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## **Standing Committee on Canadian Heritage**

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**EVIDENCE**

**Tuesday, March 21, 2017**

**Chair**

**The Honourable Hedy Fry**



## Standing Committee on Canadian Heritage

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• (1610)

[English]

**The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)):** Thank you, everyone, for being here.

I want to welcome Mr. Brault, director and chief executive officer of the Canada Council for the Arts. Thank you for coming.

I am sorry to keep you waiting. We have an hour with you, so we will go however long we need to today. You know how it works. You have 10 minutes to tell us what you want about the Canada Council, your future plans, and so on. Then, of course, we will have questions by members.

Mr. Brault, please begin.

**Mr. Simon Brault (Director and Chief Executive Officer, Canada Council for the Arts):** I gave you a copy of a deck in French and English. I will essentially do a very short summary of that presentation.

This year—actually next week, on March 28—the Canada Council is celebrating 60 years since our founding. It's a very exciting time for the Canada Council. We are very deeply engaged in a profound transformation and, I would say, refoundation of the organization. Over the last two years we have been reconfiguring all our granting programs to make them more simple, more effective, and more outcome driven.

Basically what we're trying to do as an arts council is to support the artists and the artistic organizations more on their own terms, as opposed to telling them what to do in order to get money from the Canada Council. It's a less prescriptive model. It's more a model that is really open and answering and responding in an agile way to the needs, possibilities, and opportunities expressed by artists and artistic organizations.

[Translation]

Last year, the federal budget announced the progressive doubling of the budget of the Canada Council for the Arts over a five-year period. We have just concluded the first of these five years, for which we received an additional \$40 million. For each following year until 2021, a \$35-million amount will be added.

The council published a strategic plan that describes the broad orientations of the organization for the next years. I have provided copies of the document. Of course, the council's investments are in line with these orientations.

[English]

In the context of the doubling of our budget, we committed in a very ambitious way to dedicating 88% of the \$500 million in new money directly to the arts sector. So there will be very little overhead. In fact, in the context of the doubling of our budget and with more volume in operations, our plan is to have only 16% more staff for that doubled operation. It's very aggressive, very ambitious, but also needed.

The first big project we had with the new money was to mark the occasion of the 150th anniversary of Canada. We created a program called “new chapter”.

[Translation]

In the context of that program, almost 2,100 exceptional projects were submitted to the Canada Council for the Arts. Those projects represented approximately 8.5 normal years of Canada Council subsidies. There is an immense demand. Unfortunately, we can only support close to 10% of those projects. We will soon be announcing which projects we decided to support.

[English]

The good news is that there are a lot of art projects across Canada, and those projects will really create what I would say is the artistic legacy of the 150th anniversary: unusual projects, unusual alliances between artists and artistic groups. We'll see over the years, but I think it will be a resounding success from an artistic and cultural point of view.

That's my presentation. I will be happy to answer any of your questions.

**The Chair:** Thank you very much.

We're going to have a question and answer period. In the first round of questions, you'll have seven minutes, which includes the questions and the answers.

We're going to begin with Mr. Breton, for the Liberals.

[Translation]

**Mr. Pierre Breton (Shefford, Lib.):** Thank you very much, Madam Chair.

Mr. Brault, thank you for being with us today.

I have a few questions with regard to the funding of the Canada Council for the Arts, even though you probably mentioned this in your written presentation.

You mentioned that in 2015, the council had announced changes to the previous funding model. I would like you to explain in some detail what those changes are, why you made them, and why the new model will be simpler or more advantageous for the organizations or individuals concerned.

• (1615)

**Mr. Simon Brault:** When I began to manage the Canada Council, it had approximately 147 programs. They were in fact a series of programs that allowed the council to meet needs in theatre, dance, the visual arts and literature. Each one of those disciplines had its own programs and subprograms. The system was extremely complex. Although the purpose of those programs was to increase the quantity of literature or theatre, it was particularly difficult to assess what impact they had on Canadians as a whole, and how they structured the cultural milieu.

We applied considerable effort to determining what those programs had in common. We realized that we could group all of these programs into six broad ones. For example, one program covers the entire international sphere. All artistic disciplines, whatever they may be, generally have an international component. Another program involves outreach in Canada. There is also one for aboriginal arts. Previously, support for aboriginal art was divided among the 147 programs. It was very difficult to establish a strategy. We also created three other programs. One of them will cover all innovation and creation in the future. Another program will support existing organizations that in a way represent the legacy of the past 60 years. Finally, there is a program that supports new artistic practice models.

By having far fewer programs we will be able to redesign them with reference to common objectives, with the help of concrete measures. We will also be able to compare the merit of the submissions we receive, no matter whom they come from and which artistic discipline they involve.

When we had to work with over 140 programs, things were very complicated. A few months ago we designed and launched a portal that allows any artist or aspiring artist to create a profile, somewhat like on Facebook, and allows them to see which programs they can apply for. People can describe their art and can automatically see whether they are eligible for any program within the Canada Council.

The objective is to simplify access, but also to allow us to measure the impact of our investment. Throughout the world people try to measure the quantitative and qualitative effects of public investments in arts and culture. The redesign of our programs allowed us to integrate those concerns into the architecture of our programs.

