INTERVIEW WITH ROBERT RABINOVITCH

President and CEO, CBC/Radio-Canada

Robert Rabinovitch was appointed President and Chief Executive Officer of the Canadian Broadcasting Corporation on November 15, 1999. Immediately prior to his arrival at CBC/Radio-Canada, Mr. Rabinovitch was Executive Vice President and Chief Operating Officer of Claridge Inc., a private corporation he joined in 1987.

From 1968 to 1986, Mr. Rabinovitch held various positions in the Federal Government. More specifically, he served as Under Secretary of State from January 1985 to September 1986 and as Deputy Minister of Communications from 1982 to 1985. He has also held several positions within the Privy Council Office, including Deputy Secretary to the Cabinet and Senior Assistant Secretary to the Cabinet for Priorities and Planning.



Mr. Rabinovitch has also been active in cultural and philanthropic endeavours, including: the Canadian Executive Service Organization (CESO), the CRB Foundation, the Samuel and Saidye Bronfman Family Foundation and the Canadian Film Centre. He was Chairman of the Executive Committee of the Canadian Jewish Congress (Quebec), until his appointment to the CBC.

Mr. Rabinovitch is a graduate of McGill University and the University of Pennsylvania, where he earned an M.A. and a Ph.D. in Economics and Finance. Since 1996, he has been a member of the Board of Governors of McGill University and was appointed Chair of the Board in July 1999.

Robert Rabinovitch a été nommé au poste de président-directeur général de la Société Radio-Canada le 15 novembre 1999. Immédiatement avant son arrivée à Radio-Canada, il occupait le poste de vice-président exécutif et chef de la direction chez Claridge Inc., une entreprise privée à laquelle il s'était joint en 1987.

De 1968 à 1986, M. Rabinovitch a occupé divers postes dans la fonction publique fédérale. Notamment, il a été sous-secrétaire d'État de janvier 1985 à septembre 1986 et sous-ministre des Communications de 1982 à 1985. Il a également exercé les fonctions de sous-secrétaire du Cabinet et de premier secrétaire adjoint du Cabinet, Priorités et Planification, au Bureau du Conseil privé.

Il s'est également consacré à diverses entreprises culturelles et philanthropiques, telles que le Service d'assistance canadien aux entreprises (SACO), la Fondation CRB, la Fondation de la famille Samuel et Saidye Bronfman et le Centre canadien du film. Il a été président du comité exécutif du Congrès juif canadien (Québec) jusqu'à sa nomination à Radio-Canada.

M. Rabinovitch est diplômé de l'Université McGill et de l'Université de la Pennsylvanie, où il a obtenu une maîtrise et un doctorat en économie et en finance. En juillet 1999, M. Rabinovitch a été nommé président du conseil des gouverneurs de l'Université McGill, dont il était membre depuis 1996.

Q *What are the current and future challenges to "Canada's national public broadcaster"?*

A Today, we live in an interactive, multichannel, specialized broadcasting universe where foreign programming makes up a growing portion of what's available to Canadians. This new reality raises a critically important question – how do we protect Canadian identity in the face of such a bombardment of foreign images and foreign perspectives?

Clearly, the answer lies in ensuring Canadians have a "Canadian public broadcasting space" – a space where culturally relevant information, entertainment and learning is possible. A strong and vibrant CBC/Radio-Canada can deliver just that.

Q *How has CBC/Radio-Canada responded to these challenges?*

A Two years ago, we began making changes across all media lines to further strengthen CBC/Radio-Canada's capacity to produce distinct, high-quality Canadian programming.

First, we have reinforced regional presence and reflection across the board, by increasing our production activities in communities across Canada. Today, we're spending about 40 per cent of our operating budget in the regions or in support of regional activities. Across all our media lines, regional production accounts for about 2,000 hours of programming, that's 50 per cent of our total Canadian content.

Second, we continue to boost our support for Canadian arts and culture, by showcasing new voices and new faces on programs like *Opening Night* and *Les Beaux Dimanches*, and through our commissioning and production activities. Indeed, each year CBC/Radio-Canada makes about $100 million in direct payments to Canada's artists and independent producers.

