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• (1530)

[*English*]

The Chair (Mr. Scott Simms (Coast of Bays—Central—Notre Dame, Lib.)): Hello, everyone, and welcome to our first meeting on this particular study.

First of all, I want to say thank you for providing us with a gorgeous, large room like this. My goodness, if it were any bigger, we'd break out into a soccer game, I'm sure, but this is really nice.

I also want to thank our guests.

Today we have a briefing by the Broadcasting and Telecommunications Legislative Review Panel on the report “Canada's communications future: Time to act”.

First of all, I might say congratulations on a report of this size and depth. It is quite something. It takes a little while to get through, but that's no reflection on you. That's actually a reflection on how well you know the subject matter. We thank you for doing this study on such short notice.

There are two people with us today from the Broadcasting and Telecommunications Legislative Review Panel. We have the chair, Ms. Janet Yale, and panel member, Monique Simard.

[*Translation*]

Thank you very much for your participation today, Madam.

[*English*]

Colleagues, since this is our first meeting with witnesses, I would like to point out that the first round will have six minutes of questions for each, starting with the Conservative Party and then the Liberal Party.

[*Translation*]

Then it will be the turn of the Bloc Québécois.

[*English*]

Then we will have the New Democratic Party.

Before that, however, we give you up to 10 minutes to tell us about yourselves and what you've been up to lately and that sort of thing. Keep in mind, that's for up to 10 minutes. If you are stretching beyond the 10 minutes, I will try to provide some visual cues to please wrap up.

Are we starting with you, Ms. Yale?

Ms. Janet Yale (Chair, Broadcasting and Telecommunications Legislative Review Panel): Yes.

Good afternoon, and thank you for inviting us to be here today.

[*Translation*]

We are really pleased to be here this afternoon.

[*English*]

My name is Janet Yale, as you know.

Here with me is Monique Simard.

• (1535)

[*Translation*]

Beside me is Monique Simard, a member of the Broadcasting and Telecommunications Legislative Review Panel.

[*English*]

We're here today on behalf of the Broadcasting and Telecommunications Legislative Review Panel, which included four other members. They are Peter Grant, Marina Pavlović, Monica Song and Pierre Trudel.

Together we were appointed in June 2018 by the Minister of Innovation, Science and Industry and the Minister of Canadian Heritage. Our task was to review Canada's Broadcasting Act, Telecommunications Act and Radiocommunication Act and to make recommendations for modernizing the legislation and regulatory framework.

This marks the first time these decades-old laws have been reviewed in such a comprehensive and integrated manner. The need for this work has never been more urgent.

[*Translation*]

This work has never been so urgent.

[*English*]

Digital technologies have transformed the ways in which we communicate, entertain and inform ourselves and conduct business at home and around the world.

The pace of change is dizzying, the opportunities unprecedented and the risks to our privacy as consumers, to our cultural sovereignty as a country, and to our economic competitiveness significant.

Today everyone, no matter where they live in Canada, expects and deserves to live a connected life, one that allows us to connect to one another, to new ideas, to news and entertainment, and to the services and economic opportunities that new technologies and platforms offer us, and we expect to do so in a safe and secure environment.

While we embrace this new world of endless choices and voices, as Canadians we also expect there will always be a place for Canadian voices and perspectives, where we can showcase our diversity as a country, including the stories of indigenous and official language minority communities. We expect access to the most advanced technologies that drive innovation and contribute to creating jobs and economic prosperity—technologies that can enhance our competitiveness at home and internationally.

Our report entitled “Canada's communications future: Time to act” is a road map for addressing the challenges of today and seizing the opportunities before us, while remaining flexible enough to anticipate and adapt to the unforeseen changes and challenges of the future.

The scope of our task was significant, and that required us to make choices about where to focus. We chose measures that will have the greatest impact and from which the benefits to all of us would be most tangible. We embraced the open global market, preserving people's freedom to choose the news and entertainment content they want, when they want it, from wherever they want it and on whatever platform or channel they want it.

[*Translation*]

Ms. Monique Simard (Panel Member, Broadcasting and Telecommunications Legislative Review Panel): Good afternoon, everyone.

We focused on four major issues. They are: reducing obstacles to access to advanced telecommunications networks for all Canadians; the best ways to support the creation, production and discoverability of Canadian content; the best way to protect privacy and improve the rights of consumers in the digital environment; and finally, renewing the institutional framework that governs the communications sector.

We made a number of recommendations to address these issues. First, we propose a new legislative model that would make the Broadcasting Act applicable to all media communications entities, including services like Netflix, Spotify and Apple TV+. This new model would also establish obligations for online entities, Canadian or not. As a result, they would be required to play a role in supporting the country's cultural policy.

Under our proposal, media entities that derive benefits from the Canadian market through the advertising revenue or subscription fees they receive and the personal information they gather, must contribute to the creation, production and discoverability of Canadian content.

In a world of unlimited choices and voices, CBC/Radio-Canada remains an indispensable cultural institution and a platform for Canada's stories and diversity, at home and abroad. We have rethought the role of CBC/Radio-Canada as a true public media institution oriented first and foremost to public service and free from

the commercial pressures that go hand-in-hand with a dependence on advertising revenue.

We have designed our recommendations so as to encourage the institution of CBC/Radio-Canada to take more creative risks, to better represent Canada's diversity, including indigenous peoples and the two official language communities, and to increase its responsibility for local and national news, and international news from a Canadian perspective.

To support those objectives, we recommend that the federal government be required to commit funding to CBC/Radio-Canada for at least five years, together with clear commitments as to the delivery of the mandate.

In parallel, we further recommend that CBC/Radio-Canada gradually eliminate advertising on all platforms over the next five years, starting with news content. More generally, we recognize that Canada's traditional news media sector is in crisis. The sector is experiencing financial difficulties, but there is more. The proliferation of fake news and disinformation is threatening the democracies of the world. The best defence against that situation is access to reliable, high-quality sources of news.

To strengthen the Canadian news sector, we are proposing a series of recommendations that will help to ensure financial stability, while preserving journalistic independence and diversity. In addition, we are recommending a number of measures to protect against harmful content, threats to privacy and the impact of big data on every dimension of our personal, professional, public and political lives. These global threats are becoming more and more prevalent.

We also recommend enshrining in the act the right to a free and open Internet, providing legitimate content to which users have access in all places and at all times. This proposal is crucial to guarantee freedom of expression and to keep democracy healthy and strong.

• (1540)

[*English*]

Ms. Janet Yale: My colleague, Monique, just referred to the panel's recommendations regarding Canada's news industry. I'd like to pause on that for just a minute, because there has been some confusion about the problem the panel was actually trying to address and what we actually recommended. Allow me to start with the problem.

The news industry in Canada is in serious crisis. In the last decade alone, over 200 community and daily papers have closed. In Quebec alone, 57 weekly or bi-weekly newspapers shut down between 2011 and 2018. The challenges facing the news industry are complex, but one thing is clear: The old financial model can no longer support the news industry.

The advertising model that used to sustain a healthy news industry by generating revenues that paid for the journalists who did the research, writing and reporting is dying. That has coincided with the rise of some of the biggest, most powerful media and communications companies in the world.

Today, individuals, reporters and editors watch as their work is aggregated and shared, without compensation of any sort, by the likes of Facebook, Apple, Google and others. If we allow this to continue, not only will we see a decline in Canadians' ability to access Canadian news and perspectives on the local, national and international stories of the day, we will also see the continued erosion of one of the most vital pillars of our democracy.

Our report recommends reasonable, responsible steps to ensure that the work of Canadian news organizations and individual journalists cannot be repackaged, repurposed and monetized for profit without compensation for those who do the work.

