British Columbia. The department has made an investment in all four previous festivals, and we will contribute over the course of this year \$250,000 to the NAC for costs associated with Prairie Scene 2011.

Turning now to cost containment measures, in the 2010 federal budget the government's plan was to bring the budget back to balance by putting in place targeted measures to reduce the rate of growth of spending that will build over the medium term. In order to achieve this plan, a number of cost-containment measures on our administrative budget have been implemented. For example, in 2010-11, Canadian Heritage budgets were not increased to fund the 1.5% increase in annual wages for the federal public administration. The department was also required to reallocate from the remainder of its operating budgets to fund this increase.

Two reductions of note are included in the estimates before you. Since funds were received in 2009-2010 for salary increases in 2010-11 and future years, these funds are to be removed from the department's budget, which amounts to \$1.67 million. There's also a reduction of \$490,000 to the budget of the offices of the minister and the minister of state.

Mr. Chair, I hope this information will be useful to the committee.

We would now be pleased to respond to any questions you may have.

[Translation]

I hope this information will be useful to the committee. We would now be pleased to respond to any questions you may have.

[English]

The Chair: Thank you very much, Mr. Wallace, for your opening statement.

We'll have about an hour for questions and comments from members of the committee, beginning with Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you, Chair.

Thank you to our guests.

Regarding the action plan, you say there's \$150 million budgeted, and \$106 million has been handed out thus far. Is that correct?

Mr. Stephen Wallace: That's correct, as of October 31.

Mr. Scott Simms: As of October 31. Now, you're expecting to spend the full allotment by March 31. Is that correct?

Mr. Stephen Wallace: Yes. So far it's going well. We're on track.

Mr. Scott Simms: Okay.

The thing is this: when this is done, what will be the impact on the budget, say, of CBC, or the department budget itself? This is what I want to know. When the action plan is done, in the case of the CBC are we going to see a reduction?

• (1600)

Mr. Stephen Wallace: The CBC has a mixed funding model.

Mr. Scott Simms: That's right.

Mr. Stephen Wallace: It gets its annual appropriations. It gets a range of federal funding programs. It does so every year. It also earns its own commercial revenue, so it will continue to do that.

Mr. Scott Simms: Okay.

When it comes to the savings, you talked about the efficiency created. The 2010 budget talked about....

In this particular case, you've included \$13 million with the CBC, right? So there's \$42 million allotted to them. With \$13 million from the savings, it comes up to the \$60 million appropriation that they've been getting every year since 2002.

Can you explain that to me?

Mr. Stephen Wallace: Yes, and I'll turn to Mr. Scrimger, in his chief financial officer role, if I need to drill down a bit here.

The CBC, like every other federal entity, has to participate—part and parcel of the budget 2010 announcement—in the freezing of the salary budget over the course of the next couple of years. Like the Department of Canadian Heritage, then, CBC, in the 2009-10 exercise, had received additional moneys to cover those salary increases—the normal increases in salary on a year-to-year basis.

Since that freeze was enacted, we across the government are going in and taking out the moneys that were previously given for the increases to be able to correspond to the budget 2010 announcement. CBC/Radio-Canada is no different from any of the others. And as I mentioned in my opening remarks, we have taken money out of the Canadian Heritage budget for the same purpose.

Mr. Scott Simms: Okay.

I was asked a question the other day about the magazine industry. You talked about periodical publishing. Now, the amount is about \$75 million usually. That's about \$60 million for the actual program, I think, and PAP—I think that's the acronym—is normally \$15 million.

Was that included in the economic action plan?

Mr. Stephen Wallace: I'm going to leave this to "Mr. Magazine", ADM Blais.

Mr. Jean-Pierre Blais (Assistant Deputy Minister, Cultural Affairs, Department of Canadian Heritage): The program has always been at the \$74-million or \$75-million level. Prior to the economic action plan, a portion, the \$15 million, was part of Canada Post's budget. In that budget it was renewed for two years but transferred to our budget in Canadian Heritage for two years.

I know that a lot of people have been on the Hill today, having a presence on the Hill. They've come to see me, and they've seen other people.

Mr. Scott Simms: Apparently they've seen me, too.

Mr. Jean-Pierre Blais: That's fine, that's great. But what they're advocating is that the \$15 million, which was covered in the economic action plan budget for two years, be renewed in the next budget.

Mr. Scott Simms: So as far as we know, then, there's no renewal at this point.

Mr. Jean-Pierre Blais: There is no renewal at this point, but there is not "no" renewal, either.

Mr. Scott Simms: I understand.

Mr. Jean-Pierre Blais: I mean, we'll know at the next budget.

Mr. Scott Simms: All right. I just want to make sure I get this straight: before the next budget, then, nothing has been communicated to renew it. Okay. So that's \$60 million.

I'm going to turn it over to my colleague.

Do you have a question?

Mrs. Bonnie Crombie (Mississauga—Streetsville, Lib.): Absolutely. Thank you.

I walked in during the middle of your remarks, so I want to ask you about the impact the budget freeze has had on your department's programs and staffing. I note that staffing costs are being frozen, staff are being cut back.

What programs, if any, have had to be cut back? I note that the impact for the Department of Heritage is a net increase of \$30 million and it's a spending authority. But doesn't the budget freeze require you to not increase your budget? Can you explain the impact the freeze has had on Heritage?

Mr. Stephen Wallace: I'd first start by saying that the impact of that measure has been on the administrative budget, not the program budget.

With respect to the administrative budget, we've been doing a series of measures in the department to take a look at cost efficiencies. We've done a number of things that I think have gone

fairly well over the course of the last six months. There's still work to be done on that.

Essentially we've been looking at a series of measures that are cheaper, but they also are helping to reposition the department to be faster in terms of its response on programming, as well. That's gone fairly well so far. We don't anticipate having any difficulty with respect to that measure in budget 2010.

The Chair: Thank you, Mr. Wallace.

Thank you, Madam Crombie. There will be more rounds of questions for you to take up.

Madame Lavallée.

[*Translation*]

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Thank you very much for being here and for explaining your estimates, which are not easy to understand, even when you know how to read numbers. For example, my understanding was that the department's total estimates were \$1,332,832,023.

Is that correct?

• (1605)

Mr. Tom Scrimger (Assistant Deputy Minister, Citizenship and Heritage, Department of Canadian Heritage): That is correct, \$1.3 billion.

Mrs. Carole Lavallée: We know the department's budget covers a number of portfolios, including the arts and culture and, of course, the Canada Council for the Arts, CBC/Radio-Canada, Status of Women and sport.

Can you break down that \$1.33 billion, setting aside Status of Women and sport, and tell me how much is left for arts and culture?

Mr. Tom Scrimger: If you give me a moment, yes.

Mrs. Carole Lavallée: Yes, you can have a moment. We have six minutes left.

Mr. Stephen Wallace: In addition, since those additional agencies, such as the Canada Council for the Arts, also receive specific appropriations from Parliament, we could break down the main estimates for Canadian Heritage and its various portfolio agencies. That would help you figure out the total amount. I think we can provide that to you.

Mrs. Carole Lavallée: I want to know how much goes to the arts and culture at Canadian Heritage. That is really what I am getting at here.

Mr. Stephen Wallace: We can provide you with those details. If Mr. Scrimger has the information on hand, we will give it to you right away. If not, we can provide you with the list later.

Mrs. Carole Lavallée: My second question is in relation to the previous year's budget. I want to know exactly how much was allotted to the arts and culture in this year's budget, as well as the 2010-2011 budget. But what was the amount in the 2009-2010 budget?