Third, we are safeguarding our journalistic leadership with new public affairs and news programming. Recently, we added *CBC News: Sunday*, a two-hour, weekly current affairs and information magazine and *CBC News: Disclosure* which brings a contemporary edge and style to CBC's proud tradition of investigative journalism. French News has been similarly augmented with *L'Heure du Midi* and an innovative weekly magazine *5 sur 5*.

Fourth, we continue to deliver a safe, educational and entertaining viewing environment for Canada's children and youth, building on last year's achievement of adding 750 hours per week in new programming. This year we've added a wide range of programming for children and youth, including *Get Set for Life, CBC4Kids, CBC InfomatriX* on English Television and *Bric-à-Brac* and *Ayoye* on French Television.

Finally, our renewal work has also included significant change to our operations and management – again, to achieve savings to re-invest in programming. Last year, we created a real estate division to manage our five million square feet of property and generate revenue through selling or renting surplus space. We finalised major deals involving CBC's Broadcasting Centres in Toronto and Regina that will yield $6 million in annual cash flow to be re-invested in programming. We have identified another $1 million in annual savings through an overall reduction of fleet size, clearer plans for acquisition, sale and maintenance and exchanges of vehicles between Corporation locations.

In essence, we are changing to ensure that Canadians find greater value in our services and value in the way those services are delivered.

Q *How have your two and a half years at the helm of the CBC altered your understanding of the state of public broadcasting in Canada?*

A The past two and a half years have actually reinforced my belief that Canada needs a strong and vibrant public broadcaster. In a world where Canadians are bombarded by wave after wave of foreign sounds and images, the cultural imperative is more important today than ever before. Without a CBC/Radio-Canada to complement the private broadcasting industry, who will ensure Canadians have a distinctively Canadian choice for their news, entertainment, arts and culture, sports and youth programming?

Given Canada's relatively small market, the potential audiences for Canadian programming are too small, from a private broadcaster's perspective, to generate the advertising revenues necessary to recoup the production costs AND make a reasonable profit. Consider that an hour of high quality Canadian drama costs about $1 million to produce. Canadian broadcasters pay a licence fee of about $250,000 for such programming. From this they can expect to generate ad revenues ranging from $65,000 to $90,000. In other words they'll lose $160,000 per hour of programming. In contrast, the simulcast rights for a popular, one-hour, American sitcom can be purchased for $100,000 to $125,000 – roughly half the price of the Canadian alternative – and will generate ad revenues of $300,000 to $400,000 – more than four times the Canadian hour. Who can blame a private broadcaster for choosing the simulcast option? It makes business sense for a firm that's in business to make a profit.

Without a CBC/Radio-Canada to complement the private broadcasting industry, who will ensure Canadians have a distinctively Canadian choice for their news, entertainment, arts and culture, sports and youth programming?

As Canada's public broadcaster, CBC/Radio-Canada is able to complement the private sector by taking risks, devoting resources and creating programs that the profit-seeking privates simply can't afford to do. Consider some of CBC/Radio-Canada's most recent successes in this regard. *Canada: A People's History – Le Canada: Une histoire populaire* reached over 15 million Canadians with its 32 hours of programming. Our regional historical production Random Passage had an average of 1.2 million viewers per episode. *Le Dernier Chapitre / The Last Chapter* drew just under 1 million viewers per episode. *Music Hall* posted 1.7 million viewers in the Francophone market. While these numbers are not compelling enough to motivate a private broadcast-

er to undertake such risky, innovative ventures, they certainly highlight the value that Canada's public broadcaster brings to Canadians.

Q *The 1991 Broadcasting Act states that the programming provided by the Corporation should contribute to shared national consciousness and identity. How is this mandate approached?*

A Over time, the *Canadian Broadcasting Act* has evolved into an instrument that places restrictions on foreign ownership; requires the predominant use of Canadian creators and talent; confirms CBC/Radio-Canada's mandate as a national broadcaster; and reaffirms a vision of the broadcasting system that safeguards, enriches and strengthens the cultural, political, social and economic fabric of Canada.