The fact that the council's budget was doubled allowed us to go further, that is to say not only to properly finance those programs, but also to create an extremely important strategic fund. Its purpose is to help the arts sector make a true transition to digital. Last week, there was broad media coverage of a summit in Montreal whose objective was to determine what the arts environment needs to adapt to the digital world and to be able to benefit from it rather than being its victim.

That is the reorganization we have carried out. Among other things, we had to organize teams and juries so that we can function

in a much simpler way, and so that ordinary mortals may also understand things more easily.

**Mr. Pierre Breton:** When will that be implemented?

**Mr. Simon Brault:** The new funding model will be launched in two weeks, on April 1, 2017. As I said earlier, we created the portal and we announced it in the last year. More than 16,000 artists and artistic organizations have already registered. They have not submitted applications yet, but they created their profile and they know where to submit requests. We are going to begin to receive applications in April and to make permanent investments as of next summer.

• (1620)

**Mr. Pierre Breton:** According to what I understand, the total budget of the Canada Council is \$550 million. Is that correct?

**Mr. Simon Brault:** No, before the increases last year, the council's annual budget was \$180 million. In 2021, it is going to be \$360 million. However, to arrive at that figure over the next five years, there will be gradual investments that will total \$550 million.

**Mr. Pierre Breton:** I understand. That is what the \$550 million corresponds to.

As for my next question, you have already broached the topic.

[English]

**The Chair:** You have one minute, Mr. Breton.

[Translation]

**Mr. Pierre Breton:** Very well, thank you.

Mr. Brault, you mentioned that part of that \$550 million would be allocated to the 150th anniversary of Confederation. I would like to know what part of that sum is allocated to that and what your focus will be.

**Mr. Simon Brault:** We have invested \$40 million, \$35 million of which will go to subsidies. Regarding those \$35 million, we are still receiving requests. Two thousand one hundred artistic projects were submitted to the council. We will probably choose 200 by the end of the process.

These projects are very varied. Some are theatre creation projects, several are in the multidisciplinary creation area, whereas many of them focus on the reconciliation between aboriginals and non-aboriginals. There is really a whole range of projects.

The fact remains that for us it is important that support be given to projects that would normally be out of reach for the artists or artistic organizations that propose them. It has to be something exceptional for those organizations or artists, as well as for the Canadian public. Some of those projects, in addition, will be given international exposure.

**Mr. Pierre Breton:** Thank you, Mr. Brault.

**Mr. Simon Brault:** Thank you.

[English]

**The Chair:** Thank you.

Now I will go to Mr. Van Loan, for the Conservatives.

**Hon. Peter Van Loan (York—Simcoe, CPC):** Thank you very much.

In my constituency I have, surprisingly to many people, a vibrant arts community. It's not that surprising when you think about it: we're on the periphery of the GTA, and of course many artists can't afford to live in an overheated market—even before it was overheated. We provide that proximity with an affordable cost of living—or it used to be—for many artists. It's been very attractive.

As a result, our community has had a tremendously vibrant arts community, with very impressive people in the fields of music, a vibrant community in semi-professional and professional theatre—the professional part until the Red Barn burned down. When it burned down, the loss was unfortunate, but there you are. We have the Georgina art gallery, again with high standards, benefiting from the fact that around Lake Simcoe you have wealthy cottagers willing to be benefactors of their collections in this extraordinary little venue.

From all of these groups I hear a common refrain about the Canada Council: it's an old boys' club, and they're locked out; they are never funded. Their funding applications always fail; it's rare to find one that is successful in my constituency.

I see that there is a commitment in your deck to increasing the proportion of grants that are made to new recipients, people who don't commonly receive them, but I want your comment on that perception, certainly in my constituency among the arts community, that the Canada Council is an old boys' club that doesn't include them.

**Mr. Simon Brault:** It's something I hear, as you can imagine. In your constituency, as in any of them, you have organizations and artists who are supported and some who are not. The arts sector and the arts in general, I would say after having lived 36 years in that sector, is a very highly competitive sector. I used to run the National Theatre School, for which we would audition 1,500 kids to take 10 to become professional actors. It's very competitive and will remain competitive.

With the new money, what we want to do is to be able to accommodate more artists. Also, we do not want to not force artists to create organizations over and over again. We think that model is exhausted.

Right now, the Canada Council is spending 64% of all of its money to support organizations with what we call “core funding”. The minute you start the year, then 65% of the money is committed to a ballet company, galleries, and all of that infrastructure.

What we want to do over the next five years is go to a situation whereby 50% of the money will go to core-funded organizations and 50% will remain free every year for newcomers and new projects, to have more movement in the way we.... To do that means we need to put 224% more money in what we call “project grants” to make sure there will be more movement in the entire system. I think it will be successful; I think it's needed.

Again, it will remain competitive. For the new chapter program that I just mentioned—the program for the 150th—we had many

applicants and recipients who are not the usual suspects, because these were only project grants, but the program was very competitive.

What I would tell people who say it's an old boys' club is that, first of all, it's not true; secondly, with the new programs, we're in new territory. With the new portal, you can create your profile, you can have a clear indication of what your eligibility is, and you can compete. There are open programs and there is more money, but you compete and prepare your application to be really good and convince the juries.

