

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, October 19, 2016

Legislative Chamber

**Department of Communities, Culture and Heritage
Creative Industries Fund**

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Public Accounts Committee

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Hon. David Wilson
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[Mr. Terry Farrell replaced Mr. Brendan Maguire]

In Attendance:

Ms. Kim Langille
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

Ms. Nicole Arsenault
Assistant Clerk, Office of the Speaker

Mr. Terry Spicer
Deputy Auditor General

WITNESSES

Department of Communities, Culture and Heritage

Ms. Tracey Taweel, Deputy Minister
Mr. Marcel McKeough, Executive Director of Culture and Heritage Development
Ms. Rebecca Doucett, Manager of Financial Services



House of Assembly
Nova Scotia

HALIFAX, WEDNESDAY, OCTOBER 19, 2016

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIRMAN
Mr. Allan MacMaster

VICE-CHAIRMAN
Mr. Iain Rankin

MR. CHAIRMAN: Good morning, everyone. I call this meeting of the Public Accounts Committee to order.

This morning we have the Department of Communities, Culture and Heritage to discuss the Creative Industries Fund. I would like to ask everyone to place their phones on silent so that we don't have interruptions during the meeting.

Let's start with introductions, beginning with Mr. Farrell.

[The committee members introduced themselves.]

MR. CHAIRMAN: Ms. Taweel, would you like to introduce yourself and your colleagues, and provide some opening remarks?

MS. TRACEY TAWHEEL: Yes, thank you very much. Good morning. My name is Tracey Taweel and thank you for inviting me to present here today. I am joined this morning by Marcel McKeough, Executive Director, Culture and Heritage Division, and Rebecca Doucett, who is Manager of Financial Advisory Services.

Culture is about connection, and according to Statistics Canada it is also good business. The sector contributes about \$950 million, annually, to Nova Scotia's GDP and creates almost 14,000 jobs. That is one of the reasons the province puts more than \$45 million directly into the hands of people working in the culture and heritage sector. Some of that is new money added to the Department of Communities, Culture and Heritage budget just this year. Some examples are the \$500,000 Major Events Fund, the \$2 million 150 Forward Fund, and the \$2 million Creative Industries Fund.

Today, we are here to focus on one piece of that investment which is the Creative Industries Fund, which is available to businesses, not-for-profit organizations, and social enterprises that want to grow their exports outside of Nova Scotia. Eligible organizations and individuals work in the music, book publishing, craft, visual and applied arts, performing arts, and design industries. You can see that the cultural economy is broad. It includes all the industries I just mentioned - and the film industry. I should note that NSBI takes a leadership role in the film sector and administers the Film and Television Production Incentive Fund, as you would all be aware.

Our department has responsibility for other aspects of the creative economy, but we do share a common goal - to grow the creative and culture sector, including film, through export activities.

The work accomplished by the Creative Industries Fund, selling our creative products and services outside Nova Scotia, is vital work. We have a large and high-quality talent pool providing a highly competitive product. That's an excellent opportunity for exporting. Some of our professional artists, writers, and musicians travel the world to market their products and earn their income, but they live and pay taxes in Nova Scotia. Studio 21 Fine Art Gallery in Halifax is one example. They show and sell the work of Nova Scotia's visual artists at the biggest art shows in North America, where art collectors from around the world will see and buy this work.

Our recent investment announced this week - half the project costs will allow Nova Scotia artists to reach international audiences that otherwise may have been out of reach. We developed the Creative Industries Fund after consulting with businesses, organizations, and individuals in the industry. They told us what they need to export their music, crafts, arts, and books, or to do more of that work to grow to the next level.

Performers and music-industry leaders have the potential to tap into federal funds and need help selling to overseas markets, so we are actively working with successful recording artists and their companies as they begin to grow into new markets. On Monday, for example, we announced investments in Mo Kenney Music Inc. so that she can work with new partners to increase potential sales of a new release. We also announced an investment in Larch Wood Canada products, a fine craft company selling in Europe and Asia, as well as across Canada.

Book publishing is a growth area for our province. Later this morning, Minister Ince will announce details on an investment of up to \$1.1 million in 11 Nova Scotia publishers from around the province. They are confident they will double their sales and employment over the next five years by exploring new markets, and we are helping them do that. This is a new program that just opened this past spring.

