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# **Standing Committee on Canadian Heritage**

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# **EVIDENCE**

Wednesday, February 16, 2011

Chair

The Honourable Michael Chong

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**●** (1530)

[Translation]

The Chair (Hon. Michael Chong (Wellington—Halton Hills, CPC)): Welcome to the Standing Committee on Canadian Heritage. The date is February 16, 2011, and this is the 42nd meeting of our committee

[English]

Before we begin, I understand that Mr. Del Mastro would like to move....

Mr. Dean Del Mastro (Peterborough, CPC): Yes, thank you, Mr. Chair.

As you recall, at the end of the last meeting we were in consideration of a motion being brought by Mr. Angus. I'd like to see that dealt with at the beginning of this committee.

The Chair: Very well.

Mr. Dean Del Mastro: I think it can be disposed of.

I'd just like to say that I look forward to seeing an outstanding nomination that the vice-chair brought to this committee to talk about the CRTC.

**The Chair:** Okay. Is it the wish of the committee to have the motion put?

Mr. Angus, would you care to move your motion?

An hon. member: Wait. Just a second.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Chair, we agree, if the government party abstains. Otherwise, let's wait to the end, so our colleague can join us.

[English]

**The Chair:** Are you in agreement?

Mr. Pablo Rodriguez: I think it's a bit weird, but I'm okay with changing the vote and doing it right now.

The Chair: I understand that he's indicated—

Mr. Dean Del Mastro: You're going to win.

The Chair: —that they will allow the question to be put, and I'm confident that the results will be in your good graces.

Mr. Angus, would you care to move your motion?

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Yes, Mr. Chair, I'll move my motion forward.

**The Chair:** Thank you. The motion has been moved as it has been printed on the paper and distributed by the clerk. Is there any debate on the motion?

Seeing none, I'll call the question.

(Motion agreed to [See Minutes of Proceedings])

**The Chair:** The motion has been adopted. Thank you very much. [*Translation*]

Pursuant to Standing Order 108(2), we are undertaking a study of the mandate and funding of the CBC/Radio-Canada.

We have three witnesses with us: the Hon, James Moore, Minister of Canadian Heritage and Official Languages, and Mr. Jean and Mr. Blais, from the Department of Canadian Heritage. Welcome, gentlemen.

[English]

We'll begin with an opening statement.

[Translation]

Hon. James Moore (Minister of Canadian Heritage and Official Languages): Thank you, Mr. Chair.

Thank you to my colleagues on the committee.

[English]

As was mentioned first, I'd like to introduce those with whom I'm sharing my time here as witnesses. Many of you know Jean-Pierre Blais, who has been before this committee many times.

Daniel Jean, I believe it's your first time as Deputy Minister of Canadian Heritage before the heritage committee. I believe he has appeared with me before the official languages committee, but he is replacing Judith LaRocque, the long-time deputy minister. Maybe many of you have known Daniel Jean, and if you have not yet met him, this is your opportunity to first have an interaction with him.

I'm pleased they're both here. They'll be pleased to answer any questions if you have any directed to them.

I also appreciate the opportunity to talk with each of you and to have a conversation about Canada's national public broadcaster. The year 2011 marks the 75th anniversary of the creation of the CBC. It is in this context that I'd like to begin by sharing some facts that I often share with Canadians when I speak about arts and culture across the country, because I think they bear repeating, not only by myself but by all members of Parliament who believe in supporting Canada's creative economy.

Canada's arts and cultural sector employs more than 630,000 Canadians. It contributes more than \$46 billion to our gross domestic product. It is larger than Canada's insurance industry; it's larger than Canada's forest industry.

Our government has presented five budgets before the Parliament of Canada. In every one of our five budgets, we have increased funding for arts and culture. Unlike other governments in the G-8, our government made a decision in a time of recession not just to maintain funding for arts and culture, but to increase funding for arts and culture in a time of recession—not to cut, not to maintain funding, but to increase funding for the arts. It's no secret that when economies go into recession and governments get into financial trouble, arts and culture are often an early target for governments. In the current global context, this has been a reality for many in the G-8 and the G-20, but it hasn't been a fact with our government. We have made different choices, and we've done so for two broad reasons.

First, it's because of the social importance that arts and culture play in this country in building communities, in enhancing the quality of life of all Canadians, in national unity, in respecting our past and inspiring kids. The social contract that exists between government and citizen when it comes to supporting the arts is something that our government holds dear.

The second reason why we have not cut funding for the arts but have increased funding for the arts is because the arts are a massive generator of economic growth in our communities. Arts and culture means jobs. It also means economic development.

#### [Translation]

We recognize how important the arts are to building communities and investing in jobs for the digital age. The broadcasting industry is a prime example. And, as everyone in this room knows, the Canadian broadcasting system is unique. The challenges of geography, language, and our proximity to the United States have shaped our system and will continue to do so. Our broadcasting system makes a critically important contribution both to our society and to our economy.

We are currently going through a time in which our broadcasting system is changing. And consumers are adapting to the new environment. Canadians are moving toward more interactive experiences, and mobile technology is the future for news, information, and entertainment consumption.

# **●** (1535)

# [English]

New technology is providing Canadians with new opportunities. Shifts in technology and consumer habits have created new business models. Partnerships are emerging across the board. With these changes, our government has already taken some very important steps to ensure that our broadcasting system is among the best in the world.

One of our government's most significant commitments to our broadcasting system has been our commitment to funding the CBC.

I'm aware that there are some on this committee who do forget this from time to time, but I'd like to remind them that in the 2004, 2006, and 2008 campaign platforms of our government, and in our throne

speeches that followed the successful campaigns of 2006 and 2008, our government made very specific, clear, and simple commitments to CBC/Radio-Canada, and that was that a Conservative government under Prime Minister Harper would maintain or increase funding for the CBC.

As I said, the Minister of Finance has tabled five budgets in this Parliament, and in every single one of those budgets we have kept our word. The CBC currently receives the most secure levels of funding in its history.

In fact, Mr. Chair, I would take this opportunity as well to remind this committee that we maintained that commitment, even though we were elected in 2006, prior to the worst global recession the world has seen since the Second World War. Under tough economic circumstances, we maintained our commitment to the CBC; we maintained our commitment to Sandians to Support CBC/Radio-Canada.

Not only have we brought the stability that we said we would, but we've also done so after, obviously, a period of, frankly, cuts from the previous government that were devastating to CBC. Since 2006 we have also delivered steady and predictable funding that Canadians have asked for to the public broadcaster.

This is taxpayers' money, and as a crown corporation, CBC is accountable to Parliament, and, yes, especially to taxpayers. This includes Canadians who wish to file access to information requests with the public broadcaster. Through the Federal Accountability Act that Parliament passed, MPs from all parties worked together to pass measures that have made over 70 different government departments and agencies open to access to information for the very first time. We support access to information and believe it's the public's right to have effective legislation.

The CBC's disagreement with the Information Commissioner on this fact is well-known. Many of these disagreements the CBC has fought in court. Hubert Lacroix I know spoke about these disagreements at this committee back in December.

I'm encouraged by the comments the CBC has made about meeting the standards that are expected of them when it comes to access to information. But I do think that as parliamentarians we can all agree that we could all work together to pass tough measures, and that we would expect that all crown corporations, including CBC/Radio-Canada, comply with these rules.

As I've said, Hubert Lacroix, president and CEO of Société Radio-Canada, has made those commitments that things will improve over time, and we're encouraged by those comments.

When ordinary Canadians pick up their newspaper and they read a story about the CBC, we want to make sure they have full confidence that the CBC is fulfilling these obligations under access to information. I just wanted to put that out there, because I think this is an important element of accountability that our government has put forward. Our government has been concerned in the past with the CBC not following through on those access to information requests, but we look forward to those changes coming in the future.

Like all Canadian broadcasters, and in fact like most organizations, both in the public and private sphere, the CBC has had to make a number of difficult decisions during the past 24 months due to the global economic recession. Just like other Canadian companies, the CBC put forward their recovery plan. The CBC balanced its books, and today its future is extremely bright. This is in part due to the leadership of Mr. Hubert Lacroix, with whom I have a strong relationship and who deserves a great deal of credit for leading the CBC through structural changes that will serve the public broadcaster and Canadians for many years to come.

[Translation]

Let me say a few words about what lies ahead for the CBC. A few weeks ago, a new vision was announced with a new strategic plan to take it to 2015.

I am pleased to say that the Corporation's plan is to focus on regions, on digital content, and on Canadian programming.

Canadians in all communities across the country want to know about what is going on in their own neighbourhoods. They want to hear local news and discussion of local issues - the kind of regional programming that a public broadcaster is uniquely qualified to provide.

Canadians outside of large cities want to be able to benefit from access to premiere cultural programming from across the country on the radio or television.

Canadians want to see themselves reflected in the programming they enjoy.

**(1540)** 

[English]

As our national public broadcaster, the CBC is one of Canada's largest and most important cultural institutions. It's at the heart of Canada's infrastructure. Our government will continue to ensure that the CBC is supported, accountable, effective, and, most of all, ensures that Canadians in all parts of the country are informed, entertained, and connected with one another.

At this point, Mr. Chairman, I'd appreciate the opportunity to speak with you specifically about CBC/Radio-Canada, and I look forward to taking questions from members of the committee.

[Translation]

The Chair: Thank you, Minister.

The Minister will have to leave at 4:30, so we have 50 minutes to ask questions and make comments.

We will start with Mr. Rodriguez.

Mr. Pablo Rodriguez: Thank you, Mr. Chair.

Welcome, Minister, gentlemen.