What I am trying to do—and no doubt you could do a much better job of it than I—is figure out how much of an increase there was, if any. Could I ask you to do that?

I must tell you that I have already tried to work out that figure with people who are extremely competent and very knowledgeable about your department. But you know more of course, since it is your department. There are certain areas, grant programs, among others, that make it harder to figure out the breakdown.

Mr. Stephen Wallace: We can make it easier for you, madam; it would be our pleasure.

Mrs. Carole Lavallée: You know your stuff.

Mr. Stephen Wallace: On the whole, for a five-year period, it is almost a billion dollars over.... We can break it down for you by item. If Mr. Scrimger has the numbers in front of him, we may be able to inform the discussion on this issue.

Mrs. Carole Lavallée: Very well.

Mr. Tom Scrimger: It can be hard to pinpoint certain figures among others, but I will take—

Mrs. Carole Lavallée: I understand.

Mr. Tom Scrimger: I will take the question regarding the estimates we started the year with. So we are talking approximately \$1.2 billion, because there was additional funding after that. For official languages, it is around \$360 million. For cultural industries, it is approximately \$208 million. For sport, it is \$180 million, but you have to keep in mind today's additional appropriations, which would bring the total amount to about \$206 million. For the arts, it is \$126 million. For civic participation, we are talking around \$65 million. For heritage, it is \$41 million. For Canada's identity, celebrations and so forth, \$80 million or so was allotted. We have approximately \$87 million for internal costs. Again, we would be pleased to provide you with the details on how the estimates have changed from year to year.

Mrs. Carole Lavallée: So when you say that \$41 million was allotted to heritage, what does that include?

Mr. Tom Scrimger: It includes a large chunk of our contributions, our programs, in terms of museums. That is included in that category.

Mrs. Carole Lavallée: Where do pension payments for lieutenant governors fit in?

• (1610)

Mr. Tom Scrimger: That appears on a separate line in the estimates. It is part of our budget. If memory serves, it is under the grants budget.

Mrs. Carole Lavallée: It is under the grants budget.

Mr. Tom Scrimger: Yes.

Mrs. Carole Lavallée: But, according to what I see here, they are payments made under the Lieutenant Governors Superannuation Act. And you include that in arts and culture grants.

Mr. Tom Scrimger: The payments are authorized under the act, but I believe the money is transferred by means of a grant.

Mrs. Carole Lavallée: When you say it is an arts and culture grant—

Mr. Tom Scrimger: No, I am not saying it is part of arts and culture grants, but it is a grant provided by the department.

Mr. Jean-Pierre Blais: By the same token, Ms. Lavallée, I can tell you that the audiovisual sector, for instance, receives tax credits,

as you know, for film and television. That amount does not appear anywhere in the estimates, but it represents nearly \$270 million.

Mrs. Carole Lavallée: I would appreciate it if you would include it on the side and explain it to me, because—

Mr. Jean-Pierre Blais: I completely agree with you that it can be difficult to pinpoint how much is invested in the arts and culture, but we can provide you with that information.

The Chair: Thank you, Ms. Lavallée.

Mrs. Carole Lavallée: Already? I am not done.

[*English*]

The Chair: Mr. Angus.

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

Thank you for coming before us. I'm looking at the CBC/Radio-Canada request of \$46.2 million in augmented funding. I understand that they will add to that the \$13.8 million identified in savings, which would bring us to \$60 million. So that would put us basically at the status quo of where they are every year; coming into the spring they ask for \$60 million.

Is that how you're going to break it down, the \$46.2 million in the request and then the \$13.8 million in terms of identified savings within the corporation itself?

Mr. Stephen Wallace: The \$13.8 million is part of a cross-government clawback, because in the 2009-10 exercise, additional moneys had been put in the CBC budget to cover salary increases. But with the budget 2010 freeze on salary increases, the figure had to be adjusted downwards to be able to cover that one, as it was in the supplementary estimates (B) for the department as a whole.

Mr. Charlie Angus: Thank you.

Every year we're in a situation where CBC asks for this top-up, and then it's not sure if we're getting it, and then usually at the last minute the money's supplied. It's very difficult to do planning when you're a national broadcaster if you're always having to second-guess yourself.

Is there any plan to put the \$60 million into the base funding of CBC so we don't have to undertake this process every year?

Mr. Stephen Wallace: Mr. Angus, the answer I gave before is that in fact the CBC has a mixed funding model. Its overall appropriation is somewhere in the range of \$1.1 billion, but it also benefits from a full range of government programs, and those government programs of course fluctuate and go up and down every single year and all the rest of it. The other thing that fluctuates is of course their earnings on commercial revenue.

So they'll continue to have a mixed funding model, and that would include the \$60 million.

Mr. Charlie Angus: Last year they were looking to get the government to give them their permission so they could go for bridge financing because of the huge shortfall of the recession on advertising revenue. Has there been any discussion with them on the need to secure similar bridge funding this year?

Mr. Stephen Wallace: I'm not aware of the full details. My suggestion would be to talk directly to CBC/Radio-Canada on that issue.

Mr. Charlie Angus: Okay.

Last week at our committee hearing the parliamentary secretary raised the suggestion that maybe it's time the Government of Canada got out of paying for broadcasting, and he referred to the billion dollars that's in the platform...or to support CBC and suggested that the money be given to CBC's competitors.

Has there been any discussion within the department about cutting off the funding envelope for CBC and giving it to...? He said that the private sector would make use of that money.

Mr. Dean Del Mastro (Peterborough, CPC): That's not what I said at all.

Mr. Charlie Angus: I'll read the quote:

We invest over a billion government dollars, as you know, into a stage, when in fact the private sector would not only make use of that stage...they have so many already, and reinvest all of those dollars into Canadian content.

He says further:

Maybe I wasn't clear enough. The \$1.1 billion, plus a whole bunch of other stuff that we're investing into the public broadcaster: should we look at reorganizing that in some fashion so we could put more money into content? Would companies like Corus match those dollars?

Has there been discussion within the department about taking CBC's funding envelope and spending it on CBC's competitors?

Mr. Jean-Pierre Blais: Mr. Angus, obviously I can't comment on statements that were made. I can tell you, though, that the Broadcasting Act, section 3, adopted by Parliament, clearly says that the broadcasting system is made up of public, community, and private.

That's how we deal with whether.... So we haven't looked at that particular issue.

Mr. Charlie Angus: It hasn't come up, then.

Mr. Jean-Pierre Blais: Oh, have people advocated that in public fora? I've heard that. It's not just parliamentarians; it's others as well. But what I'm saying is that the act right now stipulates that the broadcasting system has to be made up of three components, including the public component.

• (1615)

Mr. Charlie Angus: I see there have been a number of requests from the Museum of Civilization, the Museum of Nature, the museum of technology, for funding. We see right across Canada that the small museums are also facing a number of issues.

Under the program, when the previous Liberal government had it up to 25% in any given year, it was not utilized or given out, and that money was brought back into the department, and then about three years ago the Conservatives took that 25% and just cut it. Yet,

whenever I meet with museum officials in small towns, they have a real desire to access the funds.

Is the funding for small museums across Canada going to remain stable? Is that money being spent? Do you know what the take-up rate is on that funding?