The decisions about who should get the money are made by jurors. Every year there is a rotation of probably 800 individuals coming from all over Canada who come to assess the applications, so it's not always the same people evaluating the projects.

We have, however, 16,000 clients in Canada, so it's large.

• (1625)

**The Chair:** You have two minutes left, Peter.

**Mr. Kevin Waugh (Saskatoon—Grasswood, CPC):** Your board structure is very interesting. You knew I was going to ask this question. You have a chair, you have a vice-chair, and you have nine members, but only three have been filled, so you have six vacancies.

**Mr. Simon Brault:** Actually, as of today we have five board members, and the total count should be eleven. I understand that in the very near future there will be appointments to completely fill the board. Yes, right now we only have five board members and we need eleven. It's coming.

There was a big announcement. I heard there were hundreds of people applying to be on the board of the Canada Council, and the government will make its decisions and appoint board members.

**Mr. Kevin Waugh:** But in an important year like this, when we're celebrating 150 years of Confederation, we have five board members, and we're short more?

**Mr. Simon Brault:** As a CEO, it's something I have absolutely no control over. This is a governmental and political process. We hope those positions will be filled very soon. Obviously what we did over the last few months was make sure we worked with the board members we have and continued the work no matter. We are, however, expecting appointments very soon.

**The Chair:** Thank you very much. Your time is up, Mr. Waugh.

We'll now go to Mr. Nantel for the NDP.

[*Translation*]

**Mr. Pierre Nantel (Longueuil—Saint-Hubert, NDP):** Thank you, Madam Chair.

Mr. Brault, thank you very much for being here.

Mr. Waugh's question is entirely relevant. In fact, we usually wait for the appointments to be made. The Liberals had promised to change and tidy up the nomination process, so it is possible that this process will be very long. However, at a given point, it will become problematic.

What are the criteria for someone to be appointed to this board? Obviously it is a very important board of directors. I want to point out that I have complete confidence in you. In this regard I can compare you to Ms. Braband at Telefilm Canada. Indeed, one still feels you have that fresh enthusiasm for your work, although you have been in the position for a long time. You have been with the Canada Council for the Arts for some 20 years, and no one is in a better position than you are to manage its evolution.

That said, that mutation is ambitious. You are integrating the new technologies, and in order to do so you have a very large budget, an unprecedented budget.

Among your new mandates, I suspect that you will be touching on the industrial sector—perhaps the word “industrial” is not the right word.

•(1630)

**Mr. Simon Brault:** I would say, rather, that it is a sectoral approach.

**Mr. Pierre Nantel:** There was talk at some point of replacing certain aspects of your affairs that are a bit weaker.

Will there be good representation from Quebec and francophones within the Canada Council for the Arts? Since you do not play a role in that, to whom should I address my question?

**Mr. Simon Brault:** Indeed, I do not play any role in that, since it is the government that makes the appointments.

However, I was myself vice-chair of the board of directors of the Canada Council for 10 years, and so I am very familiar with the council's perspective. When I began my mandate as chief executive officer, I was able to start work on the first day, because I had been vice-president for 10 years.

The board of directors has a governance role. The people appointed to the board are not there to manage the activities of the Canada Council; they are there to ensure that there is real oversight, that some healthy skepticism is brought to bear, and that the right questions are asked.

As we speak, the vice-chair of the council is Nathalie Bondil. She is in my opinion one of the most eminent specialists in the cultural sector. She comes from Quebec. Our director Pierre Lassonde is from the world of arts philanthropy. So there are still people on the board of directors of the Canada Council for the Arts who have a very good knowledge of the area and do their work very well.

We will see whom the government will appoint next. I hope it will try to represent the country's diversity and complexity, and appoint people who have an interest and a passion for the advancement of the arts in Canadian society. The Canada Council has always to my knowledge had very strong boards, regardless of the government in power, and very competent teams. So we await these appointments. That said, the work must continue to go forward.

As for our influence on the sector, the cultural economy in Canada, it needs to be said, amounts to almost \$50 billion. The Canada Council for the Arts, despite its budget which will reach \$310 million in 2021, remains a modest player in the sector as a whole.

Increasingly, whenever we intervene we try to analyze all of the inputs in the system and to see where we should intervene. We must act to further the situation of creators and artists. We do not seek to change the laws nor the industrial models that are broken; we cannot do that, it is outside of our purview. However, we have an irreplaceable power to act on all cultural industries and the cultural sector overall, and to ensure that we continue to support, value and fund creators who have the necessary time to reach excellent levels of creation that will allow Canada to continue to shine. That is our mission and that is what we are attempting to do.

**Mr. Pierre Nantel:** Please allow me to show some healthy skepticism, as you said. Could we see an intervention on the part of the Canada Council in sectors where creation is normally entrusted to other industrial sectors? For instance, I'm thinking of pop music, which is having trouble, as we saw recently. We could also talk about contemporary music, that is also funded by FACTOR and Musicaction, which is not very appropriate given its artistic nature.

Do you believe that you have a mandate to get involved in those changes?

**Mr. Simon Brault:** No. The Canada Council functions at arm's length from the government. When its budget was increased, its mandate was not broadened.

For example, in the publishing area, Heritage Canada deals with the industrial part, whether we are talking about literary publications or not. The Canada Council for its part has a great deal of interest in the situation of authors, and the status of literature. It is interested also in literary magazines and independent literary publishers, for the purpose of advancing literature.

