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Chair: Lisa Hepfner



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• (0820)

[English]

The Chair (Lisa Hefner (Hamilton Mountain, Lib.)): I'm calling this meeting to order.

Good morning, everyone. Welcome to meeting number 39 of the Standing Committee on Canadian Heritage.

Before we begin, I'd ask all in-person participants to read the guidelines written on the updated cards on the table. They are measures in place to help prevent audio incidents and to protect the health and safety of all participants, especially our interpreters. You'll notice that there's a QR code on the card. It links to a short awareness video.

Pursuant to the routine motion adopted by the committee, I can confirm that witnesses have completed the required connection tests in advance of the meeting.

Please wait until I recognize you by name before you speak. All comments should be addressed through the chair.

I'll remind members that the committee will meet on Thursday, June 11, to finalize a report on social media and to provide instructions to the analysts so they can prepare draft reports for our studies on the state of the media and for the study that we're launching today. To be clear to members, that is June 11.

I understand that we will ask the minister again to reconsider his decision regarding his participation in the study on the state of the media. Regardless, analysts will be able to prepare a draft this summer and make adjustments this fall, should the minister decide to participate.

I'll also advise the committee that our clerk is celebrating 25 years of service today, so congratulations. I was going to bring a cake, but given that we're here at 8:15 in the morning, I wasn't sure it was necessary.

We'll go on to today's business. Pursuant to Standing Order 108(2), we're meeting today for our first meeting on the study of the state of creative and performance spaces across Canada.

We have Erin Benjamin with us in the room today. She was formerly the chief executive officer of the Canadian Live Music Association. We also have the Falun Dafa Association of Canada. Joel Chipkar is a spokesperson and Joel Etienne is the lawyer. Jennifer Brewin, from Globe Theatre, is here with us online. Welcome.

[Translation]

We also have with us, by video conference, Patrick Kearney, the chief executive officer of the Regroupement des festivals régionaux artistiques indépendants, and Jon Weisz, the executive director of Scènes de musique alternatives du Québec.

Welcome.

[English]

Each of you will have five minutes for an opening statement, and then we will turn to members for questions.

We'll start with Erin Benjamin.

You have the floor now for five minutes.

Erin Benjamin (Former Chief Executive Officer, Canadian Live Music Association, As an Individual): Madam Chair, Vice-Chair, PS Myles and members of the committee, thank you for the invitation to appear today.

I'm here in my former capacity as president and CEO of the Canadian Live Music Association. My brand new role is executive vice-president at the Ottawa Board of Trade, where I continue to work on issues connected to economic growth, community vibrancy and the conditions that help local economies thrive.

Canada's live music sector is a significant economic and cultural force. According to the Canadian Live Music Association's "Hear and Now" study, released last year, live music activity generated nearly \$11 billion in economic impact and supported more than 100,000 jobs nationwide. The sector includes major venues, festivals, promoters, touring companies and independent operators, all operating in a deeply interconnected and complex ecosystem.

Large-scale operators generate substantial economic activity. They attract tourism and support hospitality and downtown economies. They create jobs and help position Canadian cities competitively on the global stage.

Independent venues and operators play a fundamentally different role within that ecosystem. They are where artists first develop, where creative risks are taken, where local communities form and where the talent pipeline that ultimately feeds the broader commercial industry begins. The success we see later in theatres, arenas, major festivals and international touring circuits very often starts in these smaller rooms.

At the same time, independent operators are increasingly operating under extraordinary pressure. Rising rents and insurance costs, labour shortages, inflation, post-pandemic debt burdens and growing market consolidation are all placing a strain on businesses that already tend to operate within very limited margins. Unlike larger operators, many independent venues don't have diversified revenue streams, large sponsorship structures, significant access to capital or real estate leverage to help absorb market volatility.

Despite these pressures, they continue to invest in emerging Canadian talent. They support local economies. They animate our neighbourhoods and main streets, creating cultural vibrancy that communities increasingly recognize as part of economic competitiveness and quality of life. This is why this conversation is not just about culture. It is about economic infrastructure and market diversity, talent development and tourism, and community vitality and the long-term sustainability of a sector that contributes significantly to Canada's economy and international cultural presence.

I also think it's important to acknowledge that the federal government recognized the strategic importance of this ecosystem during the pandemic. Thank you. The targeted investment in budget 2022 helped stabilize and save critical parts of the live music sector during an unprecedented period of disruption. More recently, the reinstatement of the promoter and festival support components of the Canada music fund represents a really important recognition that independent operators require unique policy tools that reflect the realities of how the sector functions today. That matters because healthy ecosystems depend on balance.

Canada's live music sector works precisely because different parts of the industry perform different functions, but independent venues and operators aren't simply one segment of the sector. They're foundational to its long-term sustainability and renewal. If these spaces continue to weaken, the impacts will extend far beyond individual businesses. Over time, fewer artists will be able to build sustainable careers. Fewer communities will have access to live performances. The industry will become more concentrated, less locally rooted and ultimately less resilient and competitive.

Canada already has an extraordinary live music ecosystem with enormous growth potential. The opportunity now is to ensure that public policy continues evolving in ways that recognize the essential role that independent venues and operators play within that ecosystem, and the broader economic and cultural value they create across the country.

Thank you very much. I very much look forward to your questions.

● (0825)

The Chair: Thank you.

Next we'll move on to the Falun Dafa Association of Canada.

Between the two Joels, you have five minutes for an opening statement. Go ahead.

Joel Chipkar (Spokesperson, Falun Dafa Association of Canada): Thank you, Madam Chair and honourable members, for the opportunity to speak.

We're here to show how foreign interference is systematically targeting municipal, provincial, private and federal theatres in Canada and to urge this committee and the government to protect our venues and artistic freedom.

For 20 years, the Falun Gong spiritual community in Canada has brought Shen Yun Performing Arts, the renowned classical Chinese dance company, to theatres right across this country. However, the Chinese Communist Party, under Xi Jinping's direct orders, has escalated a global campaign to stop the show through diplomatic pressure, 150 bomb threats worldwide, baseless lawsuits and leaked documents outlining a disinformation campaign using western media and social media against Shen Yun and Falun Gong.

Why would a so-called superpower fear a dance company? It's because Shen Yun celebrates a China before Communism and exposes the Communist Party's 27-year ongoing and horrific human rights crimes against Falun Gong practitioners in China. That's why the Communist Party wants Shen Yun silenced.

In the past two years, Canada has seen over 20 hoax bomb and death threats targeting Shen Yun theatres, Parliament Hill and politicians. This year, Shen Yun has faced booking denials, theatre evacuations and cancellations. For example, on March 15, Mississauga's Living Arts Centre received a bomb threat from China. It threatened to bomb the theatre and Parliament Hill if Shen Yun performed. The theatre was evacuated, and the show was delayed 90 minutes until police determined that the threat was not credible.

Weeks later, Toronto's Four Seasons Centre cancelled six Shen Yun shows after similar threats, which police quickly deemed unfounded. The sender later mocked Canada, saying it cannot be taken seriously, and claimed allegiance to "my motherland's Communist Party".

In April, not only did Vancouver's Queen Elizabeth Theatre receive similar threats, which police traced to China, but Global News reported that the Chinese consulate directly urged civic theatre officials to cancel Shen Yun. This proved that this is a coordinated campaign by the Communist Party here in Canada and not spontaneous acts of harassment.

After hosting Shen Yun for 18 years, Montreal's Place des Arts declined dates for 2026 and 2027.

Here in Ottawa, Shen Yun was not given dates for 2026 and 2027 after performing for 18 years at the National Arts Centre. It's a decision they called private and confidential. This happened after NAC executives met twice with the Chinese ambassador about cultural co-operation. A Crown corporation getting over \$60 million a year in taxpayer funding should avoid decisions that serve China's censorship goals.

In each case, the presenter and theatre were left to face national security-level threats alone.

Joel Etienne (Barrister and Solicitor, Falun Dafa Association of Canada): Shen Yun is deeply connected to Canadians' right to present lawful artistic and cultural expression, free from foreign state intimidation. Members of the Canadian Falun Dafa community, who help present Shen Yun, are entitled, under the Charter of Rights and Canadian law, to participate fully in Canadian cultural life without fear, intimidation or foreign interference.

Our recommendations to the committee are the following.

Canadian Heritage should establish federal guidance and response protocols for publicly funded cultural institutions facing foreign state intimidation. Rental decisions under such circumstances should not be treated as private business matters.

Publicly funded venues and Crown corporations, including the NAC, should receive training on foreign interference, transnational repression and diplomatic pressure tactics. The NAC should be directed to offer Shen Yun dates to perform in Ottawa.

Public security agencies—the RCMP, CSE, CSIS and local police services—should assess and investigate the broader pattern of foreign interference and transnational crime targeting the cultural sector, including the threats and intimidation campaigns, not merely as isolated public-order incidents, and should enforce relevant provisions of existing legislation.

Global Affairs Canada should review whether consular pressure on Canadian venues violated the Vienna convention and should establish transparency mechanisms for diplomatic communications directed toward Canadian artistic programming.

We ask this committee to help ensure that no Canadian theatre is again made an instrument of foreign censorship and to help protect art institutions and their clients from foreign interference.

Thank you, Madam Chair and Mr. Vice-Chair.

[*Translation*]

The Chair: Thank you.

[*English*]

I will turn next to Jennifer Brewin from the Globe Theatre, who is online.

You have five minutes.

● (0830)

Jennifer Brewin (Artistic Director, Globe Theatre): Thank you, everybody.

I'm speaking to you from Regina, Saskatchewan, also known as "Pile of Bones", located on Treaty No. 4, the homeland of the

Nêhiyawak; the Anihšīnāpēk; the Dakota, Lakota, and Nakota peoples; and the Métis.

I have the privilege of serving as the artistic director of the Globe Theatre. It is located in the heart of downtown Regina, with an operating budget of over \$5 million. I'm going to speak about the Globe as one example of an arts organization's life in its community.

For 60 years, the Globe Theatre has been a cornerstone of cultural life in Saskatchewan's capital city and in southern Saskatchewan. Like many cultural institutions across the country, we play a significant role in the social, economic and artistic life of our communities.