Mr. Tom Scrimger: I'm not aware of some of the background you've just mentioned. Certainly the museum assistance program, which I suspect is the main funding mechanism you've identified, has remained stable for a number of the previous years. We're in the process now of moving through the call on that for the upcoming year, with the program. I'm not aware of any changes to the funding—

Mr. Charlie Angus: Do you know, though, how much is given out in a particular year and how much is brought back to Treasury Board?

Mr. Stephen Wallace: In 2006-07, it was \$10.9 million; in 2009-10, \$15.6 million. The increase over that period was 43%. So that's the kind of performance on that program.

Mr. Charlie Angus: Thank you very much.

The Chair: Thank you, Mr. Angus.

Mr. Del Mastro.

Mr. Dean Del Mastro: Thank you very much.

Just as a matter of correcting the record—I guess this is what happens when the NDP loses a byelection—what I was indicating to the witnesses at the time, just for the benefit of the witnesses who are here today, was that.... I indicated to them that this was in no way government policy, but was asking them for their opinion.

I too have met with and heard from people who come into my office regularly, and from artists, that if we had more funding for strictly content, if we had more money behind content, then Canada could in fact compete with any industry in the world, including Hollywood. We've seen those types of productions in Canada.

Perhaps, as a matter of fact, while you're here, maybe you could talk a little bit about the Canada Media Fund—anything you might be hearing about the revamp of the Canada Media Fund, how it's received—and maybe the various film tax credits and so forth that we're extending and how those are received by the sector. Maybe you could just talk about how content is creating jobs and driving an economy in Canada.

Mr. Jean-Pierre Blais: Certainly the funding model we use has a number of tools in the toolkit. Sometimes they're institutions, whether it's Telefilm or Canada Council. Sometimes it's tax credits, as we do for the audiovisual, television and film sector, as well as direct subsidy programs.

The CMF—the old Canadian television fund, which got merged with the Canada New Media Fund—has been quite a success. Even just last week I was meeting with some folks from the Canada Media Fund, and they were telling me that it has become such a success that organizations from across the world are now coming to see how we've done this, not dissimilar to the period in the seventies and eighties when our broadcasting model ended up being a model across the world on how you support indigenous productions.

So for the CMF, the first priority was getting governance right. There had been some concerns raised by the Auditor General that perhaps there were perceptions of conflict of interest, and so we changed that. But more importantly from a policy perspective, the new CMF—as its name change suggests, away from television fund—tries to support the creation of content on all platforms, because that's where Canadians are. They want their content when they want it, where they want it, on the platform they want it.

So we are nudging the industry along through the subsidy program, and it has become a hallmark around the world.

Mr. Dean Del Mastro: We're leveraging quite a bit of private sector support for these programs, aren't we? In fact it's substantially more than the government is putting in.

Mr. Jean-Pierre Blais: The government part of the funding is about \$1.34 million, and the total fund is about \$350 million. But even that has a leverage of 1:3, because beyond the amount in the fund, the private sector broadcasters are there as well.

So you can imagine the number of channels we have, both private and public. Through independent producers, they all benefit. Or even in-house productions, they all benefit from this fund. So it's actually key to the entire audiovisual industry.

Mr. Dean Del Mastro: Globally the demand for content is growing and growing. I just see it as such an opportunity for Canadian talent to be able to access large markets, especially considering our cultural diversity. I really think there's such an opportunity for Canada.

Mr. Wallace, you talked briefly about the government's 2010 budget and the fact that we are moving back to a balanced fiscal position in Canada. Can you confirm that the department is in fact doing its part as per the 2010 budget to control its rate of growth, its spending, to allow us to get back to balance?

• (1620)

Mr. Stephen Wallace: Yes, I can, and I would say in particular that what we've been looking at is our administrative budget, not our program budget. We've undertaken a number of measures that are strict cost-cutting, but we've also actually been looking at the way we do business, seeing whether or not there were ways in which you could move from having 10 different signatures on a particular program proposal, to taking a look at who's responsible, who's accountable, and streamlining the process.

So what we're trying to do on this one is see whether or not the responsible management of public funds response can be also an opportunity to just get the way our operations work onto a different plane. I think we've made a number of steps over the course of the last six months to do so.

I had mentioned at the outset that we had published our service standards over the course of this year on the program delivery. What we're looking at here is actually being able to meet or exceed our program delivery standards while undertaking cost containment. I think that mix, of just simply looking at efficiencies but also new ways of doing business, is going to get us there.

Mr. Dean Del Mastro: There have been a lot fewer calls this year with the new processes with respect to approval times. Is that

something you're finding as well? Has our turnaround time on applications improved in recent years?

Mr. Stephen Wallace: Yes, I think the publication of service standards is one element of this one. I mentioned at the outset that we have 7,500 grants and contributions every single year. Well, if you don't spread them out over a period of time, and you concentrate them all into a couple of the big peak periods, of course you're going to run into difficulties.

So we've done a number of things like that to spread them out—to give people good notice on programs—and I think we're starting to see some good results.

The Chair: Thank you very much, Mr. Del Mastro.

Madam Crombie.

Mrs. Bonnie Crombie: Thank you.

I'm going to pursue Mr. Angus' line of questioning, Mr. Wallace. I'm new to this, and if you wouldn't mind I'd like to go back to the CBC.

Let me open by saying that I think arts and culture are great economic generators, so I'm never in favour when arts and culture are cut back. Let me put that on the table up front.

An hon. member: Hear, hear.

Mrs. Bonnie Crombie: Yes, hear hear.

On the votes that are appropriated, \$60 million will go toward program enhancement offered on TV, radio, and other platforms. Can you discuss where this \$60 million will go? Will it go toward the operating budget, or not specifically? It will go toward strengthening and enhancing programming, so what kind? Do we know how that will be allocated?

Mr. Stephen Wallace: I can say first of all that this is a CBC decision on how it allocates its programming. For purposes of illustration, I can tell you how the CBC has allocated this in the past.

If you take a look at the last exercise, we had a split that looked like the following: \$27 million to English television services; \$18 million to French television services; \$5 million to English radio services; \$5 million to French radio services; and then \$5 million to other programming initiatives, such as cross-cultural programming and new media initiatives. That's the kind of split the CBC has been using.

Mrs. Bonnie Crombie: Okay, but it's not going to be \$60 million, it's going to be \$46 million, because we're taking out the \$13.7 million, right?

Mr. Stephen Wallace: That's exactly correct.

Mrs. Bonnie Crombie: What happens to that \$13.7 million? Because it had been allocated initially—

Mr. Stephen Wallace: That's up to the CBC.

Mrs. Bonnie Crombie: So we don't know what they will do with it? Do we have any indication from them, from their strategic report?

Mr. Stephen Wallace: That's a good question to put to the CBC.

Mrs. Bonnie Crombie: It could be as many as 140 full-time jobs. So don't we know what will be sacrificed?

Mr. Stephen Wallace: The CBC makes its own decisions on this, and I think they would be in the best position to answer.

Mrs. Bonnie Crombie: Okay.

The overall department budget shows \$1.6 million in transfers, and \$31.7 million in adjustments and appropriations. What do they specifically speak to?

This is on page 112, if that's helpful to you.

Mr. Stephen Wallace: I'll ask Tom to backfill here, but the lower figure is the clawback of the salary increase that had been put into the budget of Canadian Heritage in 2009-10. Subsequently, with budget 2010's decision to freeze the salary budget and not cover this through additional appropriations, the transfer of \$1.67 million is being taken out of the budget of Canadian Heritage.

