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**EVIDENCE**

**Tuesday, April 12, 2016**



**Chair**

**The Honourable Hedy Fry**



## Standing Committee on Canadian Heritage

Tuesday, April 12, 2016

• (0850)

[English]

**The Chair (Hon. Hedy Fry (Vancouver Centre, Lib.)):** Good morning everyone. We will begin the meeting.

As you know, today we're hearing witnesses. There are rules for the witnesses here. There are three panels. Each panel is given 10 minutes. At the end of the 10 minutes—and I will time the witnesses so that they know when—we have a question and answer session. During that session, the first round is limited to seven minutes for the questions and the answers. I hope everybody will be as succinct as they can be with their questions and answers.

Thank you again, and welcome.

As you know, today we have the Quebec Community Groups Network, the Friends of Canadian Broadcasting, and Telus.

We will begin with the Quebec Community Groups Network.

**Mr. Walter Duszara (Board Secretary, Quebec Community Groups Network):** Good morning, Madam Chair, and members of the committee.

I would like to thank you for inviting us to appear today as part of your study on the media and local communities.

My name is Walter Duszara. I am the secretary of the board of directors of the Quebec Community Groups Network. With me today is Hugh Maynard, a past chairman of the QCGN and president of Qu'anglo Communications. Hugh has fulfilled many roles in English-speaking rural communities as a newspaper editor, CBC Radio freelancer, and consultant in community development for everything from community radio to multimedia community websites.

The QCGN is a not-for-profit representative organization that serves as a centre of evidence-based expertise and collective action. QCGN is focused on strategic issues affecting the development and vitality of Canada's English linguistic minority communities, which we collectively refer to as the English-speaking community of Quebec.

Our 48 members are also not-for-profit community groups. Most provide direct services to community members. Some work regionally, providing broad-based services. Others work across Quebec in specific sectors, such as health and arts and culture. Our members include the Quebec Community Newspapers Association, QCNA.

English-speaking Quebec is Canada's largest official language minority. A little more than one million Quebecers specify English as their first official language spoken. Although 84% of our community lives within the Montreal census metropolitan area, more than 210,000 community members live in other regions of Quebec.

We have here a copy of our detailed brief and an annual report of QCGN. Unfortunately, we did not have time to have it translated, but copies are available to you, should you wish to have one. Our written submission goes into greater detail on the current media landscape and how dwindling media resources have impacted our community. This morning we will concentrate mainly on proposing possible remedies, or at least ways to limit the damage.

A vibrant, healthy, and diverse media serves to inform, encourage, embody, and advance public debate. It also provides a core indicator of the civic health of its community. Free-flowing, wide-ranging information and opinion enables and nourishes democracy. Local media that accurately reflect the community they serve is essential to help sustain democratic values and provide a framework for our communities to evolve.

These values are of even greater importance in situations characterized by minority linguistic and cultural status.

One of the roles of Canadian Heritage is embodied in its explicit commitment to enhance the vitality of official language minority communities. We would contend that an important and fundamental element of a commitment is to support and assist our development and would include ensuring access to information and news in the community's own language.

It is in this context that we are addressing you. Our challenge as English-speaking Quebecers is to find ways to foster, support, and encourage quality media content that is local and relevant, even as news consumers now turn to digital sources in ever-greater numbers.

Coverage of issues with a unique impact on Quebec's English-speaking population, the kind of in-depth, day-to-day coverage that can realistically come from no other source than local or regional media, has been thinned out and is endangered.

• (0855)

**Mr. Hugh Maynard (Past President, Quebec Community Groups Network):** Good morning, Madam Chairperson, and members of the committee.

Any question of providing commercial financial subsidies instantly raises an intractable set of fresh problems and must be rejected out of hand. Traditional boundaries governing government interaction with media ownership must remain in place.

However, clear opportunities exist to encourage and foster the development of new community-based media vehicles to supplement existing local coverage and to help replace locally relevant content where it has been thinned and, often, has disappeared. These ventures could be seeded so they have a chance to bloom in sometimes surprising and unexpected ways, including the digital sector. In some instances, these could help local media to grow, or in others to establish a digital presence.

Thus, we propose a substantive broadening of the Canadian periodical fund support mechanisms to include new and online media. This would require a concomitant increase in available financial resources. It would also offer the possibility for collaboration between major institutions of our community, such as the CBC, universities, and colleges.

Many journalists get their start working for the CBC, which acts as a de facto training ground. Providing the CBC and other local media with resources for internships in conjunction with university journalism and communications programs would help get some reporting boots on the ground and open the door for a new generation to become active in local and community media.

Any financing for such projects should be channelled through third parties. In this vein, the “Final Report on the Canadian News Media”, published in 2006 by the Standing Senate Committee on Transport and Communications, recommended that the definition of charitable foundations be broadened to allow for not-for-profit media to be included in this part of the federal tax regime. In addition, a portion of the Canadian Heritage strategic fund that's traditionally allocated to the development of official language minority community radio stations could be reoriented to include new community media ventures without excluding community radio. Two examples of this potential are the community hub websites GoGaspé.com—you can reference the links in the report—and valleyjunction.ca.

I declare my conflict of interest as being the owner of valleyjunction.ca, which so far has made \$10 in Google ads. At least we've got it started.

These have been started by local individuals in the Gaspé, and where we are located, in the Chateauguay valley, southwest of Montreal. They're intended as information hubs for and about the communities they serve. Taking advantage of the Internet and social media tools like Facebook and Twitter, they directly involve residents and community organizations who can post stories and announcements about their activities, providing one-stop shopping for community information, with sections for business advertising, classified, and legal notices. With an entrepreneurial approach, multiple sources could be packaged for such projects. The use of crowdsourcing could provide an additional lever effect for financing completely outside any government orbit.

Since four out of five Canadians continue to read a newspaper at least once a week, our focus is not just on digital alternatives. Federal government spending on advertising in newspapers has fallen sharply in recent years. According to one report, this figure has plunged to \$357,000, in 2014-2015, from roughly \$20 million about 10 years ago. Room clearly exists to restore government ad placement with an emphasis on newspapers that cover local news.

CBC/Radio-Canada, a major source of news for many local communities, receives \$946 million a year, and an additional \$60 million annually has been promised, about \$1 billion in total. QCGN believes that much of that stabilized funding should be used to restore local coverage in the regions. Minority-language community newspaper associations have further recommended that 1% of that \$1 billion, or \$10 million, be allocated to minority-community newspapers or their associations to support member services, sustainability, education, and recognition and retention of English and French-language journalists. This suggestion by the QCNA and its francophone counterparts is a good one that we believe could be broadened. We suggest the creation of a community media foundation, like the Community Radio Fund of Canada, to support community media across all platforms, as well as new media ventures such as the ones we suggested earlier.

We recommend that the provision of support require evidence of community ownership or involvement. This could be twinned with a paid internship fund to get journalism students to support such initiatives. This latter idea could be structured as government summer jobs or internship programs, such as the Young Canada Works in Both Official Languages program.

Thank you.

• (0900)

**The Chair:** You have one minute.

**Mr. Walter Duszara:** A remarkably broad variety of community journalism models are emerging, harking back to a recurring theme that these are vulnerable to faltering, and even failure. In the United States, the so-called hyper-local news projects, established and operated by *The Washington Post*, *The New York Times*, and the Gannett chain, have all been shut down. Broadband continues to be limited in the regions, as indicated by a freshly issued CRTC map produced in conjunction with a new hearing on basic telecommunications services. It is essential to reinforce the notion that accessible and adequate broadband service in rural communities is an important, if not essential, instrument of development of our official language minority communities. We must also not ignore the demographics. Many older citizens most accustomed to print, radio, and television are shut out of democratic discourse carried out online. The decline of print largely—

**The Chair:** Mr. Duszara, could you round out your sentence? We're now over 10 minutes.

**Mr. Hugh Maynard:** Just do the conclusion.

**Mr. Walter Duszara:** Very well.

We believe the recommendations that we outlined in our report will help lay the groundwork to encourage a fuller spectrum of healthy community media for the digital era, especially as it impacts official-language minority communities.

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

Now we will go to Mr. Morrison, from Friends of Canadian Broadcasting.

**Mr. Ian Morrison (Spokesperson, Friends of Canadian Broadcasting):** Madam Chair, I was going to congratulate you on your long survival as a member of Parliament, but I don't have time to do that.

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

**The Chair:** Touché, Mr. Morrison, touché.

[Translation]

**Mr. Ian Morrison:** Madam Chair and members of the committee, thank you for inviting us to appear today.

My name is Ian Morrison. With me is Peter Miller, who has broad expertise in Canadian media issues, including local television, which, as you know, is synonymous with local TV news.

[English]

Television is the most important source of local news in Canada. When a December 2015 survey by ThinkTV asked Canadian adults which medium is their primary source of local news, 36% chose television, eclipsing newspapers at 23%, radio at 20%, and the Internet at 18%.

Peter collaborated with Nordicity to analyze the economic impact of the CRTC's Let's Talk TV policies in a major research report entitled "Canadian Television 2020: Technological and Regulatory Impacts", released earlier this year. Its key findings are that by 2020, some 15,130 media jobs will be lost, and there will be a \$400-million drop in Canadian program expenditures—that's 18% of what now exists—and a \$1.4 billion hit to Canada's GDP, all of this as the direct result of Let's Talk TV regulatory changes.