The Globe itself has a remarkable history. Founded in 1966, it was Saskatchewan's first professional theatre, and it remains the country's only permanent professional theatre-in-the-round. Our home is the historic Prince Edward Building, now known as MacCorquodale Place, in the heart of downtown Regina.

I want to note that we're in the final chapter of a transformative \$48-million renewal project—the results of years of planning and more than five years of construction. A quick look at the donors for the building indicates that they all come from home-grown Saskatchewan businesses.

We host and inspire prairie storytelling, job creation and cultural discourse. Our new community theatre is purpose-built to remove barriers to use by the many diverse communities that call southern Saskatchewan home.

We host numerous events. We run a season of five productions, as well as other special events, comedy shows and dance recitals. A recent production of *Frozen* ran for eight weeks and performed to almost 19,000 people in a city with a population of under 240,000. That's a pretty attractive centre of attention.

We hire more than 150 artists, technicians, production staff, educators and administrators. We collaborate with dozens of sponsors, community organizations and cultural partners.

Clearly, the Globe Theatre, just as many institutions do, plays an important role in the revitalization of downtown and in Saskatchewan's broader community. Arts and cultural institutions bring people into city centres in the evenings, and on weekends they support restaurants, hotels, retail businesses, parking services and tourism. We animate public spaces, encourage foot traffic and help create vibrant downtowns.

Just recently, we were closed for five years. When we opened, the restaurants started to fill up again. They had been empty for numerous years, and all of a sudden they were looking at our programming to find out how to staff their restaurants for sold-out nights.

This season, more than \$579,000 in provincial sales tax and liquor tax revenue is anticipated to be generated directly through Globe activity. Our annual operating grant from the province is just over \$200,000, so it's an estimated 200% return on the provincial investment. These numbers tell an important story. Investment in cultural infrastructure supports artists, strengthens downtowns, drives tourism, creates employment and contributes materially to the livability and identity of our communities.

In closing, I want to return to and ask everyone to consider the role the arts play in public life and in the economy. During postwar America, Roosevelt loved the arts, as they played a particular role in the economic revival and renewal of postwar America. They later became regarded as a practical example of Keynesian economics in action, because theatre artists are not people who accumulate wealth. Most artists do not make enough to save significantly. They spend what they earn. They spend it locally on rent, groceries, restaurants, child care, transit and small businesses. The money goes back into the community immediately. With a budget of \$5 million, the Globe Theatre spends a lot on its local communities, and you can feel it.

Tommy Douglas's government in Saskatchewan in the 1950s was the first to set up arm's-length arts boards because, as he said, the arts create community where there otherwise might be none. I find that idea especially compelling because it came from a man of the church, and even then, he recognized the role the arts play in diverse cultural infrastructure.

Thank you.

The Chair: Well done. I will take a moment to appreciate, ma'am, how early it is in the morning for you in Regina right now. Thank you for being here with us at this time of day.

[*Translation*]

The floor now goes to Patrick Kearney, the chief executive officer of the Regroupement des festivals régionaux artistiques indépendants.

Mr. Kearney, the floor is yours for five minutes.

Patrick Kearney (chief executive officer, Regroupement des festivals régionaux artistiques indépendants): Thank you, Madam Chair.

The Regroupement des festivals régionaux artistiques indépendants, which represents more than 130 festivals in Quebec, now al-

so brings together francophone festivals elsewhere in Canada. Our sphere of influence is therefore not just in Quebec.

I would like to talk to you about a situation now playing out in Canada and in Quebec. This is the dominance of a group called Live Nation, especially in Montreal. It owns 49% of a group called Evenko. The 49% gives it significant influence and allows it to keep obtaining support from grants, since the company remains Canadian.

The group formed by Evenko and Live Nation owns seven festivals in Quebec and six venues. Elsewhere in Canada, its position is even more dominant. In Toronto, for example, it owns all major events and all venues. It has a significant impact on the music scene in Montreal and elsewhere in Quebec. The monopoly is a real threat to Quebec's—not to say Canada's—cultural sovereignty.

We have frequently condemned this group's dominant position in Quebec to federal, provincial and municipal government authorities, from whom the group receives significant grants. The group's dominance is even greater in the rest of Canada. It is a curious paradox to see our governments subsidizing an American company like Live Nation, which is harming our culture.

Live Nation also owns Ticketmaster, which is 100% American. It is everywhere in the largest festivals and the biggest venues. Ticketmaster has created a concept called dynamic pricing, which greatly affects the cost of tickets. In the United States, Live Nation is facing lawsuits from more than 30 states and has had to spend more than \$420 million in lawyers' fees. What clearer indication can there be that its practices are not acceptable? In Quebec, a class action against Ticketmaster about the cost of tickets is in progress.

We have heard little about the airing of *Enquête's* reporting on Radio-Canada last February. The report caused a shockwave in political and performing arts circles.

We might actually have expected politicians to react more strongly. We repeat that having such concentration in the hands of a huge player like Live Nation clearly threatens our culture, in that an American company controls it.

When we discussed the issue with the *Enquête* reporter, she actually acknowledged that it was the worst code of silence she had witnessed in her journalism career. It was stronger than the omertà of organized crime and the mafia. Very few people in Quebec and in Canada wanted to talk about the monopoly. This shows the power the group holds in Quebec and in Canada.

Unfortunately, little has changed since.

I have just come back from a trip to Europe for discussions on the concentration of major players in music. It is having many negative effects in Europe. For example, Live Nation's purchase of one of France's largest venues, where Céline Dion will perform, caused shockwaves in Europe. We believe that a partnership between Canada and Europe is needed to counter the strength of these major groups. We see that our Prime Minister has created many ties with Europe. Perhaps this is a good time to focus on this issue too.

We must bring this problem and this situation to the political level. It cannot remain a matter for the artists, the venues and the festivals to deal with.

Thank you very much.

● (0835)

The Chair: Thank you.

The floor now goes to the representative of Scènes de musique alternatives du Québec.

Mr. Weisz, the floor is yours for five minutes.

[English]

Jon Weisz (Executive Director, Scènes de Musique Alternatives du Québec): Hello, everyone.

[Translation]

Thank you, Madam Chair.

Members of the committee, thank you for including us in this study.

My name is Jon Weisz and I am the founder and executive director of Scènes de musique alternatives du Québec, or SMAQ. The association was founded in 2018 and today brings together more than sixty independent performance facilities throughout Quebec.

Independent performance facilities have a central role in the music ecosystem because they can accommodate the major transformations in the way culture is available. Today, more than 80% of live, professional music performances in Quebec take place in independent facilities. They are the laboratories of artistic innovation. For the public, they also play a major role in discoverability, as they introduce artists from Quebec and Canada in person. These venues also contribute to the vitality of local economies by attracting audiences to neighbourhoods, to municipalities and to regions. Today, more than 75% of artists' income is from touring. Independent performance facilities are therefore essential for their financial stability and for the development of their careers in the long term.

The first challenge that independent performance facilities face is chronic underfunding. The current envelope for halls in Quebec is a thin one indeed: one-third of what goes to venues in the rest of Canada.

Our first recommendation, therefore, is for the government to bring the amount of permanent funding for producers and for performance spaces to \$10 million.

An investment of that kind would protect our cultural sovereignty. Without strong infrastructure to host our homegrown artists, Canada increases its dependency on foreign content, platforms and

companies, mostly American, to shape our collective imagination and our access to music.

The second challenge is the precarious situation with the facilities. In Quebec, around 70% of independent performance facilities are leased. This makes them directly vulnerable to increased rental costs and to real estate sales, speculation and changes in use. Each time a lease is renewed, a number of tenants are anticipating increases of between 25% and 50%. In the last three years, other operating costs have increased by about 40%.

Our second recommendation, therefore, is for the federal government to support collective models of venue security that would establish independent performance facilities on a long-term basis.

The third challenge for independent performance facilities is the growing concentration in the market for live events.

Internationally, players like Live Nation and Ticketmaster have been strengthening their position through evermore aggressive vertical integration. This has fragmented, not to say dismantled, a number of cultural ecosystems.

In Quebec, the concentration took a specific form in 2019 when Live Nation Entertainment acquired 49% of Evenko. Today, this conglomerate controls a critical mass of major performance venues and festivals in Quebec. Therefore, half the profits from those events, supported by millions of dollars in public money, go off to Los Angeles.

While the huge integrated groups make record profits quarter after quarter, independent production continues to operate in an ecosystem that is growing evermore precarious.

Our recommendation, therefore, is that the federal government institute a solidarity fee on ticket sales for major events. To be specific, this would be a modest contribution on tickets for major concerts attracting a large audience. The fee would be paid into a fund for independent performance facilities.

A measure of that kind would recognize the artistic research and development role of those facilities. They are where the first risks are taken with emerging artists and new projects.

In conclusion, support for independent performance facilities is support for our cultural sovereignty. Investment in a strong network of independent venues protects our ability to bring our stories to life and to produce them for the public to discover.

Thank you for your attention. I look forward to your questions and am ready to answer them in either official language.

● (0840)

The Chair: That's great.

My thanks to all the witnesses for providing such succinct remarks.

We now begin with members' questions.

[English]

Ms. Thomas, you have the floor for six minutes.

Rachael Thomas (Lethbridge, CPC): Thank you.

My first question is for the Joels, Mr. Etienne and Mr. Chipkar.

With regard to the Falun Dafa and the Shen Yun performances, it's been noted in your testimony here today—and it's been widely noted throughout the media—that there has been interference from Beijing with regard to the performers, the performances and how they move forward. I'm wondering why the CCP is getting in the way with suppressive tactics. Why would it want to do that?

Joel Chipkar: In 1999, the Chinese Communist Party started a violent nationwide persecution against the peaceful spiritual practice known as Falun Gong, which was widely respected, supported, endorsed and even awarded by the Communist Party before its membership got so big that the Communist Party attacked it because of its independence and spiritual values. Since then, human rights groups have documented horrific crimes against humanity for the past 27 years. Most media and governments have remained silent on the persecution, although a lot of human rights organizations continue to report what's happening.