We believe it's not beyond the reach of policy-makers to bring the likes of Facebook, Google and Amazon into some sort of rules-based construct. Already in Canada we license news organizations like CBC, CTV, Postmedia and others, while wholly protecting editorial independence. Why should we not register the largest media companies in the world in the same way and with the same editorial protections and exemptions when it comes to news functions online? Why shouldn't we insist they pay their fair share for leveraging the work of our journalists and news organizations?

Let me be clear. Nowhere does our report recommend or suggest that government should play a role in determining who is and is not a journalist, nor do we advocate for regulation of news content, editorial practices or any interference whatsoever with the independence of news media.

I expect you will have questions on that, and I look forward to the discussion.

All of our recommendations are rooted in the belief that Canadians deserve to live a connected life, but making that a reality means we need advanced telecommunications infrastructure that is secure, accessible and affordable.

We've recommended a number of measures that would accelerate and make the rollout of advanced infrastructure, including 5G, more efficient. We recognize in particular the expansion of broadband is a special challenge in rural, remote and many indigenous communities. That's why we've recommended that, where there's no economic case to be made for the private sector to drive expansion of broadband, the federal government must step in and ensure those communities are not left out or left behind. We would ask the government to commit to 100% broadband coverage and dedicate the resources required to make it happen by the year 2030, and that the Minister of Innovation, Science and Economic Development submit an annual report to Parliament on the status of broadband deployment.

We know the affordability of Internet and mobile wireless services has been a challenge for too many in this country. With that in mind, we've also recommended a legislative tool kit that will help facilitate competition, reduce prices and encourage innovation in

telecom markets. I won't go into the details of those recommendations because time is short.

We have a total of 97 recommendations in the report. We'll give you a chance to ask on any of those you'd like. We believe the measures we've proposed will enable Canadians, no matter who they are or where they live in this country, to seize the promise of new technologies and platforms offered.

On behalf of the whole panel, we are very grateful to the government for entrusting us with this important work.

We now look forward to your questions.

[*Translation*]

Thank you.

● (1545)

[*English*]

The Chair: Thank you, Ms. Yale.

[*Translation*]

Thank you very much, Ms. Simard.

[*English*]

Thank you for your presentation.

I want to remind colleagues that this hearing will last 90 minutes. At the top of the hour, at around five o'clock, we'll go in camera to deal with committee business.

[*Translation*]

Mr. Blaney, you have six minutes.

Hon. Steven Blaney (Bellechasse—Les Etchemins—Lévis, CPC): Thank you very much, Mr. Chair.

I feel privileged to speak at this first meeting of the Standing Committee on Canadian Heritage and I would like to thank our first two witnesses for accepting our invitation so quickly. We extended it just last week.

We are pleased that you are joining us today. I feel that it sets the scene well for the work we have to do here at the committee on this pressing issue, promoting content, culture and the business of culture in Canada.

I would be remiss if I did not tell you again—as I have been able to tell you unofficially—that I greatly appreciate some aspects of the report, specifically the one on network accessibility. As you know, I live across from Quebec City and my constituency includes 30 municipalities. As I have said before, we have volunteer firefighters who cannot be reached by either cell phone or Internet. So network access is important. I really liked your recommendation that those living in rural or remote areas not be treated as second-class citizens. I also appreciated your recommendation to act with a sense of urgency.

As we are in the opposition, we are urging the government to act, but, unfortunately the announced funding is not appearing. Currently, in my constituency, we rely on provincial funds to solve the most pressing problems. There are also definition problems that are a little technical. Apparently we are not remote enough to have access to the programs. Those are things of which we want the government to be aware, and you have done so in your report.

The third point that seems interesting to me is about really reviewing the mandate of Radio-Canada, with its major role as a national public broadcaster and with long-term funding recognized. It is equally important to see clearly the role that it can play in this environment, I will come back to the whole matter of the role that Radio-Canada can play in a digital world.

I don't know if your group focused on this, Ms. Yale, but I would like to come back to the point that you mentioned. I feel that your report is clear, but perhaps the Minister's unfortunate interpretation has led to confusion.

Can you tell us again clearly today how you see freedom of expression in terms of the media? Could you repeat it for my benefit? You mentioned it in your introduction, but I would like us to have it settled so that we can move on to the regulatory framework as such.

How does your report see journalistic independence?

[English]

Ms. Janet Yale: If you don't mind I'll speak in English.

Let me say that we made it very clear, both in the telecom section of the report and the broadcasting section of the report, that we believe in a free and open Internet.

In our telecom recommendations, we proposed that one of the objectives of the act be the right to a free and open Internet because we recognize.... There's a term in telecommunications called "net neutrality", which speaks to the responsibility of telecommunications carriers not to interfere in any way with the content of what they carry. There is that obligation. We recommend enshrining that obligation in the act as one of the objectives of the Telecommunications Act.

In addition to that, we talk about the importance of freedom of speech online and the importance of freedom of expression to a vibrant, healthy democracy. Given all of that context, we made it very clear that there is no intention to regulate news content or to interfere with freedom of expression online.

I hope that answers your question.

• (1550)

[Translation]

Hon. Steven Blaney: Yes, that's great.

[English]

Ms. Janet Yale: We made it very clear that we do not intend to regulate the news or in any way interfere with journalistic freedom of expression.

[Translation]

Hon. Steven Blaney: I am delighted to hear that, Ms. Yale.

Ms. Yale, Ms. Simard, your proposal is to move forward. We recognize that there are blatant inequalities at the moment. I am thinking, for example, about cable companies that have to contribute to the Canada Media Fund, while other players do not.

Can we transpose the broadcasting model of the last 50 years to a digital environment? Are you not proposing a more innovative and flexible way of doing so? I would like to hear what you have to say on that matter.

Let me give you an example. The broadcasting guides that I have been shown are two inches thick. What we want is to simplify them and make them more uniform. I would like to hear what you have to say on that matter.

Ms. Monique Simard: Thank you for your question. It really goes to the heart of our work.

The mandate we were given was huge. It includes 31 questions on a number of very varied issues from telecommunications to broadcasting, as you so rightly said.

We were given that mandate at a time when we are living between two worlds. We are still operating with traditional broadcasters, like television and radio. Those protesters hold licenses granted by the CRTC and they provide traditional broadcasting. At the same time, the Internet is in the process of more or less invading the entire universe and broadcasting all kinds of content on different platforms.

We therefore tried to determine how we can evolve at the same time as the changes that are going on, while preserving the old systems for now, because we can't throw them in the garbage tomorrow morning. So we looked at a registration system, because of the new players that Mr. Blaney named, such as Spotify, Netflix and a number of others. They have a very active market in our country.

How do we go about registering them?

We are actually proposing a registration regime. None of those companies need to be established in Canada, they just need to have a market here. As soon as they have a market in Canada, they will have to register according to the type of activities they conduct. Beforehand, regulation was done in terms of the role, but the activity is important.

There is content curation, which is what Netflix does, content aggregation, and content sharing platforms. Those three activities will probably expand more in the future. Who knows whether traditional broadcasting will still exist in five or 10 years?

The Chair: Thank you very much, Ms. Simard.

[English]

I appreciate your flexibility on that issue, but I had to be flexible as well, as I only have a point. I have to stop it right there, because we're past the six minutes.

As a reminder to colleagues, I'm somewhat flexible on the time but only to allow our witnesses to answer the questions. If you want to make a point in the proceedings over the next little while, I'm sure you will.

Mr. Housefather, please, for six minutes.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you very much, Mr. Chairman.

Ms. Yale and Madam Simard, it's a great pleasure to welcome you here. Thank you very much for 97 very all-encompassing recommendations and what I think was an excellent report.

Ms. Yale, you've already touched on the issue of freedom of speech, but I want to give you a chance to respond again because you don't get to respond to what's said in the House of Commons.