The CRTC has yet to release any economic assessment of the impact of Let's Talk TV, suggesting a lapse in evidence-based decision-making. This loss has nothing to do with technological change and will greatly harm the future viability of local television news. The research study's authors have advanced proposals to reduce the negative impact of the CRTC's decisions by as much as 75%. They say:

This would not, in our view, require "turning back the clock" on all LTTV Decisions. It would merely require relatively minor "tweaking" that recognizes Canadians as broadcasting policy has always recognized them—not merely as consumers, but as creators and citizens too.

Compounding this hit, television stations in small and medium markets are particularly vulnerable to adverse economic trends, according to a second Nordicity-Miller study entitled "Near Term Prospects for Local TV in Canada". That study concludes with the following:

...Canada's local television heritage is at risk of major cutbacks and station closures, which could be avoided, deferred or minimized by the...[CRTC's] contemplated reallocation of mandatory Broadcasting Distribution Undertaking (BDU) "local expression" contributions, if... [focused on] small [private] and medium market TV stations.

The near term prospects study projects that up to half of local stations in small and medium markets, where there is often no local TV alternative, will fade to black by 2020 in the absence of CRTC action. This would lead to an estimated 910 layoffs of journalists and others who work to put local news on the air.

The study also found that the most vulnerable stations are independently owned and in small markets such as—

Madam Chair, I won't read out the names of 35 Canadian cities here; they're in my remarks.

When large market local stations are included, the study projects job losses of 3,490.

As you know, local TV, especially news, is very popular with Canadians. A recent Nanos Research poll found that 92% agree that local news is valuable to them, and 90% agree that their federal member of Parliament should work to keep local broadcasting strong in their community.

What can be done to protect local television news?

First, there's tax policy.

Internet advertising is driving structural change, first in print and now in television, as spending has increased eightfold to \$3.5 billion since 2006—that's more than a third of all Canadian advertising—yet federal policies to support local media have not changed since the 1990s.

The Income Tax Act should be updated to exclude tax deductibility for foreign-owned or -controlled Internet advertising platforms in addition to cross-border broadcasters and newspapers, as is the case now. Tax deductibility should be restricted to Canadian-owned Internet sites.

• (0905)

Australia has recently moved to require Netflix-like foreign program distributors to collect sales tax. Rogers' Shomi, and Bell's CraveTV collect sales tax from Canadian customers but not their direct competitor Netflix.

The Canadian film or video production tax credit supports most independently produced Canadian programming other than local programming. You should recommend amending the eligibility rules to permit support for local news programming produced by local broadcasters. And we recommend that you invite officials from the Department of Finance to appear to outline options to keep more Canadian ad spending and subscribers' money in Canada.

**The Chair:** Mr. Morrison, your group has four more minutes.

**Mr. Ian Morrison:** And I have four more minutes to speak.

Second is CRTC policies.

The government has the right under sections 7, 15, 26, and 28 of the Broadcasting Act to ask the commission to reconsider decisions and policies in view of the government's broadcasting policies and priorities.

You should recommend that the government instruct the commission to increase BDU contributions in support of local television, amend the digital media exemption order to require foreign and domestic over-the-top—that's OTT—television broadcasters to contribute to Canadian programming, and ensure that Internet service providers and mobile operators are required to give priority to Internet-distributed Canadian local media through such measures as exemption from bandwidth caps.

You should ask the CRTC, Chair, to appear before you once the local television hearing decisions are announced. You should pose some questions about recent TV policies, including why, under Let's Talk TV, a majority of programs aired by Canadian broadcasters will no longer be required to be Canadian and a majority of channels distributed to Canadian households will no longer be required to be Canadian. And foreign broadcasters that distribute programs into Canadian households do not play by the same rules as Canadian broadcasters.

You should ask him to present evidence to support his statement that there is enough money in the system to fix the threats to local television, especially in small and medium markets. If you're not satisfied with his response, you should consider recommending to the government that it direct the commission to make the survival of local television a priority.

Third is the 600-megahertz spectrum auction.

Next year the spectrum will be repurposed in Canada and the United States. This will force Canadian broadcasters to purchase new transmission technology. Congress has allocated a portion of the windfall of that relocation to encourage local broadcasters to have the money to buy new transmitters. Canada has not done so. Funding this capital cost could make all the difference for independently owned stations in small markets for a small portion of the windfall.

Fourth, you should study measures adopted in the United States where local broadcasters benefit from numerous measures to strengthen local TV, including local market rights protection rules, strong restrictions on the importation of distant signals on U.S. DTH, and the doctrine of retransmission consent.

And finally, your committee should consider holding hearings in some of the small cities where local television news is most threatened. A good short list would include Saint John's, Rivière-du-Loup, Peterborough, and Kamloops.

● (0910)

[Translation]

Madam Chair, that's all we could pack into the 10 minutes we were given. We did not even mention the Trans-Pacific Partnership.

Peter and I would be happy to respond to any questions from committee members, and we wish you success in your important work.

[English]

**The Chair:** Thank you, Mr. Morrison. Exactly. You have about one minute to go. So that was excellent; well done.

We move to the questions, and we begin with the Liberals.

Mr. Vandal.

**Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.):** Thank you very much for your presentation.

We've heard from delegations in the last few weeks, including our own Canadian Heritage department, that funding for local production across Canada has increased in the last few years. But that's not what we're hearing from both delegations.

I'm wondering, Ian or Peter, if you can begin by commenting on that. How do we explain that, if funding has actually increased, and you're saying there have been cutbacks?

**Mr. Peter Miller (Expert on Local Broadcasting, Friends of Canadian Broadcasting):** I had an opportunity to read the transcript of the testimony by Canadian Heritage officials. I think part of the problem is that they were dealing with dated data. Very often the data you receive is just until 2014, and some of the declines, we haven't seen since then. The declines right now, to be honest, are fairly small because, despite declines in conventional television advertising, the major vertically integrated conglomerates have continued to fund local programming and used the synergies with their specialty services and other assets to maintain revenue. So what you're seeing is a massive decline in profitability, and I think you have received some numbers on that.

The profitability of conventional television, for example, as of last year was somewhere in the neighbourhood of minus 16%, and I'm guessing here. So we've seen massive declines in profitability. To their credit, the operators of all local television stations, be they the larger companies or the smaller independents, are doing what they can to keep money in local TV, but it's not sustainable. That's really the problem going forward. Just because we haven't seen it yet, doesn't mean it isn't a problem.

**Mr. Ian Morrison:** Mr. Vandal, I would just add that if you had to focus on one group of local television stations, it would be the 23 members of a coalition called the Coalition of Small Market Independent Television Stations. These are not part of the vertically integrated companies and they're operating in the under 300,000 markets. Think Thunder Bay, think Rivière-du-Loup, think Kamloops.

**Mr. Dan Vandal:** Are some of the difficulties overrepresented or disproportionately affected in the local news sector? Is that something you can comment on?

**Mr. Ian Morrison:** We'll cooperate, Peter and I. Local news is the predominant local programming of television stations. They tend to go to networks or feed most of their other programming from elsewhere. As I said at the beginning, local news is synonymous with local television. It's the preponderant type of programming that is produced and broadcast locally.

Peter, do you want to add to that?

• (0915)

**Mr. Peter Miller:** The only other thing I can add is that the regulatory system up till now has regulated local news by having an hour of commitment. So in small markets, the small English-language markets, the hour of commitment is a minimum of seven hours a week. In francophone markets, it's a minimum of five hours a week and goes up to 14 and 10 hours respectively in larger tier markets. The economics of producing local television news is that you need a certain number of people to do it. You need a certain number of shifts.

The only way you can achieve it is to have a certain amount of money in the field to make it happen. Otherwise you don't have a quality product. So people have managed to maintain their newscasts. There's been some discussion around this committee about some of the practices of centralization that take away, if you will, some of the local flavour of local news. But for the most part, they've managed to maintain the infrastructure.

**Mr. Dan Vandal:** Mr. Miller, our time is going fast. I'd like to move to another question.

In your brief, you recommend or make mention of a reallocation of mandatory broadcast distribution BDUs' contributions, a reallocation of BDUs' contributions. I have some experience, as former chair of APTN, with paragraph 9(1)(h) of the Broadcasting Act.

Is that what you're talking about, and can you maybe give some historical context on what has been done in the past and what can be done in the future?

**Mr. Peter Miller:** This is the issue that's very much before the CRTC right now. You heard a little bit from Scott Hutton from the commission when he appeared. The premise is that right now, distributors—and you will hear from one later this morning—tell us that they contribute 5% of their total broadcast revenues to Canadian programming. It's split up in different ways. Up until now, 2% or less went to community expression, to what we commonly call a “community channel”. The thing under consideration right now is to reallocate some of that money to local news. You'll hear more when the commission makes its decision. I think what Mr. Morrison is saying is that you should assess that and make a determination as to whether you think it's adequate.

**Mr. Ian Morrison:** I'd add something, Mr. Vandal, with respect to the comment about the advice of Canadian Heritage officials. I would put it this way: If the conclusion they're moving to is wrong, there will be a real crisis in this country. If it is right, that's good news. But there's the old adage that ounce of prevention is worth a pound of cure, and we're here talking about problems that will become much more substantial if unaddressed towards the end of the life of this Parliament.

**Mr. Dan Vandal:** Moving on to the group from Quebec, you've mentioned the challenges facing quality local news. I imagine you're talking about quality English local news in Quebec.

**Mr. Walter Duszara:** Yes.

**Mr. Dan Vandal:** Could you expand on that and give me a little more detail on what exactly the problem is?

**Mr. Walter Duszara:** There are numerous problems.

In the first place, with the cutbacks to the staff in Quebec City, the staff cuts represent basically no reporting in English on legislation in Quebec at the municipal and provincial levels. Also, the reporters who did local reporting no longer work in the regions. They are very few and far between. What we are seeing is the almost complete disappearance of any kind of professional, reflective journalistic considerations shared with the English-speaking public, particularly in the regions, but it's true right across the province.