Shen Yun was formed in 2006 by members of the Falun Gong community, some facing persecution in China, to bring awareness to the beauty of true traditional Chinese culture before Communism and also to shed light on the human rights issues happening in China today under Communist Party rule. That's the reason the Communist Party targets this. They want to hide the crimes against humanity that they've been responsible for over the past 27 years.

Shen Yun brings to light on stage, through gorgeous, expressive classical Chinese dance and full live orchestras, wonderful and heroic messages of hope and compassion—stories that have happened throughout China's generations. The Chinese Communist Party doesn't want that. That's the reason.

• (0845)

Joel Etienne: May I follow up on the question?

Rachael Thomas: Sure.

Joel Etienne: It's foreign interference, but it really has a true Canadian dimension. Including the organizers and the performers, the entire Shen Yun community is a very Canadian community. You have 18- and 19-year-old kids, Canadian-born kids, who are on stage with years of training. They're facing bomb threats, criminal harassment and the fear of cancellation. I'm a father of a 19-year-old. My children are not talented enough to be Shen Yun performers, but as a parent, I think it's a horrible situation to have to live with, not knowing if these bomb threats will manifest themselves.

As far as I'm concerned, it's really a situation of transnational crime that has an impact on Canadians—what Canadians get to see and what Canadians get to experience culturally speaking—and on Canadian artists and Canadian performers. With anything that's transnational crime, sure the origins.... Take as an analogy criminal drug cartels. Cocaine is harvested outside the country and imported from outside the country, but the dealers are here. The crime has an immediate criminal impact in the country.

As an analogy, it's the same situation here. The difference is that the scheme is very intelligent, because the Criminal Code infractions originate from outside the country. Under diplomatic cover, the work is then finished by consular officials. Under the veil of diplomatic immunity, they go about trying to seal the deal and con-

vince venues to disenfranchise Shen Yun, which is, as I've said, a Canadian institution with Canadian artists and performers.

Rachael Thomas: On that note, there is evidence that in Vancouver, Chinese consular officials met with Vancouver City Hall and tried to apply pressure with regard to the cancellation of the performances. We know that here in Ottawa, the National Arts Centre has refused to enter into an agreement with Shen Yun to have their performances there, even though in years past they were totally fine with it. It would appear that perhaps there's some pressure behind closed doors being applied there. We also know that in Toronto there were bomb threats that resulted in the cancellation of performances, even though the police actually deemed those threats to be non-credible.

We know that these things are happening. We also know that action can be taken to better protect vulnerable Canadians, in this case the Falun Dafa community. I guess my curiosity is this: What would you recommend in terms of action that should be taken to better protect those who observe Falun Dafa and those who perform within Shen Yun?

Joel Etienne: Federal departments are supported by other federal departments. The Office of the Superintendent of Financial Institutions, OSFI, is supported by CSIS when it does security checks. When you want tax credits or you need extra monies for your envelope, you go to the Department of Finance. Any time my law firm sues the government, it's a lawyer for the Department of Justice who shows up, no matter what the department is. Ultimately, as a department, you have the full support, if you call on it, of CSIS, the RCMP and Global Affairs.

As far as I'm concerned, when diplomats are involved in engaging in criminal activity in Canada, they can be made *personae non gratae* and asked that the behaviour stop or asked to leave the country. There's no doubt—I don't think there's any debate—that the activities are Criminal Code activities. Mischief, threats to life and harassment are Criminal Code activities.

The CCP is very clear about its mandate in relation to Shen Yun and Falun Gong. It's unequivocal. It comes from the top. It is organized, and it is very public. They're not shying away from their feelings, certainly not when they're meeting with Canadian officials and asking them to ban Shen Yun. As far as I'm concerned, that's complicity. That's conspiracy.

I would ask the committee and members of Parliament to refrain from looking at this as silos. This is a—

• (0850)

The Chair: Thank you.

I'm sorry. We're out of time for that question, but it's understood.

Mr. Al Soud, you have the floor for six minutes.

Fares Al Soud (Mississauga Centre, Lib.): Thank you, Madam Chair.

Good morning, everyone. Thanks to all of you for taking the time to be with us today.

I am not an artist, but I am the proud member of Parliament for one of the most diverse and vibrant communities in our country, and certainly an artistic community. I fundamentally recognize the value of these venues and the performance opportunities that young and emergent artists get.

I'll also make a point of saying that despite aging a couple of months back—I am now one year older—I'm still fairly young, and I have the privilege of engaging with young artists all the time. Some of my favourite videos online are of artists performing in smaller venues before they became famous, because you can see a blend of three traits. I would say they are talent, passion and opportunity.

Ms. Benjamin and Ms. Brewin, you both work closely with independent venues and grassroots artists across the country. For many young Canadian musicians, smaller venues are where they perform for the first time. It's where they build confidence and it's where they start growing an audience. Could you speak to the value of these venues for emerging artists?

Erin Benjamin: I was one of those artists long before you were born. How long, I'm not going to say.

Honestly, they're fundamental to an artist's ability to, as I said in my remarks, develop an audience and build markets over time. Everyone loves to talk about a TikTok phenom's overnight success, but even those artists likely started somewhere else. The reality, especially in this country, is that touring, as Jon mentioned, is not only where artists earn most of their revenue; it's really how they build a fan base. If we don't have access to those performance spaces, we simply don't see that.

This was the crux during COVID, obviously. All of you would have felt this in your ridings, with emerging and especially independent artists who had no place to play. We almost lost an entire generation of emerging artists because of this, which is why the Canadian Live Music Association and so many other organizations work together to champion investment in the sector to save infrastructure so that we can continue to facilitate touring across the country at every level.

As I referenced in my remarks, it establishes the pipeline, and not every artist goes on to be a commercial success. I am also an example of that. I do something else now that I very much enjoy. The reality is that in the opportunity to share songs and stories with different communities from coast to coast to coast, that's where it happens. Whether it's a church basement or a library—and we might put some of those venues in the same sort of bucket for the purposes of this conversation—any contraction of those opportunities very likely means fewer performance opportunities for emerging artists, who may ultimately go on to write the song that your children dance to at their wedding. That's how it works.

We have a wonderful artist in the room who is a perfect example of that legitimately. David Myles's music has changed the way Canadians feel many times over, and in a good way. Truly, this is what artists do. If we don't have those spaces, we are simply not

creating our artists of the future, and we're missing a huge opportunity as a country if that happens.

• (0855)

Fares Al Soud: That's very well said.

Ms. Brewin, do you want to add anything?

Jennifer Brewin: All the arts are labour-intensive, and theatre in particular because it's live performances and because it's usually more than one person. Emerging artists are going to exist in any culture over time and over history. What they need is space. As a person who used the Poor Alex Theatre and all these tiny spaces in Toronto, I know they need space. It's going to happen no matter what.

The other thing I see constantly is that independent art theatre-makers will get a grant of possibly \$5,000 or \$8,000, and they spend most of that in Toronto on space. I'm trying to figure out how on earth we can do it so they don't have to spend money on administrators and producers.

In particular, they just need space. They need a clean, safe space where they can make work and be creative. They need a black box, and they can make anything anywhere. A place where they're honoured, revered and cared for is inspiring. They're acknowledged for what they do by opening up the doors.

The University of Regina just started a residency program where their final year class cohort of emerging artists were residents in our company. It was great for our company to have those young people around. When they were in that space, they made something they could aspire to from being in a professional theatre environment. It was great for this company. We had an intergenerational story happening in our space.

Theatre artists need space to make work, and they will make it. They'll be independent. They're naturally entrepreneurial, so that's why a roof, walls and doors are really great.

Fares Al Soud: Thank you both.

Ms. Brewin, to the point on rising development pressures, which can at times make it more challenging for local creative spaces to survive, it's also important to highlight that young people are looking for accessible arts and music spaces closer to where they live. What federal policy tools do you believe could help preserve accessible creative and performance spaces in rapidly growing urban centres?

Perhaps I'll turn to Ms. Brewin and Ms. Benjamin, noting that you have roughly a minute left.

Jennifer Brewin: Spending money on cultural spaces and making sure they're safe, clean, inviting and welcoming are not just about bricks and mortar. They're about having the resources in the building to support artists so they can make art. They don't have to produce art, and they don't have to write grants, necessarily. We can support them in the financial administration of their projects. I don't want to take money away from the arts and those artists, but I think our big institutions have an opportunity to support their independence and agency.

Erin Benjamin: Thank you for that important question. It's been the foundational question my entire career to this date.

I've spent 35 years advocating for the industry side of the live music sector. I believe we have in this country a remarkable opportunity. I referenced the promoter program and the festival support component of the Canada music fund. We also see the Canada arts presentation fund, the building communities through arts and heritage program, and all of the Heritage supports.

I've talked to PS Myles about a broader Canadian live music strategy. We need to look to other countries to understand how they're incentivizing growth in this sector. We need to treat these independent and all live music spaces as a legitimate industry—again, it's almost \$11 billion to GDP and 100,000 jobs—and understand the growth potential. We are so far from harnessing the potential of this sector.

As I said, during COVID, it was the first time there were direct investments in the independent venue and promoter space in the history of this country. This is a segment of our economy that is underutilized and misunderstood. That is why this study is so important.

You asked a question about artists, which is very important—

The Chair: I'm sorry. I don't want to cut you off, but we are out of time for that question. We'll get back to you.

[Translation]

Mr. Champoux, you have the floor for six minutes.

Martin Champoux (Drummond, BQ): Thank you, Madam Chair.

Mr. Kearney, let me turn to you right away.

In your opening remarks, you talked at length about the Live Nation situation, which is a major concern and raises a lot of questions. I have to tell you that we have heard you and we are extremely worried by it all. Discussions are taking place and pressure is being applied so that the rules can be changed to the benefit of many in the environment who are harmed by the actions of certain huge multinationals. As you know, this does not just affect festivals and shows, it also affects a number of other aspects of cultural life in Quebec and Canada.

I would like to talk to you a little about the state of festivals. Your group, REFRAIN, represents many regional festivals and many small festivals that are extremely diverse and often thematic. They reveal aspects of our culture that are not easily available, or not as easily presented outside a festival structure.

Could you tell us a little about the ways in which these festivals have to fund themselves? Do some organizers feel a kind of lack of commitment on the part of the federal government? I personally receive several appeals along those lines. How can we get back on track and make sure that these festivals, significant and often underfunded as they are, as I said, can continue to present their offerings?