With our full menu of Canadians services and delivery platforms, CBC/Radio-Canada is Canada's greatest guarantor of high quality, distinctively Canadian radio, television and new media content, as well as our nation's greatest supplier and promoter of Canadian culture. We convey Canadian stories, values and regional perspectives. Our programming reflects the strength of Canada's past and the promise of its future. We touch the lives of Canadians daily with distinctive, objective and impartial content.

Q *How has the communication of Canadian stories through CBC/Radio-Canada helped to shape the identity of Canada?*

A Since the beginning, Canada's geography, cultural diversity and widely dispersed population have set the tone for defining what it means to be Canadian. Over the past 65 years, first in radio and then television, I believe CBC/Radio-Canada has played an instrumental role in binding Canadians together in what someone once called "this improbable nation." It has done so on many fronts.

For many years, Canadians have relied on the CBC/Radio-Canada to reflect on our national history and identity. There are many examples that span decades. Over 33 years ago, CBC/Radio-Canada's *Man Alive* became the first broadcast to address matters of ethics and faith. For over 40 years we've learned about our natural history, biology, medicine, ecology and impact on our environment from the *Nature of Things*. More recently, *Canada: A People's History / Le Canada: Une histoire populaire* and *Trudeau* treated viewers to hours of stunning broadcast about Canada's development as a nation.

Just as our parent and grandparents gathered around their radio stations to hear wartime reports, many of us tuned-in or logged-on to witness the mettle of CBC/Radio-Canada journalists and technicians who provided national and international audiences with extraordinary coverage during the tragic events of September 11th.

CBC/Radio-Canada has long been an essential conduit for coverage and analysis of key Canadian and international events. Indeed, Canadians trust CBC/Radio-Canada to help them make sense of the world. Just as our parent and grandparents gathered around their radio stations to hear wartime reports, many of us tuned-in or logged-on to witness the mettle of CBC/Radio-Canada journalists and technicians who provided national and international audiences with extraordinary coverage during the tragic events of September 11th.

CBC/Radio-Canada also helps to build bridges and encourage understanding among Canadians. Our presence in communities all across Canada helps bind Canadians together. Indeed, for many Canadians, CBC/Radio-Canada is a cultural lifeline. We are the only broadcaster reaching all Canadians in English, French and eight Aboriginal languages of the North. Our recent broadcast of *Random Passage*, a historical drama depicting Newfoundland history, highlights our role in telling the story of different regions of Canada.

The bottom line is CBC/Radio-Canada is there to help us celebrate our shared Canadian experience ... together.

Q *How important is it for Canada to maintain a public institution in the medium of television?*

A Given Canadians increasingly rely on television for news, entertainment and even children's programming, having a "public broadcasting space" to deliver high-quality, distinctively Canadian television content is very important.

Q *A generation ago, television offered a mere handful of channels. Today, with cable packages and satellite dishes, many homes have access to hundreds of channels. Some say that the proliferation of channels and choices makes support for public broadcasting less tenable. How do you respond?*

A With all the new digital channels, one would think that the job is done. Yes we have access to 500 new channels – perhaps we don't need a public broadcaster. I contend the exact opposite is true. Despite the 500-channel universe, there's nothing to watch. Most digital channels simply air repeats and repackaged old programs – no new content.

As a public broadcaster, our motivation is to make quality programming by Canadians, about Canadians, for Canadians ... Canadians simply won't get this content otherwise.

Q *How are (i) the CBC and (ii) the industry as a whole affected by the growing industry consolidation in ownership?*

A Like many Canadians, I am wary about the potential for increased concentration of ownership to reduce the number and variety of Canadian voices participating in public discussion and debate about important issues facing our country.

As long as there's a strong and vibrant CBC/Radio-Canada specifically devoted to ensuring those voices can be heard, I think we'll be OK.

But, it is important to recognize what we must guard against complacen-

cy if we are to maintain and strengthen our cultural identity in the face of globalization and technological change.

Q *How is the CBC responding to today's digital revolution?*

A The introduction of digital technologies and the Internet is clearly changing the basis of "traditional" broadcasting. However, it's important to remember that the digital revolution is not at an end. Rather, it represents the beginning of a long evolution that will transform the way content will be produced, processed, transported, archived, protected, managed, delivered and consumed by our audiences.