**Mr. Dan Vandal:** So you represent the English-speaking minority of Quebec?

**Mr. Walter Duszara:** We speak on behalf of the needs of the English-speaking minority of Quebec, yes.

**Mr. Dan Vandal:** I would imagine, excuse my—

**The Chair:** Mr. Vandal, finish your question. The time is up.

**Mr. Dan Vandal:** I would imagine that most of the English speakers are in urban centres, not the rural areas.

**Mr. Walter Duszara:** Some 80% plus are in Montreal, but there are 210,000 living in the rural areas, spread out across the entire province.

**The Chair:** Thank you.

Now we'll go to Mr. Waugh, for the Conservatives.

**Mr. Kevin Waugh (Saskatoon—Grasswood, CPC):** For quite a bit of time last night, I was on the website of the Quebec Community Groups Network. Maybe you can just talk about your organization.

More than anything, you send out emails. I see here all of the groups you represent. It's a big umbrella, but it's more about the emails that you send from your organization. You have a lot of educators in your organization. I know that you've talked extensively about CJAD radio, the Montreal *Gazette*, CBC, and so on, but maybe you can just talk about your organization and the emails you send out for information for the English.

• (0920)

**Mr. Walter Duszara:** The organization is an umbrella organization that, at this point, brings together 48 different groups. By and large, the groups provide services directly to the population. Many of them are local. Many of them are also regional in scope. The kinds of activities they cover range from the arts to health and social services and to education, so there is a wide swath of expertise and a wide swath of information that is covered.

The mechanisms that are in place include the use of the Internet services, the use of the website, and the use of information accessible on the website of the QCGN. We have a daily news feature that regroups all the activities that impact English-speaking Quebec in terms of news locally as well as nationally. Weekly news is sent to the member organizations and brings them up to date on issues, particularly those that perhaps affect policy considerations. There is an annual general meeting to which the community is invited. We organize different activities to encourage the participation of different groups and individuals from around the province. The email is an important aspect of our communication tools, but it's one of many.

The QCGN is also actively involved in expanding the number of its member organizations. If I'm not mistaken, we currently are awaiting something like 18 new organizations to join our community. Basically, the QCGN is becoming a voice for the English-speaking community. It works on collecting the evidence of what is happening and what the issues are. It has a standing mechanism of identifying the kinds of activities that take place within the framework of a set of priorities that were identified by the community some five years ago. It surveys the community on an annual basis, and it reports on the kinds of activities under each of the six priority areas that have been established.

**Mr. Kevin Waugh:** I only have seven minutes here, so we're going to tighten this up.

You're a not-for-profit, so how do you guys get your funding? Also, how much funding do you get from Canadian Heritage?

**Mr. Walter Duszara:** I'm not sure what the exact number is, but we get less than a million dollars from Canadian Heritage in core funding, and then there is project funding that the organization is involved in with the member organizations.

**Mr. Kevin Waugh:** Talk about your "evidence-based expertise". What's that all about?

**Mr. Walter Duszara:** We have a director of policy. We engage friends from the community who are academics, who are experts in their field, who do work for us, and support us in the work we do. We ensure that we have people engaged in looking at all of the reports that are developed by Statistics Canada, for example, and other agencies. We are in contact with the federal agencies that are engaged in providing services to the minority language communities across Canada. We ensure that the kind of information we have is objective, well-founded, and validated before we put forward any sorts of recommendations and policy statements.

**Mr. Kevin Waugh:** Good. Thank you very much.

I'm going to move now to Mr. Miller and Mr. Morrison.

We all know the small markets in this country. There are 33 of them and 23.... We'd talked about them.

There's just one thing I would point out. When Bell Media talked to the CRTC, they estimated their local TV stations lost \$12 million last year, I would refute that. When you bundle stations now, you know that CBC, Global, and CTV stations have to be included in that \$25 bundle. While Bell can say all local stations lost \$12 million, as a total of CTV, I would say that when you do buy the bundle, you also get their TV stations from coast to coast to coast.

**Mr. Ian Morrison:** We are about one month into that skinny basic, and the best estimates I've seen, Mr. Waugh, are that about 4% of Canadians will go for it. I think that whether or not Bell is making or losing \$12 million on something—and Peter can give you some decimal points—my overview would be to say, please keep your eye on those small markets. I know you're familiar with the situation in Lloydminster, for example. Think of Lloydminster, think of Thunder Bay, and think of the stations that are not affiliated with the large integrated companies as the priorities.

• (0925)

**Mr. Kevin Waugh:** Well, you challenged the CRTC, if you don't mind, Mr. Miller, that there's not enough money in the system to adequately finance local TV right now.

Can you elaborate on that?

**Mr. Peter Miller:** I'd be happy to.

Can I go back to your previous question, just to be clear?

**The Chair:** You have about two minutes to do so, Mr. Miller.

Thank you.

**Mr. Peter Miller:** I'll be very fast.

The stations in that bundle, the Global and the Bell, don't get any of that \$25.

**Mr. Kevin Waugh:** That's right. I know that.

**Mr. Peter Miller:** In terms of whether there's money in the system, what we looked at are projections for the profitability of local TV. We looked at what we call the "revenue gap", or in other words, what kind of gap we have in the system for conventional television. We compared that to the money the CRTC was looking at reallocating to local TV. We predict that within four or five years, there won't be enough money.

What the CRTC does, in our view, would be a short-term solution to a bigger problem, which is why I think Mr. Morrison is recommending that you look at things like advertising and tax deductibility, because there isn't going to be enough money in the system to solve the problem.

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

Now we go to Mr. Nantel for the NDP.

[Translation]

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

I thank the witnesses who are here this morning. You are all very competent and very well prepared.

Everyone here is very interested in this issue, in light of the technological changes and the threats to our cultural diversity and our sources of information. We are all very grateful to be here.

Let me say how happy I am to see how rigorous the Friends of Canadian Broadcasting are. I hope I am going to have time to speak to you, so I will hurry up.

My comments are addressed to the gentlemen from Quebec Community Groups Network and Qu'anglo.

I think that anglophones have never before contributed so much to cultural life in Quebec. A healthy complicity has sprung up. The professionalization of the Quebec star system has opened the doors to anglophone artists. I went on the gogaspe.com website. It is very inspiring for everyone and for community media, be it the written press, radio or others, who are perhaps less used to this very community-based approach.



You said that we should update the funding of various programs and ensure that the Internet aspect is considered like the others. Would this have an impact on the majority of your members? I think it would, because the anglophone minority is in Montreal and Quebec. These are markets that have broad Internet access.

**Mr. Walter Duszara:** I am going to try to answer your question in English, if I may.

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

[English]

**Mr. Walter Duszara:** The Internet of course has been a boon to be able to reach different communities and different groups from around the province and in the various centres of the province. However, it does not necessarily trickle down to the individual. In the regions in particular, access to broadband is difficult in many areas, impossible in some, and expensive everywhere.

If you look at the demographics of our population, somewhere in the vicinity of 25% of people are seniors. Not all seniors are comfortable with technology. Technology has basically invaded our space, whether we were ready or not. Some were ready, some were not. Putting all the emphasis on broadband or on digital media will not necessarily respond to the needs of the individuals.

There is an important feature to the digital aspects, if you like, or the digitization of information, the digital media, but it requires a support mechanism to be able to do what it needs to do. Our big concern is with the notion of local news and local information and being able to provide information that is analyzed from the perspective of the English-speaking minority. That capacity has been eroded to the point where it has almost disappeared. That is the area we're looking at most.

Our recommendations, when you have a chance to see the report, point to directions that we as spokesmen for the English-speaking minority feel require attention: moving towards ensuring that we have quality information available to our communities; moving towards ensuring that we protect some of the services we have now; and moving towards also engaging in not the protection necessarily of the media outlets that are there, but protecting the capacity-building, to ensure that as we move forward in time, young journalists, young entrepreneurs, young people have the resources to be able to experiment, to put forward new ideas, to make mistakes, to learn from mistakes, and to go forward.

That capacity right now is not there. The capacity of our existing media sources is diminishing quickly and disappearing quickly.

• (0930)

**Mr. Pierre Nantel:** To go back to Friends of Canadian Broadcasting, Mr. Morrison and Mr. Miller, thank you so much. Thank you for that huge report that brought so much light to the situation. The reality is that hearing you speak, I realized that we really should have Mr. Blais from the CRTC back here, because we have huge issues. I think his choices, his way of seeing things, have been quite drastic.

It leads me to ask you a very specific question. I remember having the CRTC, industry representatives, and the Canadian Heritage people here.

[Translation]

Do you not think that the CRTC is a bit too much involved in the rights of consumers? Under the law, its mandate is to oversee telecommunications and ensure a diversity of voices; it is not consumer advocacy.

[English]

**Mr. Ian Morrison:** If you look at the Broadcasting Act digitally and search for the word “consumer”, you will find it towards the end, around some of the powers of the CBC to sell goods and services to consumers. That's the only reference in the Broadcasting Act.

The former government, in the throne speech of 2013, did instruct the CRTC to unbundle. Mr. Blais got it right. He did what he was told. He forgot the last four words that came out of the Governor General's mouth: while preserving Canadian jobs.

**Mr. Pierre Nantel:** That's right.

**Mr. Ian Morrison:** That's a sea change. I mentioned in my remarks some of the things that have gone by the wayside. For instance, no longer a majority of programs in our system are Canadian; no longer a majority of channels reaching Canadian homes are Canadian; not treating the Internet-delivered programmers the same way as others. Those things have gone by the wayside.