Minister, first, I think the premises of your speech were mistaken when it comes to funding. You have also made cuts, the famous \$45 million in cuts from various programs. But let's focus on the CBC.

When your colleague the Minister of Citizenship and Immigration, Jason Kenney, left the caucus today, he gave an interview to

Lina Dib of the NTR network, that she recorded, in which he talked about Bev Oda and lies. Mr. Kenney said that in any event, the CBC lies all the time. Do you agree with Mr. Kenney?

**Hon. James Moore:** I have no comment on that. I have not experienced that, but he can speak for himself.

Mr. Pablo Rodriguez: Surely you will be hearing an excerpt, on the news.

**Hon. James Moore:** I have no comment. Those are other people's comments. I have not had that experience with the CBC.

**Mr. Pablo Rodriguez:** You will agree with me that it is a sensitive matter for him to say things like that on the very day when you are coming here to defend that institution and work with the committee for the good of the institution. It is sensitive, particularly when it comes from an influential member of Cabinet.

It is causes even more concern when we know that the CRTC has indicated that it will shortly be starting work on the CBC's licence renewal. Like the public, we think you are taking ideological control of the CRTC through these appointments. That means that the CBC is going to be applying for renewal of its licence to a CRTC that, over time, will be stacked with partisan appointments, including the one you recently made. So there is a lot of concern among the opposition when it comes to the CBC.

You said that Mr. Pentefountas, who has no direct experience, had no conflict of interest and was therefore a good appointment. You know Youppi, the Canadiens mascot in Montreal. I spoke about him recently. He hasn't got any experience either, and no conflict of interest. Would he also be a good appointment?

**Hon. James Moore:** First, that isn't what I said. Something has to be corrected.

First you talked about \$45 million in cuts in arts and culture. That is entirely false. Look at the figures. They come from budgets you supported. It includes an increase in government funding for arts and culture. The \$45 million you're talking about wasn't taken out of the arts. Those funds were transferred to other arts and culture projects, in particular a 20% increase in the budget of the Canada Council for the Arts. We also funded the Place de la Francophonie at the 2010 Vancouver Olympic and Paralympic Games. All of that money has been reinvested in arts and culture.

Second, you talked about the government's appointments. I find it somewhat interesting and frankly weak when you insinuate that our government is making partisan appointments. We're talking about the CBC. Mr. Gingras was appointed under the same process as in Mr. Pentefountas's case. It was the same day and Mr. Gingras was a Liberal Party of Canada candidate in your city, Montreal.

**●** (1545)

**Mr. Pablo Rodriguez:** We can talk about Mr. Gingras. You are stacking the CBC board of directors as well, because, on the question of Mr. Gingras, he also worked and actively campaigned for the Conservative Party in 2008. Perhaps he was a Liberal in the past, but today he is very clearly a Conservative and has been well rewarded for it.

Let's come back to the CBC's five-year strategic plan. Mr. Lacroix was here, and like you, I think he is doing an excellent job, along with the team around him. He presented us with a plan that provides for more Canadian content and more regional programming, and provides for using new platforms, but they have to have the money. He isn't asking for more money, but he says the CBC could not endure cuts. It can't be allowed to happen, it would be catastrophic. Can you guarantee that Mr. Lacroix will have the money needed over the next five years to carry out his action plan?

The Chair: Thank you, Mr. Rodriguez.

Hon. James Moore: I would like to say one thing.

[English]

As I said in my statement, I have a very strong, healthy, great working relationship with Hubert Lacroix. As I've said, I think he's done fantastic work at Société Radio-Canada. His five-year plan is what the government has asked for.

It's the vision that I think most Canadians have. It's what I've articulated, what we want to see with the CBC, which is a greater shift towards digital content, a greater shift to mobile devices, and more Canadian content. Everything I've read that Kirstine Stewart has said publicly so far, and what I see in the strategic plan so far—if I may be an observer on this, not just the minister—I think is great. I think we want to see more Canadian content at the CBC.

You've asked about funding. You can rest assured that we will continue to maintain our campaign commitment, and we won't do what the Liberals did, which was to cut the CBC by 40%.

The Chair: Thank you very much, Minister.

Madame Lavallée.

[Translation]

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Good afternoon and welcome, Minister, Mr. Blais, Mr. Jean.

If I'm not mistaken, the motion about Mr. Pentefountas' appointment was passed at the beginning of the meeting because you are prepared to answer questions.

**Hon. James Moore:** I am here to talk about the CBC. But you have the floor. You can ask any question you like.

Mrs. Carole Lavallée: Thank you.

**Hon. James Moore:** I'm glad you are satisfied with our policy on the CBC. If you like, you can talk about Mr. Pentefountas.

Mrs. Carole Lavallée: Excuse me, I didn't hear what I was satisfied with.

Hon. James Moore: I was talking about our policy on the CBC.

**Mrs. Carole Lavallée:** No, it's actually that I said to myself that I will have time to talk to you about it. We are always sensing hostility to the CBC form the Conservatives. Mr. Kenney's recent statement is another illustration. I'm going to come back to that question in any

I would like first to talk to you about Mr. Pentefountas because I don't have the impression you will be coming back to talk to us about that.

The CRTC published a position description on its site for a Vice-Chairperson of Broadcasting, full-time, with a salary range of \$190,400 to \$224,200.

The position description is extremely specific, and it says:

... the Vice-Chairperson is responsible for assisting the Chairperson in providing effective leadership to the Commission, assuming responsibility for broadcasting issues, and for providing executive support in the management of an independent regulatory body.

What we know about Mr. Pentefountas does not suggest to us that he is capable of filling this position. I don't want to read you the entire description of the position he is to fill and the qualifications he has to have, but it also says "a francophone is preferred". Not a Quebecker, I would just note.

I am wondering what you found in that position description that suggested to you that Mr. Pentefountas will be capable of filling the position. Can you start with that question, please?

**The Chair:** I would just like to say that the subject on the orders of the day is consideration of the mandate and funding of the CBC. You can ask questions about the Canadian Radio-television and Telecommunications Commission if it relates to the CBC.

[English]

So if you're asking questions about Mr. Pentefountas, that's in order provided they have a relation to the issue at hand, which is CBC/Radio-Canada.

I'll give you the latitude, Madame Lavallée, in this question you've just asked, to have the minister respond.

But I remind members that any questions you ask must have some relation, however tangential, to CBC/Radio-Canada.

Voices: Oh, oh!

The Chair: So go ahead, Minister, and answer the question.

• (1550)

[Translation]

**Hon. James Moore:** I think the purpose of Mr. Angus' motion was to invite Mr. Pentefountas to appear before the committee. He will be appearing. So you can see for yourself whether Mr. Pentefountas meets the requirements of the position of Vice-Chairperson of the CRTC.

In my opinion, he is qualified for the position, he is a quality individual. As I have said several times, we have replaced one Quebecker with another Quebecker. We said that during the election campaign, we want to make sure that Canadian diversity and linguistic duality are respected at the top of the CRTC.

I think he will do a good job, because he is responsible, well known, bilingual and educated. All of the rules surrounding the appointment process were the same as for every appointment the government makes. If I understand what has just happened at the committee, I think he will be appearing before you in the near future. You can then ask him these kinds of questions.

Mrs. Carole Lavallée: Minister, I don't know how you cam to choose Mr. Pentefountas—or perhaps I know too well—because there is nothing, absolutely nothing, in that position description that corresponds to what we know of Mr. Pentefountas' curriculum vitae. I even have to add that of the 308 members of the House, a good dozen can meet the requirements of the position much better than he can. I know a lot of people, and there may be six million people in Quebec who don't meet that profile. How is it that you have chosen someone for the sole reason that there is no conflict of interest? There are lots of people who have no conflict of interest. People who meet a position description like that one, very few. There were eight.

Hon. James Moore: I didn't say it was the only reason, but for a potential Vice-Chairperson of the CRTC it is an asset not to have a conflict of interest now or in the past or the future. Also, he is a quality individual, capable of performing all aspects of the job, and at the same time having the respect of the other members of the board. I am satisfied that he will do a good job for Canada.

Mrs. Carole Lavallée: Nowhere does it say there will be no conflict of interest.

[English]

The Chair: Thank you.

I'm going to reiterate that questions are in order about Mr. Pentefountas and about the CRTC if they relate in some way, however tangential, to CBC/Radio-Canada. The orders of the day indicate that this hearing is about CBC/Radio-Canada. So if you want to ask about Mr. Pentefountas and about the CRTC, you can, provided it somehow ties in to CBC/Radio-Canada. Otherwise, if it happens again, I will rule the question out of order.

Go ahead, Mr. Rodriguez.

[Translation]

Mr. Pablo Rodriguez: Mr. Chair, obviously there is a connection between Mr. Pentefountas' appointment as Vice-Chairperson of Broadcasting at the CRTC and the CBC, because the CRTC recently said it was going to examine the CBC's licence renewal application. Mr. Pentefountas will therefore be directly involved in the CBC's licence renewal. The reason we raise this question is that when the CBC goes before the CRTC, it will be appearing before Mr. Pentefountas. Since he is an ideological extension of the government, it will be difficult, do you see, Mr. Chair?

I would note that Youppi also has no conflict of interest. [English]

**The Chair:** The question, as you've posed it, Mr. Rodriguez, is in order, because you have tied it to Radio-Canada. I ask that members tie the questions to CBC/Radio-Canada.

The committee has adopted a motion, which the chair will execute, to have Mr. Pentefountas here to speak to his qualifications. You can direct your questions at that time without reference to CBC/Radio-Canada. But today, members of the public and members of this committee have convened specifically on CBC/Radio-Canada. All questions must relate in some way, however tangential, as you've just put it, to that issue.