In the same way when it comes to music, we are very interested in several musical genres, and even more in research and development and experimentation. Some of the artists we support become much better known at a certain point, and then function according to more industrial models. So there is a transition.

•(1635)

**Mr. Pierre Nantel:** The industry takes over.

**Mr. Simon Brault:** Yes, there is a transition.

That said, the Canada Council will continue basically to focus on arts and literature. We are talking here about creation and also the appreciation of the arts and literature by our citizens. It's very important that we do that.

I had the opportunity of studying a very large number of cultural policies around the world, especially regarding the digital aspect, and I can tell you that a great deal of thought went into these policies to resolve problems created by the disruption. Our position has always been that, ultimately, we have to support the creators. I think that is what we do, and that that is what will continue to be our focus.

**Mr. Pierre Nantel:** Of course.

In your..

[*English*]

**The Chair:** Mr. Nantel, your time has ended.

We now go to Mr. Vandal, for the Liberals.

**Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.):** Thank you.

[*Translation*]

Thank you, Mr. Brault.

[*English*]

I am very encouraged that within your strategic plan the Truth and Reconciliation Commission has quite a high profile.

I would like to know how, up to this point, your organization has reflected indigenous reality at both funding levels and how basically this is going to change. I see the TRC calls on the council to establish, as a funding priority, a strategy for indigenous and non-indigenous artists to undertake collaborative works and produce works that contribute to reconciliation.

I have a two-part question. What has the council done so far in terms of indigenous arts, and how will you contribute to reconciliation?

**Mr. Simon Brault:** On those two questions, the first thing I want to say is that the Canada Council announced, before the publication of the TRC report, our intention to reorganize completely the way we see the relationship with indigenous artists.

We took all the different programs in which there was a component addressing the needs of indigenous artists and announced that one of the six major programs of the council—its name is Creating, Knowing and Sharing—would support indigenous artists on their own terms. It's a program inspired by self-determination and self-governance, so there are many features in the program that are absolutely unique to the indigenous, Inuit, and Métis people.

In terms of reality, for instance, the Canada Council would not support the idea of cultural transmission, except for indigenous artists, because it's a reality and it's needed. We would support, for instance, the transmission by elders to younger artists. You don't see that anywhere else at the Canada Council.

We committed, in our strategic plan, to triple over the next five years the investment we are making to support indigenous art. We are, then, not only recontextualizing how we support indigenous art but also are adding more resources—and more rapidly, because in fact our investment will triple not over five years, but the bulk of it will happen over the next two years.

On the specific aspect of reconciliation—

**Mr. Dan Vandal:** Just quickly before you start on that, this will bring the overall percentage of the budget to approximately—?

**Mr. Simon Brault:** We will probably be at about 6.57%, because the way we always calculate it is to try to see what the percentage of the population is and the percentage of artists. We will probably reach something like 7% of all our grants going to indigenous art.

**Mr. Dan Vandal:** Is that once it's tripled?

**Mr. Simon Brault:** Yes.

In terms of reconciliation, we announced a project more than two years ago, co-funded by the Canada Council, the McConnell Foundation, and The Circle on Philanthropy and Aboriginal Peoples in Canada, to really support and fund artistic projects aimed at advancing reconciliation between indigenous and non-indigenous people. That project has been a resounding success. We've already funded amazing projects that had a huge impact. We renewed our commitment to it and we are now integrating this question of reconciliation as a permanent feature of our ongoing support for indigenous art.

We also said that any indigenous artist who wants to be supported by the Canada Council not by the program that has been created to support indigenous artists, but through other programs, can also take that road. We don't force anyone to take a specific road.

● (1640)

**Mr. Dan Vandal:** There's about a minute and a half left, so I'll pass the questions over to Julie.

**Ms. Julie Dabrusin (Toronto—Danforth, Lib.):** Thank you.

**The Chair:** There is exactly a minute and a half left.

**Ms. Julie Dabrusin:** You mentioned the digital summit, the Arts in a Digital World Summit that was held last week in Montreal. What were some of the main themes or solutions proposed to deal with digital disruption?

**Mr. Simon Brault:** We discovered three things. First of all, it's really important to realize that the less disrupted part, for the moment, of the entire ecosystem of culture and communication is really artistic creation. Everywhere else, if you look at the music industry; if you look at screen, no doubt; or if you look at the media, the level of disruption created by digital technology is huge. As you know, disruption is not an intention, but the result of new technology or a new model. Whether it's creating, rehearsing, practising, and developing a dance or writing a book, artistic creation is more or less the same as it was 40 years ago. What has changed is everything related to distribution, to mediation, to libraries, how we can engage; it's all better. That's one piece of good news.

The second piece of good news is that we can adapt, and we saw three very important needs. First of all, the level of literacy is still very low in the arts sector.

**Ms. Julie Dabrusin:** Do you mean digital literacy?

**Mr. Simon Brault:** It's digital literacy, or numeracy if you wish. There's a need to really make sure that the arts sector develops its collective intelligence of what the issues are and the possibilities related to digital. It needs to be done inside the sector, not making the sector dependent on agencies outside the sector.

So digital literacy is the first priority.

