



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Canadian Heritage

EVIDENCE

NUMBER 028

Tuesday, May 31, 2022

Chair: The Honourable Hedy Fry



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• (1915)

[*Translation*]

The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)): Hello, everyone.

I call this meeting to order.

Welcome to meeting number 28 of the House of Commons Standing Committee on Canadian Heritage.

I would like to acknowledge that this meeting is taking place on the unceded traditional territory of the Algonquin Anishinabe people.

[*English*]

Pursuant to the order of reference of Thursday, May 12, 2022, this committee is meeting on the study of Bill C-11, an act to amend the Broadcasting Act and to make related and consequential amendments to other acts.

Today's meeting is taking place in a hybrid format, and, actually, members attending in the room must wear masks, according to the House of Commons Board of Internal Economy orders of March 10, 2022.

Those on Zoom, please note that at the bottom of your screen there is a globe icon for interpretation. You may choose what interpretation you're going to need. For those on the floor, you know that you can actually plug in and receive interpretation from the room itself. No photographs are meant to be taken during this meeting.

I would like to make comments for the benefit of witnesses and members. Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to speak, and then mute yourself after you finish speaking. For those on Zoom, you have the choice at the bottom of your screen, again, for interpretation. In order to speak, you can mute or unmute yourself as needed.

Today, for our first hour of the meeting, we have one organization, and it is the Canadian Radio-television and Telecommunications Commission. Present for this group will be Ian Scott, chairperson and chief executive director; Scott Hutton, chief of consumer, research and communications; Sheehan Carter, director general, strategic policy; and Rachelle Frenette, general counsel, deputy executive director.

As the CRTC is very well aware, because they've been here before, the actual commission will have five minutes to present and

then there will be questions and answers from the floor, during which you may be able to elaborate or answer any questions that are asked of you in a segment beginning with six minutes.

Right now, Mr. Scott, you may begin for five minutes.

Mr. Ian Scott (Chairperson and Chief Executive Officer, Canadian Radio-television and Telecommunications Commission): Thank you, Madam Chair.

Thank you, members of the committee.

I'll forgo the introductions. You've identified my colleagues. We are pleased to appear before the committee, specifically this time to speak about the need for Bill C-11.

[*Translation*]

The modernization of Canada's Broadcasting Act is long overdue. Created in the early 1990s, the act was a product of its time. It fostered the creation of a series of tools that were appropriate for the public-policy goals of the day, namely to protect and encourage the development of Canada's broadcasting system. In the walled garden this system created, Canadian films, music and television programs were given the opportunity to flourish.

I don't have to tell you how that reality has changed with the Internet. Those goals supported by the Broadcasting Act and the tools it created became less relevant as Internet technology embedded itself deeper into the homes, and onto the phones of Canadians.

As regulators of the broadcasting system, we paid close attention to these changes. We judged these changes were complementary—rather than detrimental—to Canada's broadcasting system, while we continued to keep a closer eye on the trends and innovations those technologies created.

[*English*]

Each passing year brought new changes to the system, giving Canadians a welcome ability to consume new content in new ways. Digital platforms have created and continue to create opportunities for Canadian artists and content producers but also challenges, particularly for traditional media.

In 2018, at the request of government, we conducted an in-depth study of the environment and issued our report called "Harnessing Change". In it, we lay bare a simple truth: Canadians will rely increasingly on the Internet to discover and consume music, entertainment, news and other information in the coming years.

Our report therefore recommended that future policy approaches should focus on the production and promotion of high-quality content made by Canadians that can be discovered by audiences in Canada and abroad, should ensure that all players benefiting from the Canadian broadcasting system participate in an appropriate and equitable manner and should be sufficiently nimble to enable the regulator to adapt rapidly to changes in technology and consumer demand. We made similar recommendations to the broadcasting and telecommunications legislative review panel.

All of this brings us to Bill C-11, which the CRTC views as a much-needed piece of legislation. More effective tools, such as those proposed in C-11, are needed to ensure that Canadian stories and music can be enjoyed by audiences in Canada and across the globe. In our view, the bill proposes three very important things.

[*Translation*]

First, C-11 builds on the existing Broadcasting Act to clarify the CRTC's jurisdiction regarding online broadcasters. It would give the CRTC new regulatory powers to deal with online broadcasting services, including non-Canadian ones.

Second, it would give us a more flexible approach to regulation. The current Broadcasting Act does not specify how traditional players in the Canadian broadcasting system must contribute to the act's policy objectives. Bill C-11 would allow us to make that determination as it regards online broadcasters and put in place the regulatory frameworks to support those goals.

Finally, it would modernize the CRTC's enforcement powers. Although the Telecommunications Act allows us to impose administrative monetary penalties to address non-compliance, no such provisions exist in the Broadcasting Act.

• (1920)

[*English*]

Madam Chair, the need for modernization of the Broadcasting Act has only become more urgent.

I will stop there and invite questions from the members.

[*Translation*]

Thank you very much.

[*English*]

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

I will now go to the first round. It will be for six minutes for the Conservatives. I do not have the name of the Conservative member who will be opening this.

Mr. John Nater (Perth—Wellington, CPC): Madam Chair, it's John Nater here.

It's going to be Mr. Waugh for the first round.

Before we go to his questions, could I just seek some clarity? The notice of meeting says that this part of the meeting will end at 7:30. I'm just seeking clarity from the chair in terms of how long this portion with the CRTC will go for.

The Chair: I was told that this was a two-hour meeting. With my math, shaky as it is, I would think if we began at 7:05 we will end at 9:05.

I will seek clarification from the clerk on that.

[*Translation*]

Mr. Martin Champoux (Drummond, BQ): On a point of order, Madam Chair.

I was just going to ask the clerk about that, Madam Chair.

According to the information I received, we were supposed to let staff leave the meeting at 8:30 p.m. at the latest.

Is that accurate?

[*English*]

The Clerk of the Committee (Ms. Aimée Belmore): Thank you.

We've been told not to change the hours on notice for the services, so we keep it as 6:30 to 8:30 but we have a full two hours from the time that we start.

Given that we started at the time the chair has said, we have two hours from that time for the meeting. My understanding was an hour for the first panel and 45 minutes for the second panel, but I will seek clarification from the committee.

The Chair: Thank you, Madam Clerk.

I think we're very clear. I would like to know the exact time of starting. I thought that it was 7:05, but I may be wrong.

The Clerk: The time that I had was 7:12, Madam Chair.

The Chair: Thank you. Then we will have two hours from 7:12.

Continue, Mr. Nater.

Mr. John Nater: Actually, it's Mr. Waugh.

The Chair: I'm sorry, Kevin.

Go ahead for six minutes.

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

Welcome again. It seems like just an hour ago we saw you.

The Chair: Just yesterday....

Mr. Kevin Waugh: Mr. Scott, I think we all agree that the Broadcasting Act needs modernization. I think everybody does. We've talked for 20 hours here this week, and there isn't anyone who disagrees that it does need to be modernized.

There are differing views. Your thoughts on the differing views that you've heard from people in the business, the regular—if you don't mind me saying—broadcast industry and from those that are the new ones that are coming on streaming, YouTube, etc., and they're making a living on that.... There seems to be a clash where the old broadcasters have had their way and now we have the new generation—if you don't mind me saying—and they're streaming.

I just want you to clarify this in your mind, the CRTC's mind, because, let's face it, for 53 years you actually dealt with just the broadcasting. Now you're being asked to deal with the streaming, although I think you should have also been looking after the streaming, which you decided not to do. Am I correct on that?

Mr. Ian Scott: On the last point, the commission looked at it at various times in the past, the last time in detail almost a decade ago, and at that time the impact of broadcasting being delivered by the Internet did not have as significant an impact on the broadcasting system as it clearly does today.

It's an interesting question you pose. I suppose the simple answer is that regulation is not always welcome by parties. There are groups today that are subject to regulation and have obligations, if you will. They operated in a walled garden in the past and the walls have disappeared.

The new players have entered. They were not subject to similar regulatory obligations and what is on the table now is that we should find a regulatory framework that treats all of those who are engaged in broadcasting...be subject to an equitable broadcasting regime that is fair to all.

• (1925)

Mr. Kevin Waugh: What you're saying, then, is that you consider YouTube to be a broadcaster?

Mr. Ian Scott: It depends what YouTube is doing. If they're engaged in broadcasting, then we will be interested. If they're engaged in other activities, no, then not. We're concerned with broadcasting.

Mr. Kevin Waugh: Define “broadcasting”.

Mr. Ian Scott: It's a discussion.... I mean, I can go.... One of your members...we had this discussion very briefly and I didn't get a chance to answer.

As I started to say last time, it is defined in the act specifically. If you wish me to read the definition, it is “transmission of programs”, regardless of whether the transmission is scheduled or on demand and whether the programs are encrypted or not, “by radio waves or other means of telecommunication for reception by the public by means of broadcasting receiving apparatus, but does not include any such transmission of programs that is made solely for performance or display in a public place”.

That is held over from the current Broadcasting Act.

Mr. Kevin Waugh: Did anyone from the public office reach out to you or anybody on the table there within the last two weeks about this bill, Bill C-11?

Mr. Ian Scott: I'm sorry. I didn't hear the question clearly.

Mr. Kevin Waugh: From the minister's office...?

Mr. Ian Scott: No. I have not spoken to anyone from the minister's office.

Mr. Kevin Waugh: Okay. From the meeting of May 24...?

Mr. Ian Scott: No, I have not.

Mr. Kevin Waugh: Okay.

Where do you see this bill...? You're leaving, and the timing isn't good, if you don't mind me saying. You're leaving. You had a five-year agreement. You're gone in September, and they're already advertising for your job.

Mr. Ian Scott: It does take some time to find a suitably qualified person.

Mr. Kevin Waugh: Tell me who's qualified for this job.

