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Chair: The Honourable Hedy Fry



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• (1625)

[*Translation*]

The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)): I call this meeting to order.

Welcome to meeting number 106 of the 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.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

[*English*]

You all know the usual drill. While public health authorities have not demanded that we wear masks, it's advisable. There are about six very bad viruses wandering around, so I would ask you to please wear them if you can.

I'd like to take the opportunity to say that you cannot take photographs of whatever is going on in the committee or on the screen. It will be available later on online.

There's just one caution. The room is equipped with a very powerful audio system. Please be very careful when you are speaking into the microphone that you remove anything that might cause feedback or a blip that would offend the ears of the interpreters.

Any questions or statements should be made through the chair.

Today we're meeting with the Canadian Broadcasting Corporation to talk about job cuts announced by CBC/Radio-Canada. Today's witnesses are: Catherine Tait, president and CEO; Barbara Williams, executive vice-president of CBC; Dany Meloul, executive vice-president, Radio-Canada; and Marco Dubé, chief transformation officer and executive vice-president, people and culture.

Ms. Tait, you may proceed with your opening statement for five minutes, please.

Ms. Catherine Tait (President and Chief Executive Officer, CBC/Radio-Canada): I welcome the opportunity to talk with you today about the financial pressures facing CBC/Radio-Canada, but, given the committee's motion, I would like to address the issue of bonuses first.

For the record, CBC/Radio-Canada does not award so-called bonuses. What we have, like every other Crown corporation, is at-

risk or performance pay, which is a key part of the total compensation for our non-union staff of about 1,040 employees. We benchmark that compensation against the middle range of pay for similar positions across the government and the industry. This at-risk pay is held back until the end of the fiscal year, and it is calculated based on the individual's performance and the corporation's performance. These specific measurements are linked to our annual business plan, including targets like revenue, reach and engagement across all of our services. Our board of directors reviews and approves these targets at the beginning of the year, and we report quarterly on our progress in our public documents.

Government departments and Crowns all have performance pay. It helps us deliver on key objectives and stretch to meet ambitious goals.

Over the past year, on multiple occasions, members of parliamentary committees have asked other organizations about so-called bonuses. I will tell you what they told you: Incentive pay is a part of total compensation, and the administration of compensation, like other human resources matters, remains the responsibility of the organization and its board of directors, which operate at arm's-length from government. Those decisions will be made after the close of the fiscal year.

• (1630)

[*Translation*]

Let me now turn to the very serious structural challenges CBC/Radio-Canada faces.

Shortly after I became president and CEO in 2018, I alerted our employees and the government, including the Minister of Finance, about the compounding, annual structural deficit we face because of two factors outside of our control: inflation on goods and services, and declines in television subscription and advertising revenues.

[*English*]

In 2018 that structural deficit was \$21 million per year. Today it is \$36 million. What this means practically is that we start each year with cuts to our budget. Unlike the private sector, we cannot manage fluctuations through loans or bridge financing. We must balance our budget each and every year.

Over the three years of the pandemic, as revenues plummeted, most media companies had to lay off staff. We shifted resources to maintain services and to protect jobs. We benefited from \$21 million in additional government funding for each of the past three years, but today our ability to shift resources and find savings is no longer sufficient to meet the growing deficit.

[Translation]

Like all media, we face rising costs of operations and production, and declines in revenue, especially in the Quebec market. In addition, we are facing an additional 3.3% cut to our parliamentary appropriations as part of the government's cost-saving effort, along with the end to the \$21-million funding.

[English]

Taken together, these factors contribute to a shortfall of \$125 million for the next fiscal year. We alerted the government to our financial challenge last summer; we notified our employees in October, and in December we announced that if our financial situation doesn't improve, we will need to cut approximately 800 positions, along with \$40 million in independent production spending.

We recognize the uncertainty and worry this creates for our employees and for Canadians who depend on our services. We will manage these cuts in a way that minimizes the effects on jobs and the services we provide, and if our financial picture improves, we will adjust.

However, as I have said many times, the public broadcaster faces chronic underfunding. Compared to other public broadcasters around the world, we serve the largest country across six time zones, in two official languages and eight indigenous languages, and yet at \$33 per Canadian, a dime a day, CBC/Radio-Canada is one of the worst-funded public broadcasters in the world, with four times less funding than the U.K. and France, and eight times less funding than Germany. Until that situation changes, we must continue to manage with what we have and do our very best to stretch limited resources to meet our mandate.

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

We're going to go to the part of the meeting where we're going to have questions and answers. The first round is a six-minute round. I will begin with the Conservatives.

Ms. Rachael Thomas, you have six minutes, please.

Mrs. Rachael Thomas (Lethbridge, CPC): Thank you.

Ms. Tait, thank you for giving us your time today. We appreciate it.

In your opening remarks, you outlined some challenges that the CBC faces. I should also outline, though, that every other media outlet in this country doesn't start off with \$1.4 billion in taxpayers' dollars at the start of the year, so while you might look to play a card there, in terms of "poor me", let's start off with a fact. Compared to other outlets in this country that are conducting themselves to perform at a higher standard than the CBC in many ways, they're not starting off with that. That's an important point that needs to be acknowledged right off the bat.

Ms. Tait, we're here to talk about job cuts and bonuses—you prefer to call them performance awards—and this is my first question for you. You've had two months to think on it. During an interview on national news, in fact, CBC's *The National*, you were asked whether or not bonuses would be considered for executives, and you said that it wasn't ruled out, essentially. Having had two months to think about it, have you come to a conclusion? Will there be bonuses for the executives within CBC?

• (1635)

Ms. Catherine Tait: I just want to clarify the reality of the obligations of the public broadcaster. Of course we have the privilege of a very generous parliamentary allocation, which, by the way, has not substantially increased in over 30 years, and during that time we have added to traditional television and radio digital services on all platforms. We're operating with the same budget that we had 30 years ago. Where we get the same pressure as our colleagues in the private sector is, in fact, the one-third of our budget that we earn in commercial revenues, which are absolutely vulnerable to the vagaries of the market. That's the place where we have challenges.

Mrs. Rachael Thomas: Ms. Tait, in the interest of time, could you please answer my second question? There actually weren't two; there was just one.

Ms. Catherine Tait: I heard your question.

Ms. Rachael Thomas: Perfect, so could you answer it? Thank you.

Ms. Catherine Tait: To the question of performance pay, as I have said in my remarks, the performance pay is a critical part of total compensation—

Mrs. Rachael Thomas: My question was just whether or not you would be giving them. Will you be giving bonuses to executives?

Ms. Catherine Tait: My response to that question is to say that we have a rigorous process. It is not my decision to award performance pay. It is, in fact, the decision of the board of directors, and that decision comes at the end of the fiscal year. We have another two months before we reach the end of the fiscal year. As I have also said in public, everything is on the table, so we will see at the end of the fiscal year, based on results and where we are financially—

Mrs. Rachael Thomas: As the CEO, you do not make the decision? You have no say in whether or not bonuses are granted?

Ms. Catherine Tait: All of the management team measures and analyzes our results on an annual basis, which are published very clearly in the quarterly reports—

Mrs. Rachael Thomas: As the CEO, you have no say in whether or not bonuses are given?

Ms. Catherine Tait: All of the management team presents to the board of directors the results of our year against KPIs, key performance indicators, that have been tracked throughout the year, and based on the analysis and the results, the board of directors makes its decision.

I should just point out that—perhaps it's of interest—for example, last year we did not meet two of our KPIs and our bonus level was reduced.

Mrs. Rachael Thomas: Ms. Tait, thank you. I'll go to my next question now. I realize that you'll do your best to talk out the clock, so I'll just keep this going along here.

My next question is this: Those KPIs, would you table those with this committee?

Ms. Catherine Tait: They're public in our annual report.

Mrs. Rachael Thomas: Thank you.

Based on the metrics that are used, then, last year you gave out \$16 million in taxpayer-funded bonuses to the staff. That was an average of \$14,000 to staff members at the CBC. Most Canadians don't see even half of that, not even one-quarter of that in a yearly bonus. Fourteen thousand dollars was the average amount that was given to CBC staff. What were the metrics used to determine that bonus amount?

Ms. Catherine Tait: Again, the KPIs are published, and they very clearly have to do with the performance of the service. As examples, digital reach, engagement with news in the regions, performance on engagement with kids and children—all of those are published very clearly in our annual report.

May I ask...? I think your number is wrong, and I want to correct the record—

• (1640)

Mrs. Rachael Thomas: Ms. Tait, I just highlight for you that it's interesting to me, because you're saying that these are the metrics, but actually the viewership of the CBC has cut in half since you took leadership in 2018. It has come down by half, so it's interesting to me that you're giving bonuses—or performance awards—when, in fact, the CBC is performing the poorest it has ever performed. Bonuses keep going up; they keep skyrocketing, but performance, which you say the bonuses granted are based on, is actually declining significantly.

Ms. Catherine Tait: If I may, Madam Chair, I'd like to correct the record.

Mrs. Rachael Thomas: Ms. Tait, my question for you is, for 2023, will you be given a bonus?

Ms. Catherine Tait: I would like to correct the record, if I may, Madam Chair.

First of all, I don't believe the number was \$16 million for last year. I'm going to ask Marco Dubé, who manages the people and culture at our company, to correct the error that the member has stated.

Mrs. Rachael Thomas: I'm sorry. Madam Chair, through you, I do have a question on the table. That is, Ms. Tait, for 2023 will you be given a bonus?

Ms. Catherine Tait: I'm going to come back to your question after he corrects the record.

Mrs. Rachael Thomas: No, but through you, Madam Chair, the witness knows that her instructions here are to answer the questions that have been given.

The Chair: We have 27 seconds.

Mrs. Rachael Thomas: She can correct the record by sending in a written notice if she wishes.

The Chair: You can do that, Ms. Tait.

In fact, you've gone over time, Ms. Thomas.

Mrs. Rachael Thomas: My time has been interrupted numerous times because the witness didn't want to answer my question.

It's very simple: Will she be given a bonus in 2023?

Ms. Catherine Tait: It's not my decision whether I get a bonus or not.

Let's just be clear. Performance—

The Chair: Thank you. That's enough time.

I'm going to the Liberals for six minutes. Ms. Hepfner will go for four minutes and then Ms. Gainey will go for two.

Lisa, go ahead.

Ms. Lisa Hepfner (Hamilton Mountain, Lib.): Thank you, Chair.

Thank you to the team at CBC for being here to answer our questions again today.

I want to pick up again on executive bonuses. I think, Ms. Tait, you spoke about the privilege—really, it is—to run and have the stewardship of a Crown corporation, a public institution and, even more, a media institution like CBC/Radio-Canada, which really plays a vital part in our democracy. I'm sure that, to run such a large, complex media organization, you need really talented people behind the helm and you need people to be there. You need to be able to attract that talent, but right now hundreds of your colleagues are facing layoffs, so wouldn't you say it's fair for us to ask these questions about executive compensation when so many journalists and people who do the real work that Canadians are counting on are facing the uncertainty and instability that you mentioned in your statement?