On January 30, Michelle Rempel stated this in question period:

Mr. Speaker, yesterday a government-appointed panel enthusiastically recommended that the government should control what news coverage Canadians should be allowed to see.

Under the Liberal plan, the Liberals would be able to force all news sites to prominently link all of their coverage to Liberal government-approved websites. This would have an instant chill effect on free speech and diversity of thought in the Canadian media ecosystem.

The Leader of the Opposition, Mr. Scheer, on February 3, 2020, speaking about your report, said the following:

Mr. Speaker, George Orwell's *Nineteen Eighty-Four* was supposed to be a cautionary tale about the evils of big government, not an instruction manual for the Prime Minister.

Do you believe that these are fair characterizations of your report?

• (1555)

Ms. Janet Yale: All I can speak to is what we said in our report, and I want to be clear that we did not recommend that media organizations be licensed based on their content perspective or on any other basis. That's not our vision.

In fact, our report recommends that we further enshrine the principle of journalistic independence in legislation. Our recommendations do include a provision to ensure that journalists are properly compensated for their work by the likes of Facebook and other sharing platforms that are currently using their work without compensation. That is the extent of our recommendations.

We went to great lengths to preserve journalistic independence, freedom of expression online and the right to a free and open Internet, both for their own sake and also because we believe those forms of expression are vital to a healthy, vibrant democracy.

Mr. Anthony Housefather: Thank you very much.

Hopefully, with the clarity that you've expressed today, as well as with what I believe was the language of the report, there will be nobody who has any doubt about that anymore and we will move beyond these comments.

Hon. Steven Blaney: Talk to your minister.

[Translation]

Mr. Anthony Housefather: I believe that the minister is quite clear.

Let me now move to the matter on which Mr. Blaney and I are in complete agreement, as are a number of other committee members. This is the issue of content in French across Canada.

Coming from a linguistic minority, I feel that it is very important to have access to content in French, not only in Quebec, but all across Canada. It is also important to have content in English in Quebec.

Can you tell about the parts of your report that champions the issue of Canadian content in French all across Canada?

How can we make sure that Radio-Canada does not just provide programming in French in Montreal and provides nothing in Toronto, Calgary, Edmonton or Halifax?

By the same token, how can we ensure that CBC will provide programming in English in Quebec, not just in Toronto?

Ms. Monique Simard: In the introduction to the report, which I invite you to read again, linguistic duality is identified, and the principle is mentioned throughout the chapter. We had six very specific questions on CBC/Radio-Canada. Our recommendations particularly stress the national broadcaster's responsibility to represent the country's diversity in its broadest form of expression. Clearly, that includes the whole matter of linguistic minorities in each of the regions, as well as decentralization.

When we say diversity, we are not just talking about linguistic diversity. There is also geographic diversity. The national broadcaster therefore has a responsibility and a role to play. That is why we made other recommendations to have the means needed, specifically funding needs, to ensure that things get done and the issue of funding is not used as an excuse for not doing them.

[English]

Mr. Anthony Housefather: How much time do I have left, Mr. Chair?

The Chair: You have a minute and a half.

Mr. Anthony Housefather: I'm going to end with one question, and another question, which again I agree on with Mr. Blaney, the importance of the expansion of broadband capacity across the country, so that small communities can benefit from the Internet and cell coverage. I noted in your report you had suggested a date—I think it was 2030—for the completion of this task. I believe one of the things you had previously mentioned was the reason you came up with this date, which was not as aggressive as some might have liked, was the capacity of the system to implement it.

Could you perhaps talk about how you came up with that date?

Ms. Janet Yale: We're going to be close to 90% of Canadians having broadband coverage, I believe within a year. The question is how do we get that last 10% done. Obviously, it is a case of looking at the mix of federal and provincial programs, as well as the broadband rollout plans of the facilities-based providers in Canada, and looking at where there is no economic case, how we ensure that on a coordinated basis across multiple federal programs, as well as provincial initiatives, that takes place as quickly as possible.

There is no doubt that about 95%, about half of that gap, can be closed through investment in traditional networks. The problem is in some of the most remote regions of Canada we have to wait for the deployment of what are called LEO, low-earth orbit, satellites, which are going to allow the most remote areas of Canada to be connected. Those aren't expected to be deployed for a number of years. Obviously, we would love to see it happen no later than 2030, but our best understanding was that was the date by which the government itself thought that could be done.

• (1600)

The Chair: Thank you very much to both of you.

[Translation]

It is now the turn of the Bloc Québécois

Mr. Champoux, you have six minutes.

Mr. Martin Champoux (Drummond, BQ): Ms. Yale and Ms. Simard, thank you again for this expansive report filled with great recommendations. It represents a lot of work and I am grateful to you for taking the time to come before us today at such short notice.

We would like to talk about a lot of things in this report. Of course, we have only so much time and we already have had the opportunity to talk about it. I am sure that we will also have the opportunity to do so again. However, I would like to talk to you a little about the CRTC's vision, as it is at present. I know that you are recommending that it be rethought.

In your discussions, did the idea occur to you to create an organization, an entity, that would complement the CRTC, but would be independent of it, and that would deal only with the digital aspect of communications?

Of course, I know that it is going to be examined again at some stage, but, given that it is a sector that is somewhat specialized, different, and complex in itself, was that an option?

[English]

Ms. Janet Yale: It's a great question to look at: What is the right way to have an independent regulator that looks at all the issues in front of us?

We studied the models available in other countries around the world. We had a report done just to look at that. We were particularly influenced by the model in the U.K., with the British regulator Ofcom and the fact that they have quite a large group that does what I would call strategic foresight and research as part of the duty of the regulator, not just to react to the issues that come before them, but to be proactive in looking at what's coming ahead. If you

look at our reimagined role for the CRTC, it was predicated on this mix of having a more proactive mandate, with the powers and the resources to be able to look ahead and think about what's coming, as well as having the regulatory tool kit to react to what's in front of them. We felt that expanded role of the existing regulator was the right way to go.

[Translation]

Ms. Monique Simard: I would add that everything is digital. Not 100% yet, but it is going to be.

Looking into the future, our first proposal is to re-christen the CRTC, to broaden its mandate to include all digital platforms, of course, because its authority is redefined. We want to modify its role.

So, as Ms. Yale has just said, it must be much more proactive, it must be ahead of things rather than simply reacting to them. We are making proposals about how its leadership should be composed and we are also deciding whether to give it additional powers. Moreover, we are adding a well-funded public interest committee, with representatives from across the country, who will be able to watch its work, make presentations and basically be guard dogs of the public interest with this new institution.

Mr. Martin Champoux: I am going to change the subject completely and talk about copyright.

I know that it was not part of your mandate. You were not asked to deal with it within the framework of your mandate.

Do you not think that looking at the eventual impacts on copyright should have been part of your committee's mandate? Clearly, digital is devastating for communications in a number of sectors like journalism, culture, the arts, and so on.

First, do you think that you should have looked at it? Second, did you hear from groups who came with questions on the issue, despite the fact that it was not part of your mandate?

Ms. Monique Simard: First of all, when we received our mandate, we had to take it or leave it. However, it took us one or two months to properly grasp the mandate and to break it down so that we could hold our public consultations. As you say, there are really a lot of things, but we did not get questions about copyright.

If you read the report closely, we deal with subjects like journalists whose articles are pilfered and reproduced on platforms without them receiving compensation and we have recommendations in that regard.

It was not part of our mandate, but it was difficult not to address it. In addition, of course, all the associations came to make representations. I am sure you know that we received more than a thousand presentations, in the form of briefs and meetings. It is critical that people are fairly remunerated for their work today. There is talk of a crisis in the media and in media companies, and it is real. Last week, you probably read a letter cosigned by newspaper editors from *The Globe and Mail* to *Le Devoir*, by everyone. There are also independent journalists whose work as writers is their bread and butter. It makes no sense that people are not paid for their work when it is reproduced.