• (0900)

Patrick Kearney: Those festivals certainly do play a really important role in the development of the artists' careers. They are often the gateway for new or mid-level artists. We did a small study that showed that festivals with fifty or so artists is like being at a huge buffet. You can consume a lot of culture and meet a lot of artists. Then you can choose to go and see them elsewhere. Festivals are an important complement to, say, the independent performance facilities that Jon Weisz represents. It's a continuum.

Certainly, funding is always a challenge. The problem we have with Canadian Heritage is that the department gives us some money, but not more money, despite there being more festivals. Here's an example: we receive \$25,000 for a festival. When we apply for the same festival the next year, we receive \$22,000. Funding decreases because the feds distribute their funds to all eligible festivals.

So there are two solutions: Either provide more money, or turn off the tap and have no additional festivals. Except that—

Martin Champoux: When you lose funding like that, what goes on the festivals' chopping block first?

Patrick Kearney: Given the increasing cost of living, which affects everyone, festivals included, the cuts end up being to the programming. It means that we have to make do with fewer artists, who unfortunately are often the emerging ones. A festival has to sell tickets, so it keeps its headliners but does not keep the lesser-known artists. That does nothing for the new generation.

We now have the same challenge at Innovation, Science and Economic Development Canada. It seems that, in certain regions, festivals are being abandoned in favour of other areas of the economy.

Martin Champoux: Yes, that's true.

Patrick Kearney: So that's what we are up against.

Martin Champoux: I will turn to you now, Mr. Weisz.

We met in a private facility in my constituency. It's in Drummondville and is called the Espace Mandeville. It was about one of your members: a producer of shows that really weren't suitable for the larger halls.

Can you give me some more details about the need for and the importance of these stages for artists who may not necessarily be on their way to bigger halls or bigger festivals? Tell me a little about your clients.

Jon Weisz: Most Quebec artists perform on our stages. Relatively few artists are able to sell enough tickets to tour in theatres and cultural venues. So a large majority of artists, both Quebecer and Canadian, touring in Quebec need our network in order to make a living. In a way, it's funny that we named our association the Scènes de musique alternatives du Québec because for a critical mass of artists, there's nothing alternative about it; it's where they earn most of their living.

I feel that the key role our network plays in the careers of these artists is not well understood.

Martin Champoux: Mr. Weisz, an illustration of what you are saying, I feel, is that the performance venues that belong to your association are very often, for many artists, the first rung on the ladder. If that first rung is removed, they just can't climb up. That's why the venues are essential.

When we met last year, we started to discuss a funding issue. The issue is that, for some of the facilities to survive, they have to be multi-use, meaning that they may have to have a bar, or be part of a complex, like a deconsecrated church that is now a cultural centre. But when a space has a number of uses, it causes a problem with funding programs.

Do your members still have that problem with funding programs?

Jon Weisz: Yes, absolutely. Most of our venues have to provide restaurant or bar services, or to offer accommodation, in order to preserve their cultural mandate, because there are not enough grants for culture. So, only with those sources of revenue can independent artists be showcased.

But we have a wide array of business models in our network. That makes it a network that some funders do not understand very well, even though there's a willingness to help, up to a certain point. It's a reality where a lot of education is needed.

• (0905)

Martin Champoux: Thank you very much, Mr. Weisz.

Jon Weisz: Thank you.

[English]

The Chair: Mr. Waugh, it's over to you for six minutes.

Kevin Waugh (Saskatoon South, CPC): Thank you, Madam Chair.

Mr. Chipkar and Mr. Etienne, as you may recall, just 13 months ago, the Prime Minister at the time, Mark Carney, referred to China as the biggest security threat to this country. Now he's allowing 49,000 Chinese EVs into this country. In fact, I was in Vancouver a

couple of months ago as they were preparing to take them off the ships. They're expanding trade with China.

Falun Dafa, what are your thoughts about this? Thirteen months ago, they were the biggest threat, and today we seem to be in bed with them.

Joel Chipkar: Our concern is that when we start to ignore the interference and transnational oppression happening in Canada, it doesn't just become a Falun Gong or Shen Yun issue; it's everybody's issue. Like all of the young artists we're speaking about today, what if a young artist wants to write a great song about democracy and anti-Communism? Are they going to be attacked by the Chinese Communist Party here in Canada?

When it comes to the National Arts Centre, after 18 years, we're concerned because we can see the power of the Chinese Communist Party influence. They had over 20 correspondence with NAC executives and CCP diplomats on cultural co-operation, and then just months later, Shen Yun was cancelled with no reason that held up to scrutiny. All the reasons didn't hold up to scrutiny. When we start putting our democracy, our freedom of the arts, our freedom of speech and our freedom of belief on the back burner to please China for trade, we're losing our country.

Joel Etienne: We've heard the Prime Minister speak about standing up to America, and every day we do business with the Americans—they're our best friends—yet we're maintaining our Canadian values and principles in relation to the Americans. I'd like to see the same—Canada standing up to the CCP.

This department and our country have a history of standing up for the freedom of cultural expression. We did it during Jim Crow. Don't forget Josephine Baker, Billie Holiday, Louis Armstrong, Duke Ellington, Jackie Robinson in sports, Jack Johnson and Willie O'Ree. We stood up to Jim Crow, did business with the Americans and stood up for the Canadian values of equality and decency.

I just can't understand for the life of me.... During the Cold War in 1972, there were Paul Henderson and Ken Dryden. The east and the west were just about to nuke each other, but we were allowed to play hockey without foreign interference and without any bomb threats, and push the advancements of international brotherhood through cultural expression without any interference.

If the federal government wants to do business with China, that's an issue for a different discussion on another day, but there's no reason we can't stand up for Canadians and their right to express themselves through arts and culture on stages.

• (0910)

Kevin Waugh: Thank you.

I'm from Saskatchewan, so I better ask the question, Ms. Brewin. There has been a lot of controversy in the province over the last three weeks with the Globe Theatre. What are your thoughts on the *Little Red Warrior*, the comedy that took place at Regina's Campbell Collegiate? Was there a misunderstanding on the age clarification, 14- and 16-year-olds?

I'm going to give you some time now, because it is 6:30 in Saskatchewan, and you knew this question was coming. Can you clarify what happened?

Jennifer Brewin: Wow. That's interesting.

First of all, *Little Red Warrior* is a play, but let me take a step back.

What your question is addressing—and it comes off the previous conversation—is the idea of cultural diversity, diversity of communities and diversity of ideas. The idea that we live in a community with multiple realities and cultural realities is something the arts get to show off and embrace.

In terms of *Little Red Warrior*, this play has been produced across the country. It's by a Governor General's Award-winning playwright. It has been produced for students for high school matinees many times. The script was available to the teachers. The script follow-up conversations were had with the schools and the teachers, and the content was revealed to them. That's one part of the problem we had.

There was a school that showed up—

The Chair: I have to cut you off there. I'm sorry, but we're a minute over already.

[*Translation*]

Ms. Auguste, the floor is yours for five minutes.

Tatiana Auguste (Terrebonne, Lib.): Thank you very much, Madam Chair.

My thanks to everyone for joining us today.

A media report published in January 2026 dealt with the issue of new approaches to the use of their activity space by artists' organizations. For example, in Calgary, there's a network of heritage buildings, like King Edward School, more than 100 years old, that has been converted into a space for the arts. I am also thinking about the director of the Halifax Folklore Centre in Nova Scotia, who organized an open-mike acoustic evening in a funeral home. I could also talk about Terrebonne, my own constituency, where heritage buildings are used as spaces for artists to present their works. In my opinion, making buildings that would otherwise sit empty part of emerging culture is a good practice.

Mr. Weisz and Mr. Kearney, how can we encourage practices of those kinds? What role can the various levels of government play in encouraging those practices?

Jon Weisz: Our primary role is to guarantee the survival and the continued existence of spaces that are already being used for performances. But there are a number of wonderful projects, certainly in Quebec, with the aim of transforming deconsecrated churches and "third places" into performance spaces. But SMAQ's priority is

to ensure the long-term survival of existing performance spaces that are threatened and marginalized.

If a performance space closes its doors, it is very rarely replaced by another one. These are cultural assets that must be protected at all costs.

Of course, we are not opposed to the idea of using unoccupied spaces as performance venues. But that must not be done at the expense of the spaces that are managed by passionate, talented people, who are very often having a hard time keeping their spaces open and their stages available for Quebec artists.

• (0915)

Patrick Kearney: Festivals use a lot of what are called temporary or pop-up spaces. During a festival, a group may perform in a fire station, a church or a community centre, for example. I feel that it suits the nature of a festival well. After all, the main idea is to provide access to more artists.

Festivals are where you may see pop-up shows, as they are called. They are spontaneous or surprise shows with new artists, or with an established artist who wants to do something different from the rest. But I agree with Mr. Weisz: It's intended to be spontaneous and I feel that we must always use it because it is a way to make art available. But we have to consolidate the performance spaces we have, including Mr. Weisz's network of small halls.

After introducing a new artist in a festival, we start looking for a performance venue. Often the major halls cannot take artists of that kind because not enough people are ready to buy tickets and because the costs to operate a large hall are very high. The opportunity often comes from independent venues, hence the importance of their complementary role in the continuum that we all must have together.

Tatiana Auguste: Thank you very much.

I would like to move on to what you were saying about ticket sales, about dynamic pricing and all that. Like my colleague, I could talk about the young people who want to be able to consume art and culture, especially in French, in a more accessible way.

Could you tell us about the problem of access to art and culture for the new generation that the current ticket-selling situation is causing?

Patrick Kearney: North America, meaning the United States and Canada, is probably where ticket prices are highest. Europe still has large companies that can compete among themselves. Going to see a show at the Bell Centre for less than \$200 is really very rare. In Europe, it's not so much of a problem.

Let's talk about what is called cultural spending. A kid who pays a lot to see a French artist, perhaps a rapper from France, at MTELUS, will have less money in his wallet to go and see a Quebec artist in a small venue, such as the ones Mr. Weisz's association represents. At some point, there's a limit. The *Enquête* report showed it clearly. A girl who is a big fan of Paul McCartney had a budget of \$500, but she ended up paying \$900 for her ticket because of Ticketmaster's dynamic pricing. In the piece, she said quite clearly that she would be going to fewer shows this year. What she means, of course, is that she will be consuming less Canadian and Quebec culture.