Ms. Catherine Tait: I absolutely understand the point of members here. All I would say—as I have repeatedly, and we made a public statement on this matter—everything will be on the table in due process. If we run a \$1.8-billion corporation and we don't respect the processes, the rules and the directives of the board of directors, then it's chaos. We have a process in place. Performance pay is pegged against targets and it's measured, and at the end of the fiscal year, which will be the end of March, the board of directors will decide, and we will see whether our financial situation improves.

Just to be very clear, our announcement in December was an estimate, a forecast, and we were.... In the effort to be transparent with our employees, because we are embarking on negotiations with our most important English union, the Canadian Media Guild, we had to be transparent in order to be respectful of that bargaining process.

Just to be clear, estimates are not actuals. We will know by the end of March where we are. The board of directors will review our performance and it will make that decision.

Ms. Lisa Hefner: Can you talk to me about how you view this issue of compensation? Should public institutions like CBC/Radio-Canada be competing directly with the private sector?

Ms. Catherine Tait: Those are two different issues that you've raised.

Ms. Lisa Hefner: That's in terms of compensation.

Ms. Catherine Tait: Executive compensation is pegged at 50% of the average, so it's not that the executives are being compensated at the level of government.

I can ask Marco to give us more detail on that.

Mr. Marco Dubé (Chief Transformation Officer and Executive Vice-President, People and Culture, CBC/Radio-Canada): What we have is a short-term incentive plan. When we're talking about competition, what we need to do as a responsible organization, a public broadcaster that delivers services to all Canadians, is to actually have the talent to deliver those services.

• (1645)

Our compensation framework actually takes into account all kinds of elements. We have a huge unionized population for whom contracts actually provide for overtime. For unaffiliated people, we have a short-term incentive program that is pegged against performance targets. If people achieve those targets at the end of the year, the board decides to compensate these people adequately to the mid, the mean or the average of comparable positions you would find in the industry, the media industry or other Crown organizations.

The Chair: Thank you very much.

Thank you, Ms. Hefner.

Anna Gainey, you have two minutes, please.

[*Translation*]

Ms. Anna Gainey (Notre-Dame-de-Grâce—Westmount, Lib.): Thank you, Madam Chair.

I thank the witnesses for being here today.

The Broadcasting Act clearly states that CBC/Radio-Canada must strive to be of equivalent quality in English and French, to reflect the specific needs and circumstances of each official language community, including the specific needs and interests of official language minority communities, while meeting the specific needs of the Canada's various regions.

What steps have you taken to ensure that the savings measures you recently announced are consistent with that mandate?

Ms. Catherine Tait: Our obligations, especially with respect to the promotion, protection and survival of the French language, are at the heart of everything we do. We are meeting our obligations under the Canadian Radio-television and Telecommunications Commission, as well as those under the new Official Languages Act.

You also have to understand that parliamentary appropriations are divided between the two services so that the CBC receives roughly 56% and Radio-Canada 44% of the funding.

[*English*]

The Chair: You have 20 seconds.

[*Translation*]

Ms. Catherine Tait: When we consider all of our revenue sources, it is 54% for the CBC and 46% for Radio-Canada. That proportion reflects near parity, if I can put it that way.

With regard to the cuts at CBC/Radio-Canada, our approach is to look at the two different markets. If time permits later, I will invite my two colleagues to explain that approach a bit.

[*English*]

The Chair: Thank you. That's it.

I'm going to the next questioner, who's from the Bloc Québécois, Martin Champoux.

You have six minutes, please, Martin.

[*Translation*]

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

Good afternoon to all four of you.

Ms. Tait, before we left for the holidays, according to the information we had on what was coming for the people at CBC/Radio-Canada, 800 positions were going to be cut, 200 of which were already vacant and would not be filled. The rest of the job cuts were going to be shared equally between the CBC and Radio-Canada.

Did the holidays make you reflect a little on that position? Do you still think that this is the right way to implement budget cuts?

Ms. Catherine Tait: As I just said, we have to look at all the cuts. We're talking about positions, of course, but we're also talking about spending on independent production.

For the CBC, we are proposing budget cuts of \$25 million; for Radio-Canada, the figure is \$15 million. That is a difference of about 20% for all cuts at CBC/Radio-Canada. There is a difference between the two.

If you want, Ms. Meloul—

Mr. Martin Champoux: I would actually like to talk about something else.

Don't take this the wrong way, Ms. Meloul, but we don't have much speaking time, and I have a lot of questions to ask.

I also want to talk about the job cuts, the personnel cuts. That's also worrisome. In fact, that is probably the thing that worries the public broadcaster's employees the most right now.

On the one hand, it is announced that there will be cuts on both sides, at both the CBC and Radio-Canada, in equal numbers. This has already been criticized, as you have heard.

On the other hand, there is uncertainty: We don't know when it will happen, if it will happen and to whom it will happen. This creates an unbearable climate within Radio-Canada itself, and the same is probably true for the CBC.

Do you think that's a good way to move forward, when the situation in the news and popular media sector is extremely volatile and changing?

• (1650)

Ms. Catherine Tait: I think it is better to be transparent and to tell employees about the reality of our structural deficit. That's the problem we have. We're here to stay open. We have to at least work with our teams to find the best way to operate within the constraints of our budget.

Mr. Martin Champoux: I understand, but when you tell your team that you're going to cut 250 jobs, I don't think it shows a lot of stability or makes them likely to co-operate. It's rather worrisome; it's the other way around.

I'm going to talk to you about the difference between the CBC and Radio-Canada in terms of general interest television. I know that the activities are very diversified, but let's talk about television, particularly the difference in market shares. As you know, the CBC's market share and Radio-Canada's market share are light years apart, despite greater funding for the CBC. It's 23% for Radio-Canada and 4.4% for the CBC. I see that as an important sign to consider.

Of the 10 most watched programs in Canada last fall, how many do you think came from francophone television stations?

Ms. Catherine Tait: I think it's 10 out of 10.

Mr. Martin Champoux: It's nine out of 10.

Ms. Catherine Tait: Oh, there you go.

Mr. Martin Champoux: Of those 10 programs, how many do you think were produced by Radio-Canada?

Ms. Catherine Tait: I think it's six or four.

Mr. Martin Champoux: That's right, it's six.

Ms. Catherine Tait: There you go.

Mr. Martin Champoux: That shows you to what extent, in Quebec in particular, but also in the francophonie across Canada, people are attached to this vehicle to promote culture, which needs to be protected and supported. That is also how francophones and Quebecers see themselves reflected on television. They don't see themselves in American television, unlike in English Canada. I am not saying that American television reflects exactly what English Canada is, but there are more similarities than for Quebecers.

Do you take that into consideration when you make decisions like the ones you seem to be about to make—that is to say to cut Radio-Canada's French services like this?

Ms. Catherine Tait: Absolutely, we take all of that into account.

It must be said that, if you look at the market shares of the CBC, CTV and Global in the anglophone market, they amount to 20% of the market.

We know very well that the anglophone market is fragmented and hyper-competitive. You have to look at all of the CBC's services: We're number one in 17 markets out of 22 for CBC radio, and number one in digital services, as well.

Of course, the success of television for the francophone market is tremendous. Also, it's very rare; there are very few markets around the world that have that kind of success. It absolutely has to be protected, and—

Mr. Martin Champoux: Absolutely, but that's not what you're doing.

Ms. Catherine Tait: —that is why Radio-Canada keeps its own revenues earned in its markets. All of the revenues earned for Radio-Canada television are kept by the Radio-Canada team.

Mr. Martin Champoux: I hope so, quite frankly.

Ms. Catherine Tait: I mention this because there is a perception that revenues are shared, when that is not at all the case. Both services keep their own commercial revenues.

Mr. Martin Champoux: Do you feel that Radio-Canada is currently adequately funded to carry out its mission to serve the francophone regions of Quebec and Canada, both in terms of news programs and variety programs? Do you think that, after the upcoming budget cuts, you will be able to continue providing these services to Quebecers and Canadians?

[English]

The Chair: Can we have a quick answer, please. We're over time.

[Translation]

Ms. Catherine Tait: I will ask Ms. Meloul to answer that question.

[English]

The Chair: Ms. Meloul.

[Translation]

Ms. Dany Meloul (Executive Vice-President, Radio-Canada, CBC/Radio-Canada): Thank you, Madam Chair and Mr. Champoux.

We are very, very careful. As part of that process, we take the time needed to determine where to make cuts. For example, some content or programming is coming to an end, which is normal. It happens every year. Some programs will not be renewed. The important thing is to make sure that the breadth of coverage and entertainment—

[English]

The Chair: Thank you, Ms. Meloul. You can expand on that at another time. We are well over time on this question.

I'll go to the New Democrats and Peter Julian for six minutes, please.

• (1655)

[Translation]

Mr. Peter Julian (New Westminster—Burnaby, NDP): Thank you very much, Madam Chair.

I want to thank the people from CBC/Radio-Canada for their quality journalism. On November 2, we discussed the importance of the Broadcasting Act to counter disinformation from the far right, which often tries to flood our country. So I highly commend the journalists.

When you came on November 2, Ms. Tait, you gave us no indication whatsoever that cuts may be made. However, you just said in your testimony that you told your employees about the situation in October.

When you appeared before our committee in November, did you already know that there would be an announcement of this magnitude—concerning a 10% cut—in December?

Ms. Catherine Tait: As I said earlier, we announced to our employees in early October that we had a deficit problem for 2024-25. Even before we appeared before your committee, I spoke at length about this problem before the Board of Trade of Metropolitan Montreal in a speech entitled “A world without Radio-Canada”. So it was very clear that I had that concern. It was in the media. I did not mention it at our meeting on November 2 because we were talking about another topic then, as you will recall.

Mr. Peter Julian: Yes, but you also understand that we were shocked to hear, a few weeks later, that these cuts were announced.

Have you had any discussions at all with the federal government on how best to support the CBC/Radio-Canada since that time, or since it became clear that these issues are going to lead to cuts?

Ms. Catherine Tait: Absolutely. We have discussions with the government on a regular basis. We talk about our budgets, our challenges and, above all, the structural deficit that has existed for five years. When my team and I saw that we were going to have a problem for 2024-25, I alerted the government in July. Since then, we have spoken a number of times about the challenge posed to us by the 3.3% reduction in the budget allocated to us by the federal government. We also talked about the need to address the \$125-million deficit. So the government is well aware of our problem.

Mr. Peter Julian: For the time being, there is no follow-up on its part.

In addition, as I have already mentioned to this committee, the federal government continues to indirectly subsidize large multinationals such as Meta and Google by spending \$1 billion a year on advertising on their platforms, when we need reliable news sources and we know that Meta is funding disinformation. It's beyond me.

[English]

I want to come back to the issue that Ms. Thomas raised about the bonuses and give you the opportunity to respond. I thought it was a little rude not to give you the opportunity to give us the number of executive bonuses for last year. I'll have some comments to make after that.

What is the actual number of performance pay bonuses that were granted last year?

Ms. Catherine Tait: I'm going to ask Marco to answer that question.

Mr. Marco Dubé: Last year, actually, it was under \$15 million: \$14.9 million was granted to a little more than 1,100 unaffiliated people who've contributed to the performance of the public broadcaster.

Mr. Peter Julian: You can understand, then, how Canadians, how I and how many of us react when you have a very important institution cutting positions that are vital for providing that information to Canadians, for telling us the stories about each other and about other regions of the country, but at the same time we see a significant level of performance pay that is provided.