Mr. Ian Scott: I think that's in the hands of others, but I would identify some of perhaps the challenges that lay ahead for the commission. At least with respect to the chair position in particular, I think the ability to manage change is important, and I think leadership and an ability to try to build consensus among members are two of the key critical skills that a new chair would require.

Mr. Kevin Waugh: I mentioned that because the old broadcasting has changed. When I look at the head of the CRTC—and it's very difficult right now with the Internet and everything going on with Bill C-11 and then Bill C-18, which I talked to you about the last time, on May 24—I don't know what that person looks like. Do you or anyone in your department make any recommendations to the minister?

This new chair of the CRTC will be visionary. It's not that you aren't, but this one—if you don't mind my saying—will have to have a little more on the plate to deal with the Internet situation and YouTube and all that we've been talking about here for the last six months. It will be a difficult position to fill.

Mr. Ian Scott: To answer quickly, I have not been asked for my advice. It's a short answer. You are correct. That's what I mean when I talk about “change management”, but I would remind you that there is an expert staff and eight other commissioners who will be involved in any future decisions.

Mr. Kevin Waugh: Thank you.

Mr. Ian Scott: Thank you.

The Chair: Thank you, Mr. Scott.

Thank you, Mr. Waugh.

The next one for the Liberals is Chris Bittle.

Chris, you have six minutes. Go ahead, please.

Mr. Chris Bittle (St. Catharines, Lib.): Thank you so much, Madam Chair.

Mr. Scott, to clarify comments from a few weeks ago at committee, you said that proposed section 4.2 would give the CRTC the power to regulate user-generated content. What did you mean by the term “regulate”?

Mr. Ian Scott: Thank you, and obviously this is a significant discussion today.

Let me take one step back and, hopefully, help clarify. I have legal counsel with me from the commission today, and I will ask her to add to this in a moment.

First, let's be clear. Proposed section 2(2.1) of the act is very clear. Basically, I'm going to paraphrase and say that it simply states that users are not subject to the act—period. It's very clear. Proposed section 4.2 allows the CRTC to prescribe by regulation user-uploaded content subject to very explicit criteria. That is also in the act. That's a simple explanation.

If I may, I'm going to turn to Madam Frenette, because she will add what we still can't do.

Would you, please?

• (1930)

Ms. Rachelle Frenette (General Counsel and Deputy Executive Director, Canadian Radio-television and Telecommunications Commission): Yes, of course.

As the chairman explained, user-uploaded content can be the subject of some authority by the commission, but contrary to what many have suggested, the commission's powers in relation to social media platforms and user-uploaded content are actually quite narrow. For example, rules on the proportion of Canadian programs, French-language programming and programs devoted to specific genres cannot be imposed on user-uploaded content. The CRTC is also prohibited from imposing any rules regarding standards of programs on user-uploaded content.

The way in which the commission actually exercises its powers vis-à-vis user-uploaded content is quite narrow.

Mr. Chris Bittle: Thank you.

Has the CRTC ever regulated actual broadcast content—what is said or what is seen—rather than just its distribution?

Mr. Ian Scott: No. We obviously attempt to ensure that the objectives of the Broadcasting Act are met. We don't regulate individuals. We regulate broadcasting undertakings, and they abide by a regulatory framework that we establish. We don't dictate content, neither what is broadcast nor what is watched, obviously, by Canadians.

Mr. Chris Bittle: Can you then quickly respond to what some of our critics said—that you will control what Canadians see or hear online and censor unacceptable views online?

Mr. Ian Scott: We will not.

Mr. Chris Bittle: In Bill C-11, the concept of programming control is key for proposed subsection 2(2.2). Social media services do not “exercise programming control” over content uploaded by everyday users and creators. Proposed subsection 9.1(6) goes on to exclude powers that do not make sense in this context, such as the proportion of French-language programs. Proposed paragraph 10(1) (c) says the CRTC cannot make standards about these programs. This means content uploaded by everyday users and creators could not be regulated for things like obscenity, portrayal of violence or any other issue relating to the content itself. Is that fair to say?

Mr. Ian Scott: I believe so.

Madam Frenette, do you have anything to add? I think that's correct.

Ms. Rachelle Frenette: Thank you for your question. I think that perfectly encapsulates the limits of the CRTC's powers with respect to user-uploaded content.

Mr. Chris Bittle: As a follow-up, does this mean that the CRTC could not actually regulate the content itself—regulating what is depicted, said, expressed—when we are talking about user-generated content?

Ms. Rachelle Frenette: That's correct.

Mr. Chris Bittle: Madam Chair, how much time do I have?

The Chair: You have two minutes and five seconds, Mr. Bittle.

Mr. Chris Bittle: Wow. Excellent.

Mr. Peter Julian (New Westminster—Burnaby, NDP): You can give it to another party.

Mr. Chris Bittle: I appreciate Mr. Julian and his enthusiasm, but I will keep going.

Critics of Bill C-11 have said that it will give the CRTC “sweeping powers” to regulate the global Internet from every large platform to every single user and what they post. Could you describe all the elements of the bill that scope and constrain the CRTC's powers?

Mr. Ian Scott: I think Madam Frenette...between your description that we confirmed and Madam Frenette's earlier answer, perhaps that has already been answered.

Maybe to turn it around a little bit, that's not what the regulatory framework is designed to do. We are not looking to regulate individuals or the content generated by individuals. We regulate undertakings. We regulate enterprises and apply a set of rules that are designed to achieve the objectives of the act, and we would do so.... It will be expanded to include other enterprises, but the objectives will remain the same and the regulatory framework should apply equitably to all players.

Mr. Chris Bittle: How would you respond? There seems to be from the critics this belief that there is this nefarious plot for the CRTC to engage in censorship and over-regulation and to the point of absurdity. I was wondering how you would respond to the critics who claim this to be what's going to happen.

Mr. Ian Scott: I think I responded last time and probably in other public fora. We've been regulating broadcasting for over 50 years. We haven't done it to date. We won't do it in the future.

Mr. Chris Bittle: If things are scoped out—

• (1935)

The Chair: You have 16 seconds.

Mr. Chris Bittle: In 16 seconds, I will just have to be like Mr. Julian and say “thank you” and give my final comments.

Thank you very much for being here and for being so patient. It was inappropriate that you had to sit here for that long and wait to testify, but I appreciate it.

Mr. Ian Scott: Not at all. I was happy to help the committee.

The Chair: Thank you, Chris.

We will now go to the Bloc Québécois and Martin Champoux for six minutes, please.

Go ahead, Mr. Champoux.

[*Translation*]

Mr. Martin Champoux: Thank you, Madam Chair.

Madam Chair, I want to tell you that you have the right not to raise your hand when you wish to speak and to speak whenever you want. That's your privilege as chair.

I reiterate what my colleague Mr. Bittle—

[*English*]

The Chair: I'm sorry. I did not raise my hand.

There must have been a glitch. I am sorry.

[*Translation*]

Mr. Martin Champoux: I reiterate what my colleague Mr. Bittle just told you, Mr. Scott, and I thank you for your patience. We appreciate you staying with us and thank you for your availability.

I need something explained to me, because I'm a visual person.

Mr. Scott, if I may, I will ask my question directly to Ms. Frenette.

Ms. Frenette, you talked about how the CRTC would have very little leeway when it comes to user-generated content on social media platforms.

Have you been following the testimony we've heard in our previous meetings, including that of YouTube and TikTok users?

Ms. Rachelle Frenette: I followed parts of their testimony.

Mr. Martin Champoux: Take, for example, Oorbee Roy, who was here earlier today. She makes skateboarding action videos and, my goodness, she seems to be a great ambassador for that.

Could the CRTC regulate the activities of YouTube and TikTok users like Ms. Roy?

Ms. Rachelle Frenette: Users of a social media platform are not subject to CRTC regulation. Period.

To the extent that the CRTC wishes to impose certain rules, those rules must apply to the platform, not the users.

Mr. Martin Champoux: Will users be penalized by the enforcement of those rules on the platforms? Would there be any impact on them?

Witnesses have told us that this was their biggest concern with the bill, and that the provisions to be implemented will reduce their visibility because of the algorithms that will keep them way down the list on those platforms.

Well, you heard what they said.

How can we reassure them?

Ms. Rachelle Frenette: First, in principle, the CRTC doesn't have the authority to regulate algorithms. That is made clear in the bill.

Second, the CRTC's leeway doesn't apply to social media platforms with respect to regulation of the percentage of French-language content, Canadian content and so on.

Therefore, YouTubers and users of services like that have nothing to fear from the CRTC's legal authority.

Mr. Scott Hutton (Chief of Consumer, Research and Communications, Canadian Radio-television and Telecommunications Commission): I'd like to make a clarification.

The CRTC plans to hold public hearings before implementing its broadcasting regulations. This will ensure that all the ins and outs of the CRTC's powers are well known. The nine members of the CRTC will consider the arguments raised and make a decision, which will be made public and will be very clearly explained to the public.

Mr. Martin Champoux: Ms. Frenette, you raised a point that I find interesting. You said that the CRTC wouldn't have the authority to regulate algorithms. In any event, people don't think you're going to clear and recode the algorithms based on the regulations you're going to put in place.

Furthermore, there are those who say that, on the contrary, we shouldn't take away the CRTC's ability to use algorithms to see if goals are being met.

Will it be possible to check if goals are being met on platforms without using algorithms?

Mr. Scott Hutton: The CRTC's goal is not to regulate algorithms, but to ensure that the entire broadcasting system meets the objectives in the act. To do that, we need to put in place regulations to promote and support the creation of Canadian content, to support content development, not to try and unravel algorithms.

Mr. Martin Champoux: So there's really no danger, as you say, in terms of disturbing the grand scheme of things for users or consumers.

Mr. Scott, you spoke earlier about the end of your term and who will succeed you. I will ask you a question that I asked the minister this week in the House.

The job offer or call for applications to find your successor, states that knowledge of both official languages would be preferred. I will spare you my opinion because you know very well where I stand on this, but I'd like to know what you think.