So the impact of this major player and its dynamic ticket pricing is so important in the way culture is presented.

The Chair: Thank you very much.

Mr. Champoux, you have the floor for two and a half minutes.

Martin Champoux: Thank you very much, Madam Chair.

I am going to add to the point that my colleague Ms. Auguste raised. It was about the use of heritage buildings for presenting culture. I feel that it's a key factor. However, we must also consider the state of the buildings. Gentlemen, I believe you mentioned that building maintenance is not always a matter for show promoters. They are often tenants of the building. Now, as we frequently hear, the owners of the buildings very often cannot take advantage of grants, for all kinds of reasons. Not to mention the lack of commitment that we were talking about a little earlier.

To what extent can the state of the buildings have an effect on the presentation of various events and shows, or on programming?

Mr. Weisz, I see that you seem to be ready to answer that question. I feel that it's particularly close to your heart. Tell me a little about maintenance in buildings and the inability of producers, in many cases, to fix the problems themselves.

Jon Weisz: You are exactly describing one of the reasons for a project we have launched. We are in the process of setting up a real estate company ourselves; it will be able to remove some of the buildings that house performance venues from the speculation market.

Let's be honest; there's not enough public investment. The fact that two-thirds of the venues are rented does not encourage investment from those who operate the spaces. Someone with a five-year commercial lease has no incentive to invest \$300,000, \$400,000 or \$500,000 in a building that may become a microbrewery or a pharmacy when the lease expires.

There is still a lot of work to do to create a kind of permanence, to ensure that these places remain as performance venues. If we do the job properly, it will greatly encourage private investment, with a potential for public investment to follow.

• (0920)

Martin Champoux: I get the impression that I am not going to have enough time for my question to Mr. Kearney, but I am going to ask it anyway. It may turn out to be more of a comment, which we can come back to in my next round.

What you were saying about the explosion of the ticket prices for major shows was very interesting, I find. It's often enough to drain budgets completely. So people in larger centres cannot travel to the regions in order to attend festivals there and discover new artists that they might not consider discovering in the city on the stages that Mr. Weisz represents.

Mr. Kearney, we can come back to that later, but I would like to hear about festival attendance and the clientele you want to attract. Festival operators may be feeling the impact of what's happening in major centres, like the Ticketmaster situation you described and the increase in prices.

I see that my time is up. So I am not going to ask you to begin an answer just to have you interrupted. We will talk about it again shortly.

Thank you.

The Chair: Yes, it will be for next time, but it's very interesting.

[*English*]

Mr. Diotte, you have the floor now for five minutes.

Kerry Diotte (Edmonton Griesbach, CPC): Thanks, Madam Chair.

I'd like to give Ms. Brewin a chance to talk about the play that was mentioned earlier by my colleague. The performance called *Little Red Warrior and His Lawyer* was put on for high school students in Regina. It talked about indigenous issues, reclaiming indigenous land and so forth.

I know the play's creator is quite a well-reputed author and playwright. He told CBC the show has "some pretty racy content". Would you agree this is a fairly racy play?

Jennifer Brewin: No. It's a saucy play. It's satire. It's a satire about land claims and land rights, but I wouldn't call it "racy". I'd call it saucy. I'd call it bratty. I'd call it irreverent. As I said before, it's been produced across the country.

What happened in Regina is twofold. There's a conversation that theatres and artists get to have with schools on what content is appropriate. Other schools did stay. Other schools have seen the show. There's a conversation between schools and theatre companies that needs to happen to make sure we're all aware of what we're going to see.

Kerry Diotte: One of the—

Jennifer Brewin: The saucy part came from Just Bins, a site where people upload trashy, racy and terrible things about the community. When a student inappropriately recorded a scene from the show and uploaded it, misinformation was taken and gathered from that.

The fact this turned into quite a violent response with death threats against the artists.... We had to have police officers in the theatre to protect the artists and the audience from the death threats resulting from a video from a website that should never be quoted. It should never be given any attention, because it is only trash.

There were two things that emerged from that.

Kerry Diotte: That's fair enough.

A student who was interviewed by the media after the performance said, "it kind of was supposed to focus on like indigenous and like claiming the land back, but I feel like it really lost the plot and was kind of just all about sex". Would you agree?

Jennifer Brewin: First of all, another student who was interviewed by the CBC said there was no big deal. There's a diversity of opinion and responses to it.

In terms of the play, it was a farce. It was about indigenous land claims. The farce and the sauciness in the play were related to those issues that were going on. If that's what they felt, that's fine.

Kerry Diotte: It's also been reported that the Globe Theatre—I'm not sure if it was you—responded to concerns about the content in the performance. Concerns from parents were expressed. Somebody from the Globe Theatre said the parents were being transphobic and homophobic.

Do you think it's fair that just because they didn't want their children to see fairly lewd behaviour in a play, they're—

Jennifer Brewin: There was no lewd behaviour in the play. There was sauciness in the play that is seen in *Bridgerton*, or in children's and young people's TV shows that are going on right now. I disagree with the premise of the question, but I will say that students' parents have a right to speak up about what they want.

What happened and what drives me nuts is that this conversation didn't get to happen, because Just Bins and the national press came up with misinformation and lied about what was in the play. We could have had a really good conversation.

• (0925)

Kerry Diotte: I have one quick question. We're running out of time. What does a pole-dancing drag queen have to do with teaching about indigenous land claims?

Jennifer Brewin: I think you should see the play and find out, or read it.

Kerry Diotte: Do you think this play was appropriate for grade 9 students?

Jennifer Brewin: There were no grade 9 students at the show. They were from grades 10, 11 and 12. At Campbell Collegiate, we gave them a warning about the content and what was in the show, and they did not bring their grade 9 students as a result.

That's the kind of misinformation we saw from Just Bins and the National Post—which picked it up from Just Bins, a trashy site—the show.

Until someone sees the show, reads the content and reads the reviews from across the country about the show from the teachers who did come to see it and the parents who did bring their children to see it.... We could have a big conversation. That was the coolest

thing that happened out of this terrible misrepresentation of the story. Really cool conversations could have happened between parents and arts organizations about content.

It actually did happen. More people showed up to the theatre than before. We all spoke to the principals and offered to have reconciliation and conversations with all the schools, because it's an important story. It's an important play written by indigenous artists, and it's funny. There's nothing more in that play than what's been on regular TV at seven o'clock in the evening.

The Chair: Thank you very much.

Ms. Royer, you have the floor now for five minutes.

Zoe Royer (Port Moody—Coquitlam, Lib.): Thank you, Madam Chair.

I'm going to centre my questions first on Ms. Benjamin.

I'll give a bit of context. I'm a west coast MP, and I represent four of the 21 metro Vancouver municipalities—Anmore, Belcarra, Port Moody and Coquitlam. That's from smallest to largest. It's 800 people right up to nearly 170,000 people. It's four communities. Of those, Port Moody chose a moniker about 25 years ago. That moniker is "City of the Arts". Even back when I was a city councillor for 11 years, we were still trying to live up to that moniker. It was very important to our community.

You talked about the cultural ecosystem and the necessary infrastructure. One of the things we would often do for smaller groups looking for performance space, which is also limited in the community.... There are really two main venues. One is in Port Moody, the Inlet Theatre, which has a capacity of about 190 seats, and there's a similar, slightly bigger venue in Coquitlam, the Evergreen Cultural Centre. In Port Moody, council would often grant fee waivers. How that really transpired was that a group could avoid the rental fee, but they would still need to satisfy the other costs, like the cost of the theatre technician. That might result in having to pay about \$1,400 a day. That gets really expensive in smaller venues.

With municipalities all over granting fee waivers, it still might not be enough to help these performing groups get their starts, so in your best estimate, what would you suggest? How can the federal government better support municipalities when there may be some existing infrastructure, albeit not enough? What do you imagine we can do?

Erin Benjamin: Thank you so much for the question. It's great to see you again.

The federal government can send a signal to all levels of government about the importance of cultural industries, arts, and culture by developing fiscal and cultural policy that incentivizes sustainable growth in the sector and starts treating this industry for the value it represents economically and culturally.

There's a deficit of existing policy. This is what we have an opportunity to address through this committee and other committees like it. We can say that Canadian content matters and Canadian stories matter. Telling those stories, accessing Canadian artists and bringing us together in spaces of all sizes matters, so what kinds of policy tools are we going to develop?

It's not just about funding. Jon said that it's about attracting private sector investment. It's about signalling the importance of community building and city building. What are the elements and aspects that we need in order to renew our downtowns, no matter what size of city? We are all still struggling across this country.

Frankly, I've said this for a very long time. I'm not sure I'm crazy about the term, but it's accurate: This sector is low-hanging fruit. You're talking about non-profit community arts, which are an essential ingredient of what we're all talking about today. The commercial side and the non-profit side work together, but this sector has been historically under-leveraged. Canadian Heritage programs are amazing. They're incredibly important. They should always be addressed in every budget and be renewed to reflect the realities of the sector.

All of us have these arts organizations and commercial entities—small businesses—in our ridings. They intersect with other types of companies. Canada is doing an excellent job at understanding how we can import and export across provincial borders and national borders. We should look at culture and cultural exports and imports the exact same way.

The federal government can lead the conversation. We can learn from other jurisdictions across the country—there are some really amazing places in Canada doing great work—and around the world, not just to understand how to harness the economic and cultural activity, but to understand the intersectionality. When theatre, music, dance or whatever it is thrives, it is more likely to draw tourists. Where we're sitting right now, in the beautiful cities of Ottawa and Gatineau, we understand that better than most. When we leverage cultural content, tourists are likely to spend more and stay longer. We attract talent, like the talent we need to work for our tech companies and our defence primes.

This is a layer that I believe we have misunderstood for a very long. It's why it's so important to have a diversity of elected officials who come from different backgrounds and bring different perspectives to this conversation. We have a moment in this country right now to really harness the activity that all of our witnesses today represent, along with so many others who are doing incredible work.