The second one is around the question of how we can develop new ways of engaging with citizens. Clearly the relationship that citizens have with any content, any experience, is transformed by digital. We think that there's a huge need to develop capacities there.

I will give you my favourite example now, the last thing I saw. Last year, in Avignon, France, there was a partnership between the Festival d'Avignon and a high-tech company. They developed goggles that allow translation in eight different languages, with subtitles in your goggles to see a show. If we were to have that in only two or three languages in Canada, already it would be fantastic. It's things such as that to make sure that we use technology to engage and enhance the experience of the audience and the people.

**The Chair:** Thank you, Mr. Brault.

**Mr. Simon Brault:** The third thing is the transformation of our organizations. The way it is organized, the arts sector is still very granular. As I said in some interviews, right now in Silicon Valley the giants of the Internet know the cultural preferences of 2.4 billion human beings. They know that about each of us. However, still, in any city in Canada, you'll see fights between the orchestra and the opera, who don't want to share their list of subscribers, so there's something that doesn't work.

**The Chair:** Thank you, Mr. Brault. I've allowed you to finish because it is fascinating, but we've gone over our time very much on this one.

**Mr. Simon Brault:** I'm sorry.

**The Chair:** Now we're going to move into a second round of questions. This is going to be a five-minute round.

We will begin with Mr. Waugh for the Conservatives.

**Mr. Kevin Waugh:** Just quickly, I'm going to pick up on this.

You make sound investments in initiatives that use digital technologies. Explain that. Who makes the decision? What is the sound investment?

**Mr. Simon Brault:** The first thing is that when we talk about investments to help the transition to digital, it's not necessarily investments in technology that we mean. Sometimes the solution is completely analog, but it's to adapt to the disruptions created by technology. If you merge three organizations, there is nothing technological about it, but maybe the scale they will have after the merger is exactly what they need to face digital disruption.

With an investment that has a technological component, we will still work with peer assessors—juries—but we will bring in scholars and experts on digital, because we don't necessarily have the expertise at the Canada Council or within the sector. We want to work with these people to make sure that the decisions are sound.

The last thing I want to say is that the investments we are making are all project-driven. An institution or an individual can apply, but

it's always for a project, because this fund is there for five years, and after that we'll see whether it's needed.

• (1645)

**Mr. Kevin Waugh:** Okay.

Mr. Maguire.

**Mr. Larry Maguire (Brandon—Souris, CPC):** Thanks to my colleague.

I was going to ask you a question about your digital technology and how you use it, but you've answered it. Thank you.

I have a question regarding your strategic plan from 2016 to 2021, which I see here. You have the four commitments that you have made, one being, of course, to raise the international profile of Canadian arts and artists, which is great. How we are doing that would be one straightforward question.

Just to throw an idea in here, one way I've seen it—we've had some sports analogies here in our study—is that there has been a pretty successful program for our Olympic athletes; we're top end, and this is what we're looking at here, to enhance everyone in the arts community. The Own the Podium program has been a fairly large success, I think they would say.

Have you thought of implementing anything like that, or is some of the funding you have used for those types of projects already?

**Mr. Simon Brault:** That is an excellent question. We have another kind of approach. The reason is that the Canada Council is not producing or commissioning the work. We get proposals from the artists and from the artistic community, and we are evaluating and ranking them in terms of their capacity to succeed. When we support something that goes on the international stage, it has already been created. It has been workshoped and presented in Edmonton or somewhere; it already has some kind of potential for success, so that we can see whether it can go up on the international stage. Someone doesn't come to us and say, I will create that work.

One way we are trying to work right now is not only to respond to the demand—and the demand for international...is very high now, especially from the young generation. Young Canadians create and do their work and now want it to go as soon as possible onto the international stage. It's very different from when I was young, when you were an artist and practised and showed your work over 20 years, and only then wanted to go international. It's a different world.

But the danger here is that you need to make sure that the work is mature enough and that there is a demand for it on the international stage. For example, we see right now that in terms of artistic content, Canadian literature is very strong. We also see huge interest in indigenous art, and that is very truly, profoundly Canadian.



We try to make sure, then, that we support the work when there is real potential. We also try to have a stronger partnership with Canadian Heritage and Global Affairs to see when an artistic presence could also coalesce with interests around cultural exports or the geopolitical interests of Canada, to make sure that we get as much mileage as we can from what we support.

We have doubled what we do. It will still remain only at around \$20 million of grants out of \$310 million in year five, so it's not the biggest program, but it's really important, and we think we can do a lot with it.

**The Chair:** I like that. That's fine.

Thank you, Mr. Maguire; we've ended your time.

Now we're going to go to Mr. O'Regan.

**Mr. Seamus O'Regan (St. John's South—Mount Pearl, Lib.):** I want to build on what my colleague mentioned about international exposure and creating exportable product. Based on a statement by colleague Gудie Hutchings in the House today, at the musical *Come From Away*, which just premiered on Broadway on Sunday and which the Prime Minister visited on Wednesday, there were many Newfoundlanders present. I believe the Canada Council was involved in it.

I'm just wondering, is this among your criteria? I imagine everybody has to be happy when a Canadian product sells well on the international stage and gets such limelight and good reviews.