Would it be appropriate for the chairperson of the CRTC not to be fluent in both official languages?

• (1940)

Mr. Ian Scott: It's my responsibility as CEO of the CRTC to participate in all meetings in both official languages. My entire staff can always choose to speak to me in English or French. We conduct all our meetings in both official languages.

In terms of direct contact, I held weekly meetings, and I would alternate between the two languages, one week in English, the other week in French. We always strive to—

[*English*]

The Chair: Thank you, Mr. Scott. Maybe you can elaborate on that with the next questioner, which is going to be, for the NDP, Peter Julian.

Go ahead for six minutes, Peter.

Mr. Peter Julian: Thank you very much, Madam Chair.

I would like to apologize to our witnesses as well. We wanted to have you come forward to answer these questions, and for the life of me, I can't understand why a member of Parliament would block public officials from answering questions from a parliamentary committee. It just doesn't make sense. We appreciate your patience and the fact that you have waited more than two hours to answer our questions.

I want to start off with you, Mr. Scott. You said in your testimony on May 18, "We have never interfered in individual content." You also referenced that, under the Broadcasting Act, speaking of user-generated content, "We could do any of those things today under the Broadcasting Act", and also said that, "As constructed, there is a provision that would allow us to" put in place regulations—I think that's filling in your comment—to do as required in C-11.

My question is this. Since you have never interfered in individual content even though you believe you have the ability to do those things under the Broadcasting Act, what might have changed in Bill C-11, or do you see it as a similar situation, in which the CRTC would not choose to use any of the powers given to it?

Mr. Ian Scott: I think it's both, with respect, and my colleagues may join me.

You made reference, and I was referring to proposed section 4.2, not by specific reference, when we talked about the CRTC's ability to prescribe by regulation user-uploaded content. It's very limited as my legal colleague has explained.

There is no subsection 2(2.1), as is proposed in Bill C-11, in the Broadcasting Act as it exists today. What I was really responding to—and I'm trying to put more clearly—was that, when the discussion takes place that says we are encroaching in new areas and that the legislation gives us new powers, the point was that we have had jurisdiction over broadcasting, that broad definition I read earlier, always. It has not been used in a detailed way. We have used an exemption provision. Now there are specific provisions in Bill C-11 that say the act does not apply to users, and then it circumscribes where user-uploaded content could be subject to any regulation.

Mr. Peter Julian: Are you saying that Bill C-11 is more restrictive of the CRTC than the Broadcasting Act is?

Mr. Ian Scott: Yes.

Mr. Peter Julian: Okay.

Mr. Ian Scott: Maybe I should have just said that at the beginning. It would have been easier and wouldn't have used up your time. Pardon me.

Mr. Peter Julian: No, that's fine. Thank you. That's a good clarification.

Ms. Frenette, you just mentioned that there's a narrow scope in terms of user-generated content. You talked about all of the areas where the CRTC could not put into place regulations, but could you tell us where that narrow scope is? What is the CRTC able to do?

Ms. Rachelle Frenette: Thank you for your question. I can perhaps provide you with a few examples.

The commission could, for example, issue certain rules with respect to discoverability, could perhaps issue rules to respond to certain concerns on accessibility, but again, I think it's important to remember that to the extent that the commission exercises those powers, they can only apply to broadcasting undertakings. Users of social media aren't broadcasting undertakings.

• (1945)

Mr. Peter Julian: Coming back to that definition that you provided earlier, Mr. Scott—that broadcasting is the "transmission of programs", but that doesn't include those for "performance or display in a public place"—you're saying that user-generated content is excluded on that basis as well as on the sections that specifically exclude it as well, such as proposed subsection 2(2.1).

Mr. Ian Scott: Yes. That's right.

Mr. Peter Julian: Okay. I have a couple of minutes left, so I'm going to go to a couple of issues that have come up during our hearings.

The first is the slowness of the CRTC—this has been raised by a number of witnesses—in being able to make decisions when it comes to broadcasting currently. How would you respond to that concerns that people have raised on giving powers to the CRTC in many respects? The CRTC has been very slow in a number of decisions that are pretty critical in the industry.

Mr. Ian Scott: I think it's fair to point to some decisions that have been slower than parties would like, and there are usually reasons for that. The CBC licence renewal has been mentioned. It's been almost a decade since the CBC licence was examined, and it was a very elaborate, in-depth and large proceeding. It has taken longer than I would have liked, but it is what it is if you're going to abide by principles of administrative law, in fairness.

I would also say, though, importantly, that we issue about 400 decisions and orders a year, and people are pointing to a handful, to two or three processes that are taking longer, so I actually would contest the premise of the question.

Mr. Peter Julian: People are raising concerns about how the CRTC is going to deal with—

Mr. Ian Scott: Yes, and I would answer that, in general, we are timely and efficient, and where we're not, there's good reason. It's usually because they are complex issues and we're building a record upon which to make a decision in the public interest.

The Chair: Thank you. The time is up, Peter.

I'm going to go to the second round, which is a five-minute round.

I do not have a name for the Conservative speaker, so please let me know who that is.

Mr. John Nater: It's John Nater here.

The Chair: John, you have five minutes.

Thank you.

Mr. John Nater: Thank you, Madam Chair. I appreciate the time.

Again, thank you to our witnesses for joining us. I don't want to speculate, but I think my colleague Mr. Waugh might be in the running for the new CRTC chair. I've been hearing that rumour and I think if it's repeated enough, it may—

Voices: Oh, oh!

Mr. Ian Scott: It's that or the young gentleman who appeared earlier today. I'm guessing that with a little rounding off he's a candidate.

Voices: Oh, oh!

Mr. John Nater: Young Mr. Wyatt Sharpe would be a great suggestion as well.

Obviously, the CRTC is constrained and directed by a couple of different things, one of them being legislation itself, and the second being policy directives from the minister.

I want to start by confirming that you have not yet been given a policy directive on Bill C-11. Is that correct?

Mr. Ian Scott: Yes, that's correct.

Mr. John Nater: Now, in the previous incarnation of this—Bill C-10—there was a policy directive that was released, at least a draft version, prior to Bill C-10 being passed, though it obviously did not receive royal assent. That was done. Is that correct?

Mr. Ian Scott: Yes.

Mr. John Nater: When you're given this piece of legislation, we are, at this point, from a parliamentarian's standpoint, providing you with powers that will be further refined—for lack of a better word—by a directive from the minister. Is that correct?

Mr. Ian Scott: Certain priorities.... I mean, there are obviously parameters. We are an arm's-length adjudicative body and there are limits, but yes, the government of the day has the ability to issue a policy direction to the commission as you describe.

Mr. John Nater: One of those issues that may be contained and would be likely to be contained within that would be the concept of discoverability. Would that be a good assumption?

Mr. Ian Scott: To be honest, I think it would be presumptuous of me to guess what the minister and the government might issue in terms of a policy direction.

• (1950)

Mr. John Nater: I will back up a step, then. If there is no mention of discoverability within a policy directive, how would you interpret that when you're coming to draft regulations? How would you implement discoverability for an online streamer?

Mr. Ian Scott: As my colleague Mr. Hutton responded to Mr. Champoux before, as we do today. It would obviously apply to a larger group, but it's really about outcomes. What we're focused on are outcomes, and in that case what we're trying to ensure is that Canadians can find Canadian content.

Let's be clear: Today the platforms we're talking about are also doing that. Netflix identifies Canadian content. Prime does. Spotify does in the audio area. YouTube does and compensates artists, so this isn't new. We would continue to do that, and we would be focused on ensuring that Canadians can find Canadian stories and content.

Mr. John Nater: There is a possibility, then, that the CRTC could just step back altogether when it comes to the concept of discoverability and leave it as it is now. If the platforms are already—

Mr. Ian Scott: It's a bit vague, and I can't predict what the commission would do, but what I would say is that what we do is pursue.... I've described it as the alternative version of what the objectives of the Broadcasting Act are—to make sure that those Canadian stories are told, that they're distributed and that they're discoverable. Yes, we will continue to do that.

Mr. John Nater: You mentioned outcomes. Does the CRTC have the ability to regulate outcomes?

Mr. Ian Scott: We have the ability to identify what desired outcomes are and then—I hope—in the future to use, as much as possible, incentives rather than prescription. If you go back to the “Harnessing Change” report, it's one of the key elements of that report.

We need to be adaptable. We need to recognize that different players have different business models. We need to find an equitable framework but not an identical one, and we need to try to incentivize behaviour that is positive for producers—digital content producers and traditional producers alike.

Mr. John Nater: I have a different question. If our outcome is that we want to have Canadian content—stories being told by Canadians, available to Canadians—how do you get to that outcome in a meaningful way? How do you force—for lack of a better word—people to have Canadian content available?

Mr. Ian Scott: My answer, as I said a minute ago, is preferably by incentives.

As I said, they're doing it, and they have good reason to do so. If you take Netflix as an example, or Crave, whether it's a foreign or Canadian producer, they want people to watch programming, and Canadian programming is popular. They will identify it and we will persist in asking them to make sure Canadians can find that content

That doesn't make anybody watch it. It makes sure that people can find it.

Mr. John Nater: How much of that—

The Chair: Thank you very much. You have eight seconds, John, so I think we could finish that round, and I will move on.

Mr. John Nater: In my eight seconds, I'll say thank you as well for the discussion. I'm sure we can follow up another time.

Thank you.

The Chair: From the Liberals, we have Mr. Coteau for five minutes.

Mr. Michael Coteau (Don Valley East, Lib.): Thank you so much for being here.

I have a quick question: Have you read the charter statement?

Mr. Ian Scott: Yes, we have, and counsel actually reviewed it today.

Mr. Michael Coteau: Okay. That's great.

Can counsel give us your thoughts on it? Does it contradict anything that you do as an organization?

Mr. Ian Scott: I'll ask counsel to respond, please.

