



May 16, 2014

The Honourable Dennis Dawson  
Chair  
Standing Committee on Transport and Communications  
The Senate of Canada  
Ottawa, Ontario  
K1A 0A4

Dear Chair,

Having reviewed the remarks of some Members of your Committee during your May 13<sup>th</sup> meeting, and comments made to the media, I feel I must speak out. Members have suggested that we have misled the Committee, a statement which is inconsistent with the facts.

I met with your Committee for more than two and a half hours on February 26<sup>th</sup>, to talk about the subject of your study – “*the challenges faced by CBC/Radio-Canada in relation to the changing broadcast environment*”. Senators were interested by various issues including CBC News coverage of their Senate expenses, and how much Peter Mansbridge – CBC’s top journalist and arguably the face of CBC News – gets paid. As one senator put it:

*“Transparency is a key word around this town. It’s a key word that your main broadcaster on The National continues to use all the time. When making reference to senators’ expenses this week, he directly referred to it as the public’s money that was being spent. It’s the public’s money that’s being spent at CBC, too.”<sup>1</sup>*

I explained to the Committee that the *Privacy Act* prohibits the release of the salaries of individuals. I also explained that in the broadcasting world where companies compete for talent, what CBC pays its top talent is highly competitive information.

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<sup>1</sup> <http://www.parl.gc.ca/content/sen/committee/412/TRCM/03EV-51227-E.HTM>

As I mentioned, what is public are the names of our employees, their job classifications, and the salary ranges *for those classifications* as set out in our collective agreements. That information had already been released in response to a specific access to information request and was posted on CBC/Radio-Canada's website. We provided a copy to you which was identical to the one that was released under ATI, by employee ID number. We did not "deceive" the Committee and I am disappointed by the suggestion.

At no time did we suggest that Peter Mansbridge's total pay for the work he does at CBC/Radio-Canada is between \$63,797 and \$80,485. As we explained, that is the salary range for the position of "senior host" as set out in our collective agreements. Ninety percent of all our employees earn salaries within the range of their position as provided to you.

In broadcasting, as in most businesses, a few employees can negotiate salaries beyond the range of their classification. That is how businesses ensure they can compensate their top talent at a level appropriate to their industry. The contribution Peter Mansbridge makes to CBC News, and to CBC/Radio-Canada as a whole is clearly much more than his job classification. The salary negotiated with the Corporation recognizes his value.

The *Privacy Act* exists to protect Canadians' privacy. That CBC/Radio-Canada receives part of its funding from Parliament does not allow encroachment on an individual's privacy rights.

So who looks out for taxpayers? The *Broadcasting Act* sets out the Corporation's mandate as well as its structure and reporting relationship with Government. The *Act* gives the Board of Directors the authority to determine the compensation policies of CBC/Radio-Canada. Qualified, independent directors are named by Government and work to protect the independence of the broadcaster from Government, while ensuring that Canadians' investment is protected on behalf of Government.

Our independence also comes with responsibility. The *Broadcasting Act* ensures that CBC/Radio-Canada is accountable to taxpayers in its reports to Parliament and Canadians, the CRTC, and the Auditor-General of Canada.

Our finances are also regularly audited by the Auditor-General, who most recently gave the Corporation a "clean audit opinion", and confirmed that our resources are managed economically and efficiently. Will all this ever be enough accountability? No, and the Corporation is continually looking at ways to improve how and what it reports to Canadians.

Some members seem to be concerned about us not wanting "to cooperate" with the Committee. The facts speak for themselves. Since this study began, CBC/Radio-Canada has been providing you with detailed information on audience patterns, broadcasting trends, our budgets, and the challenges we currently face. In addition to my appearance, we have offered and organized tours for Senators at three CBC/Radio-Canada stations, and have committed to doing more.

As I told the Committee, the public broadcaster is in the midst of some difficult choices; about how to balance our budgets in an era of declining advertising revenue; how to meet the needs of Canadians in the future; about the place of CBC/Radio-Canada in the fast-changing Canadian broadcasting ecosystem. These are important questions. Indeed, that is what this Committee has been asked to study. I can assure you that CBC/Radio-Canada remains ready to assist the Committee in this work.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Lacroix", with a long horizontal stroke extending to the right.

Hubert T. Lacroix

Cc. Daniel Charbonneau, Clerk of the Standing Committee on Transport and Communications