• (1650)

**Mr. Simon Brault:** We're happy, for sure.

**Mr. Seamus O'Regan:** Is it purposeful?

**Mr. Simon Brault:** When we look at a product or a show like that, Canada Council is somewhere, because we supported the writers, we supported the actors.... Those things don't happen overnight; they happen because we have an ecosystem that is strong enough, mature enough, and diverse enough to be able to create them.

The purpose of the Canada Council is not first and foremost to make sure that we export viable products. Our role is to make sure that there's an ecosystem that is qualitatively and quantitatively strong enough to be able to produce such shows, because when we invest in something, we never know what will happen with them.

When we started to fund Robert Lepage, I was at that time a member of the juries, because I was in the theatre world, and there were endless discussions on whether it was theatre, because there's no text—it's not text-driven—and all that. He's one of the best-known Canadians around the world. Everybody thinks now that he's a genius, but the first time I was on a jury and we supported his first project, it was not obvious.

Our role is to make sure that we invest and have the infrastructure to produce those incredible successes. Some of them will have an international life, and some of them will never have an international life, but when it happens, it needs to be celebrated and to be supported. Usually when it happens at that scale, you also need to have the right partnerships in terms of public-private funding, and they can happen.

Yes, it's a great success, and there will be more to come, I'm sure.

**Mr. Seamus O'Regan:** You mentioned “not the usual suspects”. Could you illustrate that for us? You were referring to—

**Mr. Simon Brault:** Do you mean when we had the applicants?

We committed to having 25% of the new money—which is a lot of money, roughly \$137 million—go to first-time applicants to the Canada Council, because we exactly wanted to address the question of its being an old boys' club. It's a huge proportion of the new money, so it means that we are now inviting many artists and many collaborations between artists and organizations that are not usual. This sector is quite used to being very competitive, and we realize that if we want to score high in the digital era and on the international stage, we need to work less in silos and more through cooperation.

We are encouraging this, and digital is the only way. We will not succeed by continuously trying to get a crumb from the cake, but more by trying to cook together a better and more interesting cake.

**Mr. Seamus O'Regan:** That's an excellent stretching of the metaphor, sir.

**Some hon. members:** Oh, oh!

**Mr. Simon Brault:** I know—especially in English, for me.

**Mr. Seamus O'Regan:** No, it's very good.

**The Chair:** You have a minute left.

**Mr. Seamus O'Regan:** Let me ask this. My colleague Mr. Waugh brought up technology. It's true that our nightmare would be that you buy crates of Windows '97. What you're saying is that sometimes the best answer is analog, and we're dealing with that in various reports we're working on. There are pluses and minuses to technology, and certainly accessibility can only be increased through technology, but I'm sure there are some liabilities as well.

Perhaps you could just—

**Mr. Simon Brault:** Yes, I think what we see now is that the digital transformation of an organization or a sector need not be technology-specific. The transformation is about how we think, how we work, how we engage, how we create, how we share. Technology is [*Inaudible—Editor*].

We're trying to caution the sector about that.

**The Chair:** Excuse me, we're having a technical problem here.

**Mr. Simon Brault:** Talking about technology...

**Some hon. members:** Oh, oh!

**An hon. member:** You're right on cue.

**The Chair:** We started at 10 minutes after four, so giving us the hour, we should be finished by 10 minutes after five, and we have Mr. Maguire, Mr. Samson, and Mr. Nantel to come. That's 15 minutes, and we only have 10 minutes left. Given that the bells begin at 5:15, do you want to round this off to another five minutes, and then we will have the bells?

What does the committee feel?

•(1655)

**Mr. Darrell Samson (Sackville—Preston—Chezzetcook, Lib.):** I guess we could have five-minute turns. You're not going to change the world in five minutes. You might try, but—

**The Chair:** Apparently the system is freezing, and the technician cannot control the microphones. Now, that's all Greek to me; I don't know what it means, but—

**An hon. member:** Does that mean we have to turn them on and off ourselves?

**The Chair:** Do we turn them on and off ourselves?

**A voice:** No, it just turns off by itself.

**Mr. Darrell Samson:** Your questions will have to be bilingual.

**The Chair:** All right. You had just come to the end, Mr. O'Regan. I'm going to go now to Mr. Maguire, to see whether we can continue.

**Mr. Larry Maguire:** Thank you.

I have a couple of questions, going back to your annual report in 2016, before they brought the new strategic plan forward. Your annual report indicated that you had identified four risks relating to the increased funding coming in and that sort of thing. Of course, there are risks with that, I guess. You've identified four of them.

One of them was the inability to demonstrate results. Can you just explain that? I think this is important. What have you done to alleviate that risk, and how do you mitigate it? Maybe my colleague Mr. Van Loan mentioned one of them earlier. What other areas can you—?

**Mr. Simon Brault:** Actually, the most fundamental change we made, because we redesigned our programs to move from 147 to six, was to create for each program a logic model wherein outcomes are clearly articulated. We also identified measurements that are short-term, long-term, middle-term measurements, quantitative and qualitative. We also created and developed a framework of measurement with our research department.

Obviously, with the new portal and the new programs, the key is to be able to capture the different indicators and information and data that is needed to measure them. I would say that measurement has been a huge driver of the new funding model of the Canada Council.