[Translation]

Mrs. Lavallée, you have the floor.

**Mrs. Carole Lavallée:** Minister, I hope we will be able to invite you back to talk about Mr. Pentefountas' appointment.

Let's talk about the CBC's funding. The Conservatives certainly never cease to attack the CBC. On November 23, Mr. Del Mastro came here and said, in fact, that he wanted to privatize the CBC. That is his personal opinion, but still, he said...

[English]

Mr. Dean Del Mastro: I have a point of order.

[Translation]

Mrs. Carole Lavallée: Doesn't that relate to the CBC?

[English]

The Chair: Mr. Del Mastro, you have the floor.

**Mr. Dean Del Mastro:** Mr. Chairman, the member for the Bloc Québécois is taking my comments directly out of context. In fact, the member well knows that prior to the comments, I indicated that I was playing devil's advocate and that it was obviously not government policy. So I'd ask the member to reflect my comments appropriately.

**(1555)** 

The Chair: Thank you, Mr. Del Mastro.

It's not a point of order. However, I'd ask members of the committee not to use this forum to attack other members of the committee. If you want to attack—

[Translation]

Mrs. Carole Lavallée: I neither attacked him nor criticized him; I repeated what he said.

[English]

**The Chair:** If you want to critique the positions of other members, that's fine. But let's not use this as a forum to attack other members. Let's focus on the issues at hand.

[Translation]

Ms. Lavallée, you have the floor.

Mrs. Carole Lavallée: I didn't attack anyone, Minister, I assure you. I simply recalled what was said here, at the Canadian Heritage Committee. In other words, I'm not criticizing him, I'm recalling that Mr. Del Mastro said, in a way, that he wanted to privatize the CBC. Even in the House, I have heard people say they're afraid the CBC will be shut down, and the Conservatives rose as a block to applaud. There was the recent comment by Mr. Kenney and there have been a number of others. I could list all the things the Conservatives have said against the CBC.

In addition, in the preamble to your presentation, you say you are friends of the CBC, that it is going well and you have delivered the steady and predictable funding that Canadians have asked for. You may have delivered what Canadians asked for, but you have not delivered what "Radio-Canadiens" asked for. In fact, Mr. Lacroix, who was here, is asking specifically for that steady and predictable funding. Among other things, he is asking for the famous \$60 million to be part of his budget from now on, so he can stop begging for it every year and waiting anxiously for it.

Are you prepared to make an agreement with the CBC for more than two years? At present it's two years, but can you make a longer agreement, like other countries do, say five or six years, so the CBC can know exactly where it stands for the next five years, for example?

**Hon. James Moore:** And what does Mr. Pentefountas think of that policy?

Voices: Oh, oh!

Mrs. Carole Lavallée: We will invite you back, Minister, or we will ask Mr. Gingras instead.

**Hon. James Moore:** When we present our budget in the House of Commons, shortly, you will see our policy on the CBC. As I said at the outset, we made a promise. In 2007-2008, we presented our mandate. It is the mandate we were given by Canadian taxpayers; it is thanks to them that we form the Government of Canada.

We made a promise, and up to now it is very important to us. So there is no reason to doubt that it will continue to be in future.

[English]

The Chair: Merci.

Mr. Angus.

Mr. Charlie Angus: Thank you, Mr. Chair.

And thank you, Mr. Minister, for coming. I don't know what it is about your personality that turns our peaceable kingdom into a New York Islanders-Pittsburgh game every time you show up. But you're always welcome to come, and we certainly look forward to seeing you when Mr. Pentefountas comes back, if that's the wish of this committee.

I want to follow up on one of my colleague's questions, to focus it a little more. In 2008 we had an all-party recommendation in this committee about the stable funding of the CBC, including the \$60 million.

I know you can't tell us what's in the budget, but is this something that is being heard at the cabinet table, the importance of that funding?

Hon. James Moore: Raised awkwardly, but I get your point. It's well known obviously across the country that the \$60 million adjustable fund was something that came out of the 1996 review of the CBC that was done by the former Liberal government. There are two things that came out of that. The immediate one that came out was the CTF, and then in time came the \$60 million programming fund, and it has always been renewed on an annual basis for the CBC. That hasn't changed under our government.

I understand the concern. I understand the needs. I understand the request, and as I said, we'll see the politics and the policy of the government when we table our budget in the near future.

**Mr. Charlie Angus:** The other question that's outstanding in terms of funding, and Mr. Lacroix spoke to it a number of times, is that as long as CBC is able to continue its access to the Canada Media Fund the way it has done, it will be able to continue to invest heavily in Canadian programming. Do we see any changes at the Canada Media Fund in terms of CBC's ability to access it?

Hon. James Moore: I'll speak to that first, and then I'll invite Monsieur Blais to comment on this as well.

Obviously the Canada Media Fund is something that our government is very proud of. We think it's a modernization. It's an important exercise, and we're very proud of what it's done. There are certain parts to the Canada Media Fund-for example, the experimental stream, which is a proportion of the funds that are given to the Canada Media Fund over time—that I think over time may have some adjustment because of the kind of programming that's shifting. Look at technology and at what's migrating—for example, the explosion of Netflix, which is about more than Netflix; it is about creating consumer habit. Look at producers—actually I had a very interesting dinner last night with them-across the country and how they are struggling with this question of where audiences are currently migrating. That's going to be an ongoing conversation for the board of CMF about how they adjust that to make sure dollars are flowing to the creation of Canadian content for Canadian platforms. And Canadian platforms are moving because the public is energized and interested all the time with global technology-

**(1600)** 

Mr. Charlie Angus: But CBC is going to be part of that?

**Hon. James Moore:** Our decision on the CBC is not going to change. We have no plans to change that. You should know, though, in the dynamic of the Canada Media Fund over time, that the CBC is going to be getting more money from the CMF over time because of the nature of its program.

Mr. Charlie Angus: Thank you.

I'm sorry, Mr. Blais, but they only give me five minutes, and you see how brutal this chair is in terms of keeping order, so I have to move very quickly.

I want to ask about the comments of Minister Kenney. I know it's not for you to respond to what someone else says, but he's a senior minister who says that Radio-Canada lies all the time. His statements were backed up by Mr. Soudas, who said that the CBC reporter never lets facts get in the way of a good story. Part of the reason we had this study was the sense that there was an undermining of CBC.

Are you concerned when senior cabinet ministers and the press secretary for the Prime Minister say that the nation's broadcaster engages in lying when it comes to political reporting?

**Hon. James Moore:** First, I haven't seen the context, but what Jason Kenney said or didn't say is secondary.

Look, it hasn't been my experience with the CBC. As you know—and I've seen it, Charlie, and you've seen it—people debate all the time. Sometimes we pull our hair out and say, "I was at that event and that is just factually not what happened." That critique at times is aimed at journalists at all kinds of different organizations. Because the CBC is the public broadcaster and everybody pays into the CBC, obviously it is under a degree of scrutiny that other media organizations aren't, and I know the CBC and Hubert Lacroix are getting used to the criticism that comes from the left, the right, the public, from other broadcasters—

Mr. Charlie Angus: And from government.

**Hon. James Moore:** It is what it is. I'm not going to comment on comments from somebody else.

Mr. Charlie Angus: I just wanted to speak, though, to Mr. Kenney, because Mr. Kenney intervened in a CRTC decision and helped overturn a CRTC decision about an adjacent licence to the CBC broadcast signal in Toronto, at 98.7. He told the would-be licensee that he would overturn that decision, and it was done subsequently. And then Mr. Kenney told CBC they should apologize to the black community of Toronto for having stood in the way of this would-be licence.

I am concerned because it sends a message that any minister can intervene in the CRTC for whatever group. I have a letter from the broadcasters' technical coordinating committee, representing all the major media organizations. It said that if you allow these one-off interventions, it would drastically change the manner in which the rules are applied at the CRTC.

I'd like to ask you this. Do you attempt to hold other ministers in line, not to intervene on behalf of would-be licences to overturn CRTC decisions, as Mr. Kenney committed publicly he would do?

The Chair: Thank you, Mr. Angus.

Mr. Minister.

**Hon. James Moore:** You should know that I have, for sure, three, maybe four requests from NDP members of Parliament to intervene on CRTC decisions for radio stations in their ridings, Charlie.

**Mr. Charlie Angus:** Do you overturn the CRTC? Have you done it, as opposed to supporting it? This was overturning a decision, which is different from saying "I support". I mean, I support all kinds of licence applications, but Mr. Kenney said he would overturn it and it was done.

The Chair: Thank you, Mr. Angus.

Go ahead, Minister.

**Hon. James Moore:** Look, if you want to have Jason Kenney before this committee to talk about what Jason Kenney has said about a reporter to a reporter, or what Jason Kenney did or didn't say about diversity in radio broadcasting in Toronto, I invite you to invite Jason Kenney before this committee. I'm sure you—

**Mr. Charlie Angus:** You don't intervene on immigration and say you're going to overturn those decisions, but he does on broadcasting.

Hon. James Moore: He's also the-

The Chair: Thank you.

The chair is going to give the floor to Mr. Del Mastro.

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

I'm always interested when I hear comments like that. Was it a week ago that the opposition was standing and hollering in the House of Commons, pleading that we overrule the CRTC on UBB? And when we do it, somebody comes out and says, "I can't believe the government overruled the CRTC." You can flip back the other way and say the CRTC is a sacred cow that should never be overruled on anything, even when you put a release out a week before that, saying, "Somebody please overrule the CRTC." It's remarkable.