Fundamentally, in addition to that, what the CRTC must answer for is how it would introduce a whole new regime for television in Canada without costing it, without studying it, without finding out the economic impact.

Peter? No. Okay.

**The Chair:** Mr. Nantel, you have 15 seconds.

**Mr. Pierre Nantel:** I can add something: sales tax on Netflix.

**The Chair:** Up now for seven minutes is Mr. O'Regan, from the Liberals.

**Mr. Seamus O'Regan (St. John's South—Mount Pearl, Lib.):** Let me pick up where my colleague Mr. Nantel left off. What would your response be, then, to the proposal? This idea of taxing Netflix is something that many people hold near and dear. What would your response be to people who immediately would fill the open line shows protesting such an idea?

**Mr. Ian Morrison:** First, as I mentioned, if I were in charge, I would develop a list—

**Mr. Seamus O'Regan:** [Inaudible—Editor] think of that, Mr. Morrison.

**Mr. Ian Morrison:** If I were in charge, I would develop a list of things that the over-the-top providers should be doing. At the very top of the list would be that they should be collecting the same taxes from Canadians as their Canadian competitors. It's just not fair that I can.... Well, until recently it was \$7.99 a month, but I see in my morning feed that Netflix raised it by 30%. Supposing it's the new fee of \$9.99, then, I just send them \$9.99, but if Rogers charges me \$9.99 for Shomi, I send them \$9.99—I live in Ontario—plus 13%.

That's number one: there should be a level playing field for Canadian consumption taxes in the audio-visual system.

Beyond that, you'll find effectively that Canadian broadcasters are not taxed. They're required, through regulation under the Broadcasting Act, to put about 30% of their revenues into Canadian content. If you go down to the distributors—the Rogers, the Shaws, the Videotrons—they're required to put about 5% of their revenues into Canadian content.

Why would we allow a foreign company to come into Canada, reaching Canadian homes, and put zero, nada, into Canadian content? It's just not appropriate.

If there were no problems with the system, maybe other things would be more important, but I think we've presented evidence, and others will, that there's a crisis in the system and that therefore everyone should be contributing something.

● (0935)

**Mr. Seamus O'Regan:** Let me ask you something that you brought up at the end of your report, regarding the Trans-Pacific Partnership. Let me ask you, if you could, to delve into that.

**Mr. Ian Morrison:** What would we have said, had we had 11—?

**Mr. Seamus O'Regan:** I'm giving it to you.

**Mr. Ian Morrison:** Go ahead, Peter.

**Mr. Peter Miller:** First of all, obviously it's very hard to get clarity on the impact of that agreement on the cultural sector. What it appears to do is preserve the existing measures, the ones that we have. The risk is that it precludes future measures.

For example, there's a school of thought that says exactly what Mr. Morrison described: sometimes a contribution from a Netflix would not be allowed under the TPP.

I'm not a trade lawyer and will not give you an opinion on that—that would be overreaching—but I think it's an important area for the committee. Given the government's commitment to look at the TPP and its implication. I think Justice needs to come out and say what its view is as to what the agreement is going to mean going forward.

**Mr. Seamus O'Regan:** Let me interrupt, then, just for the point of clarification.

Basically, would any interventions that this committee might recommend, depending on timing and ratification of the Trans-Pacific Partnership, be impossible?

**Mr. Peter Miller:** It's possible that they would be impossible, but I don't know; I'm not a trade lawyer. I'm not going to suggest equivocally one way or the other. If you've looked at this yourselves, you'll know that there's a well-known Ottawa academic, Michael Geist, who has written that it looks as if it preserves cultural protection; there's a well-known cultural nationalist lawyer named Peter Grant who said that he thinks it's okay. So you have these differing views.

**Mr. Ian Morrison:** We believe Mr. Grant, Mr. O'Regan.

The main point, however, is that you're not looking at two TPP experts here, but at two people who are saying to you, why don't you investigate that? You have access to the best brains in the

Department of Justice, if you choose to ask them some questions. It's a worthwhile thing to look into.

**Mr. Seamus O'Regan:** How much time do I have, Madam Chair?

**The Chair:** You have two minutes.

**Mr. Seamus O'Regan:** Let me give you an opportunity to address best practices. When you talk about Canadian content and the promotion or protection of Canadian content, what are some of the better practices that you've seen in comparable economies, obviously outside of the United States—I'm thinking more of European countries and Australia—in terms of the amount of national content and how they deal with their cultural industries through demanding that carriers, whether they be foreign carriers that broadcast within or domestic carriers...? What percentages do they ask be of local content—or national content, but in any case domestic content?

**Mr. Ian Morrison:** None of them have faced for as long and as strongly as the English-speaking part of Canada has the huge “satellite reign”, as it used to be called, of Hollywood in their country. Canada has had a continuing struggle, since the early days of the CRTC and before, to maintain a share of content, a share of shelf space for Canadian content, and until Let's Talk TV, the CRTC has always been trying to build and maintain that.

Peter, go ahead.

**Mr. Peter Miller:** Let me say that when we look at Canadian content we look at it in different ways. For those of you who have observed it, there has been a real switch to look at the economic benefits of production. We talk a lot about that, and we haven't talked as much about the cultural benefits.

The other thing—and this is what's vital to this committee—the big shift, the big trend, is that high-end drama is now easier to do than it ever used to be. Why? It's because we, in this country, got better at it. We got better at partnerships, co-productions, and exporting. If you are producing the high end, there is demand for it—this is the golden age of television—and you have an export market you go to.

However, if you are producing local news, you are relying on an ever-diminishing local advertising pool, and there is nowhere else for it to go. That is why we are in this unique period where the local stuff, the local newspaper and local television stations, which used to be completely profitable, are vulnerable. With the things we have worried about for 20 or 30 years, we are actually doing okay in, relatively speaking.

● (0940)

**The Chair:** Thank you very much, Mr. Miller.

Now we go to Mr. Maguire for the second round. This is a five-minute round.

**Mr. Larry Maguire (Brandon—Souris, CPC):** I wanted to ask a couple of questions in regard to the Quebec Community Groups Network. You mentioned your 48 members, I believe, Walter, in regard to your network. You have a million English Quebecers concentrated around Montreal, and a couple of hundred thousand in other areas. You talked about how local media was endangered. I'd like you to elaborate a little more on that, the democratic values that you talked about.

You mentioned the Canada periodical fund and the Canadian Heritage strategic fund. I'd like you to go a little more into how they have an impact on you as well.

You mentioned that the broadband continues to be a "limiting factor", I wrote down here, and I wonder if you could expand on that as well.

**Mr. Hugh Maynard:** Okay, which one should be first, the local?

**Mr. Larry Maguire:** Go ahead with the local.

**Mr. Hugh Maynard:** Here is an example of local. This is a French-language paper delivered to everybody weekly in my area. The local English paper has met its demise, and as a result it gets two pages in the middle. Those are three articles translated from French into English and, you will notice, rather poorly so. I am not criticizing the French-language publication, but the fact is the demise of the local media. The coverage in the news has become quite difficult. Outside of Montreal this is becoming the rule rather than the exception.

How do we replace that? We talked a bit about some of the multimedia models.

Into the second part, what that needs.... I'll give you an example. One of the Magdalen Islands, Grosse-Île, has about 700 anglophones, who lost their weekly newspaper five years ago. They have been trying to find a way to collaborate with the local French-language paper and with the local French-language community radio station, and also to provide their seniors with a publication and those kinds of things. They have a business plan and a model. It's all ready to go; they just don't have any competent personnel who can run it.

That's what we talk about with this fund. Is there a way to take a young journalist out of Concordia University, put them down in the Magdalen Islands for a year, give them an internship and some experience, and ship them back? They are trained a little bit, and it gives the community some expertise, some element so they can get these things going forward.

Lastly, with regard to the Internet, I live an hour southwest of Montreal, and when something starts in Montreal we get it where I live in about 10 years. The further east, north, or west you go, the more difficult it gets.

Canadian federal governments, of all political stripes—not the NDP, of course, but the other ones—have made commitments to rural broadband repeatedly over the last 20 years, and nothing has really substantially happened. The commitment in the latest budget would be a good idea if we could get that in there and expand rural Internet, because it is quite essential to all kinds of economic development, especially media delivery.

**Mr. Larry Maguire:** Yes, I have seen it expanding in southern Manitoba, and just from the province that I'm in I'm imagining that your example, then, could be dealt with in regard to the flip side of that: with other minority languages in other parts of Canada where English is more predominant.

**Mr. Hugh Maynard:** Exactly so.

**Mr. Larry Maguire:** Would you say that this would be a corollary of what you're doing as well?

• (0945)

**Mr. Hugh Maynard:** Yes. For example, I mentioned the community radio fund, which has traditionally supported the establishment of community radio stations. There is a financial resource that could be devoted to helping establish some of these other alternatives—not excluding, of course, community radio, because I think it's still very pertinent in rural areas. I think it needs to take a fresh look, however, at the changes that have occurred and the fact that it is very difficult for any community now to print a newspaper—just because of the costs of printing and distribution—and at some of the new models that combine different kinds of media together on a local basis. The key to it is having some competence, some young journalists or technicians who can help deliver it.

**Mr. Larry Maguire:** My last question would be to both groups.

We've seen, in some of the presentations here, that some of the local television news is in pretty good shape south of the border. I'm wondering whether there's anything we can learn from the Americans to strengthen the local TV news that we have here.