Ms. Rachelle Frenette: My understanding of the charter statement that was issued by the Department of Justice is that it set out that programs that are uploaded by an unaffiliated user of social media would not be subject to the act unless prescribed by regulation. In deciding to prescribe such regulation, the statement then goes on to list the number of factors that are set out in Bill C-11.

It would appear that the Department of Justice charter statement did in fact have these provisions within their contemplation when they made the statement that Bill C-11 is charter compliant.

Mr. Michael Coteau: There's a lot of discussion about the bill and what it means for YouTube, TikTok, Netflix and other platforms. While Bill C-11 directs you to respect the different ways in which these platforms operate, the act is fundamentally technology neutral and platform agnostic. Can you tell us what that means to you?

Mr. Ian Scott: Again, it's not an interest in the user-uploaded content but rather in the behaviour and actions of the platform itself. Just as today we encourage licensees, through conditions of licence, to do certain things, we would potentially ask them, in the discoverability example, to take measures to ensure that Canadians can find Canadian stories. That would be an example.

• (1955)

Mr. Michael Coteau: It's that simple.

Mr. Ian Scott: Yes, it is.

Mr. Michael Coteau: I appreciate it.

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

Ms. Lisa Hepfner (Hamilton Mountain, Lib.): Thank you very much, Mr. Coteau.

Thank you, Madam Chair. Through you, I would like to thank the witnesses as well for being here today.

I think so far today we've established that Oorbee Roy will not have to send her skateboarding videos to you to be approved before she can post them online, and I thank you for that clarification.

I would like to ask you a little bit more about discoverability. We've also heard from detractors that making Canadian content more discoverable will take away people's ability to find other things online, so if they're being directed to Canadian content, they won't find the things they really want to watch. I'm wondering if you can address that.

Mr. Ian Scott: To be honest, I find the statement kind of confusing. Today, there is a plethora of content available to Canadians, whether foreign or domestic, whether it is on a subscription service or through YouTube or simply from searching on the Internet. People will find the content they wish to watch. What we're talking about in the context of discoverability is taking measures that are reasonable to help Canadians find Canadian stories. Just as you can put in that you're interested in watching mysteries if you're watching Netflix and then you'll get choices of mysteries, you ought to be able to easily find Canadian stories. I don't think it takes away choice or confuses consumers. They're sophisticated. They're looking for the kinds of programming they want. We just want to make sure Canadians—when they want to—can find Canadian stories.

Ms. Lisa Hepfner: We know that algorithms are a key part of platforms' value propositions. Are you going to tell the platforms how to make Canadian content discoverable?

Mr. Ian Scott: The short answer is no. That's not how we do it. Again, I'll go back, and I'm sorry that I'm repeating myself. It's about outcomes. What I would imagine we might say is, "Great, Netflix, you're already doing this. Can you do it more? Can you do it better? Can you help Canadians find Canadian stories?" That's the kind of regulation and the kind of approach the commission would typically take. The commission staff will have proceedings and develop recommendations. Members will decide in the future, but that's generally what we're trying to do and the way we do it. We don't want to prescribe rules. We want to incentivize and allow for certain outcomes to happen, and that would be one of them.

The Chair: Thank you, Mr. Scott.

Ms. Hepfner, your time is now up.

I will go to Mr. Champoux for two and a half minutes.

Mr. Julian will end this round because we're coming to the end of the hour. Thank you.

[Translation]

Mr. Martin Champoux: Thank you, Madam Chair.

That last part about discoverability was really fascinating, Mr. Scott.

The CRTC's approach to broadcasters and the industry is not to impose ways of doing things, but to suggest improvements. It's to establish procedures so everyone can achieve better results.

Going back to what we were saying earlier about YouTubers and TikTokers not benefiting from this, not being affected by this, they are in fact saying they will be penalized and that their content won't be recognized as content created by Canadians.

Once again, are digital content creators, the people we're talking about, the ones who will need to be showcased when asking the platforms to show more Canadian content?

Mr. Scott Hutton: There are many definitions of what constitutes Canadian content. When it comes to a piece of music, the CRTC has a mechanism—

Mr. Martin Champoux: I'm sorry for interrupting you. I have very little time, and I'd like to clarify my question. I'm talking about people who produce videos. Earlier, we talked about a woman who skateboarded. Others post recipe videos, for example.

Do you think the content made by these people could be considered Canadian content that would be subject to discoverability regulations or guidelines?

• (2000)

Mr. Scott Hutton: One of the key objectives of the act is essentially that Canadians who produce Canadian content be promoted and discovered by Canadians on these platforms.

Mr. Martin Champoux: Several groups are asking us to reinstate the remedy of the Governor in Council. Under subclause 18(1) and 28(1) of the bill, amendments are proposed to the act to allow for a challenge to a CRTC decision that is contrary to the objectives.

If this is not reflected in the act, are there other ways for groups and citizens to challenge a CRTC decision?

Mr. Ian Scott: Ms. Frenette, I'll let you answer that question.

Ms. Rachelle Frenette: The CRTC is an administrative tribunal, and its decisions can be challenged through a right of appeal under the Broadcasting Act or they can be subject to judicial review. Certain decisions can be appealed to the Governor in Council. There are, however, several avenues available to a party who is dissatisfied with a CRTC decision.

[English]

The Chair: Now we go to Mr. Julian for two and a half minutes.

[Translation]

Mr. Peter Julian: Thank you, Madam Chair.

[English]

Some of the things that have come up in the hearings are the exclusion and discrimination currently taking place with online streaming companies. OUTtv in testimony talked about online streaming companies basically refusing to carry them, so I want to hear your comments on the CRTC in terms of accessibility or exclusion or discrimination.

How would the CRTC handle those kinds of cases? Currently online streaming companies are not subject to any sort of oversight. How would that change with Bill C-11?

Mr. Ian Scott: First of all, whatever we did would be subject to public proceedings, in which we would receive evidence and views on how best to achieve it. Currently we have what is called paragraph 9(1)(h), which involves mandatory carriage. There could be equivalent kinds of conditions of service that could be used following a process, if that were the ultimate decision, to ensure that kind of content, whether it be indigenous content or content for racialized Canadians, ethnic groups, LGBTQ+ or otherwise. There are important elements of the broader objectives of the Broadcasting Act, and we will look at various measures to do so.

I don't want to go on too long, but one quick point I would make is about where we won't have symmetry. We can deal with mediation and arbitration with respect to licensees, but the act does not contemplate that in the case of online providers.

Mr. Peter Julian: That's an important thing the committee has to look at in terms of amendments.

On the definition of Canadian content—Mr. Champoux asked that question—we've had testimony. *Turning Red*, a quintessential Canadian film from Pixar—I saw it on the plane coming up—is not defined as Canadian. Is defining Canadian content in a way that allows Canadian content creators to benefit something the CRTC has to engage in?

Mr. Ian Scott: For once, I'll be brief: Yes.

Mr. Peter Julian: Yes, so that is part of where the CRTC sees itself.

That is important.

Mr. Ian Scott: It will be an important part of—

Mr. Peter Julian: You're committing to looking at Canadian content rules in a way that is much more open and accepting—

Mr. Ian Scott: As part of an overall regulatory scheme, it will be necessary and important to develop definitions about what Canadian content is both for audio and for audiovisual.

The Chair: Thank you very much, Peter. We will end there.

We've come to the end of this panel. I want to thank the CRTC for their patience and for waiting for the length of time that they waited before they could come on. I want to thank them for staying and for being so very open and honest with us on this panel.

Thank you very much.

Go ahead, Mr. Scott.

• (2005)

Mr. Ian Scott: I was going to say thank you, Madam Chair. It's our pleasure. We are here to try to help the committee's work, and we're happy to appear.

Thank you.

The Chair: Thank you.

Now I will suspend, while we get to the second panel. Thank you.

• (2005)

(Pause)

• (2010)

The Chair: Now we shall begin this hour.

We have witnesses with us, starting with Pierre Karl Péladeau, from Quebecor Media Inc., along with Peggy Tabet, who are in the room. As individuals, we have Sara Bannerman, Canada research chair in communication policy and governance and associate professor at McMaster University, and Gordon Sinclair. We then go to the International Alliance of Theatrical Stage Employees, with John Morgan Lewis, international vice-president and director of Canadian affairs; Wendy Noss, president of Motion Picture Association-Canada; Netflix, represented by Stéphane Cardin, director of public policy; and YouTube, with Jeanette Patell, head of Canada government affairs and public policy.

I would like to give you just a quick overview of what we're going to do. Each organization has five minutes. I will give you a 30-second warning when you get to within 30 seconds of the time. If you have more than one person in your association, you can work out how you use your five minutes. Also, that's going to be followed by a question and answer period, which may not be a very long one today, given the time.

I shall begin with Quebecor Media and Monsieur Péladeau, who will be speaking for five minutes, please.

• (2015)

[*Translation*]

Mr. Pierre Karl Péladeau (President and Chief Executive Officer, Quebecor Media Inc.): Thank you, Madam Chair.

My name is Pierre Karl Péladeau. With me today is Peggy Tabet, vice-president Regulatory and Environmental Affairs.

Bill C-11, which revises outdated legislation from 1991, is an opportunity for parliamentarians to address the growing historical inequity between foreign broadcasting platforms and Canadian companies.

As you are no doubt aware, a CRTC licence was required to obtain the status of broadcaster and cable operator. That licence was legitimately attached to conditions and regulations. Technology, such as the Internet, and globalization have made it possible to skirt the licencing requirements.

Regarding this new fundamental and inescapable equation, where foreign giants with gigantic financial capabilities have

swooped in, we say that we must now remove Canadian businesses from the burden of regulations and conditions that continually stifle them and threaten their survival.

Last January, proof was provided beyond a shadow of a doubt. In fact, the Académie de la transformation numérique at Université Laval published a study that concluded unequivocally that, for the first time in Quebec, paid online viewing services have surpassed traditional cable television services. Indeed, 71% of Quebec adults subscribe to paid online viewing services, while 66% subscribe to a cable television service.