• (1605)

Mr. Martin Champoux: I have one last question to ask. It's a more technical one, and concerns the timelines for connection in the regions across the country.

Particularly in Quebec, in my riding, there are municipalities that cannot wait very long. My colleague was talking about this earlier. There are businesses that have to leave because the Internet does not adequately meet their needs. In this context, municipalities tend not to wait for subsidies and they often decide to pay provider *x* or *y* or a smaller provider, a smaller player, to have fibre installed in their area.

Are you aware of this issue? Do you have any recommendations, such as making these municipalities eligible for grants at a later date or after installation has been completed, when they are no longer eligible for grants in the current environment?

[English]

Ms. Janet Yale: I think that's a great question. One thing we recognized explicitly in our report is the need for collaboration at the federal, provincial and even the municipal levels. One recommendation we made is that the minister should report annually to Parliament on the status of broadband deployment, and it was for exactly that reason, so that there would be an obligation on the part of the minister to report to Parliament on how all these programs are working together to solve the problem.

Whether or not that means some of the criteria should include, as you say, compensation after the fact for monies that have already been paid, that's a great question for the government to consider as we recognize the urgency of making sure every Canadian, no matter where they live, both individuals and businesses, have broadband connectivity. It's vital to succeed in today's economy where, as my colleague said, everything is digital.

The Chair: Thank you, Ms. Yale.

[Translation]

Pardon me, Ms. Simard, we have reached the allotted seven-minute mark.

[English]

At some point along the way, you can work in those answers if you wish, because we still have a fair amount of time to go, but I have to go to the next questioner.

Ms. McPherson from the NDP, you have six minutes, please.

Ms. Heather McPherson (Edmonton Strathcona, NDP): Thank you.

Ms. Simard and Ms. Yale, thank you both very much for coming.

This is my very first opportunity to sit in a committee and ask questions, so please forgive me if my questions are not as concise as perhaps they could be. I'll try not to use names inappropriately this afternoon, as I've already done.

Some of my questions are going to be around CBC/Radio-Canada and what you've recommended.

You have recommended that we move toward less advertising on those platforms, and I'd like a bit of information on how you think that will impact the budget that CBC gets. Could you talk about any information you might have on what budgets might be for other national broadcasters that are similar to the CBC, like BBC or the Australian Broadcasting Corporation?

[Translation]

Ms. Monique Simard: First, we are redefining and confirming the key role a media organization plays. It's important to understand that we're talking about media organizations here. In order for a public broadcaster like CBC/Radio-Canada to be able to take on and fulfill its mandate properly, its funding must be stable for at least five years. That is extremely important. Anyone who has worked in television—I know some of you have been in the profession—knows that it is very difficult to work when you don't know what your budget will be from year to year. So we're talking about financial stability. The government should increase the annual envelope allocated to CBC/Radio-Canada through parliamentary appropriations for five years, to the level it requires to fulfill its mandate.

Why are we proposing a reduction and gradual elimination of advertising revenue over five years?

First, advertising revenue across all media, including CBC/Radio-Canada, are in steep decline. They are melting like snow in the sun. You can see that in 2012, 2015, 2016 and 2017, advertising revenue went down everywhere. That partly explains the media crisis. Because it's already happening, we are proposing an attempt to free up those funds. Furthermore, the quest for advertising revenue cannot be allowed to influence programming choices. We are, of course, aware that advertisers want to be associated with specific programs.

Entertainment would continue to be part of CBC/Radio-Canada's mandate. A number of people told us that CBC/Radio-Canada should be limited to just news and public affairs. Our response to that was that entertainment should be maintained. Entertainment, television series and comedy programs reflect the spirit of Canadian culture. That's what the issue of CBC/Radio-Canada funding is all about.

In fact, we are not taking anything away from CBC/Radio-Canada: we're actually doing it a favour in making this proposal. I'm sure you are aware that there has been a lot of tension.

● (1610)

[English]

Ms. Janet Yale: I just would add that we looked at the funding of public broadcasters around the world, and of the OECD countries, CBC/Radio-Canada is pretty much at the bottom of the list at about \$30 per person per year, whereas if you look at the U.K. and other countries that are really well established, well recognized, it's more in the \$55 to \$70 per capita range.

It's our view that certainly to be the public media institution that we envisage, CBC/Radio-Canada is underfunded.

Ms. Heather McPherson: As a quick follow-up on that, your recommendation would be that we would move forward with increasing the funding and that this would all be done within a five-year period. Is that what you're envisioning?

Ms. Janet Yale: The recommendation is that the government enter into an agreement with CBC/Radio-Canada, a five-year agreement, with a clear understanding of what they would be expected to deliver and the resources necessary to deliver it, with an annual report through the CRTC back to Parliament on their meeting the commitments set out in the operating agreement.

[Translation]

Ms. Monique Simard: Advertising would be phased out over five years. The first step would be to withdraw advertising from news programming.

[English]

Ms. Heather McPherson: Okay, perfect. Thank you.

I have one more thing on a different slant. The report makes some recommendations on the rights of Canadians and enhancing trust. Could you talk about where you see the rights of Canadians in terms of hate speech and how you would recommend we deal with that? As a politician in Canada, I can tell you that it's pretty rampant.

Ms. Janet Yale: We addressed it in a number of different ways. We certainly have to balance the rights of individuals to freedom of expression. We spent some time already talking about the importance of free speech.

There's freedom of expression on one side and illegal content on the other. What's the grey matter in between which is about misinformation, fake news, whether it's collectively targeted or targeted towards individuals?

It certainly wasn't explicit in our terms of reference to deal with that. Many of these issues transcend domestic boundaries because they're platform providers that operate globally. We really felt that it was important for the government, in effect, to undertake a separate initiative to look at what the right legislative and regulatory model is to address the social harm issues. These are the issues associated with misinformation, targeted bullying, sexist comments, all of that content that doesn't actually cross the line into illegal content where the Criminal Code applies, but is something that requires real effort to understand how that works. In a world of big data and artificial intelligence, in particular, what is the responsibility of those platform providers for the content that they allow to be shared or disseminated online?

That question of what's called "intermediary liability" is one that is evolving internationally and where we think the government needs to take direct actions through a separate process.

The Chair: Thank you, Ms. Yale. Thank you, Ms. McPherson.

We're now going to our second round. These are five-minute questions. Before we do that, I would just like to point out to the committee, and I'm trying to give you advance notice by doing this, that if we go through what the Standing Orders dictate to us about the rounds of questioning, it will take us up to about 4:40 p.m. We will have remaining about 20 minutes. Here's what I would propose. We repeat the first round but instead of six minutes for each party, we give five minutes, or we could go into committee business earlier.

You don't have to answer now. We can talk about it a bit later. Just think about that, and we can do one of the two. It's at your discretion.

In the meantime, we'll go ahead with the second round.

Mr. Shields, I believe you're up for five minutes, please.

● (1615)

Mr. Martin Shields (Bow River, CPC): Thank you, Mr. Chair.

Thank you for coming.

It's a lengthy document. We read through all the recommendations and it's something like what we put together in committees. We listen to a lot of people and do some similar things. You're immersed in it and we're at superficial to where you've been in your story on this one.

On recommendation 27, you bet. I really agree with it.

You talked about rural a number of times. What's your definition of rural?

Ms. Janet Yale: We didn't really get into the definitions of what is urban versus rural versus remote. What we focused on in the telecom section was making sure that every Canadian, no matter where they live in Canada, has broadband connectivity. It really was a question of who doesn't have broadband connectivity and how fast we can close that gap.