Who wants to answer that?

**The Chair:** I am sorry, there is no time left to answer that question, Mr. Maguire, but if the witnesses should like to send their view in writing to us, we would be pleased to accept it.

**Mr. Ian Morrison:** We would be pleased to send you a detailed comment on that.

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

Now we go to Mr. Fillmore for the Liberals.

**Mr. Andy Fillmore (Halifax, Lib.):** Thank you, Madam Chair.

Thank you all for being here today. Moreover, I thank and commend you for the work you're doing to maintain balanced access to French and English media.

I want to address the guests from QCGN today.

Half of my family are Montrealers, and I know from lived experience that anglophone content is readily available there. I want to focus on that 16%, I think it was, of your target audience who live outside of Montreal, in many cases in rural and smaller communities, who also deserve access to English and locally relevant content, whether it be through traditional outlets or digital outlets.

I'll ask my question in three parts and invite you to apportion the time that remains in any way you'd like.

The first is, what is the current state of affairs outside of Montreal, in rural communities, for access to locally relevant English content? The second part is, what is in your work plan to help improve that situation? The third piece is, what can this committee do and what can the Government of Canada do to accelerate and help the work that you're trying to do?

**Mr. Hugh Maynard:** I'll take the first one. Will you take the second one?

**Mr. Walter Duszara:** Go ahead.

**Mr. Hugh Maynard:** The state is that outside of Montreal you have the CBC, with a radio broadcast out of Quebec City, and then you have five or six local community radio stations and at this point fewer than 10 English-language community newspapers, all of which are either of limited range or in quite a bit of difficulty.

Attaching to the question from before, much of the English-speaking rural community is within access of radio and television from the United States. There's Derby Line in Vermont, as well, and publications. There is, then, easy access to English-language media, but there's not very easy access to local English-language media. There's CNN; there's lots of news on the airwaves, but not necessarily local coverage.

That comes back to questions of density of population. Obviously, on the Magdalen Islands, with 700 people, it's going to be very difficult to support a weekly newspaper again, but also, the institutions on the island of Montreal have great difficulty going off the island. For example, I work mainly in agriculture, so I get calls from CTV and the other news outlets about what's going on with crops or the weather, but when you say you're an hour from Montreal, they won't come out. Unless there's a flood or an accident—some great event—they just won't bother, and so the coverage is quite minimal.

**Mr. Andy Fillmore:** And in terms of your plans...?

**Mr. Walter Duszara:** I think what we're asking for here is consideration of creating an environment that invites experimentation, creating an environment that invites younger people and provides younger people with an opportunity to develop their craft and to develop perhaps new products that can be totally unanticipated. You're trying to seed a sphere of activity where we see right now that the old business model is failing, it's not working any longer. If you're trying to find a solution, you won't necessarily have one solution. You have to provide opportunity for many possibilities, and from those possibilities you learn certain lessons, and at the end of the day, you may come up with two, three, or four solutions. There's no one magic bullet.

Our concern is that, as we speak today, the quality of the journalistic efforts that are made in terms of being able to analyze issues at the provincial and municipal level that impact our community has dropped dramatically. The capacity to do that work in many areas no longer exists. The need is as important as it ever was. The exclusion of certain parts of our population is very dramatic, and we need to be able to work together to try to support a new kind of spirit of innovation in the whole area of media and in the entire area of the capacity that we now have through the Internet, through broadband communications.

We don't have a solution, but we're asking this committee to look at the potential for a solution for creating an environment that will allow us to engage our community in seeking out solutions in partnership with our neighbours.

● (0950)

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

That brings an end to this session. I want to thank our witnesses for coming here and giving us quite a lot of very innovative recommendations and some clear recommendations. I would like to thank you, and we will now have a break just for a couple of minutes until Telus comes on.

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————— (Pause) —————

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**The Chair:** The committee is back in session. Now we have Telus.

Welcome, Ms. Mainville-Neeson and Mr. April. Thank you for coming. As you know, you have 10 minutes. I will give you a two-minute warning so that you can wind down, and then we will go to the questions and answers.

Thank you.

● (0955)

**Ms. Ann Mainville-Neeson (Vice President, Broadcasting Policy and Regulatory Affairs, TELUS):** Thank you very much.

Good morning, and thank you very much for the opportunity to appear before you on this important issue of media and local communities.

My name is Ann Mainville-Neeson, and I'm vice-president of broadcasting policy and regulatory affairs at Telus. With me is Frédéric April, who manages our French language community station called maCommunauté for Telus' Optik TV.

Telus is one of Canada's large telecommunications providers. We're well known for our commercials with the nice little animals, but we also provide an IPTV-based TV service called Optik TV. It's an alternative to the cable and satellite companies. Optik TV is available in Alberta, British Columbia, and Quebec. Unlike our competitors, who take an ownership stake in the content programming services and the networks that distribute these services, Telus does not own any programming services. We are not vertically integrated. Like most cable TV companies, we do operate a community television service, which is a public service that we offer in the areas in which we offer TV service.

Our approach to community programming is different from our competitors as well, though.

First, instead of operating a traditional community channel, the likes of which I'm sure you're familiar with here in Ottawa, Telus Optik Local programming breaks free from the scheduled channel and instead we offer our programming on demand. That allows us to offer convenience to our customers, but also to break free from the scheduling. We can offer programming in the length in which the programming requires. It could be a bite-sized bit of information, or it could be a longer-form documentary, or whatever the programming length is required for the content itself to be expressed.

Second, our community programming service is not only available on our Optik TV video-on-demand service, it's also available completely free online on our YouTube channel. We believe that it's important for our communities to be served with programming available, regardless of the television service provider that customers choose. We make our content available to everyone. We want the programming to be watched not just by our own customers, but by as many people as possible, including people living in the surrounding region, province, and indeed in the country and around the globe.

Most importantly, what truly distinguishes Telus' community programming is our heavy reliance on programming created by independent producers who reside in the local communities. Telus does not operate local studios for the creation of community programming. Instead Telus provides the voice to the communities served by Optik TV through funding for the local producers who can work at their creative arts in the communities in which they reside.

Telus' investment in Optik Local and maCommunauté, as well as its approach to production and availability of community programming, reflects the philanthropic philosophy and commitment to the communities we serve. Telus is proud to support sustainable communities and strong social outcomes. Providing a platform for community members to share stories and get informed on local issues is one of the ways that we give back to the communities.

Telus recently participated in the CRTC's review of the regulatory framework for local and community programming. One of the matters which was discussed, as Peter Miller has just informed the committee, was the determination of whether support was needed for the creation of local news by the television broadcasters. In that proceeding, Telus argued strenuously that the CRTC should not adopt a subsidy model for the production of traditional newscasts, and we did so for two reasons.

The first reason is that Telus is concerned that such a subsidy would be implemented at the expense of the diversity of voices that are provided by community television services. Telus submits that as an increasingly consolidated media communication sector, it is essentially important to prioritize information sources that are independent from the large media conglomerates.

The second reason for its position in the hearing is that we do not believe subsidizing traditional news models is sustainable. Nor do we believe that subsidies would constitute good public policy, given the changing technologies and consumer behaviours. For example, Statistics Canada reported a considerable decline in viewership on news on television, falling from 90% in 2003 to 78% in 2013. There is no doubt that the proliferation of media news information sources is at the root of this decline, but there's also the rise of social media

and the increase of sharing on video platforms that does account for such a decline.

Telus knows from experience that optic local programming has the power to build an understanding and empathy between diverse community elements and inspire citizens to take action to better their communities. Many of the Optik Local stories are shared through social media, and they strike a chord, so to speak, in highlighting important societal issues not typically covered by mainstream media. The short, shareable programs of Optik Local therefore enhance the awareness of people, events, and issues in our communities.

- (1000)

Consider, for example, the social impact of the short documentary produced for Optik Local called *Eastside Stories*, which chronicles the spirit and struggles of the residents of Vancouver's Downtown Eastside. The program was viewed by tens of thousands of viewers, and shared by many of these viewers, and it had a strong impact on the understanding in that area. Indeed, the producer of that series indicated that many viewers have stated the content has changed their views on the homeless and opened their eyes to the gentrification issue of the Downtown Eastside and some of the grassroots initiatives popping up in the community.

Another example of the positive social impact of Optik Local programming is the short documentary about Staff Sergeant Baltej Dhillon, the first Sikh RCMP officer permitted to wear a turban as part of his uniform. Telus posted this program on its Facebook page, and it has reached over 33,000 viewers, many of whom also shared the story with their own networks and left positive comments on the site. This demonstrates these are important stories to tell, and we're encouraged to see that we can amplify their impact through social media.

We welcome the opportunities presented by new technologies and platforms that are enabling the creation and viewing of innovative forms of local programming. We embrace future opportunities as they emerge.

Here I'm really going to push the boundaries. In a recent TED talk, filmmaker Chris Milk spoke on creating the ultimate empathy machine by filming in virtual reality. Specifically, he described using virtual reality technology to shoot his film of a young girl living in a Syrian refugee camp in Jordan. This allowed viewers, or more accurately participants in this virtual reality experience to not only witness the experience of her onscreen, but essentially to climb through the screen and live the experience on the other side. What a powerful tool to truly engage viewers and create the empathy that is essential to positive action.

In conclusion, then, Telus believes it's essential for this committee to examine all the forms of local media, including those that are breaking away from traditional journalism formats as this can create the impetus for positive social change.

The point is there is no longer a better or best way to convey news and information. Telus hopes that the committee's study on media and local communities will embrace the development of non-traditional platforms and formats and distribution methods to better engage citizens, bring them together, and ignite positive social change in communities across Canada.