We need to listen and learn and adjust once we have had time to evaluate if it meets the needs of the creative sector. We will measure success in part by the return on our shared investments. This fund is about setting the conditions for the private sector to grow. The province is leveraging investment by businesses to grow their exports. We invest up to half of project costs to help businesses increase their exports. Businesses that apply contribute the other half. We are confident the \$2 million allocated to the Creative Industries Fund will be used well by the creative sector. As we grow them incrementally, we are also confident that the fund is sufficient until the industry has reached the next level of growth.

Creativity is a competitive advantage for the world's most advanced economies. To help Nova Scotia compete successfully, we are engaging and partnering with Nova Scotia's creative industries so they can expand their markets and generate significant economic and social benefits for our province.

With that, I'm happy to take your questions.

MR. CHAIRMAN: We will begin with Mr. Houston, of the PC caucus, for 20 minutes.

MR. TIM HOUSTON: Thank you for the opening comments. You mentioned a couple of investments that the fund has made. How many investments has the fund made?

MS. TAWHEEL: We have invested in 18 projects to date, and we have 13 projects that are in the pending stage.

MR. HOUSTON: So the 18 projects that have actually been invested in - what's the value that's been outlaid?

MS. TAWHEEL: I'll just get that exact number for you.

MR. HOUSTON: So it's some portion of \$2 million?

MS. TAWHEEL: It is. Exactly.

MR. HOUSTON: Is it the expectation that the 18 plus, the 13 - assuming that the 13 make it through the process - is that the \$2 million? Or is there lots of runway? I guess maybe we'll get the answer.

MS. TAWHEEL: I'll ask Marcel McKeough to respond.

MR. MARCEL MCKEOUGH: When the 18 and the 13 fully go through, there should still be around \$300,000 left, approximately. Some of the offers go out and applicants don't fully consume it, so there might be a variable there, but generally there's around \$300,000 left. We do expect, between now and the end of the fiscal year, that we'll see more applications come in, especially since we're doing the announcement today, for example. That will entice others to try to fund as well.

MR. HOUSTON: So it sounds like the 18 are some part of \$1.7 million. Do you have that number for the 18?

MR. MCKEOUGH: Actually, I don't seem to have the total.

MR. HOUSTON: That's all right, we can get that. Is it your expectation, that the full \$2 million would be invested?

MS. TAWHEEL: Yes, it is our expectation, absolutely.

MR. HOUSTON: Is this going to be an annual thing, this fund? Do you believe this fund will be \$2 million again next year - what are your thoughts on that?

MS. TAWHEEL: At this point I would hope that, yes, the fund would be \$2 million next year. We're hoping that over time there may be a need to increase the value of this fund, but at present we believe the right level for this fund to be at is \$2 million.

The criteria of the fund is such that in order to successfully apply and be part of the fund, applicants must work with our staff. It's a very responsive kind of process so that applications that come through, we're certain that the project has a high potential of success. Businesses must match our 50 cents, so they must provide 50-cent dollars. We need businesses to be at a level where they can contribute.

MR. HOUSTON: This fund was a new fund this year. Was this fund born out of the Film Tax Credit mess - was this fund as a result of that?

MS. TAWHEEL: The fund was born out of an interest in supporting the cultural sector and growing the creative economy. It was recognized, I believe, that there was a need to support particular aspects of the creative sector that I ran through earlier - book publishing, music, fabric and textiles, artists, visual artists, et cetera.

MR. HOUSTON: To your knowledge, is this a fund that you've been lobbying to get for a number of years? What's your understanding of how this fund came to be?

MS. TAWHEEL: I will begin the response, but I may also ask my colleague to respond. I've only been in the department for less than six months. But I will say from my time there that I can tell you that this is a vibrant, important contributor to Nova Scotia's

economy and to the social fabric of our province. It is necessary for us to support the sector, and the entire department, in fact . . .

MR. HOUSTON: I don't dispute that, but I'm just wondering specifically about this fund here. It's a new fund, and there's a reason that it's a new fund. Is it something that you suggested when you came to the department?

MS. TAWHEEL: The fund was in place when I came to the department. The entire department is structured, in fact, to support the creative sector. I would suggest the department was highly supportive of creating this fund in order to shine a spotlight on other aspects of the creative economy that needed a little more support to help grow their exports.

MR. HOUSTON: Okay. Do you have a sense about when the fund first started being discussed?