Mr. Martin Shields: It's really critical because I've heard twice already here a real problem that has already been mentioned here. It says, "to the communities". That isn't rural. I have farming operations that have 25 pivots, 70 pivots, 25 combines in a farm operation. They're rural. They have just a little better than dial-up.

We have used that word constantly. The government says, "to the last community". It needs to be the last farm gate. You haven't defined that in here and that's a problem.

Ms. Janet Yale: With respect, I think what we said is that every Canadian, every person in Canada, no matter where they live, expects and deserves to live a connected life. We've made it about the individual, not about the community.

Mr. Martin Shields: But you've said "community" today.

Ms. Janet Yale: Fair enough and—

Mr. Martin Shields: That's wrong.

Ms. Janet Yale: If you look at our report, we really start with the principle of universality of service and we propose enshrining in the telecom act, as an objective, that everyone, no matter where they live, deserves to have universal broadband connectivity in a safe and secure environment, at an affordable price.

Mr. Martin Shields: Great. I really appreciate that clarification because that is brutal in the sense that it's the farm gate that needs it, not the last community—

Ms. Janet Yale: Absolutely.

Mr. Martin Shields: —and the government has continued, as they put it, "the last community". That's not rural Canada. That is not rural Canada.

Ms. Janet Yale: Absolutely.

Mr. Martin Shields: Thank you.

When I go to—

[*Translation*]

Ms. Monique Simard: I'd like to add one more thing.

The report makes it very clear that nowadays, you cannot participate as a citizen of Canada—by that I mean your civic duty, your professional life and everything you do—if you do not have access to a sophisticated communications system. That is clear.

[*English*]

Mr. Martin Shields: Good, but then we need to quit saying the word "communities". It has to stop. You need to make sure you don't say it as well.

How does that jive then with your recommendation number four?

Ms. Janet Yale: The recommendation around the commission?

Mr. Martin Shields: Yes.

Ms. Janet Yale: The size and composition of the CRTC?

Mr. Martin Shields: Yes.

Ms. Janet Yale: We thought a lot about what it takes to have effective collegial decision-making and how we can enhance the collegiality and effectiveness of decision-making at the CRTC. That is embodied in recommendation four.

However, we recognized that in terms of ensuring that the CRTC has a broad perspective on the interests and views and perspectives of Canadians from all different sectors and parts of the country, including accessibility requirements, linguistic diversity and diversity of other types, we recommended the formation of a public interest committee of up to 25 members, which composition would enable the CRTC to have that broader perspective.

Mr. Martin Shields: I got that, but do you know what number four says to me? It says that you've just excluded my part of the country as being able to participate, and I have a real, real problem with that. That's what it says to me. I read that, and I know what you just said, but you just excluded the vast majority of the country when you said that.

Ms. Janet Yale: Well, it's up to nine commissioners, with broad representation from different parts of the country.

The only change we've made is that they should be required to live in the national capital region for the term of their office, because—

• (1620)

Mr. Martin Shields: I understand where you're going with this, but understand—

Ms. Janet Yale: However, that doesn't exclude people from different parts of the country. It just says that it's very hard for the CRTC with commissioners based in the region to really build relationships of trust and collaboration. It does not exclude people based on their geography.

Mr. Martin Shields: You're telling me that I have to move here. You're telling me that I have to move to be part of it. I have to move to the central part of Canada, the national capital region.

I don't accept that. That is exclusionary and discriminates against where I live. You say that I have to move here to be part of this process. If you don't understand where I'm from, you don't understand the flames that statement creates. You have to be very, very careful of how you write things like that.

The Chair: Mr. Shields, we're well over time here. I understand that you're trying to make your point.

Mr. Martin Shields: Thank you.

The Chair: Very briefly, would you like to respond to that, Ms. Yale?

Ms. Janet Yale: There is no question that it's important to ensure a broad geographic representation at the CRTC, through the way that commissioners are chosen, as well as through the public interest committee, where those members would be able to be resident in whatever region they are from. On balance, from the representations we heard and our consultations, we felt that the quality and effectiveness of CRTC decision-making would be enhanced if members were resident in the national capital region.

The Chair: Thank you for that, Ms. Yale.

I'm always seeking points of clarification, as chair. In this particular case, I may sound incredibly halfwitted by asking this, but what's a pivot?

Mr. Martin Shields: The four largest irrigation districts in the country are in my riding, and pivots are those things that irrigate them.

The Chair: It's an area within your area and it's collectively known as a pivot.

Mr. Martin Shields: It's a pivot. That's the equipment that goes around and irrigates.

The Chair: I see what you mean. Okay.

Mr. Martin Shields: Got you.

The Chair: It's a particular pivot, and you want to get access from that particular pivot to what you're talking about.

Is that correct?

Mr. Martin Shields: You need the download to be able to do it.

The Chair: Okay, thank you very much for that.

Mr. Martin Shields: You need the broadband width.

The Chair: Thank you for the clarification, sir.

We'll now go to Mr. Louis, for five minutes, please.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you.

Thank you very much for your time and for a very thorough report. It was well worth reading, and I appreciate your time.

Getting back to the CBC, I want to double back on what Ms. McPherson mentioned. Many people in my riding come up to me, and I'm proud to say they're defending the CBC. Once in a while, something comes up about defunding it. They tell me how much they enjoy public broadcasting, whether it's sports, historical events or arts. It's basically sharing a nation as a whole. As a microcosm, in our small community, we've had TV shows filmed there and we have a local radio show. It is wonderful to see.

I was going to ask about our relationship in supporting public media institutions compared to other countries, but Ms. McPherson, you beat me to it. Thank you.

What I want to know, then, is what kind of best practices we might learn from the countries that are investing the most in their public broadcast institutions.

[*Translation*]

Ms. Monique Simard: Of course, the BBC is often used as a model. Its funding system was based on a licence fee on television and radio sets. With the advancement of technology, that had to be changed, of course. It has a very extensive network. It has also set up production studios recently. We studied that model, as well as that of the Australians, the Scandinavians and the French. Each has methods we could borrow.

I'd like to follow up on what Ms. Yale said. The level of funding per capita in Canada is far below that of comparable OECD countries. In fact, there's a table in the report with those numbers. Certainly, given the resources available to CBC/Radio-Canada, it cannot do as much as other countries.

[*English*]

Mr. Tim Louis: I'm sorry; I had to wait for the translation to catch up. I took my first French lesson yesterday, but I'm not there yet.

Thank you very much.

I want to pivot possibly and talk about news and small communities, especially the disappearing newspapers in small communities. You mentioned that it kind of coincides with big media taking over, and there becomes a loss of identity, the stories of the day and those local stories.

Did you get first-hand from small communities how that affected them? Was that part of the report? Can you expand on that?

• (1625)

[*Translation*]

Ms. Monique Simard: Sure. First, we travelled across Canada. We went very far. We went up north and into the provinces. We met with a number of groups and individuals, who often told us that local and regional media have disappeared, so there is no longer any representation of their lives and what is happening in their region.

It's all about democracy. We read a study in the United States that shows that when a newspaper disappears in a town, village or small city, a few years later, the level of corruption has gone up. The local journalist is the one who keeps a close eye on what is going on in the municipal council and sees if everything is being done properly. Supporting media is a fundamental issue of democracy. We were asked a question to that effect and we tried to answer it as best we could.

Ms. Yale spoke at length about the principles we hold sacred: media and journalistic independence, and freedom of expression. We have humbly made suggestions to try to find funding models. There may be local digital media, but we still have to have the means to support them. Paper is one thing, but there is also digital. Where I live, I can attend municipal council meetings via the Internet and see what's going on. You have to have the means to do that.

I think it's very important for everyone here to know that we were extremely moved and awakened to the realities outside of the major urban centres. For example, there are the firefighters that Mr. Blaney mentioned. There are farms that are trying to get modern equipment, but cannot because the Internet connection is unreliable. We were very much made aware of this, and you will see that we talk about it very frequently in all chapters of the report.