Thank you. I would be pleased to answer your questions.

**The Chair:** Thank you very much. That was well done in eight minutes.

I would like to move now to the questions for seven minutes. Again, I would like to remind both the people who are answering the questions and those who are asking the questions to be short and to try to get in as many things as you can in that seven minutes. Thank you.

Ms. Dabrusin, for the Liberal Party.

**Ms. Julie Dabrusin (Toronto—Danforth, Lib.):** Thank you for that outline. It was really informative and helpful.

My first question, actually, is about something I've been reading recently about a Rogers program to provide subsidized Internet service to people in community housing in some provinces. I believe it's in three provinces right now that it is offered.

Does Telus have a similar type of program available for subsidizing low income people to receive Internet?

**Ms. Ann Mainville-Neeson:** Telus certainly has looked at launching various programs, and we have offered numerous grants to communities. We have a system for philanthropic activities that we administer through community boards. Various boards across the country comprise both members of the community as well as Telus representatives, and we decide what grassroots charities within those communities will receive funding.

Millions of dollars have been given over the past I don't know how many years since we've been operating these community boards, and those go to the grassroots charities who can then determine how best to disburse that. It does at times include in-kind services.

•(1005)

**Ms. Julie Dabrusin:** I believe the CRTC is right now doing a Let's Talk broadband discussion that's looking at ensuring the availability of affordable Internet services to all Canadians. I expect you will be probably presenting that as well.

**Ms. Ann Mainville-Neeson:** Yes, we will.

**Ms. Julie Dabrusin:** Do you have any comments that you can share with us right now about how to increase affordable broadband access across Canada?

**Ms. Ann Mainville-Neeson:** I would hate to pre-empt my colleagues who will be speaking next week at the CRTC hearing. Certainly this is an important issue, and one that we believe is dealt with. It's an important social issue for all to have access to broadband.

We also need to keep in mind the tremendous investments that have been made through private investments already. Canadians

have significant access to broadband as it is. But we do have some thoughts on providing special assistance to those in need.

**Ms. Julie Dabrusin:** You had talked about providing your content from Optik TV on YouTube. How is that monetized? Once you put it on YouTube, how do you develop any kind of money from that?

**Ms. Ann Mainville-Neeson:** First off, our community programming service is not monetized. Instead, it is a public service that we offer to the communities we serve. It's part of our philanthropic efforts in all the various communities, and it's also part of the required contribution that all broadcast distributors must make into the Canadian broadcasting system.

Those funds, to create this content, which happens to be local content, are part of that contribution system. Instead of maintaining exclusivity over that content and using it to attract people to our own broadcasting distribution service, which is what other cable companies generally tend to do, we find that if we're going to use so-called public funds for the creation of this programming, it should be made available to all. This is why we make it available on platforms other than our Optik TV. It's not just our Optik TV subscribers who have access to this programming.

**Ms. Julie Dabrusin:** You've talked about Optik TV and it being available on social media networks. Do you provide funding to other forms of community media other than just TV?

**Ms. Ann Mainville-Neeson:** Other than TV....

**Ms. Julie Dabrusin:** Other ways of reaching people than through TV.

**Ms. Ann Mainville-Neeson:** Right. Essentially all of our funding goes for Optik Local, a television platform. It is video-based, available on various other platforms, but it is a video service.

If you're asking if we contribute to print media, it's only through our other philanthropic efforts to the extent that there might have been some communities that have sought assistance.

**Ms. Julie Dabrusin:** You've mentioned your philanthropic activities quite a bit. Can you give me some examples?

In particular, when I asked my first question, you mentioned trying to increase availability to people who may not be able to afford Internet service. You mentioned some of your grants. Do you have any specific examples of the types of grants you've given?

**Ms. Ann Mainville-Neeson:** Most of the grants go to the grassroots organizations in the community. They are determined from the ground up. They are determined by the communities themselves.

I can give you examples in Ottawa. I was a member of the Telus community board here. We received anything from applications for assisting in special needs schools to helping to create some projects for underserved youth in various areas. Some are completely unrelated to our telecommunications business. I don't want to mix the two. They could combine, but I don't want to necessarily mix the two. We do have other programs as well.

**Ms. Julie Dabrusin:** As part of that, have you analyzed what the need is?

**Ms. Ann Mainville-Neeson:** Each community board certainly does extensive research. These community boards themselves are composed of some very prominent members of the community. Here in Ottawa we had the head of the United Way, for example, who obviously has a very keen understanding of what the need is in the community.

**Ms. Julie Dabrusin:** Those are the outside organizations. Telus is an active player in this industry, and understands the industry quite well in terms of the availability of the Internet out there. Have you analyzed—

• (1010)

**Ms. Ann Mainville-Neeson:** The need for Internet? Yes, absolutely. That is something we analyze. We will be presenting on those matters at the CRTC. I really don't want to pre-empt my colleagues.

**Ms. Julie Dabrusin:** I'm not trying to pre-empt your colleagues, but it's also a matter of what we're looking at here. We're talking about the fact that we've been hearing from many witnesses about a shift towards digital.

So it's not a matter of pre-empting. It also covers what we're looking at in terms of what we're recommending down the line.

**Ms. Ann Mainville-Neeson:** Yes, absolutely. I would comment that in the recent CRTC broadcasting monitoring report, they did note that there is significant use of Internet. The usage by Canadians itself should also be a very clear indicator that there is availability of broadband. If Canadians are using it, obviously there's less of a problem than what we might otherwise consider.

**The Chair:** Thank you very much, Ms. Dabrusin.

Now we'll go to Mr. Waugh for the Conservatives.

**Mr. Kevin Waugh:** Thank you.

Thank you for your presentation. I'm just going to pick up on what Madam Dabrusin said in regard to who's controlling this. This is the big thing in media right now. You can say anything socially and hide. We have seen that on Twitter and on Facebook. We have seen it everywhere. Who regulates?

I know that you're just a carrier. You've said that you're really not a broadcaster other than Optik TV, so do you pay anyone with Optik TV to do a presentation? Who's regulating what you're putting on YouTube? Who's regulating what you're doing?

**Ms. Ann Mainville-Neeson:** We're not a broadcaster—

**Mr. Kevin Waugh:** I know that.

**Ms. Ann Mainville-Neeson:** —to the extent that we don't own any licensed programming service.

In our community programming service, however, we do have people who manage that service. Frédéric April is here. He manages the Quebec maCommunauté side. We have others that manage the Optik local.

**Mr. Kevin Waugh:** How many?

**Ms. Ann Mainville-Neeson:** How many managers?

**Mr. Kevin Waugh:** No. How many people do you have?

**Ms. Ann Mainville-Neeson:** Employed? Probably about 20 or so, let's say—

**Mr. Kevin Waugh:** Across the country and in Quebec, Alberta and B.C.?

**Ms. Ann Mainville-Neeson:** —who manage the actual service.

But as I indicated, for the production of the programming, we rely on independent producers whom we fund. These are producers—

**Mr. Kevin Waugh:** You fund those?

**Ms. Ann Mainville-Neeson:** We fund them.

**Mr. Kevin Waugh:** Through this 5% or whatever you...?

**Ms. Ann Mainville-Neeson:** That's correct.

**Mr. Kevin Waugh:** Okay. How much would that pool be?

**Ms. Ann Mainville-Neeson:** Overall per year?

**Mr. Kevin Waugh:** Yes.

**Ms. Ann Mainville-Neeson:** Somewhere around \$7 million last year.

**Mr. Kevin Waugh:** You're a little different from Bell, I think, and from Rogers and certainly Shaw, because you're more of an Internet provider and now you're into this Optik TV. My question is, you just got into Quebec, as we've seen, so do you offer local news in both English and French in the province of Quebec?

**Ms. Ann Mainville-Neeson:** I'd like to point out that in Quebec we offer our Optik TV service only in certain areas, not across the province. Those areas are mostly around Rimouski. There's not a lot of demand for English-language programming in those areas.

**Mr. Kevin Waugh:** Yes, which we've just heard from your previous people.

Will you offer English, then? Being you are a carrier, it is your responsibility, I think, in front of this commission. You go to see the CRTC. I think it is your responsibility to serve the province of Quebec, since you've moved into Quebec, and that you serve it in both languages.

**Ms. Ann Mainville-Neeson:** We certainly offer all of the programming services available in Quebec so that all of our subscribers have access to every single news service and other programming services in French and in English. We operate a full complement of all programming services: CTV, TVA, and all of the services. There's no doubt about that.

In our community programming service, however, in the city of Rimouski, for example, at this point all of the applications that have come to us for the creation of programming have been in French. Should we receive any applications for creating English-language programming, we would be more than happy to entertain that request.

**Mr. Kevin Waugh:** But as a carrier isn't it your responsibility to reach out to the community? You've talked about your management level, which is fine. We've seen a lot of management levels in broadcasting in this country, but how about those on the ground? We've just heard from the Quebec people before you that there are no broadcasters coming up in the province of Quebec. What are you doing to help out that industry?

**Ms. Ann Mainville-Neeson:** From our community programming service?

**Mr. Kevin Waugh:** Yes, from your community. What are you doing to nourish the broadcasters of the business?

●(1015)

**Ms. Ann Mainville-Neeson:** We do a significant amount of outreach to find the local producers that are in our communities. At this time, those producers do happen to be francophones, as I've said, given the regions we serve.

Once we move into larger metropolitan areas, that may very well change, and we do intend to serve our communities in the languages of the community. For example, in Vancouver we offer services in numerous languages, including French, English, and Mandarin. We do spend an awful lot of time in understanding who we are serving and in serving them to the best of our abilities. It just so happens that the region we serve happens to be very, very francophone.