But I guess government is held to a higher standard, Minister. I'd like to say that I think you're setting the standard for the Minister of Canadian Heritage, and I think arts and culture groups from across this country have been very clear in that regard as they've come forward and talked about your support for the sector.

Specifically, on the CBC, because that's what we're here to speak about today, I noticed in your remarks that you commented on the CBC's five-year plan. The CBC has put forward a plan that requests no additional funding. They've put forward, I think, an aggressive five-year plan. They have a vision.

Have you reviewed that? Can I just have your thoughts on it?

**●** (1605)

**Hon. James Moore:** I have reviewed the five-year plan. As I said, Hubert Lacroix has had an open door policy in terms of discussing these issues. He and I have had free and very healthy, good debates and conversations in the past about how things ought to be, obviously respecting the boundary that needs to exist between the minister responsible and the independence of the CBC.

Funding questions are sometimes seen as a little bit more black and white. I've gotten the question here from Madame Lavallée about a five- or ten-year funding commitment to CBC and the question about the \$60 million programming fund. But it gets a little oversimplified, doesn't it? Some people say, "How much money are you going to give to the CBC? Is it going to be \$1.1 billion, \$1.2 billion? For how many years? Locked in? What about the \$60 million? Permanent or not?"

The challenges that the CBC and, frankly, all broadcasters have faced in the last three years are far more complicated than that. Don't forget, a third of the CBC's revenues come from advertising revenue, from outside sources—DVD sales, T-shirt sales, everything they do to raise funds from the outside. That's a third of their funding. All broadcasters saw a massive cratering of advertising revenue, so the challenges the CBC faced were a lot more than just how much money the government is going to give us and over how many years.

There were also some structural questions, for example, the sale of some assets that the CBC wanted to monetize in order to make some of the changes they've made structurally within the CBC that in the long term are going to serve the CBC. For example, there is the sale of their satellite radio holdings' storefront—in a parking lot in downtown Toronto, if my memory serves me—monetizing these assets, and doing it quickly, having it done through Treasury Board quickly so that CBC can have access to those funds quickly, so they can address some of the issues they're having in terms of cashflow because of a drop in advertising revenue.

We work with the CBC in a more intimate way than people understand on the financing side. Rather than just saying, when is the budget coming, how much are you going to give them, and for how many years, it's on an ongoing basis, and in a time of an economic crisis like we just had, it's having an open door, a healthy working relationship with the CBC, so we can tackle some of these funding issues head on and in a mature way. That's what we've had.

I've given Hubert Lacroix some praise here, but I think he genuinely deserves it for coming up with really creative and effective ways of making sure that the taxpayers' money they're getting has as much velocity as possible, so that Canadians see the end product, which is more Canadian content on their television screens, on their computer screens, on their portables, and on their radios.

**Mr. Dean Del Mastro:** I know our government was very proactive. If you look, for example, at the G-8 and G-20, we posted all of our expenses proactively. We put them out there for all Canadians. They're available.

You spoke a lot about access to information in your opening remarks. I think it's important, as a public entity—and it's not about attacking the CBC; it's simply about providing confidence to Canadians that their dollars are being well spent.

Whether it's true or not, there is a perception out there that sometimes CBC executives have in the past enjoyed some lavish perks. Do you think it's in CBC's interest to push this information back out, to make it available, and to demonstrate that they have absolutely nothing to hide from Canadians?

The Chair: Thank you, Mr. Del Mastro.

Minister, go ahead.

**Hon. James Moore:** Certainly it is, and it is with all of us. But look, we learned a lesson, didn't we, as members of Parliament in the spring, when there was a public perception that members of Parliament's expenses and also office budgets weren't as openly accessible. People were kind of curious.

It was actually a twofold critique that we had as members of Parliament: the ten percenter issue, number one, and the second issue was the issue of office expenses of members of Parliament. We readjusted. We got together across all party lines and said this is just not healthy that the public has this perception that we're wasting resources and are not accountable. We came up with a new formula that I think has been well served. It's gone forward. And I think crown corporations need to recognize that and CBC needs to recognize that, and I think they've heard the request from taxpayers.

**●** (1610)

The Chair: Thank you very much, Minister.

Madame Crombie.

Mrs. Bonnie Crombie: Thank you, Mr. Chairman.

Welcome, Minister. It's the first time we've had the opportunity to interact. I'm new on the committee.

I did want to go back to a question my colleague Madame Lavallée started. The Friends of CBC Peterborough were to come today but have been rescheduled due to time issues. And of course they were galvanized into action. I won't harp on this, but it was because of a comment the parliamentary secretary made that perhaps the government should reconsider being in the broadcasting business and should perhaps exit that business. So of course they were motivated and went into action, and they sent the Prime Minister 6,000 postcards, protesting. They were galvanized because of this, and they are very concerned—and I quote from a letter from them—that there is a suspicion, probably because of the sentiments of the

parliamentary secretary, that the CBC may be "crimped, cut, and underfunded and become a shadow of its former self". I wonder if you could speak to that?

**Hon. James Moore:** Sure. Look, there are worse quotes than that —I mean, come on—that have been said about the CBC in the past about funding for the CBC.

Look, I have a catalogue of quotes here: "...the CBC has been treated shabbily by successive administrations, downsized, underfunded, abandoned", from the *Toronto Star* in 1999. That's talking about the Liberal Party. There are all kinds of critiques, frankly, about the Liberal government and the CBC. I would suspect that you would argue that many of those critiques are unfair.

**Mrs. Bonnie Crombie:** They're concerned today, as a direct result of the parliamentary secretary's statements.

**Hon. James Moore:** I gather that's the case, and I suspect when they come before this committee the parliamentary secretary will have an earnest engagement with them.

Mrs. Bonnie Crombie: All right.

As my colleague Mr. Angus from the NDP had to ask you before, there was a motion from this committee back in February 2008 in a report defining distinctiveness and changing media landscape. This committee unanimously recommended that the \$60 million be permanently added to the corporation's core funding. I think we all agree that CBC deserves financial stability and security. Have you had discussions with CBC about extension of the \$60 million this fiscal year coming?

**Hon. James Moore:** Every year. Every year when the budget comes up, it's a time of discussion. The CBC obviously has a request that its funding be renewed. It should be noted, by the way, as was mentioned in the question by Mr. Del Mastro, that the CBC has not asked me and has not asked the finance minister for more money. They're not asking for more money. They're asking that the money that they've had so far be renewed.

Our government has tabled five budgets, and in the time of the worst economic recession, worse than what the Liberals faced in the early 1990s by magnitudes—we faced the worse economic recession since the Second World War—we made a commitment to maintain our funding for the CBC, and we kept our commitment in spite of incredible budgetary pressures in other directions. We maintained our commitment, and we're going to continue to do so.

**Mrs. Bonnie Crombie:** Great. Well, they're very eager to hear if their financing of \$60 million will continue as of April 1. Will you commit today to extending that money for their programming?

**Hon. James Moore:** Well, I'll commit today that the budget will be a great one delivered by Minister Flaherty, and you'll have an opportunity to vote for it if you see there's money in it.

Mrs. Bonnie Crombie: Minister, you know this is a yearly drama now—\$60 million—and it's getting kind of old. In fact it's rather embarrassing. It could be turned into a reality show, frankly, and account for some Canadian content on the CBC, wouldn't you think? But it's demeaning, it's unfair, and it's wrong that they have to come to you, cap in hand, every single year. Will you commit to securing the \$60 million for CBC as part of their annual programming costs?

**Hon. James Moore:** I will commit to maintaining the campaign commitment we made with Canadians, which was to maintain or increase funding for the CBC.

The \$60 million programming fund, by the way, Ms. Crombie, was begun by your party—

Mrs. Bonnie Crombie: Yes, I realize that.

**Hon. James Moore:** —and your party could have made it permanent and you chose not to. So before you throw rocks, you might want to consider where you're standing.

**Mrs. Bonnie Crombie:** Oh, I'm not throwing rocks. I'm looking for commitments, Minister.

In terms of stable funding, it's one thing, and we're delighted to hear you're on side, but it also doesn't account for inflation or rising costs. We know that CBC has entered into a collective agreement with a 1.5% salary increase, and they're going to have to find that money elsewhere.

So would you consider adjusting the allotment to CBC so that it accounts for inflation and rising costs? Otherwise, they'll have to make cuts.

**Hon. James Moore:** As I described in the question from Charlie, I believe, the relationship with the CBC is not as simple as you're outlining it, and the relationship when it comes to funding and supporting the CBC is not as simple as you're wanting it to be.

We work all the time with the CBC with Treasury Board submissions to ensure that they can capitalize assets, have access to funds ahead of time, in a different time and a different—

Mrs. Bonnie Crombie: Minister, I don't mean to cut you off. I apologize.

Hon. James Moore: I'm just trying to answer your question.

**Mrs. Bonnie Crombie:** I just have 30 seconds left and I have to ask you a very, very important question.

I understand that your party used clips of my leader. They were outtakes of speeches at a public event. They were used out of context in ads that your party is running. Did you have the permission of the CBC to use those clips?

I understand that you've done the same with Citytv and CTV, and you've sat down and negotiated with those two broadcasters, but you haven't done the same with the CBC.

• (1615)

The Chair: Thank you, Madam Crombie.

Minister.

Hon. James Moore: As I understand it, the process for using those clips was vetted through a legal process that was not dissimilar to a legal process that we've used for any other of our party advertising and that it was approved ahead of time. If you have questions about our party's advertising, you're more than free to invite the members of the Conservative—

Mrs. Bonnie Crombie: The CBC doesn't agree with that—The Chair: Okay.