On the other side of the ledger, the additional \$30-odd million worth of programs are ones for which I've given a number of highlights. There are some very specific investments in sport; some investments with respect to the Governor General's foundation; and a couple of other programs along the way that we'd be happy to provide details on.

Maybe I can turn to Tom to backfill on that.

• (1625)

Mr. Tom Scrimger: Mr. Wallace has certainly given you an indication of the increase in funding that the program has been dealing with—that dealt with sport, and the granting to the Michèle Jean Foundation—which has been offset by the savings indicated through budget 2010.

The department also transferred to other federal entities about \$1.7 million to pursue various activities, including research into health and social services for French-speaking minority communities; to support for the Prairie Scene festival, which Mr. Wallace mentioned earlier, at the National Arts Centre. Money was transferred to the Social Sciences and Humanities Research Council of Canada for research related to sport participation in Canada, given Sport Canada's double mandate of high performance and sport participation.

Last, and certainly not least, \$1 million was given to the Library and Archives Canada to provide Canadians with continued access to the Canadian Biography Online.

Mrs. Bonnie Crombie: Mr. Scrimger, at the same time, aren't the Canadian Museum of Civilization and the Museum of Nature also being cut back? Couldn't that money have gone there instead?

Mr. Tom Scrimger: I'm sorry, the money that I was speaking about reflected the department's changes in supplementaries (B). My understanding for Canada's four national museums is that they, like the CBC and all the other federal entities, have had reductions stemming out of salary freezes that have to be pulled back out of their budgets.

Mrs. Bonnie Crombie: My final question is on the Status of Women and the \$129,000 being transferred out. Where is that money going, and why is it being transferred out?

Mr. Tom Scrimger: I'll have to get back on that. I just don't know.

Mrs. Bonnie Crombie: It's on page 114 in the estimates.

Mr. Stephen Wallace: Can we get back to you with the details on that question?

The Chair: Thank you very much, Madam Crombie.

I believe, actually, that amount is being transferred into Status of Women, not out.

We'll now go to Monsieur Pomerleau.

[*Translation*]

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

Good afternoon, and thank you all for being here.

In the supplementary estimates, on pages 118, 119 and 120, four little things caught my eye.

The Canadian Museum of Civilization is asking for \$5.8 million to address operating pressures at the museum.

A bit further on, the Canadian Museum of Nature asks for \$2.8 million to address operating pressures at the museum.

And the same goes for the National Museum of Science and Technology, which asks for a few million, and the National Gallery of Canada, again to address operating pressures at the museum.

What does that mean exactly? Is it the same for every museum?

Mr. Stephen Wallace: It covers different expenses for each museum, but generally speaking, it includes maintenance work that has been put off, infrastructure investments and payments in lieu of municipal taxes. So it includes a slew of expenses, of operating pressures at all the museums, but the individual breakdown for each museum varies depending on its own circumstances.

Mr. Roger Pomerleau: Fine, but those things were put off because they were not part of the annual operating budget directly, is that not right?

Mr. Stephen Wallace: They were budget decisions that were made by the institution itself. Every year, each one has its own corporate plan, its own investments, and at some point, they have to make decisions regarding certain future pressures. This is one outcome of the supplementary estimates.

Mr. Roger Pomerleau: But I would assume that, at the very least, they attach an explanation to their request.

Mr. Stephen Wallace: Every institution comes up with its yearly plan.

Mr. Roger Pomerleau: On page 118, it also says that the "Canadian Radio-television and Telecommunications Commission" is requesting \$2.6 million to "conduct investigations and enforcement activities associated with the operation of the National Do Not Call List".

What does that mean?

•(1630)

Mr. Jean-Pierre Blais: You may be more familiar with its English name, the “do not call list”. It resulted from an amendment under the Telecommunications Act, and the CRTC needed additional resources in order to administer it. The CRTC is under Mr. Moore's portfolio, but the list was the result of a legislative change that applies to Mr. Clement's portfolio, since he is the industry minister.

They have to administer this new system, which allows Canadians to eat their dinner in peace, without the disruption of telemarketing calls.

Mr. Roger Pomerleau: But it says here “investigations and enforcement activities”. In what context? Do they have to investigate the numbers before deciding to remove them from the call lists?

Mr. Jean-Pierre Blais: This is by no means my area of expertise, but generally speaking, Canadians have the right to put their name on a list so they are not disturbed by telemarketing calls, especially at dinner time.

Mr. Roger Pomerleau: So it is to administer the list?

Mr. Jean-Pierre Blais: Yes, to administer the list. If certain individuals were to receive calls even though their name is on the list, an investigation would be conducted into the violation of the regulation.

Mr. Roger Pomerleau: How is it that Canadian Heritage is the one responsible for managing it?

Mr. Jean-Pierre Blais: Because the CRTC, which has both a broadcasting and a telecommunications mandate, is under Minister Moore's portfolio.

Mr. Roger Pomerleau: I had asked in the past to be removed from the call list, but I did not know that it cost so much.

Mr. Jean-Pierre Blais: It does not cost you anything directly.

Mr. Roger Pomerleau: No, it does not cost me anything directly.

Mr. Jean-Pierre Blais: You have to put police officers at intersections, even when there are stop signs there.

Mr. Roger Pomerleau: This will be my last question. On page 116 of the supplementary estimates, it says that \$3 million will go to support the Michaëlle Jean Foundation.

What is the Michaëlle Jean Foundation? How long has it been around? What is Michaëlle Jean's involvement? Is she simply a figurehead, or does she actually administer the funds? What is the foundation's mission?

Mr. Stephen Wallace: I will let Mr. Scrimger answer that one.

[English]

If you would allow me 15 seconds, Mr. Chair, I can give an answer to the question about the Status of Women and the \$129,000.

These were resources coming into Status of Women from other departments to be able to undertake gender-based statistical research on behalf of the whole government.

Mrs. Bonnie Crombie: Does it fund a salary?

Mr. Stephen Wallace: It's only stated as moneys for gender-based statistical research. I would gather that those are activities.

[Translation]

Mrs. Carole Lavallée: Do you want to answer other questions, as well? There are two minutes left.

Some hon. members: Ha, ha.

Mr. Stephen Wallace: I am embarrassed.

Mr. Tom Scrimger: As for the question about the Michaëlle Jean Foundation, Canada's Governors General have a long-standing tradition of leaving behind a legacy in the form of initiatives that are named after them. Not only are these legacies a way to honour the work and memory of previous Governors General, but they are also an opportunity for the former office holders to continue contributing to society once they have left office.

The Michaëlle Jean Foundation is a Canadian non-profit organization that promotes citizen engagement and dialogue through the arts and creativity, with a special emphasis on youth. The foundation has three main objectives: to increase awareness of the arts to build a more innovative Canada; to enhance the network and cooperative relationships that connect the arts and creative communities with other sectors of society; and to promote local and national initiatives that help rebrand Canadian culture and revitalize our outlook on it.

With those objectives in mind, the foundation will deliver programs that foster community creativity, youth involvement and democracy.

Through the Department of Canadian Heritage, the Government of Canada will support the Michaëlle Jean Foundation through a maximum funding grant of \$10 million over 10 years. A first payment in the amount of \$3 million will be made in 2010-2011. The amount of subsequent annual payments will be equal to the amount of any private donations, as confirmed by beneficiaries and external auditors. This means that the government will match any funds raised privately, up to the remaining \$7 million.

Mr. Roger Pomerleau: Dollar for dollar.