**Mr. Kevin Waugh:** That's good.

Now, do you pay anybody locally? You mentioned that you have 20 managers across Canada, so you're into community TV. Do you pay anyone other than the producers to put something on YouTube or Optik TV?

Does anyone operate cameras for you? You have no studio, nothing...or what do you have?

**Ms. Ann Mainville-Neeson:** Generally we pay the producers who have their own equipment.

**Mr. Kevin Waugh:** Okay, so that's what you're using.

**Ms. Ann Mainville-Neeson:** These are small producers who have their own equipment and generally have their staff. They hire their own actors. They hire their own producers and writers, depending on the programming that they create.

**Mr. Kevin Waugh:** It's interesting. The CRTC was talking about high speed Internet yesterday, and they kind of backed away from that. What are your thoughts on that, because you're not reaching a lot of people, other than in Rimouski, Quebec, for an example?

**Ms. Ann Mainville-Neeson:** What are our thoughts on high speed Internet?

**Mr. Kevin Waugh:** Yes, on high speed Internet, because if you're playing stuff on YouTube and you're in rural Quebec, rural Alberta, rural B.C., you need high speed Internet to download a lot of this stuff.

**Ms. Ann Mainville-Neeson:** We absolutely agree with that.

In fact, most recently we announced a \$4.9 billion investment in Alberta, throughout the province, to increase our fibre optics in all of the communities. Announcements were out last year for Quebec, and previously in British Columbia. We're investing billions of dollars into the network that will provide the highest speeds possible.

So do we believe in high speed Internet? Absolutely. We also believe that private investment is the best way to achieve the highest connectivity for our country.

**Mr. Kevin Waugh:** That's good. Thank you.

**The Chair:** Thank you.

Now, Mr. Nantel, for the New Democratic Party.

[Translation]

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

Thank you for being here with us this morning.

Like all businesses that create networks, you are facing challenges. Indeed, trying to install fibre optics and being told by the CRTC that this will be open to competition as soon as the installation is complete makes things more difficult from the business perspective.

I want to thank you, because in my opinion you are among those companies that have walked the talk. You decided to invest in Quebec and to acquire QuebecTel. You created an impressive number of jobs. You cover all of the 411 service in North America. Indeed, if someone dials 411 in Chicago, the call goes through you.

**Ms. Ann Mainville-Neeson:** I am not 100% sure, but I believe that is the case.

**Mr. Pierre Nantel:** I think so. Some members of our staff who know the region well told me this.

Among wireless providers, you have always been seen as people who did not hesitate to stray from the beaten path. For instance, the way you facilitate access to your subscribers through Télé Optik is really innovative.

You answered my colleagues' questions well. You offer media space to producers, and you provide production budgets.

Ms. Dabrusin asked you about monetization. On the Internet, when you put things on YouTube, do you receive a part of the advertising revenues? I suppose you do, just as anyone would. Even if these are non-profit services, I imagine that a small part of the budget is nevertheless generated by publicity sales on YouTube.

**Ms. Ann Mainville-Neeson:** In fact, we do not sell any advertising as such.

**Mr. Pierre Nantel:** Indeed.

**Ms. Ann Mainville-Neeson:** Since we do have a YouTube service, it may generate some small returns, but they are really small.

●(1020)

**Mr. Pierre Nantel:** As I was saying earlier, you have invested a lot of money. You also talked about major investments in Quebec by 2020. We are talking about \$2 billion dollars.

Is it realistic to think that you will make the same kind of investments in other markets in Canada?

**Ms. Ann Mainville-Neeson:** We announced this for Quebec last year and we have just made an announcement for Alberta. We have already made announcements and we are going to continue to do so. We continue to invest, year after year, because we need more and more bandwidth. It has become and continues to be extremely important in the online services domain, whether we are talking about media, banking services, government services or any other service of that type. So we will continue to make the necessary investments to meet the demand.



**Mr. Pierre Nantel:** I would like to know if you have become familiar with the community aspect, because the purpose of the study is to ensure that we will preserve two important elements. First the local dimension, local news, but also the dimension of language, spoken language, be it English or French. There is a vitality in the communities.

I come from Edmonton—everyone probably remembers that—where francophone communities are facing impossible challenges when it comes to the survival of their media.

Do you live in a community with this kind of issue? Do you live in Montreal, Rimouski or Toronto?

**Ms. Ann Mainville-Neeson:** I did not understand your question.

**Mr. Pierre Nantel:** I would like to know if you live in one of those communities. Locally, I think that Telus has always had a very innovative vision. The fact that you do not produce content is refreshing, because it means you can have a neutral perspective on the situation. You are not trying to place your content.

At the same time, in the context of this study, we wonder if you would have some comments to make on the measures to be taken or recommendations to make to our committee on what it should do to ensure the survival of our local information and our local media.

**Ms. Ann Mainville-Neeson:** In my opinion, the most important thing is to maintain the independence of the information, and several sources of information, so as to ensure that the information is not entirely controlled by the extremely concentrated media in Canada.

Whether we are talking about the written press or television or radio, there is enormous concentration. And so it is important to maintain independence through public broadcasters like Radio-Canada/CBC, but also through services like Optik Local.

Ultimately, it is important to have other sources of information besides vertically integrated media. It goes without saying that when there is a concentration of media, especially when there is a vertical integration where networks belong to the same people who own the media themselves, there is enormous control. It is very important that Canadians be given another source of information.

**Mr. Pierre Nantel:** I may have a minute and a half left. Perhaps the gentleman will be able to answer my question.

Regarding peak viewing hours on your network, do you see a major congestion at 7:15, in the early evening, when everyone makes a beeline for the video on demand service?

**Mr. Frédéric April (Manager, maCommunauté, TELUS Télé Optik, TELUS):** No. We have no congestion problem. The service we offer meets the demand.

**Mr. Pierre Nantel:** I didn't think you would say that you couldn't meet the demand. Everyone wants to say that the service never slows down when many people are using the system. However, do you see an increase? For instance, Pierre Dion from Québecor said that YouTube and Netflix generate 41% of the demand at 7:10 p.m. on Wednesday.

**Mr. Frédéric April:** There is no doubt that we have prime time hours when we see an increase in the ratings. It is generally similar to what happens on other networks. I can speak for the maCommunauté channel, where I see a real increase during peak hours.

**Mr. Pierre Nantel:** Fine.

Thank you.

[*English*]

**The Chair:** Monsieur Breton for the Liberals....

[*Translation*]

**Mr. Pierre Breton (Shefford, Lib.):** I thank the witnesses for their presence here today. We appreciate it greatly.

I am particularly interested in broadband Internet access in rural communities and areas. We are discussing access to local and community news. I am speaking on behalf of my community, but I am also probably speaking for several regions in Canada where access is not available currently. We are pleased about the investments you intend to make. As Mr. Nantel was saying, you will invest \$2 billion dollars in Quebec. Perhaps you will be able to tell us in what sector that amount will be invested. Will it be in broadband services? That is my first question.

I have a second one. In the last budget, our government spoke about a \$500-million investment in digital infrastructure to help communities access broadband Internet. How will this amount help you to better connect the population?

• (1025)

**Ms. Ann Mainville-Neeson:** Your first question was about the investments we will make in Quebec. You asked whether they will go to broadband services. Yes, for the most part, probably. There are enormous needs in that area. The demand for more bandwidth is becoming increasingly intense. The more applications we have, the better, whether we are talking about media or other services. The investment will certainly be made in fibre optics and wireless particularly, so that we can obtain good bandwidth in all the areas we serve.

What was your second question?

**Mr. Pierre Breton:** It was about the half-a-billion-dollar investment the government announced in its last budget.

**Ms. Ann Mainville-Neeson:** There is no doubt that that investment will help us greatly to continue to expand the network. The infrastructure in several communities clearly needs to be improved, and that investment is very welcome. It will bolster the private sector investment. However, in our opinion it still is not enough.

**Mr. Pierre Breton:** Fine.

Of course there is also the whole issue of the cost of access to broadband Internet. It is a problem. The cost still remains quite high everywhere in Canada, in comparison with costs elsewhere.

We of course want to see the best possible prices for our citizens, but the investments you are planning will undoubtedly increase your expenses. However, it is possible to obtain government subsidies.

I would like to know what the impact of your projects may be on costs for the citizens.

**Ms. Ann Mainville-Neeson:** One of the ways of offering different costs is to offer different packages. This is the case throughout the industry. There are packages for the biggest users and others for the smallest ones. Most people only need a certain number of services. And so we offer special services to those who use Netflix, which has an enormous effect on downloads. Other packages offer fewer services, which still give people access to news, and to YouTube services, but does not necessarily provide a 4K download capacity on Netflix.

**Mr. Pierre Breton:** Fine, excellent.

I have one last question. In your presentation, you mentioned that you had some reservations regarding the subsidies the CRTC suggested for local news broadcasters. Could you tell us a bit more about that?

**Ms. Ann Mainville-Neeson:** Yes, absolutely.

The CRTC is considering drawing upon a fund that supports community programming. This would be added to the amounts we spend ourselves to improve this programming. This money would be allocated to traditional local broadcasters.

First, you need to know that these broadcasters are vertically integrated for the most part, and so they own the networks and the media services. For instance, Bell Media, which belongs to CTV, and other conglomerates, have the means to invest in their own businesses and to put incentives in place so as to obtain subsidies for specific services, even though they already make enormous profits from their other services.