The Chair: Thank you very much.

[*English*]

Thank you, Mr. Louis.

Now we have Mr. Waugh for five minutes, please.

Mr. Kevin Waugh (Saskatoon—Grasswood, CPC): Thank you, Chair.

I just want to say thank you for your report. I was there when the news conference happened a few weeks ago. I agree with you wholeheartedly about modernizing the Broadcasting Act, the telecommunications and radio.

I have a couple of questions, mainly with CRTC, since, Ms. Yale, you are vice-president of Telus, and, Ms. Simard, you're with Quebecor Fund.

It's interesting because when I look at the media—and I was there for 45 years—I see the Internet owned by Bell, which owns CTV, which owns RDS in Quebec. I see Rogers today owning Sportsnet. I see Quebecor, of which you are the chair, owning—

Ms. Monique Simard: I'd like to correct that.

Mr. Kevin Waugh: It says in the report here—

Ms. Monique Simard: I'm chair of the Quebecor Fund, which is a CRTC decision.

Mr. Kevin Waugh: Okay.

Quebecor owns TVA and Videotron.

Do you see where I'm going with the conflict of interest between Internet providers and media organizations? Had you thought about this when you did your report? I look at big Ma Bell, Rogers and Quebecor, and they're all in on this. They're going to benefit more than anybody, with Mr. Darren Entwistle last week at the CRTC hearings singling out a major reduction in staff over 5G networks, which the CRTC is trying to move forward on.

I would like your thoughts on the licensing, because I'm not a big fan of the CRTC. They provide the licences and then they don't follow up. I'll give you an example. I was on this committee four years ago. We had the CRTC in the room. They had no idea that I was getting my newscast out of Toronto, even though I live in Saskatoon. That's my issue with the CRTC. They grant licences, move away and come back five years later. They never do any follow-up.

Now you would have this regulated by the CRTC? Quite frankly, they can't do their job today, and I don't see them going ahead by 2030 with this proposal you have.

• (1630)

Ms. Janet Yale: Well, you covered a lot of ground in that question, so—

Mr. Kevin Waugh: I did. I only have five minutes.

Voices: Oh, oh!

Ms. Janet Yale: —let me try to unpack it a little bit.

It's interesting because, as you know, Telus is one of the only big players that doesn't have a content business, so I'm not sure how... The conflict of interest is one that I really don't feel. When you look at the returns for Bell versus CTV, it's more that the money flows from Bell. All the broadcasters are in trouble financially, so it's not clear which side is benefiting, more or less, from different parts of our report. You'd have to talk to them to see on balance whether they think they did well based on our recommendations.

As for what I can tell you about the CRTC—because if you looked at my CV, you would know I worked there for seven years much earlier in my career—you're absolutely right that they issue a licence and, unless there are complaints, they may not look at that organization again until licence renewal. That's one of the problems we tried to address in our report, because with the resources they have, that's the best they can do.

We've said that the only way for it to move out of that reactive mode, which is to deal with things as they come up on the regular agenda, and to be more proactive is to have two things. One is more

research capacity so they can understand what's coming and be much more proactive about it and, the other is more powers around data gathering, because they don't have the information they would need to address some of the issues that you raise, as well as enforcement powers in broadcasting like they have in telecommunications.

In order for them to do what you're talking about, I think our recommendations actually speak to the very problems you're raising in terms of more research capacity, more data-gathering powers, being more proactive, getting more regular reporting, and then being able to have the enforcement powers if there are breaches, which you can only know if you actually have the information and the capacity to monitor and evaluate as you go along.

I don't necessarily agree or disagree with what you're saying, other than to say that we really do see a very important role for the CRTC in this complex digital environment to really have a much better handle about what's going on in the marketplace.

Mr. Kevin Waugh: I'm not sure that broadcasters have the utmost respect for the CRTC, if you don't mind me saying that. I know that for a fact because I worked for them. Last week, I certainly saw it at the Gatineau hearings when I saw the big telcos in front of the CRTC, so I'm not sure we're going about this in the right way. They're the kingpin because they award the licences, so you have to go down on one knee. At the same time, there is not a lot of respect for that organization in this country. I'm sorry to say that because, like you said, you once worked for them or still do, but I think as many broadcasters—

Ms. Janet Yale: That was in the 1980s.

The Chair: Mr. Waugh, I'm going to ask you to sum up very quickly.

Mr. Kevin Waugh: Go ahead with that.

[Translation]

Ms. Monique Simard: I'd like to say something.

You have to have a regulatory body. There is no way around it. In our report, we propose that it be changed considerably. This should partly address your criticism.

The Chair: All right. Thank you very much, everyone.

[English]

Ms. Dabrusin, you have five minutes, please.

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

Thank you for the tremendous amount of work you've put into this report. A lot of people in my community have stopped me to raise it and to talk about how much they appreciate the voice given within all of this.

Two key issues get raised. One is the distinction between the service industry and our domestic industry, and ensuring that Canadian creators are included in the productions made in our country. The other is having payments being made into the system either through levies, as you talk about, or through spending requirements, so those productions can be made.

I want to talk about your recommendation 67, which talks about creative positions and says that where media creation undertakings include new Canadian dramas and long-form documentaries in their offerings that count toward their regulatory obligations, the CRTC should expect that a reasonable percentage of all key creative positions on those programs be occupied by Canadians. There are a whole bunch of qualifying terms. I was wondering if you could expand on it. When you talk about all creative positions, and also the reasonable percentage of those programs, what are you talking about?

• (1635)

Ms. Janet Yale: I'll start, and then my colleague will pick up. She's worked in the production industry for many years.

The main distinction we were trying to draw was between service productions and productions that count as contributing to Canadian culture. Service productions are great in the sense that jobs are created, there is employment, there is production capacity, and it's great for the Canadian economy. We don't want to take away anything from the contributions that have been made by organizations like Netflix and others, that have decided to invest in Canada to make those service productions.

That has nothing to do with cultural policy because the key creative positions, the writers, the actors and directors, are not held by Canadians. If we're trying to make sure that in a world of endless choices and voices there are Canadian choices, then those productions that we're saying they should invest in must meet the definition of Canadian content, in which case the key creative positions would have to be held by Canadians.

I'll let my colleague carry on.

[*Translation*]

Ms. Monique Simard: I really don't have much to add, but the writers, the people who write the programs and the films, are central to creation. These Canadian script writers are going to write Canadian stories seen through their eyes and their experiences. That's extremely important. Otherwise we will be robbed of the opportunity to tell our story.

Clearly, our report is very much rooted in a deep conviction about Canada's cultural sovereignty. This guides our entire report. It is our mainstay. So it makes sense that we propose what we propose, particularly in terms of creation, production and discoverability.

[*English*]

Ms. Julie Dabrusin: Thank you.

I only have a minute, so I'll jump into it quickly.

In your recommendation 62 you talk about having spending requirements rather than levies. Perhaps you could expand on why you would recommend one over the other.

Ms. Janet Yale: For the curators like Netflix, the idea was instead of asking them to be taxed and put money into a fund that would then be distributed, they're investing in Canada. All we're saying is, when you make those spending investments that right now are service productions, some portion of that spending should meet the Canadian content requirements so we're not then interfering with their business models, the categories of programming they make, what genres of programming they consider. It's completely up to them. All we're saying is that the CRTC would then be able to look at their Canadian revenues on an annual basis, with the additional data-gathering powers we recommended; figure out what their Canadian revenues were from subscription revenues in a given year, using the Netflix example; then some percentage of that revenue would have to be spent, not just in Canada, but on productions that meet Canadian content requirements as well as some discoverability obligations.