What we're trying to do at the same time is avoid imposing on the artists or the artists' organizations the demonstration that everything they do is contributing to the outcome. It's our job at the Canada Council to measure this. We don't want to tell artists, "Do this, because it produces that outcome." That's a road to mediocrity.

The Canada Council now is continuing to develop this, but we want to have the most robust system worldwide to measure the qualitative and quantitative impact of arts investment. Frankly, it has been a kind of obsession in all my life as a cultural expert to get to that point, and we are almost there.

Thank you for the question. It's a really important topic.

**Mr. Larry Maguire:** Looking as well at the Auditor General's view, I'm wondering whether you can indicate whether you think the Auditor General is going to conduct a review again—the new special

examination that they're to look at—of your operations in the near future. Is it ongoing? Is it one of the things that were in there?

**Mr. Simon Brault:** I was the vice-chair and the chair of the audit committee for the last audit, and one of the main recommendations 12 years ago was that we should have fewer programs. We fixed that; it's done. Now, when the Auditor General starts his special exam, the plan will be presented to our board—sometime in June, I guess—and they will start the work. I'm expecting that they will examine other aspects, but it's an ongoing kind of work. We have internal audits and external audits, plus the special exam. It's the very beginning of the process, and we'll see what the findings are, but I think we can say today that we addressed all the remarks that were made during the last special exam.

**Mr. Larry Maguire:** Your revenues from investments have increased from \$12.5 million to \$22.5 million—by some \$10 million this year—or have just about doubled. Can you indicate, concerning the reference that said that the change is attributable to the increased returns on your global equity funds...? Can you elaborate on what kind of investments were made there?

•(1700)

**Mr. Simon Brault:** We have a portfolio that is in fact supporting part of the operations of the Canada Council, and especially the prizes of the Canada Council. These are endowed funds. The reason we have more revenue is both that we rebalanced that portfolio and also—because we're always on a cash basis at the Canada Council—that we made some transactions while reorganizing the portfolio so that it generated more money.

We aim to be able to generate every year 4% or 5%. This is what we want in order to sustain the prizes and the special programs that are supported by the endowment.

**The Chair:** Thank you.

Mr. Samson.

**Mr. Darrell Samson:** Great.

[*Translation*]

Mr. Brault, thank you for your presentation and for the answers you have provided. This has been very interesting.

First of all, I find the idea that 25% of the new funds will be awarded to new applicants extremely interesting; that will be beneficial. I am always worried about the fact that it can be experts in certain areas who fill out the forms and always wind up being the ones who get the grants. We see that happening in several departments. And so I find it very interesting that you have dealt with that aspect.

There is something I heard, and I want to make sure that I understood correctly. Different people do the evaluations every year. If that is indeed the case, can you tell us more about that?

**Mr. Simon Brault:** Until now, peer assessment committees changed every year. Under the new funding model, we will have a combination of both systems. On the one hand, there will be permanent peer assessment committees. It will be very transparent, as everyone will know right from the outset who will sit on those committees. The members of these committees will sit for two or three years. We understand that there has to be a continuing awareness of what is happening in a milieu. There will also be special committees to evaluate projects that are more out of the ordinary. We want to ensure that there is a variety of peers, and credibility.

I always tell my teams that I want everyone, whether they agree with the final decision or not, to be able to see that the people on the committee that made the decision are experts, and that the decisions are not always made by the same people.

**Mr. Darrell Samson:** Thank you.

How does the Canada Council for the Arts provide support to official language communities and to visible minorities?

**Mr. Simon Brault:** We are required to provide particular programs to support linguistic minority communities. We meet with those communities and deal directly with them. We try to determine their overall priorities. We have an adjustment mechanism to support special initiatives to allow outreach by those communities so that they can find new markets.

Regarding diversity and inclusion, we have policies, special funds and an adjustment mechanism to help marginalized groups in society, or those who are grappling with systemic problems. Once the various projects of equal value are evaluated, we invest additional sums to help groups that suffer from discrimination.

The Canada Council for the Arts is certainly one of the most advanced organizations in the world when it comes to its management of diversity. That is what we are told constantly by colleagues from other countries when they come here to see how we do things. That will not change with the new model; on the contrary, it will be even better. We try to provide particular support to those groups and we are very attentive to that.

**Mr. Darrell Samson:** If things work as well as you just explained, I am very impressed. Bravo!

**Mr. Simon Brault:** Thank you.

**Mr. Darrell Samson:** Ms. Dabrusin, you may use the minute I have left.

**Ms. Julie Dabrusin:** Thank you.

[*English*]

Toronto has OCAD University, and they have Design Exchange, which supports design, but one issue that always comes up is what the role of design is in support of the arts. Could you elaborate on that.

**Mr. Simon Brault:** On design in support of the arts, when we held, for instance, the summit last week in Montreal, we had many people from OCAD working with us as experts. We realize that the triangle of cultural entrepreneur, digital entrepreneur, and universities or academics in the arts is very important to face the future of

arts and culture. We collaborate with them; there is a transfer of knowledge and all that.

As to their specific support, their funding comes more from SSHRC and more from the education system than from the Canada Council, but obviously they train people who eventually become professional artists.

The question for the Canada Council is not so much who you are; it's more what your project is, your specific project.