The Chair: Thank you, Mr. Pomerleau.

Thank you, Mr. Scrimger.

Mr. Simms, you have the floor.

[English]

Mr. Scott Simms: I want to go back to the issue about the savings, just very quickly, announced in 2010. Of course, it was proposed by the government that, in the year 2010-11, \$300 million was the savings target overall. Right?

•(1635)

Mr. Stephen Wallace: The budget 2010 figure overall?

Mr. Scott Simms: Yes, that's right—overall, \$300 million. So far we have saved about \$181 million.

According to the Parliamentary Budget Officer, savings have come primarily in public security, defence, and cultural. So a fair amount of savings have to come out of this particular department, according to the Parliamentary Budget Officer.

You touched on this earlier. Could you touch on it again? Where are these savings going to come from, and how much of these...?

I don't want you to comment on the overall envelope, but how much of the \$181 million—thus far—comes from the cultural department?

Mr. Stephen Wallace: Although I don't have specific reference to the figures you're talking about, I can tell the committee members that these are things that would be covered in the reports on plans and priorities and the departmental performance reports. But we have a series of programs that are coming to an end. As these programs come to an end, they no longer show up in our books. They're no longer a part of the overall budget for the department.

Mr. Scott Simms: Can you tell me what they are, briefly?

Mr. Stephen Wallace: The biggest example would be the Olympics. With respect to financing, over the last eight years, we had a ramp-up to the Olympics. Now that the Olympics are over, we have closed the federal secretariat on the Olympics, and that budget is being readjusted downwards.

Mr. Scott Simms: And another example?

Mr. Stephen Wallace: Another example would be financing for a royal tour. It doesn't happen every year.

A third example could be some of the financing from the strategic review process.

Mr. Scott Simms: Is there anything that's ongoing—a normal program, something that's year over year, something other than a one-time event?

Mr. Stephen Wallace: Over the course of the last 12 months, to my knowledge, there has not been. But the details are in the reports on plans and priorities and the departmental performance report, which you can get.

Mr. Scott Simms: Okay. I just thought we'd want to bring that up again.

Let me run it back to the CBC again. We've always talked about the \$60 million appropriation since 2002. I don't mean to belabour the point, but what's the process on that \$60 million? This is year over year, which means when do we know—when do you know—that this \$60 million is coming?

Mr. Stephen Wallace: I can say that the \$60 million has been provided since 2001—it has been provided every year since then—and normally speaking, these things are dealt with in the budgetary process.

Mr. Scott Simms: I'm sorry; could you repeat that?

Mr. Stephen Wallace: This additional \$60 million has been provided to enhance Canadian programming since 2001.

Mr. Scott Simms: Do you know whether it's coming for next year, then?

Mr. Stephen Wallace: Well, as I said, these things are normally taken up as part of the budgetary process.

Mr. Scott Simms: Right—but see, this is where you have to fill in the details for someone like me.

Mr. Stephen Wallace: Annual budgets.

Mr. Scott Simms: Yes, but I mean the process itself.

Mr. Stephen Wallace: It would be part of the annual budget cycle.

Mr. Scott Simms: Right. So you're talking about when it's announced in the budget, as done for 2001.

Mr. Stephen Wallace: Then for the next exercise, it would be for the next budget cycle. This particular \$60 million was part of the last budget cycle, and the supplementary estimates are recording this and seeking approval of Parliament for its expenditure.

Mr. Scott Simms: So you'll find out about next year's \$60 million at the announcement of the next budget.

Mr. Stephen Wallace: Normally speaking, that's part of the preparations for the next federal budget.

Mr. Scott Simms: Okay. That's it. You hear it so often, and you just want to delve into it.

I look at the number of the savings...and I don't mean to belabour the point again about this, but you're talking about a lot of salaries that were done in advance, is that correct?

Because there's been a freeze on administrative costs, then that's where that \$13 million comes from, the CBC number?

Mr. Stephen Wallace: Correct, as with other government departments; this is just part of a normal clawback to announce... that follows that budget 2010 announcement.

Mr. Scott Simms: Right. But with those advance salaries given to the CBC...

I'm just having a hard time trying to understand how this works. These are advance salaries by whom?

Mr. Stephen Wallace: In last year's 2009-10 appropriations, money was provided for the CBC for these planned salary increases, and this was done for Canadian Heritage and other departments as well; and because it was done in a previous budgetary exercise and a subsequent decision was taken—

Mr. Scott Simms: But wouldn't that be a decision of the CBC?

Mr. Stephen Wallace: The appropriations? No, the appropriations process—

Mr. Scott Simms: No, I mean the salaries themselves, the advance on the salaries that you're talking about.

Mr. Stephen Wallace: CBC is subject to the rest of the government's decision on the freeze of the salary budget.

Mr. Scott Simms: Ah, right. We're getting to it now.

When it comes to the savings themselves, it seems to me there hasn't been.... There was a request by the Parliamentary Budget Officer for details regarding the remaining operating budget reductions. Do you have any idea, in your mind, how this is going to play out to March 31, how you're going to make these savings?

• (1640)

Mr. Stephen Wallace: I think we're in pretty good shape, to tell you the truth, on this year's exercise. We actually publish our forecast as part of the report on plans and priorities, so you'd be able to get the figures on this. It's our responsibility to manage our resources as prudently as we possibly can and come in on budget.

Mr. Scott Simms: Am I done, Mr. Chair?

The Chair: Go ahead with one last question.

Mr. Scott Simms: It's the impacts on existing departmental operations that I worry about. Have the reductions affected corporate risk, as measured by the management accountability framework?

Mr. Stephen Wallace: I think we've done fairly well on the management accountability framework.

Mr. Scott Simms: That's what you were just saying, yes.

Mr. Stephen Wallace: We expect to continue, and we will work hard to do well in the future.

Mr. Scott Simms: To achieve your target.

Mr. Stephen Wallace: Correct.

Mr. Scott Simms: Which is what?

Mr. Stephen Wallace: It's the budgetary appropriations as outlined in the report on plans and priorities and the estimates, which go through estimates (A) and today's estimates (B). All of those appropriations through Parliament—those are our targets.

Mr. Scott Simms: What if I asked for a number? Could I get a number?

Mr. Stephen Wallace: Absolutely, sir.

Mr. Scott Simms: Go ahead.

Mr. Stephen Wallace: Parliament already has estimates (A).

Do you have estimates (A) with you, Tom? Would you mind just giving that number?

And the estimates (B) number that is before you, you have in the documents in front of you.

The Chair: While you're looking that up, we'll go to Mr. Angus. Then you can respond when you have the answer to Mr. Simms' questions.

Mr. Angus.

Mr. Charlie Angus: Thank you.

I just wanted to clarify a few things. One of the questions from my colleague referred to the \$60 million that has been allotted for CBC every year. So since 2001, there has been a \$60 million request, and it's gone to cover off...

Now, last year we had an extraordinary situation with the drop in revenues for all the broadcasters. There was a financial crisis. CBC was selling off assets and buildings to make up for the shortfall. Then they were also put under the parliamentary review of the department to find the cost savings. Our committee had recommended that those cost savings be put back into the public broadcaster.

I'm seeing here that the \$13.8 million is "savings identified as part of cost containment measures to reduce the rate of growth in operating expenditures" announced in budget 2012.

Mr. Stephen Wallace: You mean 2010.

Mr. Charlie Angus: Yes, sorry, it's budget 2010.