Ms. Julie Dabrusin: Thank you. I appreciate your clarifying that.

The Chair: Thank you, Ms. Yale and Ms. Dabrusin.

Before we go to the final two questioners, I'm wondering if you've given more thought to what I suggested earlier in terms of whether we want to go back to a quick first round where each party asks questions for probably four minutes or along those lines. When these next two questioners are done, we will go one, one, one and one for four minutes.

Is that okay or would you rather just stop?

Hon. Steven Blaney: That's okay.

The Chair: Is everybody okay with that? There are no objections?

Okay. We'll do that.

Monsieur Champoux, you have two and a half minutes.

[*Translation*]

Mr. Martin Champoux: Thank you, Mr. Chair.

I will remain on the same subject. There was talk of requiring foreign companies to make new investments and productions in Quebec and Canada. However, I imagine they would be asked, as you said, to make those investments according to the rules established in Canada to meet the requirements.

If we didn't impose quotas on French-language content, as we do for broadcasters, do you feel that these companies would take the initiative to produce French-language content for the Canadian market?

• (1640)

Ms. Monique Simard: In my opinion, this is the role that the new Canadian communications commission will have to play. These companies must respect linguistic duality, but it will be up to the commission to decide how and to what extent they should do so. In our opinion, the existence of both languages must be represented in all the measures that will be taken. That is a must.

Mr. Martin Champoux: Earlier you spoke of better regional representation. We were talking about CBC/Radio-Canada's mandate and having it produce programs that are a little more representative of reality, not just that of Montreal, in the case of Radio-Canada, in French, and not just that of Toronto, in the case of CBC.

Have you considered the fee-based options available? I'm thinking of ICI TOU.TV EXTRA, for instance.

Did these things come up in your discussions? What do we do with them?

Ms. Monique Simard: It came up in our discussions but we didn't take any position that Radio-Canada cannot, for example, have subscription services like the one you just mentioned. There are currently complaints filed with the CRTC about that.

For CBC/Radio-Canada, we objected to advertising revenue, but we did not go so far as to object to subscription revenue. One of the biggest frustrations we heard across the country is that people do not get news from their part of the country. I personally went to Newfoundland and Labrador, among other places, and I remember it very well. It is the national public broadcaster's duty to provide that content. A number of stations have closed and there has been a huge decline. That is where the problem lies. There is considerable urgency in that respect.

Mr. Martin Champoux: Thank you very much.

[English]

The Chair: Ms. McPherson, you have two and a half minutes, please.

Ms. Heather McPherson: Thank you again.

I would like to follow up on how we're going to support Canadian content in Canada and make sure that it's happening. Could you comment a bit on how the NFB would play into that, and the possibility that the NFB is in a critical funding shortage at the moment? What would be required to have that...?

Ms. Janet Yale: It's yours.

Ms. Monique Simard: She worked at the CRTC. I worked at the NFB.

[Translation]

The National Film Board, or NFB, produces only Canadian content. It's mandatory. That's all it produces. So, yes, the NFB should have more money. The current debate is about how that money is spent. We were not mandated to study the NFB, but we are clearly saying that the NFB, like other federal cultural institutions, must be adequately funded to produce what it produces, which is exceptional content.

[English]

Ms. Heather McPherson: I want to pivot a little bit—a different sort of pivot—and ask you what you consider to be the risk to our democracy currently, or the current state of risk, in terms of online.

[Translation]

Ms. Monique Simard: I would say that the greatest risk is really the disappearance of reliable news and that it affects all parts of the country. Every time a radio station, a local newspaper or journalistic activities disappear, it represents a risk to democracy.

The other risk are social harms originating on social networks, Facebook and others. Despite their good intentions, they do not really regulate what happens on their networks. The federal government is not the only one with a responsibility in this regard. The provinces can also take action. In Quebec, there is talk of establishing regulations or legislation to this effect.

There's also misinformation. We had never even heard of the term “fake news” a few years ago. It is now a huge danger, however. Indeed, anything can be said about anyone. In addition, there is the phenomenon of amplification. The digital world, the social networks, are amplifiers. There have always been people who lied or slandered, but with national and international amplifiers, they begin to pose an extremely serious threat.

• (1645)

The Chair: Thank you very much, Ms. Simard.

[English]

Okay. We're now into our bonus round. Sorry, I didn't mean to sound like the proverbial game show host, but we are into a bonus round, and we are going to allow each party to ask one question for the duration of three minutes.

[Translation]

Mr. Blaney, you have the floor for three minutes.

Hon. Steven Blaney: Thank you, Mr. Chair.

Since I would like to share my time, I'm only going to use my first two minutes.

I want to thank Mr. Champoux for mentioning copyright.

My question stems from a comment made by Sophie Prigent, who is satisfied with the report. That said, have you noticed a specificity of the cultural industry market in Quebec? Could a global approach, somewhat like what has been proposed, respond adequately to the special nature of the Quebec cultural, digital and artistic market?

Ms. Monique Simard: I would say that, on one level, what we are proposing is good for everyone. Then we recommend that the future regulatory entity, which we want to call the “Canadian Communications Commission”, refine that. There are a lot of things we haven't specified, such as percentages and quotas. We aren't excluding them, but we feel that it's up to the new entity to specify them.

For those who don't know, Ms. Prigent is president of the Union des artistes du Québec. The fragile nature of the francophone market is due to the fact that it has difficulty selling its products in anglophone markets. We must redouble our efforts in terms of promotion, discoverability and the opening of new markets, including in the francophonie.

Hon. Steven Blaney: Thank you very much, Ms. Simard.

[English]

I will now turn to Madam Shin for the remaining time.

Ms. Nelly Shin (Port Moody—Coquitlam, CPC): Thank you so much, Mr. Chair.

Ms. Simard and Ms. Yale, thank you so much for being here and sharing your thoughts with us.

The unique situation here is that I do have an arts background, and I have spent time in the music industry, so this is a very fascinating conversation. I really appreciate your comments on the copyright issue.

My question has to do with ethnic media. I know that Canada is a diverse country with many nationalities represented, and a lot of ethnic communities look to their own media outlets because of the language barrier.

What is your recommendation in terms of how the government can intervene to make news more accessible to different communities? I know that some media outlets have expressed real challenges in getting funding as well. I will just allow you to speak to that.

Ms. Janet Yale: Well, let me start by saying, first of all, that we really embrace the notion of an open global market. We recognize that people are getting content, including news content, from anywhere, any time, on any device they would like.

The role of the CRTC is no longer one of gatekeeping, so if there are services in other languages that are available to people, they can get those online in a way that may not have been the case earlier, when you had to have a licence to offer anything to somebody in Canada.

I think the first principle is that you can get content from anywhere, in any language, if it's available on the Internet, but second, I would think that's where CBC/Radio-Canada has a role to play, in particular with respect to diversity. I would expect that the government, as part of its negotiations with CBC/Radio-Canada, would include in its mandate the appropriate resources for the opportunity for diverse expressions and for inclusion of people with different languages.

The Chair: Thank you, Ms. Yale. We appreciate that.

Thank you, Ms. Shin, as well.

Mr. Chen, you have three minutes, please.

Mr. Shaun Chen (Scarborough North, Lib.): Thank you very much.

I do want to thank our guests today for being here and for presenting the report.

My question is with respect to cultural sovereignty, which you write about in the report and which you've referenced today. Can you expand a bit more on how important cultural sovereignty is to Canadians? How can we move forward? This is an issue that has been talked about at this committee and has been written about in previous reviews of the CBC. Can you give us some more context in this report on cultural sovereignty?

• (1650)

[Translation]

Ms. Monique Simard: Thank you for asking that question, which is very important to me.