Thank you very much, Minister.

Just to clarify, for the record, Madam Crombie, the three organizations that have been invited to appear for our third hearing on CBC/Radio-Canada are: L'Alliance de la francophonie de Timmins; Association canadienne-française de l'Ontario, région Temiskaming; and Friends of Canadian Broadcasting.

Mrs. Bonnie Crombie: Not CBC or-

The Chair: Not Friends of-

Mrs. Bonnie Crombie: —I Love CBC-Peterborough?

The Chair: That's correct.

Mrs. Bonnie Crombie: Well, then, it's a good thing I got it in

today.

The Chair: Thank you very much.

Madame Lavallée.

[Translation]

Mrs. Carole Lavallée: I want to come back to the fact that the Conservative government is very hostile to the CBC. In fact, we sense that in various ways. Minister, you have never been heard to distance yourself from criticism voiced or the various directions people want to give the CBC. For example, your parliamentary secretary said—in his personal capacity, but he said it nonetheless—that we should privatize the CBC. We have never heard you yourself, Minister, say that you didn't want...

[English]

Mr. Dean Del Mastro: A point of order.

[Translation]

The Chair: Mrs. Lavallée, Mr. Del Mastro has a point of order.

Mrs. Carole Lavallée: I didn't name Mr. Pentefountas.

[English]

The Chair: Mr. Del Mastro, go ahead.

Mr. Dean Del Mastro: Thank you very much, Mr. Chairman.

The member is actually making statements, implying through her statements quotes that she claims I have made. I made no such quotes. In fact, what I indicated prior to what I was saying, Mr. Chairman, was that it did not reflect the position of government. I encourage her to read the entire quote, because what she's actually doing, Mr. Chairman, is misrepresenting me before this committee, before the body, and I think it's entirely inappropriate.

The Chair: Thank you.

Mr. Dean Del Mastro: I can misrepresent Madame Lavallée—

The Chair: Thank you—

Mr. Dean Del Mastro: —all the time, if that's what she wants.

The Chair: —Mr. Del Mastro.

Mr. Dean Del Mastro: I'll have a lot of opportunities to do it—

The Chair: Mr. Del Mastro, thank you.

It's not a point of order. Members are free to express themselves on this committee. This committee is subject to the same immunity that members in the House have; however, I'd ask that members make sure their statements are accurate, that quotes attributed to other members are accurate, and that members not use this as a forum to attack other members. I'd like members of the committee to self-police themselves in this regard.

I'll give the floor back to Madame Lavallée.

[Translation]

Mrs. Carole Lavallée: Mr. Del Mastro said this: "... but do you think it's time that the Canadian government looks at it and says maybe it's time we get out of the broadcasting business and get into investing more money into content?" That is a quotation from November 23 at the Canadian Heritage Committee. That is from your parliamentary secretary, Mr. Moore. We have never heard you distance yourself clearly from that statement by your parliamentary secretary. Nor have we ever heard you say clearly that you supported the CBC and you would defend it to your caucus. We have never heard you say that.

Could we hear you say it today? You are sitting down and you have an excellent forum; the people are listening to you and drinking in your words. Could you tell us that you have confidence in the CBC and you support the CBC and its present mandate?

Hon. James Moore: As I have said several times, the CBC, throughout Canada, is an absolutely essential institution for the cultural industry in Canada. This organization, whose mandate is unparalleled, has a responsibility to bring Canadians together, to represent both official languages of Canada in every part of the country, and to broadcast in Northern Canada in eight Aboriginal languages. It has an enormous and difficult mandate, and it is a very difficult organization to lead in an economic crisis such as we have just experienced. That is why I said I had full confidence in Hubert Lacroix and his team. I have confidence in every decision they make for the CBC, and what they do with the money they receive for their mandate, which is to represent the interests of Canadians.

I also spoke here about the very recent appointment of Ms. Stuart. She has spoken publicly about getting moving and making changes to the CBC's programming to try to have more Canadian content. That is very important, Less *JEOPARDY!*, less *Wheel of Fortune*, and more Canadian content, those are things...

You're asking me to say positive things. I always say...

**●** (1620)

[English]

What I'm not going to get into, *ma collègue*—I've said it in French and I'll say it in English now. I don't want to, frankly, come to a committee and comment on his comments about those comments. I'm not here to play that game. I'm here to have a conversation about CBC/Radio-Canada and what its mandate is and how they're fulfilling it for Canadians. I'm here to tell you that as the minister responsible on behalf of Prime Minister Harper, I have confidence in Hubert Lacroix and his team and what they have done through the difficulties they've had because of the recession. We've done good work together. There will be more challenges in the future.

[Translation]

Mrs. Carole Lavallée: You don't want to privatize it. Is that clear?

Hon. James Moore: Yes, it's clear: we don't want to.

Mrs. Carole Lavallée: Let's talk about funding now...

[English]

Hon. James Moore: It's a conspiracy.

[Translation]

Mrs. Carole Lavallée: You said a moment ago that you believe the CBC currently receives the most secure levels of funding in its history. But Hubert Lacroix, who was here yesterday, thinks it is not so clear that his funding is secure. He said his funding was secure from year to year but he wasn't even sure he would have the famous \$60 million. Is it conceivable, for you, with such great confidence in the CBC and in Hubert Lacroix' team, to guarantee funding for the length of its licence?

Hon. James Moore: The best guarantee...

Mrs. Carole Lavallée: Five years.

**Hon. James Moore:** As I simply said, we asked the public to give us a mandate to govern. When we received that mandate, our platform clearly said that the Conservative government would maintain or increase the CBC's budget if Stephen Harper became Prime Minister of Canada. We have kept our promises.

**Mrs. Carole Lavallée:** Would you be prepared to do more, at the request of Hubert Lacroix, in whom you have confidence, and to guarantee the CBC five-year funding?

**Hon. James Moore:** Hubert Lacroix' request is more complex than that. As I said in answer to Mrs. Crombie's question, the work we are doing together is really a partnership between the government and the CBC. It isn't just a matter of discussing the level, the amount, the number of years, what the CBC does, etc. We have to have an effective, responsible and adult relationship, in that we have to talk about sometimes tough issues to make sure that the CBC's mandate is maintained and carried out for the benefit of Canadians. That is what we are doing, and we always work with the CBC.

[English]

The Chair: Merci.

We'll go to Mr. Richards.

Mr. Blake Richards (Wild Rose, CPC): Thank you, Mr. Chairman.

I appreciate your being here today, Minister.

Something that's on the top of my mind in relation to the CBC—it's been touched on a little bit already—is certainly the CBC's accountability when it comes to the Access to Information Act. So I'm going to ask a little further about that.

Mr. Lacroix has been here a couple of times recently. On both occasions, our party has asked him about CBC's distaste for complying with access to information. The last time he was here was as recently as last week. Actually, it was this week, pardon me. On both occasions, he responded by saying that they are open and they are accountable and they respond to requests in a more timely manner than they ever have before. The problem I have with that is that I don't really think the facts necessarily support this spin he's throwing at the committee.

You mentioned also in your opening comments something to the effect that when ordinary Canadians pick up their newspapers and read stories about the CBC refusing to release documents, it gives the perception that there's something to hide.

You also mentioned in your opening comments that as a corporation that's funded by taxpayers, you believe, and I certainly agree with you, that Canadians should know and deserve to know where their money is going.

I just wonder if you could elaborate and speak a little further to this issue for us.

Hon. James Moore: Sure. I think you've articulated well, as have others, the importance of this with regard to the credibility of the institution of the CBC. We've seen in other instances—and I don't even have to mention an example, because I think some will pop into people's minds—that when even a small sum of money is spent in a way that might be seen as a little bit dodgy, people will just say, "Well, that whole fund has to go, that whole program has to end", you name it.

I think this is something CBC has to be mindful of. When there are expenses that are made public, that are maybe sometimes troubling—and by the way, we face this as politicians all the time, so I'm not speaking, and none of us can speak, from the perch of virtue. We are all in a business that is full of examples of politicians doing things that are untoward. But you try to develop mechanisms not only to force accountability but also to inspire confidence among the public that the accountability mechanisms are being followed.

We've done our best as parliamentarians to do that, and we try to impose that. This is one of the reasons, if you remember back to 2006 when our government was first elected, that we had our five big priorities. Article number one, issue number one of our five big priorities was to bring in the Federal Accountability Act, which was to draw a number of crown corporations and agencies under the umbrella of responsibility for access to information requests. Included among them was the CBC.

The CBC has a responsibility to respect the access to information laws of this country and to comply with them as quickly and as effectively as they can, of course recognizing the fence that must divide journalistic integrity and professionalism and access to stories about how their day-to-day expenses are being spent. This is a mandate they've been given, and it's a responsibility they have. I suspect—even though we haven't seen it in the past, and there have been some critiques—that the message and the concern that people have raised about the CBC has been heard and that we will see better results in the future.

**●** (1625)

Mr. Blake Richards: Thank you.

When it comes to the rationale for having a public broadcaster, certainly one of the top items within that would be simply the idea of providing content to rural and more remote areas, and more specifically local content and local news to those areas that may not necessarily be as well served by private broadcasters as some of the more major urban areas are. So I just wanted to ask you a bit more about that, and about some of the plans the CBC has for using websites as a bit of a more cost-effective way to reach those areas, and about how important you think it is for CBC to focus on that role of serving regions with local content.