The municipal piece that you're referencing is so important, because that is where we come together as neighbours. From there, we grow our amazing Canadian artists and voices.

● (0930)

The Chair: Thank you very much.

[*Translation*]

Mr. Généreux, the floor is yours for five minutes.

Bernard Généreux (Côte-du-Sud—Rivière-du-Loup—Kataskomiq—Témiscouata, CPC): Thank you very much, Madam Chair.

My thanks to the witnesses.

Ms. Benjamin, Mr. Kearney said something important in his opening remarks. He said that the country's cultural sovereignty is under serious threat because Live Nation and Evenko are currently taking up the most space in Canada in terms of selling tickets and producing shows.

On your side in English Canada, do you also feel that Canada's cultural sovereignty is in danger?

[*English*]

Erin Benjamin: I would say we have an ecosystem in the live music industry, and it is imperative that we understand that. My previous response was trying to allude to this.

When we think about multinationals in other sectors.... For some reason, in entertainment, we're more preoccupied with the impact. What I've been suggesting all along is that we build policy tools to balance the ecosystem.

When I talk about \$11 billion in GDP from the live music sector, this is a range—small, medium and large companies are delivering this. Our multinational companies with a presence in Canada are important to the Canadian economy, to Canadian jobs and to local economies. In fact, the Canada pension plan owns 8.79 million shares of Live Nation. That stake amounts to approximately 3.7% of the company's total outstanding common stock and is valued at roughly \$1.39 billion.

We're not talking about big versus little. We need multinational companies in this country to grow our economy. What we need in order to address the concerns of our colleagues from across the country are better policy tools to identify how we build sustainable growth at every rung of the venue ladder, because this ultimately will serve Canadian artists, Canadians and the Canadian economy.

● (0935)

[*Translation*]

Bernard Généreux: Mr. Kearney, how do you react to that answer?

In your statement earlier, you talked about the threat to the country's cultural security. You said that the threat is ever-present, particularly in Quebec where you operate, of course, because of Live Nation and Evenko. You have a presence in the regions; you represent regional festivals. Could you also tell me whether the region of Montreal is one you represent? I imagine that you also represent festivals in Montreal.

How do you react to Ms. Benjamin's answer? We are seeing the industry in Canada becoming more and more Americanized, if that's the right word. That's what you meant when you alluded to cultural sovereignty, isn't it?

Patrick Kearney: Yes, we do represent thirty or so festivals in and around Montreal. We have a presence there, it's a region for us.

I don't quite agree with Ms. Benjamin. I actually think a group like Live Nation can play a role.

First, we don't have to support it financially. But for a good number of the major festivals, the group can apply for grants. Our governments are asking us to consume locally, but, at the same time, they are funding an American company. I find that it makes no sense at all.

The funding for Live Nation has an impact on the share of the pie for others. I was talking about this earlier. Canadian Heritage does not have unlimited amounts of money. If you give a lot to the major players, the minor ones get less. It's quite the game.

I have a really hard time understanding why we are funding an organization that is extremely profitable and powerful.

Let me share a fun fact. When Taylor Swift came to Toronto, it cost less to buy a plane ticket to go and see her in Germany than to see her in Toronto, because the tickets cost so much. It's another example of the effect that company has. Clearly, when you are paying \$3,000 to see Taylor Swift in concert, you are not going to see as many shows in Quebec and Canada.

So, yes, our sector is becoming Americanized.

Bernard Généreux: Ms. Benjamin, until very recently, you were heavily involved in the Canadian Live Music Association. Does English Canada have these problems? Do you think that it's reasonable to pay \$900, \$1,000, \$2,000 or \$3,000 to go and see Taylor Swift or anyone else in concert in Toronto?

[English]

Erin Benjamin: I don't know if we want to have this supply and demand conversation today, but there's a reality when one million people want 500,000 tickets. We see this every time we have international shows.

Do I think it's okay? No. Do I think it's capitalism in action? Absolutely. I don't like paying \$1.95 at the gas pump. I broke my iPhone. I'm going to need a new one, and it's going to cost a lot. This is the world we live in.

If we want to be intentional about how we address these things, again, we need to unpack policy. We do this in other sectors. We do this in defence. We do it in tech. To a certain extent, we do it in health care and education. We need to do it in entertainment and creative and cultural industries to understand the opportunities they represent. If we have all these people willing to....

I don't disagree with my colleagues in Quebec at all. We have finite dollars for culture, but there's a reality. My 18-year-old daughter saw Taylor Swift, and I paid for it. I can tell you that it was expensive, but she wanted to see that. I am helping her to understand other types of shows that she'll enjoy, and she does consume music of all kinds in all sizes of rooms. The reality is that this will always exist.

What is our opportunity? Our opportunity is to look at where the gaps are. Smaller venues work in a different market context. How can we address that? How can we help them stabilize and grow?

How can we help Canadians and people coming to Canada to consume our culture and understand the range of opportunities?

It can't be big versus little. Otherwise, we don't have the balance that I feel is fundamental to the success of the ecosystem or Canadian artists in the Canadian economy.

The Chair: Thank you.

Ms. Hirtle, you now have the floor for five minutes.

Alana Hirtle (Cumberland—Colchester, Lib.): Thank you, Madam Chair.

Good morning, everyone. It's nice to see you all here. Thank you for being here.

I am in a rural Nova Scotian community, and we have a very active small theatre here.

I'm going to ask my first questions of Ms. Brewin.

Here in northern Nova Scotia, we have a lot of indigenous-led arts and culture happening. I'm wondering, based on your experiences, how you would say indigenous-led arts and culture spaces and programming contribute to reconciliation and cultural revitalization.

• (0940)

Jennifer Brewin: I think it's critical, primary and effective. I think that because it's fun to watch. We just recently had a festival called the spring thaw festival, and we worked with Gordon Tootoosis's theatre company out of Saskatoon. They came down to Regina, because Regina doesn't have the same kind of indigenous theatre community as Saskatoon.

What was so striking to us was how grateful they were to be able to come into a space. I don't want to use the word "grateful" around hosting and being guests and hosts. We were both at once all the time. What we heard was that it was so great that they didn't have to do anything. They could come in and read their scripts. They could work on their stand-up comedy. They could have conversations. They could just walk into the space and do what they did well. That energy radiated out to the community, and people started saying, "I want to have that conversation with you guys, too."

For us, reconciliation is a lot about finding the worlds where settlers and indigenous and non-indigenous people meet. Comedy is a place where we do it, and that's one of the critical parts. We're watching as it happens in different areas.

For us, what we're recognizing is that, on reserve, the kids are into music, visual art and dance, but they're not so much into theatre. That tells me that there's no theatre program per se; it's a multidisciplinary area. The more agency we can provide or offer up so that we're not dictating the kind of work they want to do, but we have a space in which they can access whatever they want, such as our sound booth to create music....

Also, 85% of our audience is non-indigenous. Ten years ago, when we put on a play by an indigenous artist, no one came to it. Now they sell out. It's becoming a third space where people are sorting out that conversation among communities and among different cultural and ethnic spaces. We're watching stories happen on stage around what it's been like for conversations to happen.

I'm inspired by it all the time. It's not easy. We're always learning. We're always open to it, but it's a pretty critical place for some big ideas to take off and flourish.

Alana Hirtle: That's amazing. Thank you for that.

Perhaps Ms. Benjamin can also chime in on this. I'm wondering about the challenges faced by rural, northern and remote communities, as an offshoot of that question.

Erin Benjamin: Thank you. It's such an important question.

I spent 13 years living in northern Ontario as an artist, and I have direct experience. I spent many years on the board, actually, of the East Coast Music Association. I was from away, but I somehow ended up on that board. I certainly spent a lot of time in different parts of eastern Canada and as a touring artist playing in very small communities across the land.

Organizations like the Canada Council for the Arts, when we're talking about the non-profit side of things, have a deep understanding of this and attempt to approach effectively some of the very unique, specialized needs of live music spaces in rural parts of Canada, but we need to go further in terms of connectivity. The cost of touring is exponential. You're less likely to attract artists because of the cost of getting to smaller places. Typically, we may see smaller budgets in smaller rural places as well.

It's a great opportunity, when we're thinking about the modernization of cultural policy, to understand those unique aspects and to consult with folks—artists, venues and festivals—on both the not-for-profit and commercial sides of that spectrum to understand those challenges and integrate their perspectives into future policy.

Alana Hirtle: That's my time, unfortunately. Thank you, ladies.

The Chair: That's perfect.

[*Translation*]

Mr. Champoux, the floor is yours for two and a half minutes.

Martin Champoux: Thank you, Madam Chair.

Mr. Kearney, let's pick up where we left off. We were talking about the explosion of ticket prices for shows and about access to culture in large urban centres. How do you describe the impact that may have on regional festivals? Do you see a change in the number or the type of the customers at regional festivals?

• (0945)

Patrick Kearney: The advantage of festivals is that they are still very affordable. The cost of a ticket is not at all high for a 20-year-old, and he can see a wide range of artists. That's the significant advantage of festivals.

As we were saying earlier, increased costs affect festivals too, of course. So organizers will sometimes make the difficult decision to reduce their programming. That's something we notice.

We also know that artists are not selling cassettes, CDs or records any more now. So the performance venues are becoming incredibly important. Festivals and small halls become keys to an artist's career. They can only make a living from their shows.

Martin Champoux: That's interesting.

It ties in a little with your concerns, Mr. Weisz. Are you seeing a greater interest in less popular shows, so to speak, basically in large urban centres because it is so hard to make money from, shall we say, more popular culture? Earlier, we talked about Taylor Swift and Paul McCartney, but they are not the only examples where we see increased ticket prices to the detriment of the customers. In your halls, do you see bigger audiences or greater interest for your shows? Can it have a beneficial effect?

Jon Weisz: We see the interest. But, as was mentioned previously, people's ability to consume culture is sometimes reduced. If people pay \$400 for a pair of tickets at the Bell Centre, they will have less money to go out into their communities.

Martin Champoux: Yes, but people who cannot pay \$400 for a pair of tickets at the Bell Centre may well pay \$60 or \$100 for two tickets in one of your venues. The effect can be positive.