Cultural sovereignty is a fundamental issue of national identity. This has always been the case. When the CBC/Radio-Canada was created in the 1930s, Canada wanted to set itself apart from its neighbour to the south by saying that we had things to say to each other and that we wanted to communicate with our people.

Then, in 1939, just before the war, Canada created the National Film Board, the NFB, which has now been around for 80 years. There was no studio in Canada, so they created one to produce works in Canada and, for a very long time, only the NFB produced them.

Later, cultural institutions were created so that all these networks and institutions could reflect who we are. Music must be encouraged. We should do it more, in fact. We have two organizations that support the music industry: Musicaction and FACTOR. We need to support the vision of what we are culturally.

It's true that there isn't a large market in Canada. We know that we have an extremely influential neighbour from a cultural standpoint. How can we distinguish ourselves, stand out and say that we aren't the same? What are our values? A lot of this is done through the affirmation of cultural identity.

Mr. Shaun Chen: Thank you.

The Chair: Mr. Champoux, you have three minutes.

Mr. Martin Champoux: Thank you.

This is a lengthy report containing excellent recommendations. Many of the recommendations may be a little more complicated to implement. Of course, there is a concern that some of these recommendations may be forgotten. I guarantee that the people on this committee will work hard to implement as many of them as possible.

If you had to choose three recommendations from your report, which ones would you absolutely want to see implemented?

There are two of you, and I'm asking for three.

[English]

Ms. Janet Yale: Okay, well—

[Translation]

Ms. Monique Simard: The urgent measures.

[*English*]

Ms. Janet Yale: The things we recommended as requiring urgent action were these three. The first was making sure that everyone, no matter where they live in Canada, has access to broadband in a safe, secure, affordable and accessible way. The second was bringing the foreign streaming services into the legislation. There's no doubt that some of our recommendations can be taken separately to bring them into effect very quickly. The third was making sure that we remove the competitive inequity by applying the GST to all on-line players.

[*Translation*]

Mr. Martin Champoux: Okay.

Could you quickly talk to us about the fifth generation of wireless networks, 5G? It's pretty much inevitable. There's talk that 5G will be rolled out, and, of course, it's going to be an extraordinary revolution in the digital world.

However, we are starting to hear an increasing number of concerns in several areas. Have you addressed them in your report? Have you reflected on these issues, which are different for the different groups we are hearing from on this issue? I'd like your thoughts on that.

[*English*]

Ms. Janet Yale: In terms of advanced infrastructure, including 5G, about half the telecommunications section of the report is devoted to figuring out how to accelerate the rollout of advanced infrastructure, including 5G. We have a number of recommendations around the ways in which that infrastructure is different from traditional infrastructure and how we can, through legislative reform, accelerate that deployment, as well as make sure it is done in a safe and secure environment. We make some recommendations about ensuring, as an objective of the Telecommunications Act, network security and reliability, and we encourage the government to think about other security issues that may have to be addressed and then incorporated into any new legislation.

[*Translation*]

Mr. Martin Champoux: Thank you.

The Chair: Thank you very much, everyone.

[*English*]

Finally we're going to go to Mr. Bachrach.

I'm going to recognize you for three minutes. By the way, you're our guest, so I want to recognize the fact that you're from the stunningly beautiful riding of Skeena—Bulkley Valley, if I may be so biased.

You have three minutes, sir.

• (1655)

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): I didn't even ask him to say that.

Thank you very much, Mr. Chair. I'm sorry for being a late addition to the table.

Thank you to our witnesses for the presentation, the little bit of it I was able to catch.

As the Chair was saying, the region I represent and have the honour of representing in the House is Skeena—Bulkley Valley, which is the top left third of the province of British Columbia. It takes about four days to drive from one end of the riding to the other, if you drive all day, every day.

I note that your report finds a significant disparity between rural and urban communities in terms of access to broadband. I wonder if you might expand on what you feel the solutions are for communities and regions such as the one I represent.

Ms. Janet Yale: What we've said in our report is that it is an urgent priority and needs to be addressed as quickly as possible. We also recognize that there are many federal government programs, provincial initiatives and municipal initiatives all trying to ensure that everyone, no matter where they live in Canada, has broadband connectivity. We urge the government to address that gap as quickly as possible and to devote the resources necessary to do that in an expeditious way.

We also recommend that the minister of industry report annually to Parliament on the the status of broadband deployment to keep that visibility high around the urgency of the situation. Where there is no economic case, in other words, where the traditional players are not otherwise expanding broadband, we think it's the role of government to step in and ensure that no one is left behind.

Mr. Taylor Bachrach: Thank you very much for that.

I'm wondering if there were any particular barriers that you saw in the work that's been going on now for several years. We've known that this is an issue for a number of years. I come from the local government sector, and we've been working on it for a long time. Were there any specific barriers that you found in your work?

Ms. Janet Yale: Money is obviously a barrier, and then coordination, so we address both the resources that would be necessary to close the gap as well as the need for collaboration and coordination.

Requiring the minister to create a report to Parliament would require an information-gathering exercise to look at all the different programs under way and try to make sure that any barriers to their implementation were addressed.

I did note before you arrived that, for the most remote communities in Canada, one of the things that's going to affect the ultimate delivery of broadband to everyone is the arrival of low-earth orbit satellites, whose deployment is not expected by Telesat for another few years. Where we can close the gap by more traditional methods, we can, and where we have to wait for LEO satellites to arrive, we will, I guess.

The Chair: Thank you very much, Mr. Bachrach. I appreciate it.

We have a few minutes left. If I may, and hopefully I can get the permission of the committee members, I want to clarify a couple of points that were discussed earlier. I would ask you to keep your response very short.

You were saying that eventually you're recommending that ads be eliminated from all platforms of the CBC in time. Is that correct?

Ms. Janet Yale: Advertising.

The Chair: Sorry, yes, advertising.

Ms. Janet Yale: Advertising, starting with news, over a period of five years. That would be within the context, though, of there being an operating agreement between CBC/Radio-Canada and the government with respect to clarification of its roles and responsibilities and the resources, the funding, necessary to achieve them.

The Chair: Okay.

Ms. Janet Yale: I want to be clear that we're not recommending the elimination of advertising in isolation of the package of recommendations around creating operating and financial stability for CBC/Radio-Canada.

The Chair: Thank you.

To clarify another thing, what you're suggesting as far as legislation is concerned is revisiting the Radiocommunication Act, the Telecommunications Act, and the Broadcasting Act. Your mandate does not go into issues of copyright. It also mentions the Competition Act.

Ms. Janet Yale: There were a number of places where our analysis and consultations bumped up against other pieces of legislation, the Privacy Act, the Competition Act and the Copyright Act, as you mentioned, issues of national security where people raise security issues, and we could only touch on them at the very highest level.

We acknowledge where our terms of reference end and where it is incumbent on government given other pieces of legislation that may be relevant for them to act as necessary.

• (1700)

The Chair: Pardon my expression, but bi-standards would be competition and also privacy through PIPEDA. Correct?

Ms. Janet Yale: Correct.

The Chair: You all know what PIPEDA is.

Ms. Janet Yale: Right.

The Chair: I want to thank you very much.

I'll leave it at that. Who knows? Maybe down the line we'll call you back. I'm just giving you a possible warning; you never know.

Voices: Oh, oh!

Ms. Janet Yale: Thank you very much for your attention.

[*Translation*]

Ms. Monique Simard: Thank you very much.

[*English*]

The Chair: Thank you.

Colleagues, I would like to remind you that we're going in camera. The only people allowed in the room at that point will be committee members, one staff member for each committee member, and one staff member for a House officer. I didn't say House leader; I said House officer. That could be the whip, deputy whip, House leader, deputy House leader—one staff from a House officer.

Is everybody okay with that? Okay.

Thank you.

[*Proceedings continue in camera*]

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