For years, Quebecor has been reiterating and alerting the various bodies that traditional local broadcasters and cable operators, such as TVA and Vidéotron, that showcase our culture and promote our artisans and talent, must face fierce competition in an outdated and unfair regulatory environment. The unbridled competition from on-line platforms such as Netflix, Amazon and Disney+ is unfettered, and as I said, the CRTC's overwhelming regulations threaten the sustainability of local businesses and, therefore, our cultural sovereignty and our ability to inform Canadians with rigour, while having the resources to do so.

The goal going forward is to restore fairness and reduce the regulatory burden. Indeed, over-regulation has also contributed to the weakening of traditional local broadcasters and cable operators. This approach has been a monumental failure. Canadian broadcasters are at an all-time disadvantage and are struggling to make a go of it.

In total, between 2010 and 2020, the combined profits before interest and taxes of the major traditional private channels fell by nearly \$216 million. TVA alone has seen a drop of almost \$60 million. Apart from the CBC/Radio-Canada, no business can survive without profits.

In this context, Parliament must restore fairness between Canadian and foreign businesses, and substantially reduce the regulatory and financial burden, such as the fees referred to in Part II. As such, it is of grave concern that Bill C-11 no longer contains the principle of fairness among the various players in the industry, which was present in the previous bill. To put an end to the current two-tier system, Parliament should amend the bill to ensure that all broadcasting undertakings are treated fairly and equitably.

However, there is a simple solution. Instead of asking the CRTC for a new set of sprawling regulations with mind-boggling requirements, Parliament should focus on the essentials, such as a lighter regulatory regime in which foreign online platforms contribute financially to our ecosystem and to the various industry stakeholders, to maintain a strong and robust Canadian broadcasting system.

• (2020)

Honourable members of Parliament, thank you very much for your attention.

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

[English]

I will now go to Sara Bannerman, who is appearing as an individual and who is a Canada research chair in communication policy, for five minutes.

Go ahead, Ms. Bannerman.

Dr. Sara Bannerman (Canada Research Chair in Communication Policy and Governance and Associate Professor, McMaster University, As an Individual): Thank you.

I'm a Canada research chair in communication policy and governance at McMaster University. Thanks so much for inviting me.

Today I want to focus on discoverability and algorithmic bias.

Governments around the world are working on measures to ensure that algorithms are accountable. There is a common misconception that streaming platforms recommend what the user wants to see. Platforms show us what they want to show us. They show us what will keep us watching ads, purchasing advertised products, contributing data and subscribing. Platforms are not neutral. They serve their business interests as well.

There are three types of bias I am concerned about. These biases can affect both users and content providers.

First, there could be a bias if algorithms are used to select content for carriage on streaming services by predicting how many viewers the content will attract. A poor algorithmic showing could sink a content provider's chances of being shown.

Second, there can be bias in the recommendation algorithms that users use to discover content. Recommendations often display popularity bias, recommending what's popular and concentrating users' viewing on a smaller catalogue of content. This can be unfair to artists in the long tail and to users who like non-popular content. It could be unfair to Canadian content, including user-generated content.

Third, users' own biases can be amplified. Beyond users' biases for or against Canadian content, if users have a gender bias, for example, this could be amplified in the recommendations that respond to past viewing habits. Such biases can form a feedback loop that can spread throughout the system.

The research in this area has only been developing recently. CRTC intervention in the algorithms raises many difficult problems. The CRTC may not be the first, most likely or best answer to those problems. The CRTC said today it doesn't want to play that role, but the commission could play a role in bringing such problems to light.

There are concerns that requiring discoverability could infringe upon freedom of expression. Streaming service user interfaces and recommendations may be forms of expression. If so, regulatory interventions could contribute a limit on that expression. There are legitimate concerns that promoting some content could mean demoting other content, among other concerns. Sometimes, limits on expression are justified, but they must be justified. To understand whether any justification exists, or even just to understand, we need data.

It may be that the best role for the CRTC will be to monitor and call attention to problems, not just with the discoverability of Canadian content but also with recommender biases relating to other Canadian values, so that civil society and others can intervene. The CRTC can only do that if it has data.

The provisions on information provision and information disclosure in the bill are important to the study and examination of discoverability algorithms and data, and to the CRTC's potential work with outside organizations on this. It may be necessary to require platforms to collect certain data to permit these examinations to happen. The general powers information provision section of the bill could include the phrase "collection and provision". That section could also name information on discoverability as information that the commission can demand.

I disagree with proposals that would allow a company to prevent the disclosure of information in proposed section 25.3.

The Canadian broadcasting system has often served dominant groups. It has also been open to change and improvement based on the work of civil society and others. We need to ensure that the discoverability mechanisms of online streaming platforms are also open to critique and change through public transparency, debate and data.

Thank you.

• (2025)

The Chair: You have five minutes, please, Mr. Sinclair.

Thank you very much.

Mr. Gordon Sinclair (As an Individual): Thank you, Madam Chair.

My name is Gord Sinclair, and I am a member of the Tragically Hip. I want to thank you for the opportunity to speak today.

The Hip set out from Kingston, Ontario, in the mid-1980s, and our journey took us around the world and lasted over 30 years. It concluded where it began, back in Kingston, when our final concert was broadcast nationwide and viewed by a third of the population of Canada.

How did we wind up there?

Over the years, we wrote some good songs, we worked hard and we had great fans, but in the beginning we were beneficiaries of CanCon, the partnership between private broadcasters and government. This was not a handout. For us, it was a leg-up. With the help of our managers, we recorded an EP and got signed to a label and, with their help, we were able to get some airplay on radio. That gave us enough exposure across the country to take the show on the road, as so many great Canadian entertainers have done.

Canadians excel at live performance. The sheer size of the country is our greatest asset. The road is long and hard, with vast distances between gigs. You can't have a day job and aspire to be a performer in Canada. You either learn to love the life and your travelling companions or you break up. The late great Ronnie Hawkins always said that Canadians have to work 10 times as hard to get a tenth as far.

The artists who do endure have honed their talent to a very high standard. Canadian musicians are seasoned travellers. They've learned to play live and to live on the road, and that's what sets us apart. Somehow, during the years and hours of staring out the van window at granite and black spruce, you discover what it means to be a Canadian. You realize that despite its size, distinct regions and communities, there is more that binds us together in this country than separates us. The Hip wrote songs from that perspective. Many of them resonated with our fellow Canadians and enjoy enduring popularity.

Through the travel, the space, the time and the weather, the songwriter searches for meaning and what gives us a common identity. Nations create and preserve themselves through the stories they tell. Words set to rhythm and melodies are our stories. They allowed us to enjoy a long fruitful career until Gord Downie's untimely death.

Walt Whitman wrote, "The proof of a poet is that his country absorbs him as affectionately as he has absorbed it." In 2022, five years after the loss of Leonard Cohen and Gord, we must ask ourselves where our next generation of poets will come from. How can we help them discover themselves?

Times change. In the 30 years that the Hip were performing, we went from producing vinyl records and cassettes to CDs, videos and DATs through Napster, and to iTunes and YouTube, and now to streaming and its dominant platform, Spotify. Through it all, until recently, there have been live shows to make ends meet, but people no longer buy the physical products our industry produces. In the digital age, people haven't given up on music—just the idea of paying for it. That business model is unsustainable.

We are all stakeholders of the arts, and the future has never been more dire. For years, traditional broadcasters, in partnership with the federal government, have helped develop and sustain Canadian recording artists. The Canada Music Fund provides critical support for music in this country. What will happen if that funding disappears?

Gord Downie wrote in our song *Morning Moon* that if "something's too cheap, somebody's paying something". Every song ever recorded can now be streamed for less than \$10 a month. The somebodies in this case will be the future you and me when we re-

alize that we've undervalued the contribution of Canadian musicians and songwriters.

There is no better art form to preserve, promote and export our culture than music, but after two years of pandemic-induced venue closures and cancelled performances, our domestic industry is in peril. Artists must see a glimmer of hope for a career in music or they will simply give up. Where will our next Joni Mitchell come from if we abandon our young artists? Artistic development takes time. If we don't actually value something at a level necessary to sustain it, it will surely disappear.

Streaming is here to stay, but the platforms and ISPs must contribute to the long-term health of the arts in some way. They must look on it as an investment. Streaming is a great way for artists to have their material heard, to discover new music and to be discovered, but in an industry that has seen the majority of its revenue streams disappear, how can an artist earn a living? Streaming can help, but regulations must adapt to allow Canadian culture to flourish in the digital age. It has to begin at home.

My worry is that many will give up before they get the chance to find their voice. As much as the global market is important, Canadian artists must also reach their fellow Canadians from coast to coast. In today's environment, there is a place for everyone, just as there is a place for streaming alongside traditional broadcasters and live performance.

Our potential as a creative nation is as vast as the country itself. Songwriters are our best cultural ambassadors. We are compelled to create, to express what we know and what we feel. We need partners in government and industry, including streaming.

• (2030)

Right now, somewhere in Canada, a young artist is searching for their voice, the right bit of melody to go with the perfect words. We need your help to hear those voices.

Thank you, Madam Chair.

The Chair: I didn't mean to stop you in your tracks, Mr. Sinclair. Thank you very much.

I'd now like to go to the International Alliance of Theatrical Stage Employees.

Mr. Lewis, you have five minutes, please.

Mr. John Lewis (International Vice-President and Director of Canadian Affairs, International Alliance of Theatrical Stage Employees): Thank you.

IATSE is the largest union in the entertainment industry, representing 32,000 Canadian creatives and technicians across film, television and live performance, with another 10,000 creatives working under our agreements as they learn and acquire the skills and certifications necessary for membership. IATSE members are highly skilled cinematographers, costume designers, aerial riggers, makeup artists, hairstylists, set decorators, scenic artists and more, all working behind the scenes. In a word, we are the crew.