**Hon. James Moore:** I think the CBC's launching of its TOU.TV iPad app is fantastic. They're following in the steps of what the NFB has already done with their iPhone and iPad apps, and they're really fantastic. Again, Canadians are very proud of Canadian content, and, by the way, we invest a lot as Canadians into the creation of Canadian content through the Canada Media Fund, the Canada Council, and all kinds of mechanisms.

We spend a lot of money as Canadians to create Canadian content, which we want to be able to have on the platforms that are most flexible and that we choose to enjoy. What's really critical, I think, for the public broadcaster, what's really critical for the CBC for their long-term viability, to have that connection with the next generation of Canadians so they see the value and the importance of the CBC, is that CBC has to get very aggressive. They have done a good job so far, but I would encourage them to be even more aggressive in embracing digital platforms and new media. They really have to aggressively grab that and do a really good job.

The CBC Radio app on the iPhone is fantastic; the Société Radio-Canada...the French and English apps are both great. TOU.TV is great. The websites are interactive and more fluid than ever before. They've engaged Twitter well. They've done really good things, but that continuing migration onto digital platforms is something that really does need to be accelerated, because when the next generation of Canadians comes up and they're used to free content on the Internet, and they're using BitTorrent, they're using websites, they have pirated material, they're using free things, and they don't have a connection with the public broadcaster because of the barriers between them and Canadian content on the public broadcaster, and it's just too inconvenient and it's old-school technology to use a PVR in front of your television to watch TV.... If the public broadcaster isn't right there with young people, they're going to lose an audience, and they're going to lose that mandate and that appetite for Canadian content that can only be reached if young Canadians see the CBC as being on the front end of engaging them on platforms that are convenient for them—not convenient for the CBC, but convenient for kids.

The Chair: Thank you very much, Minister.

The last member before the minister departs is Mr. Simms.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Very quickly, I want to follow up on some of the themes Mr. Richards brought out, and I thank you for bringing up the regional aspect of it.

The pushing of digital platforms I wholeheartedly agree with. By way of comment, I have 193 towns in my riding and 60 of them have no access to broadband. It's one of those things where I agree with you wholeheartedly on pushing these platforms. The only thing is it's the proverbial horse pushing the cart instead of hauling it.

I hope you bring that back to 100% penetration on that issue.

About the expenses thing, correct me if I'm wrong, but my understanding of it—at least from their defence—was that some of the information that was not out there pertained to industry secrets, I'll say—things about programming and things about being involved. They are the public broadcaster, but it's a private world they operate in, so they're competitors. Is it not about that?

I get the feeling they're not fulfilling their transparency directives, but what are they?

**●** (1630)

**Hon. James Moore:** Well, the expectations are clear. They're in the Federal Accountability Act. I don't want to speak for them because they can speak for themselves. I don't want to misrepresent their defence of why they are where they are. The first one is an obvious one, and it's absolutely legitimate, which is to say that there has to be a boundary between journalistic privacy and so on, and what is and isn't public. There's that defence.

Then there's another one, of course, which is, to be blunt, that it's on TV. They have competitors who are doing a great number of access to information requests that are just overflowing the system, from their perspective.

They have to realize, though, CBC has to realize—and I think they do, I'm not criticizing them—that they are not a publicly funded competitor to the private sector. Their mandate is different. Their expectations are different. The social contract that exists between CBC and the country is different.

I'm not quite sure what you're referring to when you talk about trade secrets and that sort of stuff.

It's tough. This is a hard thing to follow-

Mr. Scott Simms: Give me an example.

**Hon. James Moore:** They have an expectation with the public that has to be met if the public is going to continue to have confidence in the public broadcaster.

**Mr. Scott Simms:** I agree, Minister. I'm just trying to come to the crux of this issue about what it is you expect them to fully expose.

Yes, they're a public broadcaster, but again, by design, by shared dint of getting eyeballs to watch their shows, they do have to compete. They bid on the Olympics; they operate themselves in a way that CTV or Global would.

How far do we go without infringing their ability to get programming and to get people watching?

**Hon. James Moore:** We think the access to information laws are pretty clear and the Federal Accountability Act is pretty clear. The expectations are very clear. As I said, some of these things are a little bit more grey than black and white, but the parts that are black and white need to be followed with great acuity.

The Chair: Thank you very much.

I want to thank the three witnesses for their appearance.

We'll suspend for a couple minutes to allow our next panel of witnesses to appear.

• (1630) (Pause)

• (1635)

**The Chair:** We are coming out of suspension on this 42nd meeting of the Standing Committee on Canadian Heritage. We have in front of us three witnesses: Mr. Jean, deputy minister of the department, welcome; Mr. Blais, assistant deputy minister for cultural affairs, welcome again to you as well;

[Translation]

and third, Mr. Bouchard, Executive Director, Portfolio Affairs. [English]

Mr. Simms, you have the floor.

**Mr. Scott Simms:** This is somewhat off on a tangent to a certain degree, but I do want to ask about.... I received some representation a few days ago about an impending situation with the CMF. The thing is that the people who are contributing, the stakeholders of the CMF, may now have a problem on the horizon. It means there will be people profiting from the material by the CMF, yet they're not paying into the CMF. I'm talking about the world of Netflix and over-the-top users and that sort of thing.

I'm interested in finding out how we come to some kind of a solution for this, because we do have...I'm wondering about that situation. Of course, I'm not directly asking about the CBC, but certainly they have a stake in this as well.

Mr. Jean-Pierre Blais (Assistant Deputy Minister, Cultural Affairs, Department of Canadian Heritage): It's disruptive technology. That's what happens when a player like Netflix and others enters the marketplace. I've been told the current Internet traffic in Canada related to Netflix may be as high as 5% already, and they just launched in September. Some broadcasters are concerned about what that means for them, because here's somebody coming in here

It's always been the reality in the country, because of our geographical location, that we've had.... Technology is allowing it here—having Netflix doing an offering—but we've always had content pouring over the border. That's why even in the 1920s and 1930s we created the CBC as a public voice to counterbalance what was happening on the airwaves. Our geography means we're close—we've always been close—to the Americans, who are the great exporters of cultural content. Now technology allows it to come from all over the world, and our programs continue to be there regardless of what platforms, to make sure Canadian choice is available.

Mr. Scott Simms: Do I have any time?

The Chair: You have one last question.

**Mr. Scott Simms:** I just want to go back again to an issue that was brought up in the last round of questions. The stable funding aspect of the \$60 million a year does not keep pace with production costs or other things. You only have to assume that production costs have increased in the past little while. That's certainly the result.

There's even the salary question. When the government had an initiative to freeze salaries, as we spoke a bit here before, it certainly was stable funding...I mean, they have contracts in place, and CBC certainly has employees to pay, and they're under contract. They have to increase the amount they pay employees or for other services, yet the stable funding aspect does not address that. Eventually, that has to be diminished, so the \$60 million is not worth.... That buck doesn't go as far as it used to.

**(1640)** 

Mr. Daniel Jean (Deputy Minister, Department of Canadian Heritage): Some of these challenges, the drive for efficiency and balancing the books, other crown corporations face as well. The government right now has asked all departments and agencies to absorb the salary increase of the last two years. This is something that other organizations have to face in the same way.

As the minister said earlier, this is a time where many other countries have reduced funding for public broadcasters or they have maintained—

Mr. Scott Simms: We've done the same.

The Chair: Thank you very much, Mr. Deputy Minister.

Mr. Del Mastro.

Mr. Dean Del Mastro: Thank you very much.

I just need to get some clarification before I ask my next question. I think it will be a pretty easy answer for you. Would any of you refer to yourselves as Conservative Party hacks?

Mr. Charlie Angus: You can just say "Conservative".

Mr. Dean Del Mastro: You can just say yes or no.

No. Okay. Good. I just needed to clarify that, because we never know where they're going to go with it next.

I want to ask you a direct question, because some allegations have been made here at the committee, and I know some folks out there, the Friends of Canadian Broadcasting, are running a massive fundraising campaign by perpetuating a lie, by taking quotes out of context and perpetuating a bold-faced lie, and raising money I believe representing themselves as the CBC and not as a group that solicits funds for their own purposes.

I'm just curious. Has the minister ever come to you and asked you to put together a package to privatize the CBC, to sell the CBC? Has anybody ever come to you and suggested this might be something the government is considering doing?

Mr. Daniel Jean: Go ahead.

**Mr. Jean-Pierre Blais:** When I appeared last time on this issue, I think it came from another side. The Broadcasting Act right now has both a public and a private component. You are the parliamentarians. You know the act says that, and the CBC's creation is provided for in the act. It's the act, and Parliament would have a word to say.

**Mr. Dean Del Mastro:** So nobody has came forward and said it's time to rewrite the act?

Mr. Jean-Pierre Blais: I haven't heard anyone say that.

**Mr. Dean Del Mastro:** You haven't heard it. That's great. That means nobody has come forward—

Mr. Jean-Pierre Blais: On this issue.

Mr. Dean Del Mastro: —because you would have heard it.

There's a great group of conspiracy theorists, and most of what they do is politically motivated. We talk a lot at this committee about how to get the most for Canadian artists. How do we take the investments we're making and build value into what they're creating? How do we help them? How do we make it bigger, better, generate better outcomes for them? I thought that was a goal of this committee. You should be able to have discussions where you can look at possibilities and kick things around and discuss best practices and so forth.

One of the things I'm finding is that you can't play devil's advocate. You can't have a discussion with industry experts without being concerned that certain comments could be taken out of context.

CBC has two over-the-air affiliates that it recently signed an agreement with, one in Peterborough and one in Kingston. I heard November 23 kicked around a number of times. Of course, as of November 23, it was looking as if they were not going to re-extend the agreement and that local broadcasting in Peterborough wouldn't be a CBC affiliate anymore.