You had said earlier in your testimony that this is something that is decided by the board of directors, but given the corporation's performance and the cuts, can you assure us that the recommendation would be to not continue that performance pay, at a time when we really have to ensure that the resources are directed to frontline journalism and to having Canadians learn about each other?

• (1700)

Ms. Catherine Tait: I think I've made it very clear that there's a process for evaluating not just executives but managers and employees who are not unionized at CBC/Radio-Canada, and that process will be respected by the team and also by the board of directors. What that means is that at the end of this fiscal year—which is not the year of the structural deficit as this year is balanced—they will have an opportunity to look, and we will have all the information we need to assess the financial picture for next year, at which point they will make that decision.

It is not my decision, and I'm afraid I cannot reassure you in what you're looking for.

Mr. Peter Julian: You can understand the public's reaction when it sees cuts in services and apprehended bonuses or bonuses that seem, at this point, likely to occur. You can understand how Canadians react.

Ms. Catherine Tait: I can understand people's concerns—of course I can.

I would like to also add that we have a—

The Chair: Answer as quickly as you can, Ms. Tait.

Ms. Catherine Tait: —payroll of \$950 million and the executive performance pay is at \$15 million, so proportionately it's an extremely small number. We need to keep our talented managers, not just journalists. We absolutely honour and want to support their work, but we—

The Chair: Thank you very much, Ms. Tait. We've run out of time.

I'm going to a second round. It's a five-minute round.

I will begin with Luc Berthold from the Conservatives.

You have five minutes, Luc.

[*Translation*]

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Thank you, Madam Chair.

Good morning, Ms. Tait. It's good to see you back before the committee.

Ms. Tait, you said earlier that the bonuses totalled \$15 million. We were talking about \$16 million, which represents an average of \$13,545 for each of the 1,100 people who received bonuses. From that perspective, our figures are more or less the same. I think it is important to point out that we were not entirely off base. It is still money that will not be used to prevent job cuts.

I would like you to explain the principle behind your decision. You said earlier that parliamentary appropriations were divided at 56% for the CBC and 44% for Radio-Canada, whereas for advertising revenues, the split was 54% for the CBC and 46% for Radio-Canada. Since it is more or less equal, you feel that you are making cuts equally on both sides. There is a difference, though. If you did not apply this so-called equivalency, up to 25 Radio-Canada employees would not lose their jobs.

Ms. Catherine Tait: If I may say so, that's not our approach at all. I can explain the team's approach. Each sector analyzes and looks at its services and the needs of its markets.

We ended up talking about 250 positions, but I should point out that this is a forecast. We don't know if it will be 250 positions. We still expect the market to improve—

Mr. Luc Berthold: That's what you said, though. So you created concern among Radio-Canada employees by saying that 250 positions would be eliminated. Based on the numbers, we would have expected 56—

Ms. Catherine Tait: It also affects CBC employees.

Mr. Luc Berthold: Yes, but we would have expected at least an equitable distribution based on revenues and appropriations. Unfortunately, that is not what you announced.

With regard to bonuses, how many evaluation criteria do you use in total to decide whether or not to pay a performance bonus?

Mr. Marco Dubé: So our program is built—

Mr. Luc Berthold: I just want a number.

Mr. Marco Dubé: —in the following way. There are two parts to our program: an individual part and a part that involves corporate objectives. Those objectives are reviewed annually by the board of directors—

Mr. Luc Berthold: Mr. Dubé, I don't want you to explain the whole program to me. I don't have time; I have only five minutes.

Earlier, Ms. Tait took the trouble to point out that targets had not been met in the case of two indicators and that, as a result, performance bonuses had been reduced.

So how many indicators are there?

Mr. Marco Dubé: We have seven indicators for the company. These indicators measure, for example, the company's digital performance, radio performance or revenue performance.

Mr. Luc Berthold: At this point, how many of the seven targets have been met?

Mr. Marco Dubé: The fiscal year isn't over yet. We can tell you after March 31.

Mr. Luc Berthold: I find it hard to see how, without forecasts, you can say at the end of a year that you don't want to run a deficit. You must have some idea of which targets will or won't be met.

• (1705)

Mr. Marco Dubé: We believe that we're on track to meet the targets for a number of these indicators. We still have a few months to go before the end of the fiscal year. We're facing a difficult financial situation. We've been dealing with a structural deficit for a long time. This is straining our ability to meet our targets and deliver our services to Canadians.

After the end of the fiscal year, we can give you more details.

Mr. Luc Berthold: Is it true that, in 2022-23, not a single target was met?

Mr. Marco Dubé: In 2023, the target wasn't met for two indicators. This affected the amounts paid out to individuals.

Remember that incentive pay is a part of total compensation for the people hired.

Mr. Luc Berthold: Yes, Ms. Tait explained this earlier.

However, I'm puzzled by the cuts to Radio-Canada's French-language services, despite their strong market penetration, high ratings and large overall budget. It seems that a broadcaster should be assessed according to the number of people reached. Unfortunately, we don't see this recognition from CBC/Radio-Canada.

[*English*]

The Chair: You have 30 seconds.

[Translation]

Ms. Catherine Tait: We're very grateful. However, this year the advertising market in Quebec declined significantly. Hence the layoffs at TVA. It was quite serious.

In terms of our indicators for the current year, we're already forecasting a decline in advertising figures, especially in the French-speaking market. That's the real situation this year.

Mr. Luc Berthold: Advertising salespeople won't meet their key performance indicator target and won't receive their bonuses.

[English]

The Chair: Thank you. We've gone over the time. I'm sorry, Mr. Berthold.

We're now going to the Liberals and Michael Coteau.

Michael, you have five minutes.

Mr. Michael Coteau (Don Valley East, Lib.): Thank you, Chair.

Thank you, Ms. Tait, for being here today.

I want to start by saying that like many people in the room, I think, I'm a big supporter of the CBC and the work you do. I have a lot of respect for people who work at the national broadcasting corporation and the work they do to share information, especially in an age of disinformation and a lot of challenges that are out there in getting information to people. I want to start off by saying that, because I think it's important. I see the value in the organization.

The challenge we have just as Canadians in general is that the world is changing, and we're going through a bit of a rough time from the economic downturn post-COVID. There are a lot of challenges out there. A lot of companies and certain sectors are being impacted in a very challenging way, especially your sector.

I know that you're in a unique situation. Sometimes you can compare yourself to the other broadcasters—I think you compared compensation, the work they do and things like that, and how they operate from that perspective—but you're also publicly funded, and sometimes you can't compare yourself to those organizations. It's a bit of a challenge being in that situation.

Tone is an important thing during these challenging times, and when Canadians see \$16 million going out in bonuses, it's hard to stomach, especially when they see cuts. Usually bonuses happen when things are good, when the world is great and when the organization is feeling good. Things are good and we give out bonuses. That's what a bonus is: "Hey, things are good." But things are not good. The \$16 million represents, at roughly \$75,000 a year, one-third of the jobs that are being cut—200 jobs. Two hundred jobs at \$75,000 is about \$16 million, so it's almost one-third of your problem if a job is on average at \$75,000.

For us, it's hard to accept bonuses being paid when things are challenging. I know you said that this is the board of directors and they have a set of criteria they use, but you're the CEO. You can make a recommendation at any given moment to the board of directors. Would you consider asking the board of directors to reconsider the bonus structure at CBC?

Ms. Catherine Tait: I certainly will consider all scenarios; however, we have a program in place. First of all, these are not frivolous awards given at Christmas. This is performance pay.

For an individual, let's say, who's making \$80,000, a portion of that pay is held back. That's what performance pay is. This is not an additional amount. We have a contract, and we contract with them for that \$80,000. Let's say \$7,000 of it is held back until the end of the year. If they perform and if the corporation performs, they get 100% of it. If we don't meet our objectives, they get less. That's why in the middle of the year to make a decision like that would be—

• (1710)

Mr. Michael Coteau: I'm sorry. I apologize for cutting you off, but the time is so limited. It's a challenge for us here in committee.

I understand that, and it does sound reasonable from a perspective when you may be making a certain amount at the lower end. Would you maybe consider those who are above the \$200,000 mark? Would you consider maybe recommending a change in structure?

I know, for example, that at the top tier you can get a bonus of, I think it's 28%, at about \$120,000. Would you consider maybe looking at those who make over \$200,000 and setting a tone that Canadians could look at and say, "You know what? We agree with that; that's a reasonable approach"? Would you consider, as a CEO, going back to the board of directors and saying, "Maybe we should consider a shift this year while things are not as good as they possibly could be"?

Ms. Catherine Tait: As I said in my opening remarks, we have a process in place. We will respect the process, and to your question—

Mr. Michael Coteau: I understand that. I'm asking you, would you actually think about changing that process?

The Chair: You have 30 seconds.

Ms. Catherine Tait: —and I've said publicly that everything is on the table.

Mr. Michael Coteau: Is the answer yes, you would consider that?

Ms. Catherine Tait: Everything is on the table. At the end of the year—

Mr. Michael Coteau: That means, yes, you will consider it?

Ms. Catherine Tait: —we will consider all our options. Yes.

Mr. Michael Coteau: Okay, and I appreciate that. I think Canadians are looking for—

The Chair: You have 17 seconds, Michael.

Mr. Michael Coteau: Yes. I have a few seconds, right?

The Chair: Yes, you have 17 seconds.

Mr. Michael Coteau: I think Canadians are just looking for a signal that we're willing to work with the tone of the nation at this point. That's all.

Thank you.

The Chair: Thank you very much.

Now I will go to Martin Champoux from the Bloc for two and a half minutes.

[*Translation*]

Mr. Martin Champoux: Thank you, Madam Chair. Two and a half minutes fly by.

I'll address the latest response received when I told Ms. Tait that cuts of this magnitude would make it difficult for the Crown corporation to fulfill its mandate in Quebec and in French-speaking communities outside Quebec.

Ms. Meloul responded that some programs currently on air simply wouldn't be renewed. This does nothing to reassure people in French-speaking communities across the country, including Quebecers, who care about their television and programs. I'm worried about variety programs. Of course, I'm also worried, especially given the current situation, about regional news. It's being compromised. We see radio stations struggling. We see newspapers, especially weekly newspapers, struggling. We see daily newspapers stopping print editions. The media industry and journalism industry are in danger.

When Ms. Meloul tells me—in good faith, I'm sure—that some programs simply won't be renewed, surely this means that other things may go down the drain. That isn't reassuring.

What Quebecers want to hear, what would reassure them, is the recognition that Radio-Canada and the CBC operate differently and must be treated independently of each other when it comes to these kinds of decisions.

I'm not saying that the French-language services should be completely spared in the current situation. Of course, the whole industry must adapt. The public broadcaster's mandate will certainly be reviewed in the near future. At that point, its funding method, for example, will be looked at.

In any case, we must know now how you plan to reassure Quebecers about the future of their television and the regional French-language coverage provided by Radio-Canada's news services. We haven't heard anything reassuring to address concerns and confirm that you understand the difference, the specificity of Quebec and the vital role of the Crown corporation, of Radio-Canada, in this environment.

[*English*]

The Chair: You have 30 seconds.