The way I'm reading it is that they underwent a cost-saving measure, which they might have had to give back but were allowed to keep, but then the appropriation is still then only \$46.2 million.

Is it correct to say that they actually are only receiving \$46.2 million this year instead of the \$60 million they would normally receive? This isn't new money; this is—

Mr. Tom Scrimger: I think I may be able to provide some clarification, but it will be for the CBC to confirm.

In dealing with a transferring of funds like this, we had two actions occurring. One was the \$60 million going in; the other one was the requirement for the \$13 million or so—which the CBC would have received, like all the other federal entities, related to salary increases—to come out. It became an accounting net of \$46 million. The way the CBC chooses to fund the \$13 million clawback of salary is not necessarily to take it from the \$60 million that they are receiving in the current year for additional programming. How the CBC chooses to handle the clawback is a question I'm afraid you'll have to ask them; it's an internal operation to the CBC.

What I think we're being confused with here is that you have two accounting entries, and we're focusing on the net.

Mr. Charlie Angus: Right. I was interested in the clawback and whether that money is remaining with CBC. Normally there's a \$60 million envelope that's added. We have an extraordinary situation whereby we have a year of clawback and we're getting \$46 million.

Mr. Stephen Wallace: I think I understand the drift of the question, Mr. Chair, on this one.

The clawback of \$13 million is against the overall appropriation of \$1 billion. It's about their overall salary budget and the fact that they will, like all other crowns and all other government departments, not get additional moneys. Their decisions with respect to what traditionally they've been doing with the \$60 million are entirely up to them.

Mr. Charlie Angus: Okay.

I wanted to follow up on a question my colleague from the Bloc asked about the "do not call" registry, because I had flagged it as well. Correct me if I'm wrong, but I think our honourable chair would be able to confirm that his previous committee, the industry committee, dealt with the "do not call" registry, because it was under Industry.

Is there an appropriation coming from Heritage and Industry, or is Heritage paying the shot? I'm worried that our poor Peter, our illustrious heritage minister, is being robbed to pay for Paul, their industry minister, and I want to make sure our money isn't covering off some other department.

• (1645)

Mr. Jean-Pierre Blais: No, I think it's a simple answer, that the CRTC is part of the Heritage portfolio, and from a Treasury Board perspective it belongs to our minister. But it's not coming from our budget.

Mr. Charlie Angus: Okay, thank you very much.

I was interested in the Michaëlle Jean Foundation, because \$3 million is a good chunk of change to start a program, especially to help underprivileged youth. Have the funding requirements for the program been put in place? Have the parameters for accessing those funds been set? Or is this money that's just been put aside and we're going to figure out the details later? Is this program operational now, and can people apply?

Mr. Tom Scrimger: It's not operational yet. We are working with the foundation now to work through the accountability, governance, and administrative components of the program. It will have to meet all the accountability requirements that Treasury Board has around the transfer of funds under contribution agreements—or grants, in this particular case.

Mr. Charlie Angus: Okay, so it hasn't met those requirements yet. I'm just interested in how a program like this gets off the ground, because there are so many programs out there and there's such a pressure for limited funds. Have the guidelines been laid out? Are you going to be able to hit the ground running, so that when the new budget is announced people will be able to apply for this fund and everything will be in place, or are we still looking at it?

Mr. Tom Scrimger: I think the other thing is that we're transferring the funding as a one-time grant into the foundation. It will be the foundation's operations and their practices that will decide how they will handle the applications coming in for it.

We have obviously a deep interest in ensuring, with the \$3 million grant going into the foundation, that the government's accountability, reporting, and performance requirements around that funding are met. We're in discussion with the foundation now, and we're looking forward to moving forward as quickly as we can to get this particular aspect of the funding off the ground.

Mr. Stephen Wallace: I'd just add, sir, that these types of arrangements are actually fairly typical of the end of most terms of Governors General, so we have some history and background on these kinds of arrangements.

The Chair: Thank you very much, Mr. Angus.

Thank you, Mr. Wallace.

Mr. Simms.

Mr. Scott Simms: Goodness knows I hate to belabour this, but I have to go back, because I just have to get some clarification. On one hand, it seems as if this is a normal measure for the CBC, out of the \$60 million, but it doesn't seem to be.

Here's what I'm saying. There is a measure of restraint that came out of the 2010 budget, which has to be accounted for; I get that. The salaries that you say you have to claw back from are specifically targeted towards the CBC. You control that; there is a measure of control there. But the CBC has negotiated salaries, so year over year there are increases.

So they had to make a decision to cut back on programming. Really, they didn't get \$60 million; they got that less \$13 million.

Mr. Stephen Wallace: If you don't mind, I'm going to try to answer that first. I apologize if I don't go all the way, but Mr. Blais will backfill on this one.

The \$13 million is across government, similar treatment of the fact that the government is not going to be providing for salary increases that have already been negotiated across the board, including the CBC. So every single government department will have to find that money from reallocating internally.

In the case of a \$1.1 billion operation, the CBC, they'll have to find \$13 million internally to be able to do so. It will make its own decisions about how it reallocates internally to be able to meet that particular financial pressure. It can do so through a series of things, particularly since it earns revenue, it gets appropriations, it has different funding programs that apply to it. It makes its own decisions about how it does so.

For example, in the case of Canadian Heritage, we went to our operational budget, our program budget, to look for savings in that respect. CBC will make its own decisions in that regard.

Mr. Scott Simms: All right. So it was their decision to take it from the \$60 million. Is that correct?

Mr. Jean-Pierre Blais: Not quite. It just happens to be the last....

If you owed me an amount of money in a first transaction, and we were doing a second transaction and you owed me money, it would be easier for us to do the set-off on the second transaction. That's all this does.

It's because the clawback is against the entire package of the appropriation, but because there was this last....

I'm not an accountant, so I can describe it in non-accounting terms, right?

• (1650)

Mr. Scott Simms: As you can tell, I'm not either.

Mr. Jean-Pierre Blais: It's the adjustment that occurs. The \$60 million was simply an opportunity to do the set-off at that point.

Mr. Scott Simms: It's certainly not an opportunity for them. They have to cut \$13 million in programming.

Mr. Jean-Pierre Blais: Well, everyone's like that. You see, the old rule used to be that any time salary negotiations occurred under a collective agreement, Treasury Board would raise everybody's appropriation. That's the rule that changed. Now every department has to, through gains in productivity, whatever other internal decisions they make—

Mr. Scott Simms: They're not a department. They have to increase anyway.

Mr. Jean-Pierre Blais: They're subject to the same rules.

The Chair: Okay, I'm going to try to explain this, because we've been talking about it for 15 minutes.

In the spring of 2009, the budget allocated a \$13 million increase for the 2010 salary budget for the CBC. So in budget 2009, the government gave the CBC \$13 million for next year's overall salary budget at the CBC. Subsequent to that decision to give the CBC an extra \$13 million for 2010 salaries, the government decided to freeze all budgets across the entire government at 2009 budget levels. Because of that, the \$13 million was no longer necessary.

It doesn't mean people's salaries aren't increasing; it simply means the global envelope for salaries isn't increasing. Therefore, there's an extra \$13 million that the CBC was given in the 2009 budget for 2010, that now can be used toward the \$60 million they need.

That's all that's going on. It's a simple accounting item.

Mr. Scott Simms: Good.

Mr. Charlie Angus: Does he get five minutes of questioning with you?

The Chair: Well, we'd been talking about this for 15 minutes.

We have to end here, because I'm going to quickly call the votes for members.