Have you reviewed the CBC's five-year plan? Do you think it's a good idea that they're looking at a regional focus, that they're looking at re-engaging directly with Canadians all across the country? Do you think that's part of their mandate? I was kind of excited by it. I thought it was a good idea.

**●** (1645)

**Mr. Daniel Jean:** Absolutely. It's in the act that they must be both a mirror for the region and then bring national content to the region. The plan has three pillars: one pillar for Canadian content, one pillar for multi-platforms, like digital, and one for the regions. This means having local programming, being able to reflect the regions to the national audience, and being able to see the regions reflected in the national coverage.

**Mr. Dean Del Mastro:** The CBC gets a lot of support from the Canada Media Fund. They indicated that they put about \$400 million into Canadian content creation last year, for programming that aired on the CBC. How does the CBC access that fund, how much of the fund are they receiving, and have you heard any indications from them that they're happy with the way the fund is working?

The Chair: Thank you, Mr. Del Mastro.

Deputy.

**Mr. Daniel Jean:** They have to compete in bringing productions forward. I'll let Jean-Pierre give you the numbers for the last few years.

Mr. Jean-Pierre Blais: Until the recent reform of what used to be the Canadian Television Fund, which is now the Canada Media Fund, the CBC had a set envelope of 37%. It was both a floor and a ceiling. They got just 37%. Under the new CMF, they get to compete with other players. They in fact get nearly \$100 million of the CMF component. If you think about the total amount being about \$350 million, that's a good share of that amount. With the new rules of the CMF, where there will be even more emphasis put on prime-time first-run programming, they will continue to do well.

The Chair: Thank you.

Mr. Angus.

Mr. Charlie Angus: Thank you.

I'll start off, I think, maybe not directly on CBC. I hope the chair will indulge me in this.

When I was elected in 2004, I came in and I was told by every group I met that the sky was falling, that this digital tsunami was going to destroy all our little cultural institutions, and we had to protect these silos we built up in the 1970s. Maybe I felt a bit of a dissident at the time. I didn't think we needed to step in and stop the digital revolution. I thought there were a lot of opportunities.

We're now starting to see how the new platforms are emerging and how Canadian content is getting out there. But it means adjusting cultural policy along the way. On the issue of Netflix, from our party's perspective, we do not want to intervene in any way in the choice of Canadians to view what they want, when they want, and how they want. This is one of the fundamental facts of the digital realm. However, they do pose certain problems that have not been encountered before. For example, they're offering a wide variety of content very cheaply and they're not paying into the system; other people are paying into the system.

I don't want to put you on the spot, but have there been policy discussions about the emergence of new platforms? I don't necessarily mean Netflix. It's a very different world than what we were even imagining three and four years ago. At a policy level, do you look at this and ask how we ensure choice and how we ensure that our system continues to operate?

**Mr. Daniel Jean:** We always monitor what's happening in terms of market trends. As Jean-Pierre has said, there's always been the reality of an industry that is emerging and new channels that are coming that bring new market forces. So we're always monitoring the situation and talking to people in the industry to see whether there are things that need to be considered. But this is a fairly early phenomenon.

**Mr. Jean-Pierre Blais:** In a sense, we're all seeing it in the headlines. I can assure you that we were thinking about it way before it got to the headlines. That's how we do our work. It was on the horizon.

Last time I appeared, for instance, I talked about how we've renovated all our programs in one way or another to meet the digital economy, whether it's our magazine policy, our music policy, or the CMF, which was a reaction to the new platform reality. Netflix is another one. People will adapt. At first, when you're used to doing business in a certain way and there's this disruptive technology, you adapt. Interestingly enough, TOU.TV, which is a great model for Radio-Canada—it's come back to CBC to a certain degree—is a video-streaming service that's very competitive with the Netflix offerings, and they're doing quite well. As well, the NFB has offerings on those platforms.

Canadians are able to compete in this world. We shouldn't shirk and be afraid that we can't be as good as anybody else in the world. **●** (1650)

Mr. Charlie Angus: I certainly agree with you, and I think we are coming into a golden age in terms of our ability to get amazing product out there. You just have to look at the films being made and the television shows. Arcade Fire won the Grammy. We've been succeeding in music for decades, but I think our other platforms are starting to come up. And I think CBC plays a crucial role in that, because we need a place where we can start to see new voices and new players.

In terms of your examination of this five-year plan, we did a study two years ago. We heard from people across the country. We heard every possible viewpoint on the CBC. What we heard time and time again was that people wanted the strong central drama and sports ability of the CBC to compete, but they wanted CBC and Radio-Canada to have the resources in the regions to do the productions and carry the stories of the regions, because the centre can't tell the regions' stories. It's the regions that feed back into the centre and help create a stronger sense of national identity.

In looking at this five-year plan, do you feel that, even with the financial challenges they're facing, they have a plan that can address some of the concerns Canadians have raised about hearing themselves and seeing themselves on our national broadcaster?

**Mr. Daniel Jean:** They've certainly made a commitment in that five-year plan that they want to provide the opportunity for the regions to be seen nationally and for the regions to have their own mirror in terms of local information. There is certainly a strong commitment. As the minister said before, he certainly welcomes it.

Mr. Charlie Angus: Thank you.

The Chair: Thank you, Mr. Angus.

We'll go to Mr. Rodriguez.

[Translation]

Mr. Pablo Rodriguez: Thank you, Mr. Chair.

Good afternoon, gentlemen.

At what point is the CBC normally informed of the renewal of its \$60 million budget envelope for programming? In what month does the CBC get confirmation that it will receive it?

**Mr. Daniel Jean:** It is always during the budget year. It is a renewal in the context of a budget.

Mr. Pablo Rodriguez: They learn when they read the budget,

Mr. Daniel Jean: They learn at the time of the budget, yes.

**Mr. Pablo Rodriguez:** And it's always that way, that has been a tradition since 2001, right.

I just want to come back to the question of appointments, relating directly to the CBC. I am concerned about the quotation from the Minister that you have probably read in the various media. The CBC has to renew its licence, and whether we like it or not, you will agree with me that the CRTC has a large say in the process. We know how the CRTC, as an institution, has a say in the process, as do the individuals who make up the CRTC.

Could you tell me whether Mr. Pentefountas was recommended by your department? Is that how it works?

**Mr. Daniel Jean:** A moment ago the Minister described the selection process. There as an invitation for applications and an exercise of jurisdiction. Candidates were selected and some were interviewed. The process took its course. There was a selection committee, and normally we don't discuss the details of the committee. I think the Minister covered that point a moment ago.

Mr. Pablo Rodriguez: Perhaps not to my satisfaction.

Mrs. Carole Lavallée: Or to mine.

Mr. René Bouchard (Executive Director, Portfolio Affairs, Department of Canadian Heritage): I think the process that was followed is no different from the processes followed for other organizations.

**Mr. Pablo Rodriguez:** I'm not questioning the competence or neutrality of the people who make up your team. I am sure they are extremely competent. It's just the political interference that disturbs me somewhat in all that.

**Mr. René Bouchard:** As for any other appointment, the evaluation criteria are put on the table. They are set out in the position description or what is advertised in Canadian newspapers through the *Gazette* or website. As we said, the people applied, there is a selection committee, interviews are conducted. There is interaction among the various individuals who hear all these people.

Mr. Pablo Rodriguez: It is your department that does it?

**Mr. René Bouchard:** The Department of Canadian Heritage is responsible for appointments for the Department of Canadian Heritage.

Mr. Pablo Rodriguez: So at the end of it you have a recommendation.

Mr. René Bouchard: Yes, we have recommendations and that results in a Governor in Council decision.

**Mr. Pablo Rodriguez:** I understand. So if I follow your logic, you recommended Mr. Pentefountas.

• (1655)

**Mr. René Bouchard:** We make sure the process is conducted properly, carried out, in a professional manner, essentially.

Mr. Pablo Rodriguez: I have no doubt regarding your services.

Did you recommend Mr. Pentefountas?

**Mr. René Bouchard:** As I said, there is a selection process, people are interviewed, and based on the criteria that are established, we have...

**Mr. Pablo Rodriguez:** Have you been forbidden to answer my question?

Mr. René Bouchard: No, not really.

Mr. Pablo Rodriguez: So can you answer it?

**Mr. Daniel Jean:** In fact, we would not answer it in any other appointment process either.

Mr. Pablo Rodriguez: You aren't entitled to say who you recommended?

**Mr. Daniel Jean:** It is an order in council appointment process. So it's a process that comes from Cabinet...

The Chair: Excuse me, Mr. Jean, but Mr. Armstrong has a point of order.

[English]

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): What does this line of questioning have to do with the orders of the day? How does this affect our study on the CBC?

Badgering a witness over an appointment, when they've already established that they followed the proper process—what does that have to do with the orders of the day and the study on the CBC?

**The Chair:** In light of the comments made about Radio-Canada earlier today by a minister, Mr. Rodriguez was asking how the appointment process worked for this particular case. So tangentially it relates to CBC/Radio-Canada. I'll allow the question.

But I would ask the member to allow the public servants in front of us to answer their questions.

[Translation]

**Mr. Daniel Jean:** Mr. Rodriguez, no one has forbidden us to answer the question; it is our role, our function, that prohibits us from answering it. It is an order in council appointment, and we can never publicly disclose any advice that is given to a Cabinet committee. René has described the process that was put in place.

Mr. Pablo Rodriguez: Thank you.