[*Translation*]

Mr. Martin Champoux: I'll let you respond, Ms. Tait.

Ms. Catherine Tait: Could I ask Ms. Meloul to elaborate on her earlier response?

Mr. Martin Champoux: Certainly.

I'm sorry I took so long.

Ms. Catherine Tait: I think that she was cut off in the middle of a sentence. It would be helpful if she could continue her response.

Mr. Martin Champoux: We can also continue when it's my turn to speak again.

Ms. Dany Meloul: I'll be happy to respond.

I just want to be clear about one thing...

[*English*]

The Chair: Now, for the NDP, we have Peter Julian for two and a half minutes.

[*Translation*]

Mr. Martin Champoux: Madam Chair, I counted about 15 seconds left.

Ms. Catherine Tait: Aren't we allowed to respond?

[*English*]

The Chair: No, actually. You've gone a little bit over, but that's okay. Most everybody went over, so I'll let you have a very quick answer, Ms. Meloul.

• (1715)

[*Translation*]

Mr. Martin Champoux: Thank you, Madam Chair.

Ms. Dany Meloul: Thank you.

I want you to know that we take Radio-Canada's role very seriously. It provides information and entertainment to all French-speaking Canadians, but also supports the media ecosystem, which is particularly fragile in the regions. As a result, we must ensure that productions from Winnipeg or Moncton are aired on Radio-Canada.

In terms of cuts, we have the same structural deficit in our budgets. This deficit must also be balanced. We made that choice.

[*English*]

The Chair: Thank you, Ms. Meloul. Would you wrap up, please.

[*Translation*]

Ms. Dany Meloul: We chose to make fewer cuts in independent production.

[*English*]

The Chair: Thanks very much.

Next is Peter Julian for two and a half minutes, please.

[*Translation*]

Mr. Peter Julian: At least three parties around the table just sent the message that it's important to set aside the bonuses, focus on journalistic positions and maintain this network across the country. It's vital. I hope that the message from our committee is that it's important to invest where Canadians can benefit the most.

However, one political party here is calling for the destruction of the CBC. It claims that Radio-Canada can survive without the CBC. That isn't my impression. It's quite the opposite. In Vancouver, for example, the CBC and Radio-Canada share resources. When we ask journalists to attend our press conferences, which they often do, they attend on behalf of both networks. That way, the French-speaking community of British Columbia can obtain the information. It's vital to share resources.

Is it fair to claim that the CBC's funding can be completely eliminated and that Radio-Canada can carry on just fine, despite the CBC's destruction?

Ms. Catherine Tait: That was the focus of my remarks in Montreal. It's impossible to imagine Radio-Canada without the CBC. We share infrastructure, buildings and technological equipment. We even share administrative and financial resources. We're one company, except when it comes to programming, news and decisions about programs and series. Of course, these things are managed separately. For everything else, we share infrastructure.

If the CBC is eliminated, the cuts at Radio-Canada will be far more difficult and substantial.

Mr. Peter Julian: It isn't true, as the Conservative Party claims, that Radio-Canada will carry on just fine despite the elimination of the CBC.

[English]

The Chair: Thank you.

Now we're going to Ms. Thomas for five minutes, please.

Mrs. Rachael Thomas: Ms. Tait, I just looked online, and as CEO, it is your responsibility to determine who you would recommend for bonuses and how much. You recommend that to the board. Then the board can veto you, of course, if they wish to. Of course, if they were to do that, it would signal that they don't have confidence in your leadership.

I think, given the fact that they've extended your contract by 18 months, they probably would take your recommendation. I'm just curious. It's coming up in two months. Will you be recommending that executive bonuses be given?

Ms. Catherine Tait: I will respond to that question as I have earlier, which is to say, if we achieve the results of the current fiscal year, I will recommend that the 1,140 unaffiliated non-unionized employees receive their fair pay, their performance pay.

Mrs. Rachael Thomas: Their fair pay, their bonus pay. So you will be recommending in two months' time that the executives receive a bonus.

Ms. Catherine Tait: If they achieve their targets....

Mrs. Rachael Thomas: Okay.

You already said earlier that targets were not met in previous years. I also looked that up online, and that is in fact true. In fact, not only were there a number of targets not met, but the vast majority of targets were only partially met, yet still bonuses were given. How many targets have to be fully met in order for bonuses to be given this year?

• (1720)

Mr. Marco Dubé: We have a system whereby targets can be partially met, not met or overachieved. We go through that system. We present this to the board. At the end of the year the board approves the performance of the organization.

Mrs. Rachael Thomas: How many have to be completely met in order for the bonus to be given?

Mr. Marco Dubé: I would suspect that some of it has to be completely met to have—

Mrs. Rachael Thomas: Some of it has to be completely met.

Ms. Tait, you're the one who gives the recommendations, so I would like you to answer.

Will your recommendation be given based on some being met, four being met, six being met, eight being met or all being met?

Ms. Catherine Tait: I'm not sure you understand the way it works.

Let's say there are seven performance indicators. Each one is awarded a percentage of the performance pay. Revenue, for example, is 20%. Revenue is a huge driver for the company. If we don't achieve revenue, we will not achieve the 20%. That's not to say it goes to zero. That's what Marco is saying, that there will be a lesser amount awarded.

To your question, I very much suspect that this year we will not meet our revenue target entirely, given my comments about the Quebec market.

Mrs. Rachael Thomas: Ms. Tait, what you're telling the committee then is that the decision has been made to cut 800 jobs. That announcement came out on December 4, right before Christmas, which is a pretty harsh time of year to make that announcement. What you have just told this committee is that there is still an intent to give bonus pay whether or not all KPIs have been met.

Ms. Catherine Tait: First of all, the announcement in December was an estimate forecast should our financial situation not improve, and the majority of the cuts—and this was very clearly stated in the release—would occur in the next fiscal year. We were giving a long runway in order to be able to improve. In fact, we, as a management team, are very focused on improving the results and reducing the cuts to the extent we can. The longer we have to work on a problem, the greater chance we have of achieving the result.

Mrs. Rachael Thomas: Ms. Tait, here are a few facts.

Under your leadership, trust in the media and especially in the CBC has declined. Fewer Canadians are watching the CBC. In fact, viewership has been cut in half since you took over in 2018. Ad revenue has plummeted. It decreased by 31% from 2022 to 2023. The number of CBC staff earning a six-digit salary has doubled. Then to add to that, in the last two years, just the last two years under your leadership, more than 100 correction notices have had to be issued with regard to stories put out by the CBC.

In your estimation, have you met the KPIs and do you therefore deserve a bonus this year?

Ms. Catherine Tait: I think I said earlier that I actually am not subject to the short-term incentive plan of the rest of the corporation because I am—

Mrs. Rachael Thomas: There's no performance bonus available to you?

Ms. Catherine Tait: I have performance pay based on my objectives, which obviously correspond to the company's but also to additional objectives that are—

Mrs. Rachael Thomas: In your estimation, have you met those metrics that have been set out for you?

Ms. Catherine Tait: Absolutely, yes.

What you have described are the industry trends. I do not control the number of Canadians who have left television to go online. By the way, equal to the declining number watching CBC television that you continue to report is an increase in the millions of those who are watching Gem. If you are measuring viewership, I think you need to look at the totality of the experience.

By the way, Madam Chair, we submitted some documents to help the committee understand the reality of the numbers.

Today only 11% of English Canadians watch television only. Of francophones, 23% watch television only. In the English market, 34% are solely online. We're dealing with market trends. I do not think I or any of the management team should be evaluated on market trends.

The Chair: Thank you, Ms. Tait.

I think I am allowing a lot of leeway here because it's a two-hour meeting. We have another hour to go, so I would like to get some answers to questions.

I would like to ask the answerers, the witnesses, and the questioners to be as short as they possibly can to get the answers in.

Thank you very much.

I'm going now to the Liberals. It's going to be Taleeb Noormohamed.

• (1725)

Mr. Taleeb Noormohamed (Vancouver Granville, Lib.): Thank you, Madam Chair.

Thank you to the witnesses for being with us.

Ms. Tait, I think you're sensing a bit of a theme here in terms of the questions that folks have been asking with respect to the bonuses. I've been in your position before as a CEO where I've had to

deal with cuts and then ask the question about whether or not management and others should receive bonuses.

One of the things that may be worthwhile to put on the table here is that I think there's a bit of a sense that perhaps the way in which the comment you made was received is more of the problem than what you were trying to say. I think most reasonable people would understand that the way bonuses work is based on criteria being met or not being met.

I think what people heard you say is that it doesn't matter that cuts are happening, we may still give people bonuses. I think it came off for some people as callous and cold, and perhaps, I'm hoping, was not what you were trying to say. I don't think, based on the answers you've given today, that it was what you were trying to say, but I think just for the avoidance of doubt—because my colleague from the Conservative Party didn't give you the chance to respond—do you get to decide who gets bonuses or not?

Ms. Catherine Tait: Not solely me, no.

Mr. Taleeb Noormohamed: It's the board of directors who decide, right?

Ms. Catherine Tait: I beg your pardon? I'm sorry. I can't hear you.

Mr. Taleeb Noormohamed: The board of directors makes that decision. Is that right?

Ms. Catherine Tait: They make that decision based on the data that we present to them, yes.

Mr. Taleeb Noormohamed: If the corporation were in a difficult financial position and some of your executives had met most of their criteria, what would you recommend to your board in that situation?

Ms. Catherine Tait: I think the reality is that when we know where we are, we will respond accordingly. I think it's premature to be talking about performance pay when, one, we're not even at the end of the fiscal year and, two, we actually don't know what our financial situation will be for the next year.

I would just point out that since my announcement on December 4, we heard there will be additional funding from Bill C-18 for CBC/Radio-Canada. That will have an impact as we plan for the coming year. We run a very, very complex organization, and we are vulnerable to all the vagaries of the market. I am very hopeful that our situation will improve and that advertising revenues will come up, and we will be able to meet all of our obligations and be able to reduce the impacts on programming and on employees.

Mr. Taleeb Noormohamed: I'm really pleased to hear my Conservative colleagues' concern about the fate of employees at CBC/Radio-Canada, which would be a rare thing, given their desire to cut the whole thing, so I want to lean in on this a bit. One of the things that those of us who care deeply about the CBC would want to know is: How do you retain, how do you make sure that you can get the best of the best to work for the corporation and stay with the corporation?

Granted, performance pay is one of those things. I think we all understand that, but how do you make sure that this is an environment, a place in which employees want to work at the CBC at a time when there's public scrutiny, at a time when there's competitive tension? How do we make sure and how do you make sure the CBC is able to attract and retain the best talent to produce the content that Canadians deserve?

Ms. Catherine Tait: Well, it's a number of factors, and I thank you for that question.

One is, most of the people, and certainly all of the people at this table, are here because of public service. Most of us left private media to come and work at the public broadcaster because we care deeply—and we care deeply, by the way, about our employees. Part of it is we're here for the mission. I think if you asked any CBCer and any Radio-Canadien, they'll say the same thing: “I care deeply about the mission.”

