

August 15, 2006

Mr. Leonard St. Aubin
Acting Director General
Telecommunications Policy Branch
Industry Canada
300 Slater Street
Ottawa, Ontario
K1A 0C8

By Fax: (613) 998-1256

Re: Canada Gazette Part I, June 17, 2006 – proposed Policy Direction to the Canadian Radio-Television and Telecommunications Commission

Dear Mr. St. Aubin.

The Canadian Conference of the Arts (CCA) is Canada's oldest and largest arts and culture advocacy and policy organization. Regrouping both individual and organizational members working in all areas of the cultural sector, the CCA represents over 200,000 Canadian professionals and arts supporters.

The CCA fully endorses the submission made by SOCAN, one of our member organizations, regarding the proposed policy direction to the CRTC. Having reviewed the recommendations of the Telecommunications Policy Review Committee, it is difficult to understand the proposed policy directive, given the thoughtful and constructive approach recommended by the Committee.

The CCA does not believe that the proposed policy direction is in the national interest. A particular cause for concern stems from the fact that the proposed directive gives clear precedence to economic objectives over non-economic objectives like fostering Canadian cultural identity and sovereignty. Along with SOCAN and others who have raised objections to the report of the Telecommunications Policy Review Committee, the CCA believes that Government regulation, and not market forces, have led to the current levels of Canadian cultural products in the audio-visual sector. By maximizing the importance of market forces, the proposed directive could adversely affect one of the most important regulatory instruments used to promote Canadian identity and cultural sovereignty.

The CCA appreciates that the telecommunications industry is growing and undergoing sustained and rapid change, however, we totally agree with the Committee regarding the need for a review of broadcasting policy to occur *before* any major policy changes are implemented in the area of telecommunications. The CCA is somewhat encouraged by the government's recognition that the current restrictions on foreign ownership policies are important to the cultural industry and by

the Minister's confirmation that there are no plans to change anything in this regard. But in this age of convergence, we are concerned that changing ownership regulations in the telecommunications industry without proper prior consideration of the possible impact such changes could have on the broadcasting industry and on the availability of Canadian cultural products would be a very dangerous approach to such crucial issues.

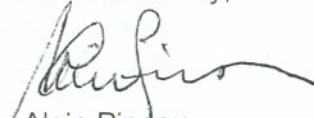
As Canadians, we can take legitimate pride in what Canadian content requirements have achieved in the broadcasting industry. It is the hope of the CCA that the telecommunications industry can make similar contributions to the expression of Canadian culture, the promotion of Canadian talent, and a collective appreciation of Canadian cultural achievements.

The CCA would therefore recommend that Industry Canada officials discuss the timing of the proposed directive with your colleagues at the Department of Canadian Heritage to determine when a review of broadcasting can reasonably occur. Once such a review has been undertaken, and steps have been taken to ensure that Canadian content rules are applied in a fair and uniform manner across the spectrum of content delivery systems, the proposed directive may be reconsidered.

In conclusion, the Board and the membership of the Canadian Conference of the Arts fully endorse the recommendations put forward by SOCAN, particularly concerning a full public discussion of the proposed policy direction. Given that the impact of the proposal at hand will extend beyond the telecommunications sector and the mandate of Industry Canada, it should be carefully scrutinized by other interested bodies, including the Department of Canadian Heritage and the House of Commons Standing Committee on Canadian Heritage. The CCA therefore supports the suggestion that there be a public hearing, to which it would like to appear.

We stand ready to participate in the development of policies that can ensure that the broadcasting and telecommunications industry can move forward in this challenging era, while contributing to the cultural vitality of Canada.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alain Pineau', written in a cursive style.

Alain Pineau
National Director