Jon Weisz: That may be so to a small extent. Our venues are not really reporting that they have noticed more people as a result of the increased prices for the bigger shows. It's possible in theory, but it is not something that our members have remarked on.

Martin Champoux: While some people may profit, no one wants higher prices, of course. We agree on that.

I think that's all the time I have. I see Madam Chair making eyes at me.

The Chair: And what lovely eyes they are.

Voices: Oh, oh!

[*English*]

The Chair: Mr. Genuis, welcome to the heritage committee. You now have the floor for five minutes.

Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you, Madam Chair. It's a pleasure to be here.

I want to welcome our witnesses and the many people who are listening to the committee in the room today. From my recall of faces, it appears that many representatives of the Falun Dafa community are here to observe these hearings.

I want to thank you for being here. You're regular witnesses on Parliament Hill in various fora, including here at this committee. I will be directing my questions to you as representatives of Falun Dafa. If you're able, give responses that are as short as possible. I'd like to get through a few different things.

What we're talking about, as I see it, is the systematic targeting of a particular arts and culture presentation by a foreign state that doesn't like it. Is that fair?

Joel Chipkar: Yes.

Garnett Genuis: Further, we're talking about a situation in which this is being tolerated by people in Canadian elite institutions who in some cases are complicit in it, are allowing it to happen or at least are looking the other way. Is that fair?

Joel Etienne: Absolutely. That's except for our local police forces, who've been incredibly diligent and on top of things in terms of protecting the venues, our artists and the public. They are conducting very efficient, quick investigations and giving us the results we all know about, which is foreign interference with, of course, local actors—we believe the consular services of the CCP.

Garnett Genuis: To put a precise point on it, you're having a very constructive relationship with the police, but otherwise you're seeing that there's a reluctance to confront the reality of foreign interference.

● (0950)

Joel Etienne: We're seeing absolute inaction at the federal institutional levels.

Garnett Genuis: Okay.

This whole situation is so incredible—that we would allow a foreign state to be involved in trying to censor arts and culture here in Canada.

To put a fine point on it, imagine if it was someone else. Imagine if there was a large organization in the United States that was trying to induce the censorship of a play or a dance performance here in Canada. What kind of response would you expect from Canadian elites in that situation?

Hypothetically, let's say there was a right-of-centre group in the United States trying to cause the censorship of arts in Canada. What kind of response would you expect from elites to that sort of event, and how would you compare that to what we're seeing in the case involving the CCP?

Joel Etienne: Look, Shen Yun is targeting a Canadian institution. Shen Yun is Canadian. Shen Yun performers are Canadian artists.

The analogy with the United States is very interesting. We've been, as a country, standing up to America, our best friends, while doing business and commerce with them now for these many months. We're standing up for our principles. There was a time when Canada stood up for its principles in terms of equality and human rights in relation to Jim Crow in the United States. I was pointing out earlier that Jackie Robinson had to play baseball in Canada. There's Jack Johnson in boxing, as well as and Willie O'Ree, Josephine Baker, Billie Holiday, Louis Armstrong and Duke Ellington.

Canada was instrumental in ending Jim Crow in the United States, and at the same time we were doing commerce with the Americans and were standing up for our principles. The analogy is the same with the Eastern bloc during the Cold War and with Ken

Dryden and Paul Henderson. There was a time when we, the smaller country, would stand up to bigger institutions.

Garnett Genuis: I have to jump in, just because of time. It's a great point—the importance of culture in the process of us standing up for our values, and especially not allowing censorship on our soil by foreign actors.

I think it's important for this committee, having heard this testimony, not only to listen but to take action and propose solutions. In that spirit, I'd like to move a motion on this matter at hand, which I believe the clerk has and can now proceed to distribute. The motion reads:

Given that,

the Chinese Communist Party is targeting Falun Dafa practitioners and Shen Yun performances in Canada;

the National Arts Centre (NAC) ended its relationship with Shen Yun after years of hosting its performances;

Shen Yun performances in Toronto were cancelled due to bomb threats;

in April of this year, reports indicate that Chinese consular officials met with Vancouver City officials in an attempt to pressure them into cancelling a Shen Yun performance at a Vancouver theatre; and

the same Shen Yun performance was subsequently targeted with a bomb threat;

the committee report to the House its unequivocal condemnation of foreign interference by the Chinese Communist Party in Canada, including efforts to intimidate, censor, or suppress artistic expression and freedom of speech, and reaffirm the importance of protecting Canadians from foreign intimidation and safeguarding fundamental freedoms.

Colleagues, I hope this motion can be a matter of consensus and an opportunity for this committee to speak strongly and push back against foreign interference and to defend the freedom of artistic expression in this country. It has been a long road. We know the important work that artists do in creating beautiful things and, through that beauty, challenging ideas and advancing perspectives.

This is so important to a free society, and it would be a profound shame if we allowed the freedoms that we are supposed to have here in Canada to be interfered with, to be suppressed through foreign interference.

This motion is clear. I believe it should express the consensus positions of all parties, and I hope it provides us with an opportunity to send a clear and substantial message in defence of the arts, in defence of freedom of expression and in defence of our national sovereignty.

Thank you, Chair.

The Chair: I have Mr. Myles first on the list.

David Myles (Fredericton—Oromocto, Lib.): I'd like to suspend debate for a while.

The Chair: I'm going to suspend while we have a moment for members to look at this motion.

● (0955)

(Pause)

● (0955)

The Chair: We're back.

Mr. Myles, you still have the floor.

David Myles: This is a substantial motion. I think it would be valuable for us to have a bit more time on it. We also have witnesses here for an important study, a study that I introduced and that I'm really excited to get a chance to ask about before our time is done.

This is a substantial motion, so we should revisit this. I appreciate that it was brought forth, but I really want to focus on the study we're doing. It's an important study.

I'd like to adjourn debate.

The Chair: That is a dilatory motion, so we will vote.

(Motion agreed to: yeas 6; nays 5)

Garnett Genuis: I have a point of order, Madam Chair.

The Chair: Go ahead, Mr. Genuis.

Garnett Genuis: I understand that in Mr. Myles's statements, he referred to a desire to come back to this motion. Is it your intention to schedule time for debate on it at a subsequent meeting? It would be good for us to know that. I don't know if the intention is to put this motion off indefinitely or to schedule time for the continuation of it. We certainly think we could and should do that, if the intention is to come back to it in a serious way.

The Chair: I would entertain that suggestion if members brought it to me.

Garnett Genuis: Okay.

Is there agreement among committee members to set aside some time at the next meeting for this?

The Chair: I don't believe I have any hands responding to that question at this point, so we will move on. We have only 15 minutes left. I want to get back to—

Garnett Genuis: Let me put it this way, Madam Chair. It's a request for unanimous consent. If members agree, would there be unanimous agreement of the committee to set aside some time at the next committee meeting for the completion of the work of this motion?

The Chair: Go ahead, Mr. Champoux.

[*Translation*]

Martin Champoux: Madam Chair, it's Thursday today and the next meeting of the committee is Tuesday. I feel that there is plenty of time for the Conservatives to introduce a notice of motion, if it has not already been deemed to be in order. I feel that any member could come to the next meeting and propose a motion for the committee to debate. We do not need to set aside time for that. I don't think that the committee should commit to reserving time to debate a motion that can be introduced at the next meeting.

• (1000)

The Chair: Yes. I agree.

I now give the floor to Mr. Ntumba for five minutes so that he can ask his questions.

Bienvenu-Olivier Ntumba (Mont-Saint-Bruno—L'Acadie, Lib.): Thank you, Madam Chair.

I am going to turn to you, Mr. Kearney and Mr. Weisz.

Earlier, my colleagues asked some questions and we skirted around the topic of the unfortunate closures of performance halls and creative spaces in the regions.

In terms of major centres and cities like Montreal, I will use the recently closed Afromusée as an example. It was a creative space. It also had a little bar and a small area for shows in an attempt to bring in more revenue. Despite the fact that it was in downtown Montreal and close to public transit, it ended up closing.

Are you seeing a trend where concert halls or theatres are closing or being converted into studios? How do you see that?

Jon Weisz: We have seen a number of venues closing in Quebec and in Canada, but I do not feel that it is a crisis yet. What I mean is that, while three or four venues have closed recently, we still have time to work on the ecosystem so that it is secure, structured and stable.

Several of our members tell us that, in a few years, their hall will be at risk, either because the rent will increase to the point at which activities cannot continue and they feel that the landlord will evict them, or because they have financial or profitability problems.

That is why we are trying to solve those problems now. There really is a way that allows us to be involved before the situation becomes a crisis and an emergency. It costs a lot more to try to open new venues after a closure. It also costs a lot more to try to save venues in a crisis than to invest in advance so that they can stay open and available to the artists and so that their long-term use can benefit our cultural sector.

Bienvenu-Olivier Ntumba: Thank you.

Mr. Kearney, before you answer, I will continue the subject by asking you and Ms. Benjamin a question.

If, right now, today, the committee had to recommend one immediate action that would strengthen the ecosystem for creative spaces and shows in Canada, what would be your priority, and why?

Patrick Kearney: I would review all the problems with federal grants. That would include those from Innovation, Science and Economic Development Canada and those from Canadian Heritage. This relates to all the problems we were talking about: foreign companies and private companies. That would be my first recommendation.

As for impact, I will echo what Mr. Weisz said: I believe that there has to be more mutual work between independent performance facilities and festivals. I feel that one has a lot to offer to the other. I believe that the size of the audiences that festivals attract is of great interest. They are places where discoveries are made. I feel that we could provide complementary assistance to the independent performance venues.

Bienvenu-Olivier Ntumba: Thank you.

Ms. Benjamin, let me ask you the same question.

[English]

Erin Benjamin: I would take a look at the existing policy we have in place, specifically the Canada music fund promoter program component and festivals component. I would increase the dollars flowing through those, and I would consult immediately with the broader community to understand the gaps that are not being met through those program components to ultimately evolve that policy.

Additionally, not to forget our friends on the not-for-profit side, I would understand the impact of programs like the Canada arts presentation fund today, in consultation with the community, agencies like the Canada Council for the Arts and our friends running those programs at Canadian Heritage, to increase funding to those programs. It's more important, or as important, to understand how we can continue to make sure those programs are aligned with the way all sectors of the industry are working today. That's in the short term. There are lots of ideas for the long term.