You also have to understand that we operate in a competitive business marketplace. Even here in Ottawa, people can get other jobs, so if we're not at least—and this is what we peg—at 50% of what the average compensation might be, we're not going to retain the talent. We've seen that in the past. We have retention issues when we don't pay competitively. We do exit surveys, and the number two reason for people leaving CBC/Radio-Canada... Number one is “I got a new opportunity” and number two is that the salary is not competitive.

• (1730)

The Chair: Thank you very much.

You have seven seconds to go, Mr. Noormohamed. Do you have a quick word? No? You're good?

Mr. Taleeb Noormohamed: How many seconds are left?

The Chair: You have seven seconds—four now.

Mr. Taleeb Noormohamed: Thank you, Ms. Tait.

The Chair: Now we'll go to a third round and, for the Conservatives, it's Luc Berthold for five minutes.

Luc, go ahead.

Mr. Luc Berthold: Thank you.

[*Translation*]

Thank you, Ms. Tait.

The people in the back and I tried to find the seven key performance indicators listed in the annual report. Since there are seven sections that include a number of indicators, it's quite difficult to navigate. A small dark green circle shows that the target has been met or exceeded. A small pale green circle shows that the target has been partially met. There are more than seven indicators. Basically, 23 criteria determine whether there will be bonuses. I was trying to get you to say this earlier.

Unfortunately, most of the criteria weren't fully met. It's hard to give carte blanche and to understand why, under the current circumstances, CBC/Radio-Canada would decide to move forward, even though the performance is lacking. It's clear when we look at the CBC's ratings and advertising revenues. Of course, the situation must be taken into account. All companies, even private companies,

deal with this situation. In many private companies, a person isn't entitled to a performance bonus when targets aren't met.

How will you justify cutting 800 jobs to Canadians, when you'll only partially meet your targets and when some of them will lose their jobs?

Ms. Catherine Tait: Thank you for your question.

First, the annual report shows the indicators for the CBC and Radio-Canada together. We then separate the two and each has its respective performance indicators. Also, there aren't 23 criteria. The criteria are the same, but they're shown together and then separately.

Second, we're talking about next year. For the year 2023-24, which runs until the end of March, we have a balanced budget. We don't have this issue for the current year. We're talking about the 2024-25 fiscal year. That's why it's too early to assess the results for the coming year.

Is that clearer?

Mr. Luc Berthold: Next year's bonuses will be based on this year's results. Is that what you're saying?

Ms. Catherine Tait: No. Incentive bonuses are tied to last year's performance.

Mr. Luc Berthold: Okay. We understand one another.

A single item may have a number of criteria, but there may be variations. A target can be partially met. That's more or less what people find shocking.

I had the opportunity to speak with Radio-Canada employees. They're very worried, Ms. Tait. They learned that 250 employees would be losing their jobs. They don't know who, when or what sectors will be affected. They know absolutely nothing.

Since this announcement, how many employees have left Radio-Canada voluntarily?

Ms. Catherine Tait: I'll let Mr. Dubé answer that question.

Mr. Marco Dubé: Since we made this announcement, in December, we've distributed about 100 layoff notices at both the CBC and Radio-Canada, including...

Mr. Luc Berthold: In total?

Mr. Marco Dubé: Yes, in total. This includes institutional components. The CBC had slightly more than Radio-Canada.

That's where we stand, at the end of January.

Mr. Luc Berthold: Since you made this announcement, have any people decided to leave their jobs voluntarily after seeing CBC's results and the direction that the company is heading in?

Mr. Marco Dubé: It's worth noting that, every year, around 250 people leave the company voluntarily. There are also 200 retirements. There were 200 vacant positions. There's a great deal of movement in our workforce.

I completely agree with you. Obviously, some employees are worried. The employees are keenly aware that the public broadcaster...

• (1735)

[English]

The Chair: You have 30 seconds.

[Translation]

Mr. Marco Dubé: ...is dealing with a long-term structural deficit. The issue of multi-year funding for the public broadcaster has never been resolved.

Mr. Luc Berthold: I don't have much time left. I'd like to take my 10 seconds to ask Ms. Tait a question.

Ms. Tait, given the situation, don't you think that Radio-Canada's senior executives should set an example by foregoing their performance bonuses?

Ms. Catherine Tait: As I said, at the end of the year, any necessary measures will be considered, and performance bonuses may also be part of these discussions.

[English]

The Chair: Thank you, Ms. Tait.

Thank you, Mr. Berthold.

We'll go now to Anju Dhillon for the Liberals.

You have five minutes, Anju.

[Translation]

Ms. Anju Dhillon (Dorval—Lachine—LaSalle, Lib.): I would like to thank the witnesses for joining us today.

In December 2023, Radio-Canada announced budget cuts of about \$125 million.

First, what proportion of the budget cuts fall on CBC/Radio-Canada's English and French services, respectively? What factors helped determine this distribution?

Ms. Catherine Tait: Are you talking about this year's cuts?

I didn't fully understand the question. Sorry.

Ms. Anju Dhillon: I wanted to know whether the budget cuts are divided equally between the two services.

Ms. Catherine Tait: No, not at all. I just clarified that Radio-Canada will be cutting \$15 million in independent production spending, whereas the CBC will be cutting \$25 million.

Again, these are forecasts. If we ever receive government funding or see an increase in advertising revenues, we'll adjust these figures and, above all, their impact on programming.

Ms. Anju Dhillon: Okay, thank you.

What proportions of the budget cuts fall on radio, television and digital services, respectively?

Could you elaborate on this, please?

Ms. Catherine Tait: We don't have that information right now. I'm sorry. I apologize.

Ms. Anju Dhillon: I have no further questions. Thank you.

Madam Chair, I'll be sharing my time with Ms. Hefpner.

[English]

The Chair: Ms. Tait, you can send it to us.

Thank you.

Ms. Lisa Hefpner: Thank you to my colleague Ms. Dhillon.

Ms. Tait, I want to ask you about your knowledge with respect to your position as chair of the Global Task Force for public media. You sort of have your finger on the pulse of what's going on around the world.

I know that at the BBC, which is one of the most trusted and creatively successful media companies in the world, they face deep cuts. I think they saw the end of their independent funding. I'm wondering if you can tell us what we can learn from their experience.

Ms. Catherine Tait: They have faced a lot of financial pressure, just as we have. I would say from my experience around the world that pretty well every public broadcaster is facing the same pressure. It's a situation not unique to CBC/Radio-Canada. We have a crisis in the media sector. People have turned from traditional media towards the digital giants. That is fundamentally undermining the financial health of the private media and also our own ability to keep Canadian consumers attached to our services.

In the case of the BBC, they started at such a level that even for us when we look at their cuts, honestly, it doesn't seem as though they should be complaining, but it is serious, because they are a leading public broadcaster.

Just to give you an idea, Tim Davie, the managing director of BBC, told me that they're investing a billion dollars a year in digital. That's a billion dollars a year. We have nowhere near that amount of money. The proportionality is so out of sync.

All I would say is that if you believe that the fight against disinformation is something that touches all Canadians, regardless of political stripe, the public broadcaster remains the single most effective tool that we as Canadians have to combat this disinformation. We are the only national media company in the country.

• (1740)

Ms. Lisa Hefpner: Is there any way to have a BBC at that quality and level without spending billions of dollars?

Ms. Catherine Tait: I'd say it's nothing short of a miracle what we deliver with the limited amount of money that we have: two languages, six time zones, eight indigenous languages, television, radio, digital, streaming, audio. It's spectacular the work that we do, and we could be more present in more communities.

CBC is not serving 35 communities in English Canada with populations of over 50,000. I'm thinking Sarnia. I'm thinking Red Deer. I'm thinking Medicine Hat. I'm thinking Sault Ste. Marie. All of those cities have no CBC presence, not one journalist.

The Chair: Thank you, Ms. Tait.

I'm going to move to Mr. Champoux for two and half minutes, please.

[*Translation*]

Mr. Martin Champoux: Ms. Tait, when you appeared before the committee in the fall, you announced that 800 positions would be eliminated at CBC/Radio-Canada. You also announced \$125 million in cuts. I found that tactless and that this created an atmosphere of uncertainty.

However, you're now saying that it won't be this year, that everything's fine this year, and that these forecasts are for next year, if things don't go well. I'm starting to think that your approach was quite clever.

Are you forcing the government's hand to ensure that the funding will be adjusted so that you don't need to make these budget cuts and job cuts at CBC/Radio-Canada next year?

Ms. Catherine Tait: That's a rather cynical question.

Mr. Martin Champoux: Yes, and I stand by it.

Ms. Catherine Tait: Let me be crystal clear. We started negotiations with the Canadian Media Guild on October 16. Based on the rules for these kinds of negotiations with the unions, we must be transparent. We're trying to complete those negotiations by the end of February.

It's important to understand that if we hadn't announced the cutbacks in the fall and waited until the beginning of the next fiscal year in April, after concluding negotiations with a union as large as the Guild,

[*English*]

it's a legal case.

[*Translation*]

Mr. Martin Champoux: If the Minister of Finance agreed to not impose the 3.3% cutbacks on para-governmental public agencies and Crown corporations, what effect would that have on CBC/Radio-Canada?

Ms. Catherine Tait: Are you talking about the 3.3%?

Mr. Martin Champoux: Yes. If those cutbacks don't happen, what effect would that have on future decisions? Would it have a significant impact?

Ms. Catherine Tait: That would help us, absolutely.

Mr. Martin Champoux: Okay.

What else can be done to help CBC/Radio-Canada avoid cutbacks to French services, as the plan is to make equal cuts to French and English services?

[*English*]

The Chair: You have 30 seconds.

[*Translation*]

Ms. Catherine Tait: It would require a government investment, of course, to compensate for our losses. We also need to bring in more advertising revenue, especially in the Quebec market.

Mr. Martin Champoux: Will you forgo the \$7-million share of the \$100-million fund that Google is putting on the table as part of the agreement on Bill C-18?

Ms. Catherine Tait: I'm sorry, I didn't quite understand.

Mr. Martin Champoux: Is CBC/Radio-Canada going to give up its 7% share of the \$100-million Google deal?

Ms. Catherine Tait: Why?

Mr. Martin Champoux: That \$7 million would have a much greater impact on the regional media ecosystem in Quebec and Canada, particularly on weeklies or small regional radio stations, than on CBC/Radio-Canada.

Ms. Catherine Tait: I just said that we have no presence in 35 cities in English Canada—

Mr. Martin Champoux: Those are choices that CBC made a long time ago.

Ms. Catherine Tait: It's a question of resources. As soon as we managed to save \$2.5 million in the travel budget, we deployed resources to CBC and hired 16 reporters last year, one in Lethbridge, one in Cranbrook, one in Grande Prairie.

As soon as we have the funds, we invest in journalist positions.

• (1745)

[*English*]

The Chair: I am sorry, guys. We've gone a minute over on Martin's time. I'm kind of letting everybody go because we have about 45 minutes left in this meeting. We're not cutting the clock as finely as we could, but still, if I'm going to let Martin go almost a minute over time, I'm going to have to let everybody else go as well. Let's hope people still try very hard to be crisp and say what they have to say in a shorter period of time.

We will now go to Peter Julian.

Peter, you have two and a half minutes, please.