MR. MCKEOUGH: It has been discussed for a long time, actually. It was introduced in the 2015-16 budget, but the funds weren't available until 2017-18. But the precursor fund for it, which is . . .

MR. HOUSTON: Sorry, if I may - so it was introduced in the 2015-16 budget as a kind of headline, I guess, but the money wasn't available - it wasn't actually going to start for a couple of years hence?

MR. MCKEOUGH: For one year later, 2016-17.

MR. HOUSTON: Really? Is that normal practice?

MR. MCKEOUGH: Over the years I've seen that done by government, yes.

MR. HOUSTON: So that was the plan, but then for some reason somebody said let's not wait until 2017-18, let's actually get this going now. Is that . . .

MR. MCKEOUGH: No, no. Sorry. It was payable in 2016-17, so it started the past April 1st. But the history of the fund goes way back. For many years there was something called the industry growth fund, which is still in place - it is a development fund specifically for this facet of cultural development in Nova Scotia, which is economic development.

What's happening is you have a strong, vibrant cultural sector in the province and there's a lot of creative or cultural product available. Over the years we realized that this product was competitive in international markets and that there was a fair abundance of it here, but the marketplace in Nova Scotia is just not big enough to sustain it. So the music industry and the craft sector began to work and find export markets and sell there. This fund was essentially a long-term initiative to get in and really substantiate the development of the economic sides of the industry.

MR. HOUSTON: No, I appreciate - listen, you can't have a successful economy without thriving arts; I absolutely agree with that.

In terms of this fund, in your opening comments you referred to film. It's unclear to me what, if any, aspects of film are covered by this fund. In one of the earlier press releases in June, it talked about this fund being available to organizations in music, publishing, craft, visual arts, performing arts, film, and design fields, but when I look at your website it doesn't mention film. But you mentioned it in your opening, so is this fund available to film production?

MS. TAWHEEL: The fund is not available to film production. Film production is under the purview of NSBI, through the Film and Television Production Incentive Fund. What would be eligible under this fund, from a film perspective, would be things like supporting Screen Nova Scotia's operations - helping them get their feet under them so that they in turn can support the industry which, in turn, will drive growth.

Additionally, through other program offerings in Communities, Culture and Heritage, we do support things like film festivals and things along those lines, but NSBI has the leadership role and the program dollars to support film production.

MR. HOUSTON: So through this program here, an individual filmmaker could not come and apply to this fund, but Screen Nova Scotia could - is that fair?

MS. TAWHEEL: Yes, that is accurate.

MR. HOUSTON: So it wouldn't be available for an individual filmmaker to apply for support to go to a festival or to a screening, but you say you have other programs for that?

MS. TAWHEEL: We do. We have other programs that support those kinds of endeavours, yes, but film production is outside of our purview.

MR. HOUSTON: How much has the department invested in filmmakers going to festivals and stuff this year?

MS. TAWHEEL: I would have to get you that number.

MR. HOUSTON: Is it happening?

MS. TAWHEEL: Yes.

MR. MCKEOUGH: It does happen, but it doesn't happen very much. Filmmakers who come to us are usually part of the arts community and not necessarily part of the commercial film industry, so the funding there is quite different. They would go through

Arts Nova Scotia, which is a juried selection, but not a lot actually do, because the vast majority of filmmakers in the province are commercial filmmakers.

MR. HOUSTON: There are a number who aren't, though, and I'm more curious about those ones, with the festivals and stuff. It is something that I hear, that they'd like to go to a screening and promote their product.

Do people know about this, in your assessment, or is there a marketing problem of this funding - what is your take on it?

MR. MCKEOUGH: Well the fund we're discussing today is brand new and we're trying to market it, which is why we're making announcements around it. Generally speaking, I think people in the arts sector definitely know that they can come to Arts Nova Scotia or to our other various programs for support. We do a fair amount in the public to try to promote that - we do sessions in the community and we have officers who travel out and meet people and do things like that.

MR. HOUSTON: Why wouldn't this fund be available to filmmakers? I mean, a film is an export product, why wouldn't this fund be available to the filmmaker who wants to go to festivals and promote this product that was made in Nova Scotia?