I first want to state that the IATSE supports the federal government's efforts to modernize the Broadcasting Act through Bill C-11. We are also pleased that Minister Rodriguez wants to re-examine what should qualify as a Canadian production.

What does make a film or TV production Canadian? Despite what you regularly hear, CanCon is not necessarily about telling Canadian stories. What's happening is that due to dwindling revenues, Canadian media companies are receiving less money from domestic broadcasters. They'd therefore like to create more funding by having government require global studios and streamers to stop the "free ride" and kick in to fund CanCon productions.

The thing is, they already do. Global studios and streamers are the second-largest source of financing for Canadian-owned content production, with foreign pre-sales and advances accounting for 15% of total financing. By comparison, the Canada Media Fund accounts for 10%, and Telefilm accounts for 1%.

Minister Rodriguez referenced creating good, middle-class jobs as a Bill C-11 objective. Global studios and streamers are now also the largest employers of Canadians working in film. They account for over half, 58%, of total production investment in Canada and provide the majority of jobs—60%. Highly skilled Canadians are able to stay in Canada. New infrastructure like studios and equipment provide opportunities that weren't possible without foreign investment.

Cultural policy should support investment in Canadian creative workers and not exclusively benefit Canadian production companies. It is important to celebrate, protect and promote our culture, but the current system wrongly relies on a few mandatory conditions like IP ownership or control, plus a 10-point system in which films must score at least six to be considered Canadian.

Under the current system, *The Handmaid's Tale* doesn't qualify as Canadian. It's based on a novel by Canadian author Margaret Atwood, who served as a consulting producer. It features Canada-centric plot lines, was filmed in Canada—employing hundreds of Canadians—and garnered 75 Emmy nominations. Canadians were recognized internationally for their skills in art direction, production design, hairstyling, makeup artistry, costume design, visual effects and editing.

The story is similar for *Jusqu'au déclin*. It's a French-language Canadian storyline featuring Canadian actors, written by Canadians and filmed by Canadians. Like *The Handmaid's Tale*, the workers on this production also garnered awards. Also like *The Handmaid's Tale*, it also doesn't qualify as Canadian. The only thing not Canadian about this production is that Netflix funded it.

We need a fair system to determine which productions should be considered Canadian. The Canadian 10-point system is not only

flawed; it's exclusionary. The point system prioritizes the hiring of Canadians, as it should. Having a Canadian director gets you two points. A Canadian screenwriter is worth two points. A costume designer is worth zero points. The head of makeup or hairstyling is worth zero points. We're talking about creative positions that are recognized with awards like Oscars, Emmys, BAFTAs and Canadian Screen Awards. The Canadians performing them, however, don't count for a single point, not to mention the hundreds of Canadian crew members.

What should a new system look like? First, the four conditions that are currently mandatory, such as IP ownership, should be considered but not determinative. Second, the 10-point system must be expanded.

In the U.K., the British Film Institute uses a 35-point cultural test, and productions must score at least 18 to qualify as British. The higher point system means more factors can be considered, such as whether the film is based on British subject matter, whether it's a majority British cast, whether it's a majority British crew and where the story is set. The Netherlands' 210-point cultural system considers all of this and more.

● (2035)

These countries, and many others, demonstrate that a stronger, fairer system is possible. We are confident that's the intention behind Bill C-11. The IATSE supports its passage. We must modernize our system so that it best serves and promotes Canada, our workers and our stories.

Thank you.

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

We'll now go for five minutes to Wendy Noss from the Motion Picture Association-Canada.

Ms. Wendy Noss (President, Motion Picture Association-Canada): Madam Chair and members of the committee, thank you for the opportunity to offer you the perspective of the members of the Motion Picture Association-Canada. These include Disney, Netflix, NBCUniversal, Paramount Global, Sony Pictures Entertainment and Warner Bros. Discovery.

Global studios train and provide well-paid opportunities for 200,000 of Canada's talented creative workers. Our investment here has grown to \$5 billion a year, more than half of all production in Canada. We help finance new infrastructure, stages, VFX and animation studios across the country. Our work is economic fuel for more than 47,000 Canadian businesses a year. We invest in cleaner production and are leaders in environmental sustainability. We're proud supporters of Canadian cultural organizations and are committed to advancing equity and diversity, representation in front of and behind the camera and amplifying under-represented voices and untold stories.

Global studios are crucial partners of Canadian producers. We account for 15% of the financing of all Canadian-owned content last year. That's more than Telefilm and CMF combined. Thanks to the opportunities presented by global streaming services, the films and shows made here are seen by more people and in more places around the world than ever before. This is a story of extraordinary mutual opportunity and plenty of room to grow.

Let me turn to Bill C-11. To put our interest in perspective, our studios and streamers offer a wide variety of content in both free-to-consumer and subscriber streaming services from the global entertainment of Netflix, Disney+ or Paramount+, to Hayu's all reality show format or Sony's Japanese anime service, which is so popular across the Francophonie. When Bill C-10 was introduced, we supported the important thought at the heart of the bill: a flexible framework to determine how online undertakings can best contribute to Canada. With Bill C-11, we continue to support the government's drive to modernize policy and create a flexible, world-class broadcasting system.

We offer a few key amendments to help the bill deliver on these ambitions, described more fully in our submission.

First, new powers were intended to extend the concept of mandatory carriage in the cable system to online services like Apple TV or Roku, which offer third party channels. The current drafting language, however, goes far beyond that intention. It must only be limited to online undertakings that offer the programming services of others.

Second, we applaud Minister Rodriguez for confirming that he will direct the CRTC to modernize how a Canadian program is defined. Our simple amendment would make it explicit that the CRTC must consider the full range of policy objectives in establishing this new approach, with no one single factor being determinative.

Third, we recommend changes to clarify inconsistencies in the broadcasting policy objectives, ensuring that the CRTC considers the different nature of various streaming services and the fact that global, not just Canadian, undertakings will now be included in the regulatory system.

In addition to these amendments, we have raised policy approaches relating to discoverability and the importance of encouraging competition, innovation, consumer choice and affordability. We hope these will be advanced in the policy direction and CRTC proceedings that follow.

In this rapidly evolving market fuelled by new technology, Canadians will be best served if you reject the calls to look backward

and impose the same obligations on global online undertakings as Canadian broadcasting groups, or enshrine rigid, old approaches to defining Canadian content in legislation. Our members contribute to Canada in so many ways, but the business models of global streaming services are fundamentally different from those of Canadian broadcasters and certainly different from broadcasters in the 1970s, when these rules on Canadian content were developed.

While many are asking you to make amendments to reduce flexibility, it's time for policy that leans into a more modern definition of creativity and offers global players the flexibility to contribute to all Canadian goals—cultural, social, environmental and economic. A fresh look and a wider lens will mean incredible opportunities for a lot more talented Canadians in the future.

Global productions allow Canadians to work at the top of their craft and achieve worldwide success. Talented Canadians who want to stay in Canada, develop their skills and help create stories that resonate with audiences around the world need this policy to be flexible and adaptive.

Thank you for the opportunity. I look forward to any questions.

• (2040)

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

I will now go to Stéphane Cardin from Netflix.

You have five minutes, please, Monsieur Cardin.

[*Translation*]

Mr. Stéphane Cardin (Director, Public Policy, Netflix): Thank you.

Madam Chair and members of the committee, thank you for the opportunity to address you today.

[*English*]

Since we appeared before this committee in February 2021, we've continued to invest and grow our footprint in Canada. Last fall, we opened our corporate office in Toronto and hired our first local content executives. They've since travelled across the country and engaged with creators to find the next great Canadian stories that we'll share with the world.

Over the same period, we kept the cameras rolling in studios and on locations across the country while keeping our cast and crews safe during COVID-19. We continued to collaborate with top animation studios in Canada on titles such as *The Last Kids on Earth*, and several leading VFX companies here worked their magic on shows such as *The Adam Project*, starring our own Ryan Reynolds. Last November, we launched our first selection of mobile games, including several titles from Canadian game developers.

All of these investments add up to Canada remaining one of our top production countries globally. In fact, since 2017 we've invested more than \$3.5 billion in Canada for films and series that have launched on Netflix. This includes our own titles, co-licensing agreements with Canadian independent producers and broadcasters, and acquisitions of both classic and new series and films in English and in French. Each of these models contributes to the system.

[Translation]

In addition, we've provided substantial support and opportunities to Canadian creators. We've enabled emerging and diverse Canadian talent like Maitreyi Ramakrishnan, star of the hit series *Never Have I Ever*, to secure their breakout roles and achieve global recognition. And we've partnered with over 20 organizations across Canada to advance the careers of over 1,000 creators from every province and territory, with a focus on creators from underrepresented communities.

All of this demonstrates that Netflix is committed to Canada.

To the extent that Bill C-11 aims to create a flexible framework that will enable the CRTC to recognize the different ways that individual online services contribute, to tailor conditions of service applied to online undertakings, and to modernize the definition of Canadian content, we believe that is the right approach.

● (2045)

[English]

We remain concerned about a rigid approach that would simply transpose the current regulatory requirements of Canadian broadcasting groups onto online streaming services. This would not create a level playing field, nor would it be fair or equitable.

Unlike Canada's large private sector broadcasters, Netflix would not have the ability to meet its obligations through categories such as news or sports programming, which represent the majority of their Canadian content spending, and titles that are produced or solely financed by Netflix still would not qualify, even when the majority or totality of creative roles are held by Canadians.

[Translation]

We believe a new framework should also recognize that streaming services provide an unparalleled opportunity to promote Canadian stories to global audiences. The phenomenal success of titles like *Lupin*, *Schitt's Creek* and *Jusqu'au Déclin* demonstrates that quality stories no longer have borders.

Accordingly, we and other members of the Motion Picture Association Canada, or MPA-Canada, have proposed amendments to the bill, as outlined in our written submission.

[English]

When the government set out to modernize the Broadcasting Act, it stated its ambition to create a world-class communications sector and highlighted the importance of enabling and promoting Canadian culture, contributing to economic growth and safeguarding the interests of Canadian consumers, including affordability and choice. To achieve this, Canada must build a balanced and forward-looking model that acknowledges the unique contributions of each participant in the system.