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

I certainly agree with the points that you've made, Ms. Tait, that the issue of disinformation and hate.... We've seen the far right and their massive propaganda infrastructure, Fox Media, and Meta, which allows through its algorithms tragic growth of toxic hate in all of its forms, Islamophobia, anti-Semitism, racism, misogyny, homophobia, transphobia, all of those toxic forms of hate.

We need to have an institution like the CBC that provides that balance and provides for the real information to counter the far-right disinformation that is washing over North America.

I note a couple of things. First off are the massive subsidies—a billion dollars per year—that go to Meta and Google when they have not been responsible in any way in being a voice to counter this hate and disinformation. Do you feel it's appropriate that the federal government subsidize so massively and directly the advertising for Meta and Google?

Second, you've mentioned the growth of digital services. You mentioned the streaming service, Gem. I'd like you to take the opportunity to talk more about the budget that you have in terms of digital and streaming services and what the results have been, both of promoting digital resources—you flagged the BBC—and of promoting streaming services like Gem. What have the results been?

Ms. Catherine Tait: With regard to your first question, I don't feel that it's appropriate for me to comment on the government policy with respect to Google and Meta. I can only really speak about how the public broadcaster responds in a world where digital giants are more and more taking the air out of the ecosystem.

I'm going to invite Barb Williams, who hasn't had a chance yet, to speak, because some of the most interesting digital results that we saw during the pandemic actually stemmed from the CBC.

Barb, would you like to describe...? Maybe take the example of how people are watching *The National* today.

The Chair: Ms. Tait, go through the chair, please.

Ms. Williams.

Ms. Catherine Tait: I beg your pardon.

Ms. Barbara Williams (Executive Vice-President, CBC, CBC/Radio-Canada): Thank you.

We've had some really interesting and, I think, very important success digitally with all of our CBC, both news and entertainment, programming.

What Catherine is referring to specifically with regard to *The National* is that I think a lot of people may note that the actual TV viewing of *The National* every night at 10 on the CBC main channel has been down. In fact, there are maybe only 300,000 on average who watch it on the CBC main channel.

Another few hundred thousand watch it on CBC News Network, which is another television offering, and another 450,000 views of *The National* happen every day on YouTube. Another 40,000 watch it on Explore, our streaming channel, and another 50,000 watch it on Gem and the CBC News app.

When you put it all together, night after night what you are seeing is that the attention paid to *The National* by Canadians is 1.2 million, 1.3 million, 1.4 million people, depending on the night. It is significant and valid and really important that this information is being shared. A lot of that is happening the next morning, because morning is now the new prime time. This is all part of what is the shifting and fragmentation and rediscovery of content with new behaviours.

The Chair: Thank you, Ms. Williams.

You beat Martin's record, Peter.

[*Translation*]

Mr. Peter Julian: I can keep talking, Madam Chair.

[*English*]

The Chair: We'll go to the Conservatives.

Mr. Scheer, you have five minutes, please.

Hon. Andrew Scheer (Regina—Qu'Appelle, CPC): Thank you very much.

I'm sure that we can agree on some metrics that reasonable people would use to measure the success of a broadcasting corporation. Would you agree that measuring viewership or ratings is a reasonable metric to measure the success of a broadcaster?

● (1750)

Ms. Catherine Tait: Viewership is one metric, and so is user-ship.

Hon. Andrew Scheer: I would say that it's an important metric when you're talking about a broadcaster.

You said a few minutes ago that ad revenue was a major—I think that's the word you used—driver of whether or not you judge success.

Would ad revenue also be a reasonable measure of success for a broadcaster?

Ms. Catherine Tait: It would be one of the variables, yes.

Hon. Andrew Scheer: Right, okay. There's viewership, yes; ad revenue, yes; trust, also—whether or not people can trust what they're seeing on TV, especially when you run news outlets. You would agree, I hope, that trust in media would also be a measure of success.

Ms. Catherine Tait: Absolutely.

Hon. Andrew Scheer: Okay, and therefore, errors would be another measure of success or failure. If there aren't a lot of errors, that would be a good thing. If there are a lot of errors, that would be a bad thing. Would you agree with that?

Ms. Catherine Tait: I would actually give a different response on errors. I think error is a natural part of journalism, and the fact that CBC/Radio-Canada posts its corrections as quickly as we do is actually a demonstration of why we are trusted, unlike others who may not.

I would say that's a trusted source.

Hon. Andrew Scheer: Wow. The speed with which you correct your errors is the way that you measure performance at the CBC.

We've agreed that viewership is an important metric. We've agreed that ad revenue is an important metric, as is trust.

Fewer Canadians are watching the CBC than ever before. Viewership has plummeted to half of what it was when you became CEO in 2018. Ad revenue has also crashed. In fact, it was down 31% in just one year, 2022 to 2023. Trust in media, especially in the CBC, has also declined.

The NDP talk about misinformation. The CBC has had to issue more than 100 corrections for grave errors in reporting, and that obviously has had an impact on trust.

Given all these important metrics that you have agreed on, what justification do you have for issuing performance awards?

Ms. Catherine Tait: I want to correct a couple of your points, if I may, Madam Chair.

First of all, the 30% drop in revenue was between an Olympics year and a non-Olympics year. In fact, during the years you're describing, we had two Olympic games, so we had a much higher level of ad revenue during those years. That explains the drop there.

Hon. Andrew Scheer: Were ad revenues in 2023 higher than in 2022?

Ms. Catherine Tait: I would say they were flat.

Hon. Andrew Scheer: They were flat.

Ms. Catherine Tait: That is, by the way, very much part of what's going on in the industry. Television is in decline, not just at CBC. At CTV and Global, television is in decline, and people are moving to streaming and they're moving to their connected television.

Hon. Andrew Scheer: With all due respect, CBC has almost half a billion dollars in real estate holdings across the country—big, fancy buildings in downtowns across the country. You get over a billion dollars in taxpayers' money to be a television broadcaster and radio broadcaster.

When those metrics are down, how do you justify giving performance awards to people whose job it is to increase viewership, to increase ad revenue, to increase trust?

Ms. Catherine Tait: Madam Chair, if I may, I don't agree with the premise.

Hon. Andrew Scheer: You don't agree that ad revenue is down? You don't agree that viewership is down?

Ms. Catherine Tait: No, I don't agree with the premise. Seventy-nine per cent of Canadians say that it is important for the country to have a public broadcaster like CBC/Radio-Canada. Eighty-two per cent say—

Hon. Andrew Scheer: Who commissioned that poll?

Ms. Catherine Tait: Those are our public perception surveys that we conduct—

Hon. Andrew Scheer: Oh, you conduct them. Okay, so your polling tells you that Canadians like what you're doing.

Ms. Catherine Tait: —by using the third party Leger survey firm.

I'm sorry, but if the argument is to try to say that we're no longer of value, all I would say is that's not what I hear from Canadians, and our numbers—

Hon. Andrew Scheer: What I'm asking about is the bonuses.

With all due respect, Ms. Tait, when you give someone a bonus—and we've just agreed on the metrics that should be used to judge a broadcaster—and those metrics are down, how do you justify giving people, executives, big bonuses when they haven't achieved success according to these metrics that we've agreed on?

● (1755)

Ms. Catherine Tait: As I pointed out, the metrics that we measure are public and tracked, and they're in all of our reports, so I'm afraid to say that trust is down. Trust is down across the entire media section, and it also affects politicians. It affects all of us.

Hon. Andrew Scheer: When you misrepresent the truth, it does affect politicians.

The Chair: All right. Excuse me. The time is up, but at the same time, I wish that we would stop talking over each other. If someone asks a question, we should listen. If someone's going to give an answer, we should listen.

The time is up, Mr. Scheer. Thank you.

I will now go to Michael Coteau for five minutes.

Mr. Michael Coteau: Thank you so much.

You know, on the comments made by the member opposite around the 100 corrections, to me that just says you're a good media source. If there is a change in the news, you issue a correction. I think that's good policy. I wish more media actually issued corrections, because that's a sign of good news.

In regard to viewership, there's no question that on Ms. Williams' numbers and the data they provided, yes, the fact is that TV has declined, but viewership has increased. I watch CBC through my Google cast. I ask it, "What's the news today?" and CBC comes on. On my television, it's through YouTube, a tech giant, but it's delivered in many different forms. Sometimes I just go directly to the website. I can't imagine that the impression rate has declined in any way. It's actually increased.

I wanted to say that, because I think there's a false narrative constantly projected out there by Conservatives that the CBC is on the decline. It's not. We know that. I don't think we even need to argue that point anymore. They're talking about television, a technology that was popular in the 1960s to the 2000s, and it's in a decline—like many of their policies.

I'd like to ask a question on behalf of the children of Canada, because you play a huge role. I was just thinking about and wrote down a few great shows: *The Friendly Giant*, *Today's Special*, *Mr. Dressup* and *The Magic School Bus*. I remember watching some of them and then my kids watching some of them. It's incredible what CBC Kids does.

I'd like to ask this on behalf of the children of this country: What is CBC doing for them? What is part of your strategy to help children in this country when it comes to good content in media?

Ms. Catherine Tait: That's a great question. When I joined CBC/Radio-Canada, I had the distinct privilege of being part of the team that green-lit CBC Kids News, which is real news by real kids.

[Translation]

A year later, we launched MAJ, *Mon actualité du jour*, on Radio-Canada.

[English]

It's a similar situation in that kids are learning about the news and media literacy.

To your question, what do I say about kids? Get smart about digital. Understand what it is to identify fake news and disinformation. That's what Kids News and *Mon actualité du jour*, or MAJ, as we call it, do for Canadian kids.

In addition, there's all sorts of programming still on television, but I have to be honest: Kids are watching on Gem, and they're watching on their devices. The reality is that we have fabulous shows. Oftentimes, CBC and Radio-Canada co-finance kids programs. We also deliver our programming and archives to kids in classrooms through a platform called Curio. That platform is educational. The programs and the archives are designed to help kids understand the world they live in.

Mr. Michael Coteau: Children are part of your mandate and they are a big part of your stakeholder base.

Ms. Catherine Tait: Absolutely.

Mr. Michael Coteau: I appreciate that.

Do I have any more time?

The Chair: You have one minute and 30 seconds.

Mr. Michael Coteau: Do you want to ask a question, Lisa?

Ms. Lisa Hepfner: Sure.

The Chair: Go ahead, Lisa.

Ms. Lisa Hepfner: Thanks again.

We've been talking a lot about misinformation and disinformation being spread. I'm wondering how difficult it is for the CBC to manage stuff that we've even heard in this committee today. We've heard the viewership metric being misrepresented. We've heard the ad numbers being misrepresented. We've heard the Leader of the Opposition say that he will take over the CBC building on Front Street and turn it into housing. I think that's the only reason we would have heard anything about CBC real estate today.

Would you respond to how difficult it is as a public broadcaster to have elected officials at your throat all the time?

• (1800)

Ms. Catherine Tait: I will speak on behalf of not only my management team but also the 7,500 people who work at CBC/Radio-Canada. It is extremely difficult to not have the love and support for the work that we do. However, we continue to do it, because we

believe that serving Canadians, English and French and indigenous, is worth it. It is a pillar of our democracy. Everything we do, exactly to your point, is to combat disinformation. It's why we have something on our website that's called "Get the facts". When somebody says something that's inaccurate, we correct it.