I am learning; I have never dealt with this to date. I won't come back to that, but I am curious to know whether there wasn't partisanship in it. Appointments to the CRTC will have a direct consequence for the renewal of the CBC's licence.

How much time do I have left?

[English]

The Chair: One minute.

[Translation]

Mr. Pablo Rodriguez: You know that by giving the CBC the same budget, for one thing, you can say you are not cutting it. For another thing, we know that under the collective agreement bargained over several years, the directors are required to give a 1.5% increase. They are required to do that, they are bound by contract. They therefore have to make cuts elsewhere. Are you aware of that?

**Mr. Daniel Jean:** Yes. You probably also know, Mr. Rodriguez, that all departments and agencies are in exactly the same boat. Government and Crown departments and agencies had to absorb wage increases in the budget two years ago. This was in a situation of financial restrictions, fiscal constraints. In any event, as the Minister said a moment ago, in other countries there have been straight out cuts, while this allowed us some flexibility for managing, in a difficult fiscal situation.

Mr. Pablo Rodriguez: So...

The Chair: Thank you, Mr. Rodriguez and Mr. Jean.

According to the orders of the day,

[English]

we're supposed to stop at 5 o'clock.

[Translation]

But if it is the will of the committee, we can continue until 5:15.

Mrs. Carole Lavallée: And if we at least let Mr. Pomerleau speak?

[English]

**The Chair:** Mr. Brown would also like to make an intervention as well

Is it the will of the committee to continue for another 15 minutes? [Translation]

Mrs. Carole Lavallée: For those two, yes.

[English]

The Chair: For two more? Okay. We'll have two more rounds.

We'll have two more members pose their questions, beginning with Mr. Brown.

Mr. Patrick Brown (Barrie, CPC): Thank you, Mr. Chairman. I have two questions.

The first is just to follow up on Mr. Angus' point about regional voices. That's something that's particularly important to me, coming from Simcoe County, where there were concerns that some of the local TV might have been...their fate was in question.

It appears more encouraging now that that's not the case, but one of the tremendous benefits of the CBC, I think, is the fact that you have that guaranteed ability to put an emphasis on things that Canadians care about. Local TV and regional voices are things that Canadians care about, and I was pleased to see that referenced in the five-year plan.

The question I have is—it's an ambitious project to have those regional voices—how are you going to do that within an existing budget, assuming that it doesn't increase dramatically and you have the normal increases each year? How is that going to be possible? When I think of regional voices, do you not have to have people on the ground? If you're going to cover regional stories, you have to have infrastructure to do that.

How is it going to be possible to achieve that aspect of the fiveyear plan?

• (1700)

Mr. Daniel Jean: I think that is a good question that you could ask Mr. Lacroix of Radio-Canada, but certainly in conversations with them, this is also where the evolution of new technology sometimes makes things less expensive. Nowadays, with digital cameras, with a feed through the Internet, you can actually offer coverage and have the same journalistic coverage at a cheaper price. The technology also offers an opportunity to reduce some of your costs.

Mr. Patrick Brown: There are tremendous opportunities with technology. It was referenced by Mr. Lacroix. I like that you can log in to your local region and you'll see your regional news, you'll see your national news. But to cover a story, you have to have people on the ground. If it's a story in Thunder Bay or Trois-Rivières or Muskoka, you have to have someone there to do that. I think the

only realistic way to do that is by hiring people in partnerships who would be able to cover that project.

If we're serious about the goal of enabling regional voices, are there any exploratory ideas of how that would be achieved, or is it still in the elementary stages?

Mr. Jean-Pierre Blais: I don't know exactly how the CBC, which is independent from us, is going to do it, but I can tell you, broadly, from a broadcasting perspective, technology is enabling wonderful opportunities where you have citizen journalists. We see it in Toronto and Vancouver, because people are tapping into technology. They're actually the eyes and ears of many broadcasters. That's one opportunity.

But as the deputy mentioned, there's also the issue of lowering costs. One can't assume that everything costs more. In fact, you find productivity gains when you leverage technology.

That's really how they're going to do it. I think the minister was quite clear that it's a direction the government supports, but it's also one that every consultation has supported. Having both a mirror and a window into the country is a good thing. It's up to the CBC, and they themselves have given themselves that mandate to accomplish.

Mr. Patrick Brown: I just hope the implementation is realistic.

The other question I had is with regard to CBC sports. I realize one of their major success stories, obviously, has been their sports coverage over the last few decades. Some of their icons, if you look at the CBC, are people who are involved in that aspect, whether it's hockey or in earlier times when the CBC was more involved in the international coverage of sports, such as the Olympics.

My question is, given the fact that there's much more market competition now, and one day when they have to bid again for those contracts of professional sports, do you believe it's realistic for the CBC to continue to be that major player in covering Canadian sports?

**Mr. Daniel Jean:** With regard to programming, the CBC would have to answer. That's part of their independence.

Having said that, I did read the testimony from Mr. Lacroix. He certainly spoke about partnerships. We've seen in other countries where sometimes there are alliances between broadcasters to bid for something like the Olympics or other things like that.

The Chair: Monsieur Pomerleau.

[Translation]

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

Thank you for being here, even though I said goodbye just now. That was because we thought it was over.

Mr. Blais, I'm very happy you addressed the question of the origins of the CBC and the purpose for which it was founded, even if briefly: to give Canada a unique voice and real personality.

At present, the CBC is offering us a five-year strategic plan that seems to me to be very well done, that takes into account the new technologies, the availability of people, and the demographics of the country, which have changed. In view of the CBC's original mandate and its present mandate, what do you think of that plan?

My second question, which relates to the feasibility of it, is perhaps addressed to you, Mr. Bouchard. Because you are the one who handles Portfolio Affairs, I imagine it is you who deals with questions of money.

As we know, the CBC is going to receive the same funding, at least so we hope. It doesn't say that it's for five years, but we assume that the corporation is going to receive the same funding. But production costs will rise, as is the case everywhere. CBC/Radio-Canada agrees that it will look for additional revenue by making more use of advertising and making better use of its human, financial and physical assets, if we can put it that way.

What do you think of this financial aspect of it? Is the plan genuinely feasible?

**•** (1705)

Mr. Jean-Pierre Blais: I can answer your first question.

Certainly, as the Minister said, the CBC's plan reflects what we have heard, what the CBC has heard, and the recommendations of this committee itself. However, the process isn't over. There is the strategic plan, but the CBC's licence will shortly have to be renewed, and Canadians will have the chance to participate. Mine is not the only opinion that counts in that conversation. The CRTC's renewal process is entirely open. Canadians from one end of the country to the other, because it's their network, will be able to participate in the process.

The CRTC will begin that process at the end of this year or the beginning of next year. People will have an opportunity to take part in it.

**Mr. Roger Pomerleau:** Before letting Mr. Bouchard answer, will come back to you, as an individual or as a manager at the Department of Canadian Heritage. The CRTC is the one that will decide on the plan itself, the implementation of the plan, the techniques that will be used. So it isn't over, but it's the CRTC that will be handling the next phase.

**Mr. Jean-Pierre Blais:** At the first level, it is Parliament that decides the CBC's mandate. And you decided, in the act, what your expectations of the CBC would be. The strategic plan in question here seems to me to be consistent with the overall plan. The CRTC has a public process to establish the details in terms of how all that is implemented in each licence.

Mr. Roger Pomerleau: Right.

Mr. René Bouchard: In terms of the issue of costs, I would say there are a few points. As Mr. Jean and Mr. Blais pointed out a moment ago, costs may certainly rise over the years, but the new technologies may certainly also reduce costs. In fact, using fewer people and more cutting edge technology may make it possible to cover more ground, in both the literal and figurative sense, at less cost.

The CBC, like you, also alluded to an increase in advertising charges. For television, it is a 2.8% increase, if I'm not mistaken. They are also taking about an internal exercise to see whether costs can be distributed differently. There is also the question of managing the corporation's capital assets.

That is the overall menu that makes it possible for Hubert Lacroix to lay out that plan with...

**Mr. Roger Pomerleau:** As a manager, do you, at some point in the process, have to decide whether this is feasible, or how to do it left to the corporation's discretion?

**Mr. René Bouchard:** How to do it is left to the CBC's discretion, as is explained in the plan. However, as the Minister said a moment ago, for some points there is very open communication with the CBC, and we can help it where possible.

**Mr. Roger Pomerleau:** Generally speaking, what oversight measures does Canadian Heritage use to supervise CBC/Radio-Canada's plans and budgets? Is there some kind of supervision? How does it work? Do you meet with the people from the CBC at set times, or is it done regularly by telephone?

Mr. Jean-Pierre Blais: René will answer.

**Mr. René Bouchard:** The question of the CBC's accountability has several facets. For its capital budget, for example, the CBC will approach the Department of Canadian Heritage and submit its capital expenditure plan to Treasury Board, and it is then approved.

At other times, when it involves the business plan or business plan summary, the approach is different. The people at the CBC will share their business plan, as they have done. The summary will be tabled in the House of Commons through the Minister of Canadian Heritage.

There is a reporting structure or all sorts of legislation, be it the Official Languages Act or the Canadian Multiculturalism Act. In various regards, for various items, there is a responsibility, a reporting structure that keeps us informed. Communication is open between the government and the CBC on most of these aspects.

The Chair: Thank you, Mr. Pomerleau.

Thank you to our three witnesses.

[English]

Thank you to members of the committee for your cooperation. [*Translation*]

I would just like to inform you of one thing.

[English]

We've received from the House Bill C-573, An Act to establish Pope John Paul II Day. The deadline for the committee to consider this bill is June 13 of this year.

This meeting is adjourned.



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