Thank you, Madam Chair. I'd be happy to answer your questions.

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

I will now go to the final witness, and that is Jeanette Patell from YouTube.

Ms. Patell, you have five minutes, please.

[Translation]

Ms. Jeanette Patell (Head of Canada Government Affairs and Public Policy, YouTube): Madam Chair and members of the committee, thank you for the invitation to appear before you today.

[English]

For well over a decade, content on YouTube has been reflecting Canada's cultural mosaic, raising diverse voices and sharing Canadian stories around the globe.

Thanks to YouTube, creators like the Hacksmith are building businesses, artists like Shawn Mendes are breaking through and Canadians from all walks of life can share their voices with the world. Canadian YouTuber Lilly Singh explained it best when she said, "For Canadian creators who don't fit the mainstream mould, the openness of YouTube provides the opportunity to find their niche among billions of people."

We've seen first-hand that, when barriers are removed and Canadians are given equal, free access to an open platform and a global audience, they can take on the world. For Canadian creators, YouTube is a level playing field on a world stage. It doesn't matter who you know or what you look like. Any Canadian with an idea and a smart phone can be a creator and find an audience on YouTube.

In many ways, YouTube serves as a digital video library of Canadian culture, past, present and future. It has allowed our Canadian heritage moments to cross borders with over 28 million views.

[Translation]

And Encore+, our partnership with the Canada media fund, has brought CanCon favourites to viewers around the world.

We support the objectives of Bill C-11, and we want to work together to achieve these shared goals.

[English]

I want to be very clear about YouTube's position on Bill C-11, because it is often misunderstood and sometimes misrepresented.

Some believe that we want to avoid all regulation. This is not true. In fact, when the minister says that an official song by The Weeknd on YouTube should be subject to the act, we have no objection to that, and we certainly have no objection to further financially contributing to Canadian content.

Our concern is that Bill C-11 gives the government control over every aspect of Canadians' experience on YouTube. It does not include effective guardrails on either the powers given to the CRTC or the content to which those powers apply.

● (2050)

[Translation]

And when I say “content”, I mean all content—whether that's a dance challenge, a cat video, or an official music video by Charlotte Cardin.

[English]

If this bill passes as written, the CRTC could determine what content should be promoted in Canada through discoverability obligations and how Canadian creators advertise against their content. This approach puts the regulator between viewers and creators, handing the CRTC the power to decide who wins and who loses.

Bill C-11 could deeply hurt Canadian creators and viewers. For viewers who rely on us to serve them content that is relevant to their interests, artificially forcing an open platform like YouTube to recommend content based on government priorities would backfire. It imposes supply-side measures onto a demand-based technology and ignores two critical features of today's digital reality.

First, Canadians have infinite choice. If the government mandates that they be recommended content that is not personally relevant, they will simply abandon the video or even give it a thumbs-down.

Second, these behaviours train our systems, and that's where the risk to creators comes in. The system learns that this content is not relevant or engaging for viewers, and then it applies those lessons on a global scale. It means that, ultimately, creators boosted in Canada as CanCon could be demoted in search results around the world. That is a terrifying prospect for Canadian creators, who depend on international audiences for over 90% of their watch time, and it would directly hurt their revenue.

It is possible to support Canadian musicians, artists and storytellers without putting thousands of creators at risk, and we have some ideas how. The first is to protect the livelihood of Canada's digital creators by narrowing the language of proposed section 4.2 to only capture full-length commercial music. The second is to strengthen proposed section 9.1 to prevent regulatory impacts to the recommendation algorithms. Finally, it is to narrowly apply broadcasting regulations and better reflect differing technology and business models.

We are confident that, with more precision in Bill C-11, the government can accomplish its objectives. Ultimately, we all have the same goal: to preserve and celebrate Canadian stories and culture.

[Translation]

Thank you for the chance to speak with you today on this important piece of legislation.

[English]

I look forward to your questions.

The Chair: Thank you, Ms. Patell.

I'm afraid, colleagues, that we have to amend our agenda today. We will not have the business meeting today, and we will go with one round of five minutes each for the four political parties.

Who will the Conservatives begin with, please?

Mr. John Nater: That would be me, John Nater.

The Chair: Yes, John. Please begin. You have five minutes.

Mr. John Nater: I'll try to ask as many questions as I possibly can in a short amount of time, starting with Mr. Cardin and Netflix.

One of the things I've learned is that season three of *The Umbrella Academy* is premiering in June, starring the Stratford Festival's Colm Feore. Again, Stratford Festival's opening week is this week. Everyone come to Stratford.

The Umbrella Academy is filmed in Ontario. Would *The Umbrella Academy* count as Canadian content?

Mr. Stéphane Cardin: It also stars Canada's Elliot Page.

No, *The Umbrella Academy* would not count as Canadian content.

Mr. John Nater: When you're investing \$3.5 billion in Canada, employing many Canadians, including—I'm assuming—some of Mr. Lewis's members, all of that investment doesn't provide you with any benefits, if you will, from the Canadian content system. Am I right to assume that?

Mr. Stéphane Cardin: The definition only recognizes the subset of the productions that we make in Canada.

As I mentioned, projects that we own or fully finance are not recognized because of the copyright ownership requirements in current certification criteria. The content that we work on in collaboration with Canadian broadcasters and independent producers counts toward CanCon certification criteria.

• (2055)

Mr. John Nater: Thank you very much. I may come back to you if I have time, but I want to switch to Ms. Patell and YouTube.

We've talked a bit about the policy directive from the minister. We haven't seen it. I'm assuming you haven't seen it. We heard earlier that the CRTC hasn't seen it. A lot of what will come out of Bill C-11 will be defined by what the minister puts in his policy directive. We know that policy directives can change, so that a future government can issue its own policy directive and redefine things. We've been told that the minister will go in a certain direction with the policy directive, but we have seen nothing in writing.

I want your thoughts on the aspect of this policy directive that no one seems to have seen yet. The government is taking the "just trust us" approach that it will be what they say it will be and what they hope it will be. Do you have any thoughts on that?

Ms. Jeanette Patell: The first thing I'll say is what's amazing is that there is an alignment when it comes to the question of user-generated content and whether it should be within scope of the bill. There is alignment in the minister's intention and what we've heard from the creator community that this content should not be within scope of the bill.

What we're asking is for that to be explicitly—

The Chair: I'm sorry. Give me a second, please. There is a noise that is interrupting everyone's ability to listen.

Can people please mute their phones and microphones on the floor?

Thank you.

Ms. Jeanette Patell: I'll start again.

Going back to.... I think we're aligned on the intent here. When it comes to the role of how it should be reflected, whether it's in legislation or a policy directive, the creator community merits certainty of how their content, which is their livelihood, will be regulated going forward. That's why I think it's absolutely appropriate and very achievable, by the way, to reflect that in the legislative text. We don't have to put the livelihoods of creators at risk to support Canadian musicians and artists. I think we're all very collaborative and smart people, and this is something that can absolutely be done in the text.

It's not clear to me why we would give this expansive discretion to the CRTC in the text of the law, when we're in the premise that this is not going to be regulated. If the premise is that it's not to be regulated, I think it makes the most sense to have that reflected in the text, rather than handing over the authority to future governments to simply make that change going forward.

Mr. John Nater: In my 30 seconds, which I think the chair will extend by at least a minute given that small interruption, we can talk about the global reach that YouTube has. You obviously operate in countries globally. We look at successes like that of Justin Bieber, from Stratford, Ontario, who has found success through things like YouTube.

What is it that's unique about new technology and new platforms that allows Canadian content to be viewed and to be celebrated and to find success globally and around the world?

Ms. Jeanette Patell: I think the most amazing thing is the niche content that never would have had an opportunity and wouldn't have had a large enough audience in conventional media, which is constrained by programming time and geographic reach. Someone like Simply Nailogical, who has seven million subscribers for nail art, is absolutely amazing. That kind of content isn't going to break through in mass media, but there is a global audience for it. Putting it in front of that international world stage really gives those creators a chance.

The Chair: Ms. Patell, thank you very much. You may expand on that in any of the questions you get.

I'll now go to the Liberals and Tim Louis.

You're next for five minutes, please.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you very much, Madam Chair.

I want to thank all the panellists for being here. It's a tremendous panel. I really appreciate your time.

I would direct my questions right now to Mr. Gordon Sinclair.

I would say that The Tragically Hip certainly qualifies as a source of pride for Canadian talent. I can tell you, as a musician who has toured Canada for years myself, you'll be happy to hear that there wasn't a night that I was on stage when someone didn't come up to me and ask me to play the Hip. That's part of your legacy, and I appreciate your being here advocating for songwriters, lyricists, concert composers, music publishers and the whole ecosystem. One of the reasons that I worked so hard to get here was to ensure fair compensation for the use of artists' work.

Not many years ago, artists could make a living from album sales. Even as an independent musician myself, it was possible to make enough from sales in music to at least make your next album. As you mentioned, since streaming, that situation has certainly changed. Can you comment on how much more challenging it is to have a career as a songwriter without getting the return on investment of the expense and the costs to record?

• (2100)

Mr. Gordon Sinclair: The entire system breaks down as you're attempting to.... It's not as simple as just going down into your basement and recording into GarageBand. It costs money to produce a song, and it costs money to distribute a song. Without any kind of potential for remuneration, it's just unsustainable. It's now difficult even at the label level for established artists to define budgets to produce what they need to produce with very little opportunity at all of album sales. It's difficult to see how we're going to be able to be compensated without some assistance from this bill.

Mr. Tim Louis: I appreciate that. It's not only about the revenues too. It's about getting our songs out there. To make a living, you have to be heard, and right now foreign streaming services have zero obligation to promote our Canadian creators, even to Canadian artists. We talk about streaming and we're hearing, like you said, that the platforms are doing well. Even the major labels are readjusting and getting there.