It is absolutely critical that Canadians can count on us. We saw the numbers during the COVID years. We had 25 million Canadians visiting our digital sites, because they knew they could depend on us. As I said before, we are the only service coast to coast to coast. We're running transmission towers, hundreds of them, across the north. Without CBC, you lose that connectivity, which is essential to our democracy and to our sense of belonging and social cohesion in this country.

The Chair: Thank you, Ms. Tait.

That's it, Lisa.

Ms. Lisa Hepfner: Thank you.

The Chair: I'm just going to see what the committee thinks.

We have until 27 minutes after six—a hard stop. Do you want to go another round or are you good? You're good?

Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): We want to go another round, Chair.

The Chair: You want to go another round. Okay, then. I will begin the fourth round.

It's going to be Marilyn Gladu for five minutes.

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Thank you, Chair.

Thank you to the witnesses for being with us today.

I have worked for many corporations as an executive, so I'm very acquainted with performance awards that have an individual performance portion and a corporate performance portion.

You've indicated already, Ms. Tait, that in the individuals' employment contracts, their performance awards are part of that. I would assume that means if they perform this year, they are going to receive that portion of the bonus certainly. Is that correct?

Ms. Catherine Tait: Correct.

Ms. Marilyn Gladu: Okay.

Then, on the corporate portion, I would be surprised if you were 10 months into your fiscal year and you didn't have an idea of whether or not you were on track to meet your targets, so I guess the question would be: Are you on track to meet your targets?

Ms. Catherine Tait: We are on track to meet most of our targets. I indicated that we are down in revenue.

Ms. Marilyn Gladu: Okay. That will mean that some portion of the corporate performance awards should be awarded.

Ms. Catherine Tait: Some portion will be awarded, but some portion will not.

Ms. Marilyn Gladu: All right.

For your own compensation, you have a performance award that's not on the same formula, but it's closely linked, you said, to the performance of the corporation. If the corporation is good on some metrics but not on all, then you would be somewhere in the range of \$124,000, if you're at the lowest end of the salary spectrum, and \$145,880 if you're at the top of your range. Where do you expect to be within that range?

Ms. Catherine Tait: I'm not sure where you came up with those numbers, but I assume it's from the public website.

Ms. Marilyn Gladu: Yes.

Ms. Catherine Tait: Okay.

First of all, just to be clear, if the board of directors makes a recommendation based on our performance, they will do so to the government. That goes to the Privy Council Office and the PMO. What I end up with really has nothing—not nothing to do, it has something to do with how I've performed, but there is a whole other pool of people—other GICs, other deputy ministers—and other factors that will play, so it's not predictable in that regard. I can say what the board might recommend and what I hope they would recommend based on my performance, but it isn't really, at the end of day, even their decision. It's the government's decision.

Ms. Marilyn Gladu: Very good.

I have a question as well about the cuts to the employees. The original mandate for CBC was to provide Canadian content, especially across the country, even in areas that are rural and remote and where it normally wouldn't be economical to do that. With respect to the cuts that are being made, what per cent of those will impact on rural and remote communities?

Ms. Catherine Tait: As I said earlier, we are still very much in the planning process of determining that and, hopefully, we will not have to implement all of the cuts that we projected.

When we worked with our teams, we made it very clear that the filter number one for us was proximity. We know that is the force of the public broadcaster: our proximity to our audiences, especially in the regions. We asked managers to ensure that would remain a priority. Similarly—

• (1805)

Ms. Marilyn Gladu: I'm sorry. I have limited time.

Do you have a percentage?

Ms. Catherine Tait: At this point, we don't, because we're still working on our numbers, but all I can say...I can reassure you that we have kept the regions as a priority.

Ms. Marilyn Gladu: Thank you.

The other question that I would have, then, has to do with when I worked for a company and times were tough and they did actually cancel bonuses. I think you heard the sentiment here today that this might be something to consider, but the other way to get at it is to increase revenue.

You've talked about Gem and the success of Gem. How many paid subscribers do you have to Gem?

Ms. Catherine Tait: We don't give that information out publicly.

Ms. Marilyn Gladu: Okay. Let me ask a different question.

If the public taxpayers are funding CBC to the tune of \$1.4 billion, why do Canadians then have to pay on top of that for a streaming service from CBC?

Ms. Catherine Tait: The logic of that is that we have costs associated with all of these additional programs such as Gem or ICI TOU.TV. We offer the service for free to any Canadian who wants to watch it. The paid version is without advertising.

Ms. Marilyn Gladu: Could you comment on your KPIs for this year? You said you were going to meet some of them but not all of them.

Which ones, other than the ad revenue, which you have already said is down—

The Chair: I think we have run out of time.

Ms. Marilyn Gladu: Thank you.

The Chair: When another person asks a question, if somebody could throw that answer in, that would be great.

I'll go to Mr. Noormohamed for the Liberals.

You have five minutes.

Mr. Taleeb Noormohamed: Thank you, Madam Chair.

Thank you all for continuing to stick with this.

I want to come back to you, Ms. Tate, and talk a little bit about CBC Gem.

We've heard over the course of the last little while the Conservatives' assertions that the CBC is less popular, that the viewership isn't there, and that is their justification for gutting it or killing it. In fact, you have lines of business and you have lines of service to Canadians that are going quite well.

Maybe we could take a brief moment and talk about something positive. Can you share with us which lines of business are actually growing for CBC and why they are important for us as we think about the role of the CBC and the mandate of the CBC independent of government? Most importantly, why should Parliament keep funding the CBC in these areas?

Ms. Catherine Tait: Thank you.

Madam Chair, may I pass the question to Ms. Williams?

The Chair: Ms. Williams, go ahead, please.

Ms. Barbara Williams: Thank you.

We do have many lines of business at the CBC that are very successful. I'll highlight a few.

Gem for sure is a powerful streaming service for us. What makes it distinctive is that not just the entertainment side of CBC is streaming on Gem, but all of our news is also streaming on Gem. Our local news and our national news are streaming on Gem, and we are continuing to experiment with putting more content up there. Sometimes now our radio and other audio offerings are on Gem, so it's becoming a full, inclusive service for all CBC programming for those who prefer to get their content through a stream.

We are also having huge success with podcasts. Those are a burgeoning business for us. We are world leaders in podcasts, with everything from our daily Front Burner through to international co-productions that we've done with other public broadcasters around the world. Every month there are 20 million downloads of CBC podcasts. It's huge. People are finding those on our CBC Listen app, which is another one of the audio streaming platforms on which people are discovering their content.

A lot of our radio, which is so powerful for CBC, is really being consumed on the CBC Listen app now, not on the transistor radio on your kitchen counter anymore, and it is still very much enjoyed as a powerful piece of the content offering from CBC.

We are making sure that we are growing locally, because the local proximity piece that Catherine referenced is so critical. Just this week we announced seven brand new local podcasts that will be offered from local communities that maybe don't have as much specific local information for themselves. These local podcasts will be driving that initiative.

It's all about meeting audiences where they are and giving them the kind of content they expect on the platforms they're now using. CBC, to an earlier point, is absolutely a growing, relevant service for more and more Canadians all the time.

My last point is on the emergency service piece we offer when there's a flood, a fire or a huge storm. There's nothing like CBC to ensure that people are getting the accurate information they need in the moment. Radio is still one of the most prominent services we can offer to support Canadians in their times of need.

• (1810)

Mr. Taleeb Noormohamed: Thank you.

I want to switch gears a little bit.

I think a lot of assertions have been made about how bonuses are paid and how people are appointed. I think there's a desire to politicize the CBC and there's a desire on the part of some to make it seem as though the hands of government get to decide what the CBC does.

When it comes to something like a GIC appointment that involves the CBC, is that a political process or is that managed by the bureaucracy itself?

Ms. Catherine Tait: In the case of my appointment, I am the only GIC appointment at CBC/Radio-Canada, and I was appointed in a merit-based process by an independent committee that was assembled. By the way, such a committee is being assembled now to identify the person who will replace me.

I competed for the job along with probably many others from the industry. The recommendation from that committee was made to the government.

Mr. Taleeb Noormohamed: Just for [*Inaudible—Editor*] of that, you weren't sitting in some smoky backroom and a minister came up to you and said, "Hey, Catherine, we're going to offer you this job if you do A, B and C on the part of the government."

The Chair: You have 15 seconds, Mr. Noormohamed.

Ms. Catherine Tait: No.

Mr. Taleeb Noormohamed: No. This was a merit-based process. You were chosen independently, and no one from the government just plopped you into this role. Is that correct?

Ms. Catherine Tait: Absolutely not.

The Chair: Thank you very much.

Now I'll go to Martin for two and a half minutes.

[*Translation*]

Mr. Martin Champoux: Thank you, Madam Chair.

I want to talk about something completely different, Ms. Tait. CBC/Radio-Canada's mandate is about to be put back on the table for review. Your term ends less than a year from now. The review will be extremely important work, and it will probably be difficult as well.

What should those who will be called upon to review CBC/Radio-Canada's mandate in the current context pay the most attention to?

Ms. Catherine Tait: That's a huge question, of course.

Mr. Martin Champoux: Unfortunately, we only have two minutes.

Ms. Catherine Tait: If there's one thing that I think absolutely needs to be looked at, it's our public broadcaster's business model. Do we want a well-funded public broadcaster? Are we prepared to invest in a service that's so essential to the future of democracy in the country? That's the question. Do Canadians want to invest in this public broadcaster?

Mr. Martin Champoux: I'm a big supporter of the public broadcaster. I believe in robust and diverse news. In commentary as well, I'd like to see opinions representing the entire social and political spectrum in Quebec and Canada.

Apart from funding, in terms of the mandate itself, the obligations and the responsibility of CBC/Radio-Canada as a public broadcaster, what points should be focused on? Some things may have changed since the mandate was last reviewed.

Ms. Catherine Tait: In my opinion, CBC/Radio-Canada's mandate is completely justified, like that of all public broadcasters. It is to inform, enlighten and entertain Canadians. I don't think the mandate should be changed per se.

I think the role of the public broadcaster as a driver of innovation is very important. We've demonstrated this at Maison de Radio-Canada, where we've integrated a system based on an IP protocol. We were the first broadcaster in the world to have that kind of system. So that's a very important factor.

• (1815)

Mr. Martin Champoux: I have one last quick question. I know that my Conservative friends may not agree and will raise their eyebrows at the question, but do you think CBC/Radio-Canada should have more public funding and drop its sources of advertising revenue?

Ms. Catherine Tait: I agree with the first part of your statement.

We have to look at the role of Radio-Canada vis-à-vis advertisers, especially in the Quebec market. Radio-Canada plays a key role in the Quebec economy. So before we give up advertising revenue, we need to look at the impact on the market.

[English]

The Chair: Thank you, Martin.

Peter, you have two and a half minutes, please.

Mr. Peter Julian: Thank you.

I spoke in my opening statement about the quality of CBC journalism. Certainly, something I've experienced across the country is there is a remarkable level of professionalism of CBC journalists. There have been hundreds of awards, both domestically and internationally.

My Conservative colleagues, who want to basically kill everything that's not from the far right, have suggested that 100 corrections is excessive. How many reports, articles and stories would you do in the course of a year?

Ms. Barbara Williams: Hundreds of thousands.