We have in front of us the following votes under Canadian Heritage: votes 5b, 15b, 40b, 45b, 50b, 55b, 65b, 80b, and 90b.

Seeing no more further debate on these votes, I'm going to call them.

CANADIAN HERITAGE

Department

Vote 5b—The grants listed in the Estimates and contributions.....\$31,757,713

Canadian Broadcasting Corporation

Vote 15b—Payments to the Canadian Broadcasting Corporation for operating expenditures.....\$46,238,911

Canadian Museum of Civilization

Vote 40b—Payments to the Canadian Museum of Civilization for operating and capital expenditures.....\$5,812,400

Canadian Museum of Nature

Vote 45b—Payments to the Canadian Museum of Nature for operating and capital expenditures.....\$2,794,147

Canadian Radio-Television and Telecommunications Commission

Vote 50b—Program expenditures.....\$2,553,902

Library and Archives of Canada

Vote 55b—Operating expenditures, the grants listed in the Estimates and contributions.....\$1

National Arts Centre Corporation

Vote 65b—Payments to the National Arts Centre Corporation for operating expenditures.....\$1

National Gallery of Canada

Vote 80b—Payments to the National Gallery of Canada for operating and capital expenditures.....\$1,685,898

National Museum of Science and Technology

Vote 90b—Payments to the National Museum of Science and Technology for operating and capital expenditures.....\$3,696,472

(Votes 5b, 15b, 40b, 45b, 50b, 55b, 65b, 80b, and 90b agreed to)

The Chair: Shall the chair report these nine votes under Canadian Heritage to the House?

Some hon. members: Agreed.

The Chair: The chair shall do so at the next opportunity.

Thank you very much to our three witnesses for your appearance. We'll suspend here for five minutes to allow us to go to committee business.

• _____ (Pause) _____

•

• (1655)

The Chair: We're coming out of suspension. We have four items of committee business to deal with.

We'll deal with the last item first.

I understand Mr. Galipeau is going to move a motion.

[*Translation*]

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Thank you, Mr. Chair.

The motion calls on the committee to approve a total of \$10,650 in expense reports for witnesses who have appeared before the committee.

[*English*]

The Chair: Mr. Galipeau has moved a motion for a budget of \$10,650 for our hearings on private television ownership changes. Is there any debate on this budget amount?

Go ahead, Mr. Angus.

Mr. Charlie Angus: Just for clarification, don't we normally set the budget at the beginning of our hearings?

The Chair: Yes, we do normally, but the clerk has just prepared it for me today.

We'll have Madame Lavallée.

[*Translation*]

Mrs. Carole Lavallée: I understand that we regularly have these types of motions. Usually, I have absolutely nothing against that. Even now, I don't know the exact amount of the expenses, but usually, it's the clerk or the chair that moves this kind of motion.

Why is Mr. Galipeau doing it this time?

[*English*]

The Chair: This is normal procedure. Normally, a member of a committee is supposed to move a motion to adopt a budget. That's the normal process. I know that most committees don't do that, but they aren't following the rules. The rule is that any one of the 11 of you can move to adopt a budget, so I asked Mr. Galipeau to move the motion to adopt the budget.

[*Translation*]

Mr. Royal Galipeau: Since I support the arts, I thought it would be fitting for me to move this motion.

Mrs. Carole Lavallée: You may support the arts, Mr. Galipeau, but earlier, you yelled out "shame" at the artists we were greeting.

[*English*]

The Chair: Okay. Is there any further...?

[*Translation*]

Mr. Royal Galipeau: No. First of all, I did not yell in English, as that's not something I do.

[*English*]

The Chair: Is there any further debate on the budget?

All those in favour?

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

The Chair: The budget is adopted. Thank you very much.

We now have three notices of motion from members of the committee.

We're going to begin with the motion from Madame Lavallée.

Madame Lavallée, would you please move your motion and then speak to it?

[*Translation*]

Mrs. Carole Lavallée: I will do so with great pleasure. As you know, there are currently agreements being negotiated, and it would be important for us, the Committee on Heritage, to be apprised of the status of those negotiations. For instance, as far as the free-trade agreement with the European Union goes, we must make absolutely certain that the terms of the treaty on cultural diversity that Canada promoted and signed will be upheld.

Therefore, I think it's extremely important to meet with the Minister of International Trade and his representatives so that they can update us on how the negotiations are going.

The same goes for the Anti-Counterfeiting Trade Agreement, ACTA. Negotiations surrounding this agreement have long been considered secret. According to the department's website, a draft version was released on October 2. I would like to understand the department's position on the issue.

It seems to me that if we could have a one-hour meeting on the free-trade agreement with the European Union—we could have other witnesses in attendance—and another one-hour meeting on the Anti-Counterfeiting Trade Agreement, ACTA, we could get a much better idea of the progress of the negotiations involved in these international agreements.

The Chair: Thank you, Ms. Lavallée.

[*English*]

Go ahead, Mr. Angus.

Mr. Charlie Angus: Thank you.

It is uncommon for the heritage committee to look at trade agreements. However, these are trade agreements that do have issues in terms of culture and copyright as part of the framework agreements that are being negotiated. I think it is incumbent upon us to at least be brought up to speed, and also, if we have concerns, to raise them. Otherwise, when you're dealing with agriculture and you're dealing with all the industrial concerns that are being brought to bear on these trade agreements, culture might not be noticed. I think it would be a good study for us.

I would suggest that certainly we'd want to hear officials on ACTA and officials on the EU. I would suggest that maybe we have a couple of days of hearings, because I think there will be people who probably want to give us a perspective on them as well.

The Chair: Thank you, Mr. Angus.

We'll have Mr. Del Mastro.

Mr. Dean Del Mastro: Thanks, Mr. Chair.

The Conservative members will vote against it. This is a matter for international trade.

The Chair: Thank you.

Mr. Simms.

Mr. Scott Simms: Well, I agree with Dean in that respect, but I will vote to support it, because I just want to know; there's a lot to do with cultural industries. We went through a lot in NAFTA. We still go through NAFTA. I think there's something to hear.

I'm not sure that Canadian Heritage is really the one that can provide the information, but I think we should get a trade representative—someone who's in the know—to come in here. We can have two days of hearings, if we wish.

I think it's a very interesting topic for us to discuss.

• (1700)

The Chair: Seeing no further debate, I will call the question on Madame Lavallée's motion.

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

The Chair: Thank you.

We'll deal with that in the new year. We'll book some meetings in February, when we get back from the break.

[*Translation*]

Mrs. Carole Lavallée: I have not yet seen the agenda for December, but if we could deal with that by the end of December...

The Chair: That won't be possible.

Mrs. Carole Lavallée: Would it be possible to do it as soon as we come back in January?

The Chair: We can't do it in January because we're meeting only once, on Tuesday, January 31.

Mrs. Carole Lavallée: Oh, right! I had not seen the calendar.

The Chair: We'll be here on Tuesday, January 31. So, we will hold the two meetings in February.

Mrs. Carole Lavallée: So, the first meeting will be held in February. Okay.

The Chair: We will hold the two meetings then.

[*English*]

The next motion under consideration is the notice of motion we have received from Mr. Angus.

Would you care to move it and speak to it?

Mr. Charlie Angus: Thank you, Mr. Chair. I would be proud to move it.

I brought this forward because we are now less than a year to the deadline for the digital transition. There will be major changeover in terms of how Canadians are going to view this. Even if we decide to hold off the digital transition, it has major impacts, especially in rural regions. Is CBC ready? Is private television ready?