• (1005)

The Chair: Thank you very much.

Mr. Genuis, we'll go back to you for five minutes.

Garnett Genuis: It's Mr. Diotte.

The Chair: Mr. Diotte, we'll go over to you for five minutes.

Kerry Diotte: Thanks, Madam Chair.

I wanted to return to the witnesses for Falun Dafa.

You just heard that we tried to move a motion that talks about the fact that the Chinese Communist Party is targeting Falun Dafa practitioners and Shen Yun performers in Canada. We've had bomb threats and cancellations because of it. We would like this committee to report to the House its unequivocal condemnation of foreign interference by the Chinese Communist Party in Canada, including efforts to intimidate, censor and suppress artistic expression and freedom of speech. Is this something that you would be enthusiastic in supporting?

Joel Chipkar: Yes. It's a bipartisan issue. It's an issue that affects everybody. It's not just about the Falun Gong community or Shen Yun. Today, it's Falun Gong and Shen Yun. Tomorrow, it's going to be somebody else.

When we allow a foreign dictatorship to silence our voices and our arts, we lose everything. We lose everything in Canada. We have no sovereignty anymore. We're at the behest of a foreign dictatorship.

We have support. We've appreciated the support over many years, for over a quarter century now, from Liberal members of Parliament, like Irwin Cotler, who championed our cause many years ago. We have supporters from the Conservative side as well.

Again, this is an issue that affects all Canadians, and we appreciate the support from everybody on it.

[Translation]

Joel Etienne: I would like to add something about the climate of fear in which the cultural communities are living, especially in greater Toronto. When the Chinese government can act with such presence, such force and such impunity, it affects all the other com-

munities. Clearly, it affects the Chinese-Canadian community. However, it's not just the community of Falun Gong practitioners that suffers, it's actually every Canadian multicultural community.

So this international interference, which is preventing us from expressing ourselves culturally on our own stages here in Canada, is a serious matter. I believe that it is your prime responsibility as a committee and as parliamentarians. You are the defenders of the Canadian Charter of Rights and Freedoms. You are the defenders of our rights and freedoms. Your voices are heard internationally. I feel that you cannot remove yourselves from the obligation to protect the citizens of this country.

Of course, I thank Mr. Genuis for the request he made today. I hope that the members of the committee will, on a non-partisan basis, not only support the request, but will also urge action from federal sources, such as the Royal Canadian Mounted Police, the Canadian Security Intelligence Service, Global Affairs Canada, or other federal services. They must intervene to protect these Canadians who have the right to express themselves.

[English]

Kerry Diotte: I have one quick question. It was reported on Global News that the RCMP won't release the policing pact that was made with China, despite some pressure. It's basically saying that they signed it with China's Ministry of Public Security without.... They want Beijing to agree to release the pact before it will be released to the Canadian public. What do you think of that?

• (1010)

Joel Etienne: Generally speaking, as a lawyer I'd say that based on other matters that I've worked on, co-operation between our institutional services and the CCP has been, at certain times, unacceptable to Canadian laws and regulations. I've seen members of the Chinese MPS—actual boots on the ground—conducting investigations hand in hand with Canadian authorities. I've seen Canadian police officers involved in conducting investigations and interrogations in Chinese prisons in China. None of this is a surprise to me. I think it's incredibly important that parliamentarians have actual knowledge of the degree to which we are institutionally co-operating with the Chinese Communist Party.

Kerry Diotte: Does this development upset you?

The Chair: I'm sorry, Mr. Diotte. We're almost out of time for this meeting, and your time is up.

Mr. Myles, you have five minutes.

David Myles: Thank you very much.

Thanks to all the witnesses for being here for this important study.

Maybe I'll start with Jon and Erin.

My question is about whether the definition of what a “venue” or a “cultural centre” is might be too narrow. Some of the funding that has been traditionally given out for culture and heritage in Canada has been directed, obviously, towards more traditional arts centres, municipal arts centres and these kinds of things, and some of the challenges are around—Jon, you spoke to it—whether they do other things.

Can we talk specifically about the definition and how that has become a bit of an obstacle to accessing funding? I know the live music fund did help with some of that, but I think it's an ongoing conversation, so maybe we can speak to it.

Erin Benjamin: Jon, maybe we can handle this together.

There are two sides to this coin. There's a non-profit side and a commercial side.

On the commercial side—especially during COVID, when the government put \$70 million into the independent concert promotion and venue sector to save the infrastructure—there was a very comprehensive conversation at Canadian Heritage about what would define the eligibility criteria. In my opinion, it was too narrow, and we lost a bunch of venues as a result. However, there are a few pockets on the commercial side where.... In the province of Ontario many years ago, for instance, we had something called “Vision for Ontario's Live Music Industry”, which we prepared in partnership with the government at the time. We defined what a venue is, a commercial venue.

There are different jurisdictions that have looked at the amount of Canadian content on stage, the size of capacity, and the business-model shapes, such as whether it's owned by a sole proprietor or a conglomerate, etc. There's that side of things.

Then there's the non-profit side. Typically, a program like the Canada arts presentation fund would outlay eligibility criteria and have something like a development component to bring smaller venues into that space to help them scale over time.

I think it really depends on what aspect we're looking at, but certainly there's a conversation to be had about understanding the way the business is today. It's changed fundamentally, and not just because of COVID, but over the last many years. What do artists need? What do audiences need? Where are the gaps? Where are the opportunities? Again, I'm a broken record today, but how can policy respond to that?

Jon Weisz: I would say that venues are where artists play. Our network presents thousands and thousands of shows a year. Almost every artist who tours in Quebec is playing in our venues.

We could get into the weeds of how to structure eventual programs for venues, but the reality is that you have to start at the beginning, and the beginning is that venues are where artists play. A lot of those spaces are structurally excluded from existing funding and have been historically, so everything Erin said is correct. There's a much longer conversation to be had there, but it's helpful to work backwards.

David Myles: Can we talk specifically about what has been structurally excluded, though? Is it the small commercial venues? Is it the case that if you make a certain amount of money or are not a non-profit, you are excluded? Can we just get into some specifics there?

Jon Weisz: A big part of it is definitely about the way certain venues are structured—the not-for-profit and the for-profit divide.

Traditionally, the federal government has seen venues as not-for-profit theatres and performing arts centres. I'm painting with a bit of a broad brush, but that's a pretty good way of putting it. A lot of

operators don't necessarily want to structure as not-for-profits, but that doesn't mean they're making money hand over fist. They're still investing in the same types of expenses. They're still paying artists' fees in the same way that theatres and performing arts centres do. They've just chosen to structure differently for reasons that are complex—and which are too complex to go into today.

The for-profit and not-for-profit piece is a big one. Over time, my sense is that this divide has become ingrained and instantiated in the way federal funding has been rolled out. It's as if it's assuming structurally that for-profit venues shouldn't be funded because they're for profit, but when you look at the profit margins in these spaces, they're incredibly low. For example, in the U.S., I think 64% of independent venues lose money. In the U.K., I think it's 54%. Even if I'm getting the numbers slightly wrong, it's a majority of independent venues, most of which are for-profit, that are losing money. The average profit margin in the U.K. is about 2%. We don't have these numbers for Canada, but anecdotally I can confirm the same thing is true in Quebec.

I believe we have to rethink the way we determine eligibility and the way the assumptions are baked into the system about where artists play and where they earn their money.

• (1015)

Erin Benjamin: I'll jump back in very briefly.

The Canada music fund was structured, I believe, to keep this segment of the industry out. The thought was—

The Chair: Thank you. I'm sorry, but I can't give you the floor. We're out of time.

[*Translation*]

To conclude, Mr. Champoux, I am giving you the floor for two and a half minutes.

Martin Champoux: Thank you, Madam Chair. You know that I am very strict and precise on matters of time. I will do this quickly.

Mr. Kearney, in your opening statement, you brought up the matter of Live Nation. I know that Jon Weisz and the people from SMAQ have, in recent months, had an open letter published, in *Le Devoir* specifically, to express their acute concerns and to alert media and politicians alike to the matter.

You talked about the number of performance venues that belong to Evenko and Live Nation, and about their grip on a number of major festivals.

Have you witnessed any practices that show that Live Nation and Evenko are trying to have greater control, to exclude smaller players, and to prevent them from being part of the kind of ecosystem that is developing around the multinationals?

Patrick Kearney: Mr. Weisz will be able to add to my answer, but I can say that those companies do indeed have complete vertical control. In Montreal, they even control beer sales because Evenko is part of the Molson family. Live Nation's unique approach is to make acquisitions without really saying so. I doubt whether they would announce that they have just acquired a new talent agency, for example. So they control the entire ecosystem, from selling tickets to the venues or festivals, and—

Martin Champoux: Forgive me for interrupting you, Mr. Kearney. You talked about beer sales. So, for example, if I have a small venue or, as a producer, I have a contract with a Quebec micro-brewery, could that mean that I would have to squeeze that micro-brewery out in order to bring in products that—

Patrick Kearney: Exactly.

Martin Champoux: Okay, so it does have a kind of impact—

Patrick Kearney: When I went to Europe and talked about that, people were astonished to see that the control has gone that far. If we compare our situation with the one in Europe, we see that Live Nation has one-third of the festivals in England. That means that people actually control their own culture there and have the say as to where to promote their artists. Here 70% of the artists in the lineup at Osheaga are in Live Nation's catalogue.

So saying that there is no American influence in our festivals and our venues is failing to grasp the reality that is staring us in the face.

Martin Champoux: We do not want what is happening in the media and broadcasting sector with the arrival of Big Tech to be happening in the performance sector. I feel that, if we are not already alert to it, we have a serious problem. It's time to wake up.

Thank you very much for giving us this information, Mr. Weisz and Mr. Kearney.

The Chair: I want to thank all the witnesses who joined us today.

● (1020)

[*English*]

If there's something you didn't manage to get on the record today, please send a note or a brief to our clerk and we can include that information in our eventual published report on this study.

I really appreciate all of your interesting thoughts today.

The meeting is adjourned.

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