• (1705)

**Ms. Julie Dabrusin:** I guess my question is, since sometimes design falls between art and innovation in where it fits, to what extent does design become incorporated into what can be funded by Canada Council projects? Designers feel, sometimes, that they fall between the two.

**Mr. Simon Brault:** I guess, if you want a simple test, the question is always, "What is the finality of what we're supporting?" In art, the finality is not a product or something that is necessarily useful or an object or an invention. It's art, and it's a contribution to advancement of culture.

Sometimes the distinction is not that clear, but usually—I would say 90% of the time—it gives you an indication of how to decide and what the best way is to support one thing or another. It's not that one is good and the other is not; it's more a case of making sure that you give the right support for the right activity for the right outcomes.

**The Chair:** Thank you.

Mr. Nantel.

[*Translation*]

**Mr. Pierre Nantel:** Thank you very much, Madam Chair.

Mr. Brault, I read the speech you made at the Arts in a Digital World Summit. You said that you were sometimes annoyed by the term "digital" which is used in every which way, and this is sometimes dizzying.

With regard to programming at the National Gallery of Canada, I was telling myself that if Alex Janvier were in the room, he would be very concerned about the fact that digital issues were discussed for 50 minutes. It is a very trendy word.

How important is that dimension for you?

**Mr. Simon Brault:** First, I'll give you the example of the fund for the arts in a digital world, from the Council for the Arts. During its optimal year, 2021, the fund will represent a maximum of 9% of all our grants. It's a component, but it's clearly not a central component.

For us, digital technology is basically a tool to help ensure the arts take their rightful place in people's daily lives and in society. It's not a matter of replacing the arts with digital technology. It's much more a matter of seeing how digital technology can be mastered and how we can adapt to the sociological changes resulting from the technology.

Interestingly, many artists who attended the summit were technophobes. In other words, they didn't want anything to do with the digital world. However, after two days of discussions, they said they understood exactly what we wanted. They realized that we didn't really intend to convert everyone to the digital world.

The same is true for writers. When the printer was invented, it became impossible for them to continue working the same way. We moved on.

**Mr. Pierre Nantel:** Exactly.

You've started to reform or overhaul all these programs. I think you had already intended to do so. However, on top of that, a wonderful amount of money has been poured into the budget. It's fantastic for you, and I'm happy about what this means for the arts community.

What changes will be made as a result? In total, the amount you received is seven or eight times higher. Will there be seven or eight times more beneficiaries, or will there be new support for art projects?

**Mr. Simon Brault:** As I said earlier, we want to allocate 25% of our new investments to people who have never received council grants. This represents a major call for a breath of fresh air into the system.

Moreover, we'll allow for more creation opportunities. Any observer can see that, for the past 15 years, theatrical and literary pieces, along with shows in particular, have been produced with less and less money, time and thoroughness. There's an overproduction that detracts from quality. However, the only way for Canadian culture to triumph at the global level is by producing more exceptional material, rather than by creating more average material.

We're sure that, if we do things properly, these investments will lead to new players and a level of creation that measures up to our artists' talents.

**Mr. Pierre Nantel:** There's no better captain than you to lead this undertaking.

Thank you.

[English]

**The Chair:** Do you have nothing else to ask, Mr. Nantel?

Okay. I would then like to ask something, please.

I've been hearing from some groups about your new structures. These are the community-facilitated art groups, the ones in which the professional community works with a disadvantaged or a vulnerable community to create art with that community, not for that community.

They don't see themselves in your categories. Can you tell me where they fall? As you well know, they are a category in their own right, and they have their own ethics, principles, and processes. Are they still going to be funded?

● (1710)

**Mr. Simon Brault:** If you're talking about the practice that we call "socially engaged" arts practice, yes, they will be supported. We are now trying to deconstruct or debunk the idea that the Canada Council should be the guardian of what the specific discipline is.

For instance, there are organizations in that community who say they are the only ones doing socially engaged art. I'm arguing, for instance, that most of the indigenous artists of this country are doing socially engaged work. They are doing it differently; it's a different approach. It's not codified by universities, but it is as valuable.

Instead of spending our time debating what the protocols of a specific discipline are, we say that it's open to all you on the basis of merit and that this is how we will support them.

Some of them are happy with that, and some are less happy, but we think it's the future. We think that the Canada Council 60 years ago, when there was nothing, needed to be very prescriptive, saying we support this and not that—but we think that is not the world we live in anymore.

Yes, then; they will be supported, but in a different context, under a different model.

**The Chair:** Okay. Thank you very much.

I want to thank you for taking the time and for giving us such fulsome answers. We feel very proud that you were able to answer very clearly all of the questions that were asked. It has not always been thus with other groups. We thank you so much.

**Mr. Simon Brault:** Thank you for the invitation. *Merçi.*

**The Chair:** Before the bells begin, I need you to stay for one second. Don't go yet.

I don't think we're going to have time to deal with your motion, Mr. Nantel, the one that you sent to us. Today we don't have the time to discuss it or debate it.

Are you okay with that?

**Mr. Pierre Nantel:** Yes.

**The Chair:** All right.

Now that Mr. Van Loan is engaged, I need someone to tell me that we're ready to move to adjourn.

Thank you very much, Mr. Van Loan.

The meeting is adjourned.







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