Secondly, we fear that such subsidies will have an adverse effect on the independence of the information produced by our own services, for instance Optik Local.

Thirdly, the subsidies that may be given to traditional television services and news services will not ultimately encourage change, even though some changes may be necessary. Continuing to proceed in the same way as in the past may not be beneficial for the future.

So we feel that granting subsidies is not necessarily the right path to follow at this time.

**Mr. Pierre Breton:** Thank you very much.

That is all.

**The Chair:** That's all?

• (1030)

**Mr. Pierre Breton:** Yes.

[English]

**The Chair:** Thank you. We're going to the second round, which is a five-minute round.

We begin again with Mr. Maguire for the Conservatives.

**Mr. Larry Maguire:** Thank you very much for your presentation.

The funds that have been made available previously, and now by the new government as well, for Internet expansion into rural communities and into more remote areas is probably best described.... I'll let you describe it, but my analogy would be that this helps you simply because you can reach more people in a faster way. Can you expand on that?

**Ms. Ann Mainville-Neeson:** I'm sorry, I couldn't hear your question. I think I'd better put the earphones on.

**Mr. Larry Maguire:** I'm speaking about the expansion of the Internet throughout Canada. Basically it helps you folks because you can reach more people. Is that accurate that you can reach more folks with it?

**Ms. Ann Mainville-Neeson:** Certainly it's reaching more people. It's also increasing the speed and the capacity in certain areas.

**Mr. Larry Maguire:** Yes, I think it's the speed that is the bigger one. You want people to not only be able to have access here, but to do business at a faster speed as well.

You mentioned that increasing affordable broadband accessibility was important and keeping private broadband investments in mind. Can you expand on how important that is? I know you've put a lot of money into Quebec, as well. You've mentioned the provinces out west that you're putting money into. Can you expand on other areas where you've done the same?

**Ms. Ann Mainville-Neeson:** For broadband expansion, those are obviously areas where we offer consumer Internet. Otherwise we are a national wireless company, and we have made significant investments to increase the capacity of our wireless network for both telephony services and data services, which are increasing. Canadians are huge adopters of wireless data, and lots of investments have gone into our networks to improve the speed and capacity of our wireless networks across the country.

**Mr. Larry Maguire:** In your final comments, you mentioned the positive social change that could come from your recommendations. In regard to examining all forms of transmission and broadcasting, can you expand a little on that as well? I'll give you an opportunity to finalize some of your thoughts on that.

**Ms. Ann Mainville-Neeson:** Yes, one of the points that we wanted to make is that traditional journalism is not the only way to convey information; in fact, it's not just the means of distribution, but the many formats, from comedy, to short-form documentaries, to opinion pieces, all of which serve to inform people and create the locally informed citizen. We shouldn't dismiss those types of programming from our review of local news because, ultimately, it's not just about local news, but all the ways in which our communities are being informed.

If people aren't watching the news anymore and watching TV news—and certainly Statistics Canada is telling us that there has been a significant decline over the last 10 years—but we know that TV viewership is up, then they're watching other forms.

A significant part is entertainment, but I think there's also a significant part in the rise of documentaries and the rise of all kinds of other ways of getting informed.

When you look at these new technologies, like VR—and I do encourage you all to watch the TED Talks by Chris Milk—the importance of getting information and not only having facts told to us, which may or may not resonate with us as people, but also getting an emotional connection with the information and the way it's presented can ultimately lead to better outcomes.

Should we be focusing from a public policy perspective on creating programming that merely provides facts, or on the presentation of facts that may create that emotional connection that will ultimately lead to positive social change?

Ultimately what is the public policy goal of providing news? Is it to create local, informed citizens who will take their responsibilities for better communities in hand?

•(1035)

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

I think we should move now to Mr. O'Regan for the Liberals.

**Mr. Seamus O'Regan:** Let me ask you, as an Internet service provider that's different from your colleagues, I guess, in terms of actually producing content, what sort of responsibilities weigh on you to provide prescient local information to your customers?

**Ms. Ann Mainville-Neeson:** As a community programming service provider, all of our information is locally relevant. We're looking, obviously, to have issues that resonate more broadly than the community, but we're also seeking the producers who will best address issues they perceive in the community.

It's not a top-down approach where Telus, from our corporate offices, is telling producers to create a story on this or that, but rather a grassroots-up approach of producers. Our attitude is that we're here, and we have funding to give you. What do you think is important for you to tell your communities? What would you like to talk about?

I think it's important to have that as a counterweight to so many other top-down media that we have in this country.

**Mr. Seamus O'Regan:** What are your customers telling you about their access to broadband, the quality of it, and whether or not they feel they consider it a right?

**Ms. Ann Mainville-Neeson:** First off, we listen to our customers very seriously, which is one of the reasons we have one of the lowest complaint rates with the Commissioner for Complaints for Telecommunications Services, the CCTS. Whenever we do receive these comments, we take action on them on a regular basis. Our customers generally have shown a high degree of satisfaction with the services that we offer. We know, however, that we need to keep increasing them, and we know there are areas and pockets where we need to continue to invest. That's why we're continuously making these announcements of new investments because we know there can never be enough.

**Mr. Seamus O'Regan:** On that note, then, what are your thoughts, perhaps personally, but certainly on behalf of Telus, on broadband being considered a right of a Canadian?

**Ms. Ann Mainville-Neeson:** Certainly, as the chairman of the CRTC said on the opening day of the hearing yesterday, there is the want and there is the need. On broadband itself, there are certain minimal aspects that can be considered an absolute need, but there's a whole lot of "want" in the whole broadband space.

There's a spectrum that we need to consider, and we can't simply say that everyone deserves the highest possible capacity and speed of broadband. It's simply not possible. We are constantly improving, and those improvements will migrate throughout the country, but not

at the same steady pace. You will always have certain pockets that have better broadband than others. While there's a certain minimum that needs to be met, there's also significant capacity that will continue to be well beyond that minimum and that we will address from a competitive standpoint. We know we can sell this broadband, so we will continue to invest for that reason. But we will also ensure that no one is left behind.

**Mr. Seamus O'Regan:** How would you define "need" as opposed to "want"?

**Ms. Ann Mainville-Neeson:** Minimal standards are certainly being discussed in the hearing over in Gatineau right now. I wouldn't want to venture to say any specific amount at this time. The information provided by the CRTC at the beginning of the hearing certainly does indicate that some minimums have been met in Canada.

•(1040)

**Mr. Seamus O'Regan:** How would you define "minimum"?

**Ms. Ann Mainville-Neeson:** The definition of minimum need, I think, will depend on region to region. Certainly having access to downloading 4K content is not a need.

**Mr. Seamus O'Regan:** Could that change?

**Ms. Ann Mainville-Neeson:** Yes, I'm sure it will continue to evolve year after year, month after month, which is again, and I don't want to sound like a broken record, why investments need to be made. As more services and more data-intensive services continue to proliferate, yes, just as we need to keep updating our browsers, we will need to upgrade our networks.

**Mr. Seamus O'Regan:** Thank you.

**The Chair:** Thank you very much, Mr. O'Regan.

I want to thank Telus for presenting to us.

I do have a question, though. Ms. Dabrusin asked you a question about the fund that you use to bring in your local programming through local producers, etc. Do you consider that to be your contribution as a cable network towards the 5%? Is that part of your 5% contribution, since you don't have a broadcast fee?

**Ms. Ann Mainville-Neeson:** That's correct. As a broadcasting distribution undertaking, we are required to spend 5% of gross revenues on various efforts. Some of it is directed to the CMF, the Canada Media Fund. Some of it goes to our community.

**The Chair:** Part of that 5%, 2.5% of it I think, is supposed to be news, so how are you contributing to that news piece?

**Ms. Ann Mainville-Neeson:** At this time for community programming there is no requirement for news.

**The Chair:** Under the cable and television fund there is, no?

**Ms. Ann Mainville-Neeson:** No.

**The Chair:** Are you certain of that?

**Ms. Ann Mainville-Neeson:** There's no requirement for how the community television programming is spent, so we direct 2% to the CMF, and another to an independent production fund that focuses on health programming. We launched the Telus Fund a few years ago. Then the rest of that amount is now directed to our community programming service, Optik Local, and there are no direct requirements for news programming.

Community programming is divided into portions. Half of it at least—for us it's closer to 80% or 90%—is what's called “access programming”, where independent producers come up with the idea and are the producers of that programming; and the other half would be Telus-produced. But we have very little Telus-produced programming.

**The Chair:** It's all very innovative what you presented to us, but I just wanted to ask a question.

You referred to the TED Talks and the idea of this emotional attachment to the community and, therefore, you said that it's not necessarily about giving the community the facts as they stand. Do you feel that simply looking at emotional content, without looking at the factual content, is actually appropriate? I think Mr. Waugh referred to that, in that if you're going to reach people emotionally, do you also need to do so with a certain amount of factual information and not simply emotional information?

**Ms. Ann Mainville-Neeson:** Absolutely, and the point was not merely to be emotional, but these are documentaries that he is creating. In this case, it was a documentary on the life in a Syrian refugee camp in Jordan. There are a lot of facts to be had there, but rather than present them in a newscast as a talking head, where you will absorb that information in a different way than if you actually put on the virtual reality gizmo and enter that world and see it for yourself.... To be told that there is very little drinking water or any access to hygiene is one thing, but to actually see the conditions through this virtual reality is—

**The Chair:** Thank you, Ms. Mainville-Neeson.

Can you move that we adjourn, Mr. Van Loan?

**Hon. Peter Van Loan (York—Simcoe, CPC):** I so move.

**The Chair:** The meeting is adjourned.

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