Ms. Catherine Tait: Hundreds of thousands—it's on all platforms.

Mr. Peter Julian: Yes.

Ms. Catherine Tait: Don't forget—we're reporting on radio, television, digital...

Mr. Peter Julian: Is 100 corrections a valid number of the hundreds of thousands of different reports that are issued?

Ms. Catherine Tait: I'm not sure where the "100 corrections" came from, so honestly I can't say whether that's a correct number, but I would say the number of corrections is not an outrageous one.

Mr. Peter Julian: No. I would agree. I contrast this with the Fox disinformation network that doesn't issue corrections. They put out falsehoods, deliberate lies, and they stick to that.

Of course, with Fox, there is a mechanism, and that is the court system. Fox has paid well over a billion dollars now in libel lawsuits from false information impugning a whole range of people, organizations and corporations. It is part of their business model. They say outrageous things, and then they try to block the lawsuits. They've been very unsuccessful in blocking those lawsuits and have paid out massive amounts.

How many dollars over the last year has CBC had to pay in libel lawsuits in court-ordered payments compared to part of the Fox business model?

Ms. Catherine Tait: Well, certainly we have not paid out billions of dollars in lawsuits. We do have.... We'd have to get back to you on whether or not that's public information. It may be something that we disclose in our public documents. We do have funds set aside for defamation cases and to protect our journalism, and that's an important...by the way, another important role of the public broadcaster. We have fought many very critical lawsuits to protect the freedom of the press and the integrity of the press in a number of instances, but the actual precise number on an annual basis I don't have at hand.

Mr. Peter Julian: Would it be fair to say that in part it's because you already have a process in place? You issue corrections. If something turns out to not be true, you have the CBC ombudsman. Even the public, anybody...you don't have to have deep pockets and employ lawyers. You don't have to be a billionaire. If something is incorrect in CBC, you endeavour to correct it and make it right. This is something that my Conservative colleagues don't seem to understand about journalism.

Issuing a correction is actually a sign of strength in journalism, and the Fox disinformation network approach, where if you're a billionaire you can sue them and eventually get justice, is simply not a model that we should be using. Would you not say that the CBC has put into place a whole series of tools that somebody in my riding can use—

Ms. Catherine Tait: Absolutely.

Mr. Peter Julian: —if there is information that is not true?

Ms. Catherine Tait: I would say in addition to that the comment about CBC/Radio-Canada being a trusted network.... In those media surveys, CBC/Radio-Canada still ranks as the most trusted source of news in this country. Yes, numbers have come down, because social media is dragging all of the media down, but the reality is we are still number one in terms of trust.

• (1820)

The Chair: Thank you very much.

I'm going to Ms. Thomas now for five minutes.

Mrs. Rachael Thomas: Thank you.

Ms. Tait, I'm just curious. What study is that based on?

Ms. Catherine Tait: That's the Gustavson report from the University of Victoria.

Mrs. Rachael Thomas: What's the sample size?

Ms. Catherine Tait: I'd have to check on that.

Mrs. Rachael Thomas: How was the study completed?

Ms. Catherine Tait: They do it every year.

Mrs. Rachael Thomas: Okay. It just differs from other studies that have been done that show trust in the CBC is actually one of the worst trust levels out of any media company in the country. I just want to make sure that is juxtaposed. There, of course, are different sources—

Ms. Catherine Tait: I think you would want to look at the Gustavson.... It's a University of—

Mrs. Rachael Thomas: I'm sorry, Chair. I'll just ask the witness not to interrupt me or speak over me.

Mr. Michael Coteau: She's talking about the Rebel News survey.

The Chair: Go ahead.

Mrs. Rachael Thomas: Thank you.

Ms. Tait, you made mention before.... Actually, I'm sorry. This will be my question: I'm curious if you've hired any consultants during your time as CEO.

Ms. Catherine Tait: Over the six years that I've been at CBC/Radio-Canada, I personally do not hire consultants. I don't have a budget for that, but certainly in the company there have been consultants, yes.

Mrs. Rachael Thomas: Okay.

Were consultants used to come to the determination that 800 jobs needed to be cut?

Ms. Catherine Tait: No.

Mrs. Rachael Thomas: That determination was made on your own?

Ms. Catherine Tait: It was made as a result of an analysis of our financial situation—the structural deficit that we were facing—with the management team that you have before you, but also our CFO and others who aren't at the table, yes.

Mrs. Rachael Thomas: Ultimately, who makes the recommendation that 800 jobs be cut?

Ms. Catherine Tait: I take full responsibility for that decision.

Mrs. Rachael Thomas: Okay.

Ultimately, who makes the final recommendation with regard to performance awards?

Ms. Catherine Tait: That's a more complex process, as I've described. We have a very rigorous, transparent, measured approach that is presented to the board—

Mrs. Rachael Thomas: It comes down to a person, Ms. Tait.

Ms. Catherine Tait: It goes to the board of directors, and they ultimately—

Mrs. Rachael Thomas: Yes, but who makes that recommendation to the board of directors?

Ms. Catherine Tait: The entire management team.

Mrs. Rachael Thomas: The entire management team.

Ms. Catherine Tait: Correct.

Mrs. Rachael Thomas: On the CBC website, it says you do, Ms. Tait.

Ms. Catherine Tait: It's the entire management team. I don't make decisions alone. I have a fabulous team whom I work with.

Mrs. Rachael Thomas: I wonder if you would consider correcting that error on the website then.

Ms. Catherine Tait: We could.

Mrs. Rachael Thomas: Will you?

Ms. Catherine Tait: We'll take it under consideration.

Mrs. Rachael Thomas: You do that.

Perhaps you can report back to this committee on your final decision. Yes?

Ms. Catherine Tait: Yes.

Mrs. Rachael Thomas: Perfect.

Now, Ms. Tait, you've made it clear here at this committee that you intend to recommend bonuses for executives. You've asserted that you deserve a bonus this year—

Mr. Taleeb Noormohamed: I have a point of order, Madam Chair.

I just want to make sure that when questions are being asked, they are not only not mis-characterizing what the witness has said, but they are factual in nature if they make representations of what the witnesses have said.

The Chair: I agree, Mr. Noormohamed.

Please be careful.

Mr. Peter Julian: Yes. On a point of order, Madam Chair, I think Ms. Thomas should issue a correction on the false information.

Mr. Philip Lawrence: You can ask your questions. You're given your time.

I don't like the tone. I might even say it's veering into an area where I don't think it's appropriate at all for you to be speaking to someone like that, Mr. Julian. It's offensive and unnecessary.

The Chair: Mr. Lawrence, I'm sorry. That's out of order.

Let's continue, please.

Mrs. Rachael Thomas: Ms. Tait, you've put it on the record here today that bonuses are not ruled out and it would be your opportunity to recommend them. You've referred to the KPIs as being your guide. You have also asserted that you deserve a bonus as well. When I asked you directly, you said yes.

I'm moving a motion at this point in time and looking for UC from the committee. The motion reads:

That, no later than April 1st 2024, the CBC provide the committee with the number of executive bonuses given, and the monetary amount of each for the fiscal year of 2023.

The Chair: I'm sorry, Ms. Thomas. I was speaking with the clerk.

Mrs. Rachael Thomas: I noticed.

The Chair: Yes.

Mrs. Rachael Thomas: I moved a motion. I'll read it into the record again.

The Chair: Please.

Mrs. Rachael Thomas: It reads:

That, no later than April 1st 2024, the CBC provide the committee with the number of executive bonuses given, and the monetary amount of each for the fiscal year of 2023.

I'm seeking consent from the committee to have this motion accepted.

• (1825)

The Chair: I need unanimous consent from the committee.

Mr. Coteau.

Mr. Michael Coteau: Am I allowed to ask a question on a motion?

The Chair: Yes, absolutely.

Mr. Michael Coteau: Is that information public?

Ms. Catherine Tait: No, it's not. We do not release individual information because we are guided by the Privacy Act. We release information in aggregate.

The Chair: Thank you.

Mrs. Rachael Thomas: Just to be clear, Chair, I'm not asking for a name or an identification number. I'm just asking for the number of bonuses given and the amount of each.

The Chair: Mr. Noormohamed.

Mr. Taleeb Noormohamed: On this point, Madam Chair, I have two things I'd like clarified.

Is that information that is ordinarily provided to the public, and is that something the CBC would be allowed to provide under statute? That's number one.

Number two, when would that determination be made so that if it's not done at that point or if it's not organized at that point...? If the CBC were to do this, is it something that would already be prepared, or would they have to do this in order to support the committee's work?

Ms. Catherine Tait: May I answer that, Madam Chair? May I answer the question?

The Chair: Yes.

Ms. Catherine Tait: The end of the fiscal year is March 31, so we'd take some time to do the assessment. Normally, we would present the results to the board at our board meeting in June.

The Chair: Thank you.

We have two more minutes left in the meeting.

I'm just going to ask if there's unanimous consent, as Ms. Thomas asked, from the committee to place her motion.

Ms. Lisa Hefner: No, there's not.

The Chair: That's fine. There's no unanimous consent. I'm sorry.

Mrs. Rachael Thomas: That's no problem. I guess we will go to a vote then. I ask that it be a recorded vote.

Mr. Michael Coteau: Can I ask another question? I had my hand up.

The Chair: Yes. Go ahead, Mr. Coteau.

Mr. Michael Coteau: How do we have all this data? I open up the news and I'm reading a report that says this much in bonuses

has gone out to this many people. How do we get that information? I know you don't connect it to a name, but the information the member is asking for seems to be available already.

Ms. Catherine Tait: Any Canadian can ask through access to information, and we've provided that information upon request.

The Chair: Anyway, it's moot because the motion has not been accepted by the committee, and Ms. Thomas has called for a vote.

Mr. Philip Lawrence: We'd like to move the motion if we're going to a recorded vote.

The Chair: We're going to a recorded vote.

Mr. Taleeb Noormohamed: On a point of order, Madam Chair, can we circulate the motion so we can read it, please? There were questions. We haven't seen the motion in writing.

The Chair: Well, you don't have to see it in writing, but maybe Ms. Thomas can read it again.

Mrs. Rachael Thomas: You can't... It's against.... It's been called.

Mr. Michael Coteau: Chair, on a point of order so I can understand the process here, I think people had some other questions before we went to a vote, so is there an opportunity to ask questions or—

The Chair: No, we're going to a vote right now. We have to record the vote for—

[Translation]

Mr. Martin Champoux: I have a point of order, Madam Chair. The vote has been called.

[English]

The Chair: Please, we had an opportunity to do that.

An hon. member: There are no points of order.

The Chair: Yes, there are no points of order. We're going to a vote, please. The vote has been called. I'm sorry.

Mr. Michael Coteau: Just because the vote has been called doesn't mean we go right to the vote, does it? Is that how it works?

The Chair: Michael, yes. Let's go to the vote, please. It's been called. It will be a recorded vote.

(Motion negated: nays 7; yeas 4)

The Chair: There is no consent for this motion to be discussed.

It being 30 minutes after six o'clock, we now have a hard stop for the room. I want to thank the witnesses for being here and spending two hours answering questions. I want to thank the committee for being as respectful as we could be, which I'm glad to see us doing.

This meeting is now adjourned.

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