I think it's something we need to be looking at. It has been raised a number of times over the last two years while we've been doing various studies: where are we going to be with the digital transition?

We can look at the United States. They had a big rollout in advance of the transition. It would be good to hear from representatives of broadcast and also representatives from various stakeholders or people who are concerned with the broadcasting industry to make sure when the signal happens, we're not going to be leaving anybody in the dark.

The Chair: Mr. Angus, you're proposing that one day of meetings be held?

Mr. Charlie Angus: I was thinking of between one and three days, depending on the interest we get. At this point, I think we need to hear from the major broadcasters—CBC, CTV—and then we have at least a day for some—

The Chair: Understood.

Mr. Del Mastro.

Mr. Dean Del Mastro: Mr. Chair, we'll oppose it. Given the recent takeover of Global Television, for example, the CRTC has demonstrated that it's moving to deal with this in a fashion that's not going to impact or cost Canadians by requiring that Shaw provide free satellite, free connection, free hook-up, and free installation of all over-the-air networks. I think the CRTC has demonstrated it is moving forward with a plan so that there is no impact on Canadians, just as they said they would.

The Chair: Madame Lavallée.

[*Translation*]

Mrs. Carole Lavallée: The Bloc Québécois supports motions like this one. I had actually moved this motion last year and, with the two or three other motions involving digital issues, it was modified to allow us to go ahead with the recently-conducted digital study. So, we couldn't agree more. This is an issue of great concern for me. I also know that the CRTC is conducting several studies on the subject. Some committees have made suggestions about digital transition because the current situation in broadcasting is very worrisome. It's also worrisome for the consumers. Those who still have "rabbit ears" at home are often poorly educated elderly people of a lower socio-economic status. Those people will need help in making the transition.

These are all reasons why we need to know in which direction we're headed. By the way, France has a terrific digital transition plan that includes a communications plan for all French citizens, intended to include them in the process and keep them informed. We need to have a look at what the Minister of Canadian Heritage has planned when it comes to digital transfer.

For all these worthy reasons, my colleague and I will support Mr. Angus' motion. However, we would first like to have a meeting with the Minister of International Trade. After that, we could begin the study and proceed in the correct order.

• (1705)

[*English*]

The Chair: Seeing no further debate on this motion, I will call the question.

All those in favour of the motion?

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

The Chair: We will now go to the third motion we've received notice for, and that is from Mr. Del Mastro.

Would you care to move and speak to your motion?

Mr. Dean Del Mastro: Very briefly, this would provide the opposition members an opportunity to meet with groups that are planning celebrations to commemorate the 200th anniversary of the War of 1812. The minister and I, members of the department, and members of Parks Canada have been conducting consultations with interested stakeholder groups.

I have tried to get this before the committee before. It's been rejected every time. I really think, given that the government has budgeted a significant amount of money, that members of the committee might want to know about this important historical event that will be celebrated not just in Quebec and Ontario but right across Canada, and what the efforts are that we're undertaking.

To me, this is a quintessential type of focus for a committee like this to review. I hope opposition members support it.

The Chair: Thank you very much, Mr. Del Mastro.

Madame Lavallée, and then Mr. Angus.

[*Translation*]

Mrs. Carole Lavallée: I can tell you that the Bloc Québécois is not very supportive of battle commemorations. If you want us to fire up the debate on the Battle of the Plains of Abraham and its commemoration again, we will oblige, but, just so you know, we will bring out our heavy artillery once again, and Quebecers will once again show that they don't like battle commemorations. First and foremost, we are pacifists and we do not enjoy glorifying such things as battles.

Second, the War of 1812 was a battle between Great Britain and the United States. It took place on Quebec and Canadian soil, but the fact remains that it was not a great battle and there is really nothing to celebrate about it. However, if you want to be proud of it, that's your prerogative. I'm not sure what your intentions are.

In addition, if I understood correctly, you want us to go meet with people, right? No. If we are to travel around, we will do it for other reasons, but certainly not for this. No thanks.

The Chair: Thank you, Ms. Lavallée.

Mr. Angus.

[*English*]

Mr. Charlie Angus: Thank you.

I guess I was a little confused there, because I thought there was a motion last year to study the Battle of the Plains of Abraham, and it came under intense fire from my colleagues from the Bloc, who were definitely opposed to that study.

I don't have a problem with this; my only concern is if we could hear some...or maybe Mr. Del Mastro could come back with some specifics.

I'm not interested in a long cross-Canada tour visiting battle sites. I'd love to do that in my summer. But if there are a few events we could go to—certainly Queenston Heights isn't all that far from here—we could probably do that. I think it would be good for us. We could put a couple of days into this and just get an overview.

I think that would be a good use of our time.

The Chair: If I could just put a plug in for this motion—I'm not going to be voting on this, obviously—the government has set aside significant money. I don't know how much it is.

Mr. Dean Del Mastro: It's significant.

The Chair: There is a significant amount of money—

Mr. Dean Del Mastro: If it were a 6/49 prize, there would be a lot of tickets sold.

The Chair: —to commemorate this 200th anniversary. It's not as big an anniversary as the 400th was, but it is a significant one nonetheless. The government has not yet decided exactly how it is going to spend that money. So I think a parliamentary committee, doing a study on it that would be reported to the House, could provide some valuable input on how that money should be spent.

For those members from the GTA, myself included, the oldest building in the city of Toronto is Fort York, and there are significant demands for commemorative exercises around that as well. There's also the Battle of Châteauguay in Quebec and the like.

So I think there's an opportunity to do this. Obviously we would undertake something like this after the two studies that have just been adopted, from Mr. Angus and Madame Lavallée, but I do think it's something the government might find useful.

Mr. Simms.

• (1710)

Mr. Scott Simms: Very briefly, I'm going to speak on this from a very personal perspective.

I want to congratulate Mr. Del Mastro for bringing this forward, and here's why. There is significant evidence that a substantial force known as the Royal Newfoundland Regiment was actually involved in the War of 1812. In the major burial, there's actually one person recognized as being part of the Newfoundland regiment. We were our own nation at the time.

I won't put it as an amendment in this motion, but I will say this: I hope and I plead that this will be part of the report, where we do get final recognition of a regiment that was involved.

So I wholeheartedly support this.

The Chair: Seeing no further debate on this motion, I will call the question, unless there's further debate.

Mr. Angus.

Mr. Charlie Angus: I'm not debating, I'm clarifying, because I just want to go back a bit.

My colleague Madame Lavallée is a tigress when it comes to defending her interests, but I am uncomfortable with the continual statement “my thing goes first because my motion comes in first”. We've always had a tradition at this committee that we sit down and plan out a schedule.

So if we're going to look at this, we might do this over a couple of months, because leaving the House might be difficult. I'm not averse to saying let's come back in February, let's have a plan, we'll have other issues, and we'll set up times to do it—as opposed to locking ourselves down and then we're all going to be out in the fields of Kingston in the first week of February in the snow, cursing Mr. Del Mastro.

Some hon. members: Oh, oh!

Mr. Charlie Angus: So I'm open, but I'd like to work it within our schedule.

The Chair: That's my understanding as chair.

Mr. Charlie Angus: Okay.

The Chair: The feedback I've received is the understanding you have.

Seeing no further debate on this motion, I'll call the question.

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

The Chair: Thank you for your cooperation.

This meeting is adjourned.

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