A small number of certain artists at the highest level that were mentioned are doing well, but it's those emerging and mid-level artists that we can't ignore. What's the importance of supporting an ecosystem that can showcase Canadian artists at all levels so that they can become the next international artists?

Mr. Gordon Sinclair: To my mind, the most important thing is allowing younger artists the opportunity that I had in the older system. Again, without a great stroke of luck, it's very difficult to launch a career. It's really important from a cultural and a heritage standpoint that those voices are able to be heard from coast to coast. It's important that someone from Victoria can hear someone from St. John's, and that someone from Iqaluit can hear someone from Toronto and vice versa. That's the foundation of a national heritage.

To me, the ecosystem really needs to revolve around distribution, whether it's streaming or traditional radio, but also in creating an environment and investing in the ability for young artists and established artists to go out on the road and to take their shows to places where, traditionally, people don't play. That's how we were able to do it. That was the system. We used to call it "the circuit", and I'm sure you remember it well.

I'm from a small town in Ontario, and when an established artist came to town, that was a big night. It was a community night. When it was a Canadian artist, you saw them in the context of an international artist and that music meant something. When you looked around, you saw people from your community and realized that you shared a musical taste and you shared a foundation. That, to me, is what heritage really is. If we lose that, it's going to be very difficult to get it back.

Mr. Tim Louis: I appreciate your saying that. Coming from you, that certainly means a lot. I want to thank you for being here.

I'm almost out of time, but I think you've earned the right to be here and to share your story with us so that we can find the next artists from Kingston, Kitchener, where I'm from, Yukon or anywhere in Canada. I appreciate your time.

Mr. Gordon Sinclair: I agree.

Thank you, sir.

The Chair: Thank you very much.

I now go to Mr. Champoux for five minutes for the Bloc Québécois, please.

[*Translation*]

Mr. Martin Champoux: Thank you, Madam Chair.

To begin, I have a comment for you, Mr. Sinclair.

This is my little groupie moment. I wasn't a big fan of The Tragically Hip, but my late brother-in-law, Richard, was one of your biggest fans. By playing your songs and turning up the volume when they were on CHOM, he inevitably led me to start liking it. Today, I may be the person in North America who listens to the song *Bobcaygeon* most often and at the loudest volume. So I want to thank you for that and also for your testimony today. It was very important to hear your comments on this.

My first question is for Ms. Patell.

Ms. Patell, earlier today, the CRTC chairperson made it clear that the CRTC would not impose ways of programming algorithms or influence the way programming is done by digital platforms. Instead, he said that they would set goals and look for ways to improve programming, in collaboration with platforms like YouTube and others. This means that your suggestions for improving discoverability would be taken into account.

What do you think of that statement?

Do you still find that this might jeopardize the programming of your algorithms?

• (2105)

[*English*]

Ms. Jeanette Patell: Thank you for the opportunity to address that.

I welcomed the comments from the chair of the commission earlier today, and I think our request here is to ensure that is adequately reflected in the text of the bill. I think there's every opportunity to do that.

The first way to do that is to clarify three things. One is the scope of content to which it applies and ensuring that there isn't room for either misunderstanding, misinterpretation or future expansion of the regulatory action.

Second, with regard to the language around the algorithmic protections, I think there's an opportunity there to strengthen that language further just to ensure that there's absolute clarity that this is not going to be a vehicle to secure certain outcomes.

I think one of the things that he spoke to was with regard to the powers that would be provided to the CRTC under this bill. Discoverability was one of the things he mentioned, but I think it's really important to look at the actual text of the provision of proposed paragraph 9.1(1)(e), which refers to the presentation of programs for selection by the Canadian public, including Canadian original programming.

That's why we've raised these concerns, because when you apply that to proposed section 4.2 as described to us by heritage officials, which is really just a set of considerations, the commission must consider these matters, but they're not bound by those matters when they determine what content is in scope. The combination of an expansive scope of coverage with this very broad power to determine the presentation of the content for the selection by the Canadian public, that's what poses these great concerns for us, because that is the interface of the platform between the user and the content itself.

[*Translation*]

Mr. Martin Champoux: Thank you, Ms. Patell.

Mr. Péladeau, there is often talk about rebalancing the playing field in the market to make it more level. You often raise the issue of fees in part II, and you aren't the only one to do so.

Is that enough to make things a little fairer for traditional broadcasters?

Mr. Pierre Karl Péladeau: That's a very good question, Mr. Champoux.

Indeed, I raised this point because it is the one that seems most obvious to us. However, I think that we must also consider the whole ecosystem. It is important to emphasize this more and more. We must not think that Canadian broadcasters have fallen behind.

As I'm sure you know, on our side, like our Canadian competitors, we have invested in online viewing, the so-called streaming. For over 10 years now, Club illico has been offering extremely important series in terms of investment.

There is a lot of discussion right now about Canadian content. I can assure you that all the series that are made here are made with Canadian actors, film crews and directors, in Canadian locations, and that they are broadcast by Canadian companies whose majority of shareholders are Canadian. We will continue to do the same.

We have to look at this issue as a whole. I know that you will soon be discussing Bill C-18, because it's part of a whole. Advertising revenues are important, since they are the only source of revenue for general broadcasters. If they disappear, all those resources will no longer be available for all television production, be it series production or news programming.

Mr. Martin Champoux: Mr. Péladeau, can you tell us, in a few seconds, about CBC's mandate?

Mr. Pierre Karl Péladeau: It should also be noted that this is missing from the bill. Parliament should ensure that there is no unfair jurisdiction in this regard either. The advertising revenues I mentioned earlier represent a significant source of revenue for CBC, and they should now be devoted entirely to private broadcasters.

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

Thank you, Madam Chair.

● (2110)

The Chair: Thank you, Mr. Péladeau.

[*English*]

I will now go to the New Democratic Party, Peter Julian, for five minutes, please.

Peter.

Mr. Peter Julian: Thank you very much, Madam Chair, and thanks to all the witnesses for their important testimony. I wish we had more time. The filibuster earlier tonight cut a couple of hours out and basically cut off our questioning time, and I really regret that sabotaging of what is an important part of the work that we have to do as a committee.

I will take my five minutes and start with Mr. John Morgan Lewis.

Mr. Lewis, I appreciate the work of the IATSE members. They are very important in my riding. You mentioned an important fact around Canadian content. Other countries evaluate content on a much larger scale—at 35 points you mentioned in Britain. I believe you mentioned the Netherlands at 210 points. The CRTC committed tonight to re-evaluating Canadian content. What is your best advice for how Canadian content should be redefined so that it is broader and incorporates far more content?

Mr. John Lewis: Thanks for the question. Yes, other countries have taken a look at this question and have tried to adapt and bring in some flexibility in terms of taking a look at it. We talk about the antiquated systems of the Broadcasting Act. Well, the definition of Canadian content is equally as antiquated. There was an overemphasis, quite frankly, of the screenwriter, the director and the actor. It didn't take into consideration the fact that it was shot in Canada, that there might have been 800 to 900 crew on a show, 95% to 98% of whom were Canadian—all of those factors. Treating IP as a determinative factor to me makes no sense whatsoever. The goal is to protect, to enhance creative Canadian voices in all facets, and not to be restricted by a sole determining factor like IP.

This isn't about protecting Canadian media companies. It's about protecting Canadian culture, voices and stories. If that's the intent, that's what we should be doing. I'm very pleased to hear the words of Minister Rodriguez, and I was able to listen to some of the comments earlier today with the CRTC and how they're willing to take on this challenge moving forward.

But I think quite frankly, Peter, it has to be flexible. I think in all of this, this industry is changing monthly. Let's not get into the situation where whatever we said is enshrined today in legislation. It's difficult to change down the road, because we're not going to recognize this industry five years from now.

Mr. Peter Julian: Thank you. I'll have to cut you off on that because I want to get to a couple of other questions.

Mr. Sinclair, thank you for your presentation tonight.

You mentioned the impact of CanCon, how that helped The Tragically Hip. There were Canadian artists who emerged before there was Canadian content, but far fewer. After we put in place CanCon, a lot more Canadians were able to succeed both in Canada and internationally. Is that what you foresee with C-11, that there are some Canadians who are succeeding now, but more Canadians will be able to succeed with the provisions of the bill?

Mr. Gordon Sinclair: That would be my hope. Otherwise, we risk a pattern that happened prior to the seventies where artists who achieved a certain level of success would immediately move south where they were able to be even more successful and promote to a different audience. That way, we wind up losing our cultural voices, people who actually sing and write about this country, which, to me, is a very important part of the continuing heritage of Canada.

Mr. Peter Julian: Thank you very much.

Finally, I'll go to Sara Bannerman. You mentioned the bias around algorithms. Do you find that the algorithms tend not to be transparent, which adds to the complexity around these issues? We have in the United States, of course, Senator Ed Markey, who has presented a bill on algorithm transparency. Do you believe this transparency is important?

Dr. Sara Bannerman: Absolutely. I think they're not transparent, and there are multiple ways of approaching that. An alternative would be an algorithmic transparency act.

● (2115)

The Chair: I'm sorry, Ms. Bannerman. You cut out.

Dr. Sara Bannerman: No, that was my answer. Thank you. I thought time was limited.

The Chair: Yes, indeed. You're absolutely right, so thank you very much.

Thank you, Peter. Your time is up.

Thank you for being succinct, Ms. Bannerman.

I just want to thank the witnesses for waiting for so long to get on and for spending such an important time trying to get us to understand some of the complexities that we are trying to understand.

I want to also especially—and I think I have to do this—thank Mr. Sinclair for spending his time with us today and for being extremely patient. He is an icon, people, and I have to say that we are graced with this presence.

Thank you very much, everyone.

I will now accept a motion to adjourn.

Mr. Chris Bittle: I so move, Madam Chair.

The Chair: Thank you very much.

We are adjourned. Goodbye, everyone.

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