As a public broadcaster, CBC/Radio-Canada much achieve its goals in a fiscally responsible manner – that dictates using the most cost-efficient technology available to us. Our technology team is focused on developing and implementing a coherent technology strategy to support the CBC's foremost objective, programming. They are seeking to provide optimal technology solutions, at a minimum cost, exploiting the benefits of technological evolution and innovation to add value to our production processes.

In the meantime, we've introduced new media platforms such as our award winning websites *www.cbc.ca* and *radiocanada.ca*. Through Radio Three, we've added interactive Internet-based programming for youth such as *120seconds.com*, *newmusiccanada.com* and *justconcerts.com* and, in French, *bandeapart.fm*. Galaxie, our digital pay audio service, offers 1.8 million subscribers 30 continuous music channels, 24 hours/day without talk or commercials. Our digital radio services now reach a potential audience of well over 10 million people and, having paved the way to deliver high-speed data using digital radio transmission, we opened the door for cross-industry ventures and new strategic alliances.

As evidence of our innovativeness, we recently received a U.S. National Association of Broadcasters Award for implementing an advanced national satellite distribution Digital Video Compression project with Telesat Canada and TANDBERG Television. This successful project – a first in North America – has allowed us to put all English TV Network feeds on a single Telesat satellite channel and resulted in substantial savings. With it, we were able to help hundreds of cable companies and community-owned stations across Canada to convert from analog to digital systems.

We're committed to putting the digital revolution to work to reach more Canadians, through more mediums and more efficiently than ever thought possible.

Q *How does the CBC balance a national mandate with regional realities?*

A Under the *Broadcasting Act*, CBC/Radio-Canada is specifically mandated to reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions.

We meet this obligation in a number of ways. We are the only broadcaster in Canada that provides programming to all Canadians in English, French and eight Aboriginal languages of the North.

We have a presence in close to 100 large and small communities across Canada.

We ensure that local and regional stories, talents and issues reach both regional and national audiences. This happens through all our program genres, across all parts of our programming schedule. A good example of our efforts to continuously enhance our regional reflections is *CANADA NOW*, a news program introduced in 2000 integrating a half-hour national supper hour newscast, produced in Vancouver, with half-hour local/regional newscasts produced at owned-and-operated stations across the country.

We also invest in a significant amount of network programming in various regions of Canada. Today, the national portion of *CBC News: Canada Now* is produced in Vancouver. *CBC News: Disclosure* originates from Winnipeg and Toronto. The new drama, *Tom Stone* is based in Calgary. *This Hour Has 22 Minutes* comes to us from Halifax. The new late-night show, *ZeD*, is produced in Vancouver. As well, a number of new French Television programs – *Asbestos, Rivière-des-Jérémie, L'Or* – are produced outside Montreal in such locations as Abitibi, the Outaouais and Vancouver.

Q *How have Canadian content regulations enhanced the security of Canadian culture? Do you envision stronger or weaker content regulations in the future?*

It's important to remember that the digital revolution is not at an end. Rather, it represents the beginning of a long evolution that will transform the way content will be produced, processed, transported, archived, protected, managed, delivered and consumed by our audiences.

A As part of the cost of a broadcasting license in Canada, the Canadian content rules have been quite successful in increasing the amount of Canadian content – we call it tonnage – on our Canadian airwaves. However, rather than a minimum content rule, they have effectively become a maximum level attained by private broadcasters.

It's important to remember that the content rules do not work in isolation. They are supplemented by an array of regulations, policies and instruments, including the Canadian Television Fund (CTF) and CBC/Radio-Canada.

With the continuing trend toward globalization and increased competitiveness in the Canadian marketplace, all of these tools will come under greater pressure. Ensuring they remain effectively equipped to complement the activities of private broadcasters in boosting Canadian culture is very important.

Q *What will the CBC look like a generation from now?*

A As President and CEO of CBC/Radio-Canada, I am asked that question a lot, particularly as we prepare for celebrations this Fall of CBC/Radio-Canada's 50th Anniversary of Television. The best answer I can provide is distilled in one phrase – even more distinctively Canadian.