MR. MCKEOUGH: I think it would be available, but we're just not seeing those kinds of submissions. But, as I say, the fund is brand new so people will probably eventually challenge us on it and, if indeed it fits within the confines of the program, we will. What we're not investing in is the commercial production of film. It's a very different model - it's a business model; it's working with NSBI's efforts; it's international deals; it's multiple funding mechanisms; it's banking - it's very different than the model we're dealing with.

MR. HOUSTON: So the film industry, a lot of the people say, is a little lost right now since the tax credit was cut. They're told to go to NSBI, but NSBI deals with all industries and this type of stuff. It has not really been all that helpful in that many cases. So it seems like maybe there might be something here that might be of some use to some segment of filmmakers, but I'd be surprised that they just didn't know to make a submission. To me, that would be a real failure on the part of communication to people who are actively looking for help and nobody suggests you should apply for funding here. You're saying that's growing pains or what's . . .

MR. MCKEOUGH: I'm not sure if it's growing pains; I think it's just that there is a substantial fund at NSBI and they find comfort there. NSBI does help film companies travel to these types of things, but there are different degrees in the filmmaking business and the more established in business they are, the more successful they are with NSBI. Other echelons are absolutely welcome to us, but we just haven't really seen a lot of demand or requests from that level.

MS. TAWHEEL: If I could add as well - the fund launched in late May and the fact that we're making the size of investments that we're making and seeing the kind of uptake that we're seeing, I think bodes well for this fund. We're getting a very positive response and the model that we've established with this fund is quite different from other funding programs of government in that we work with applicants to make sure that their project does make sense. We sit down with them and work with them.

So to my colleague's point, if an emerging film producer wanted to come and talk to us, they're absolutely able to come and talk to us about this fund. The vast majority, however, of the work that is occurring here flows through our colleagues in NSBI and, while I cannot speak to the specifics of that program, I would suggest the volume of announcements that NSBI has made over the last number of months would suggest that film as well is seeing some success, but NSBI could certainly provide more detail on that.

MR. HOUSTON: I would respectfully absolutely disagree with you on that. Our film industry could be three times what it is right now if not for the setback they took with the cut. Sure they're making some announcements. They're probably going to bring the industry up to \$80 million or \$90 million - it could be \$500 million. So that's why I'm deeply interested in who has what responsibility for helping grow that industry again.

So here we sit today and I guess I'd just ask the question with your department - the Department of Communities, Culture and Heritage - is the film industry better served today than it was in the old days with the tax credit, and what is your assessment on that?

MS. TAWHEEL: I would suggest that the numbers that we're seeing in terms of growth in the creative sector at large across the board - and I referenced some of those numbers in my opening remarks - would say to me that we have a thriving creative economy in Nova Scotia. Is there room to grow? Absolutely. That's why this fund, the fund that we're here to talk about today, that's why the fund was created and that is why the Department of Communities, Culture and Heritage, to your point, exists - to help drive that.

We know that the most competitive economies in the world are those that support their creative sector and try to grow that creative economy. That's exactly what we're trying to do here. The resources of government that are marshalled behind that are significant. Through this fund, the fact that these businesses are also coming to the table and saying we believe we have a future here, we believe we can grow our product and market our product internationally - to me, that speaks volumes. The fact that they, too, have confidence in the sector is significant.

MR. HOUSTON: In your opening comments you mentioned some numbers, but I couldn't quite catch them. How big did you say was the size of the GDP for the creative economy?

MS. TAWHEEL: A contribution of about \$950 million to the provincial GDP, and approximately 14,000 jobs.

MR. HOUSTON: Can you table the calculation that comes up to that \$950 million?

MS. TAWHEEL: Absolutely. Those numbers come from Statistics Canada, so yes, I can absolutely do that.

MR. HOUSTON: When the film thing was going on, there was always a lot of discrepancy over how big the industry was. The government never believed what PricewaterhouseCoopers was saying and there was all this stuff back and forth. So I would be really curious to see this number and how it is calculated, to see how it might differ from some of the things that were calculated before. Is that something we can look at today as we speak?

MS. TAWHEEL: I would have to get those numbers for you. We can provide you with a very detailed breakdown on a sector-by-sector basis from Statistics Canada numbers. This jurisdiction partners with other jurisdictions in the country.

MR. HOUSTON: What years would that be?

MS. TAWHEEL: The latest numbers we have are up to 2014, and we'll have new numbers in the year ahead.

MR. HOUSTON: So 2014 - those numbers are pretty dated now. Our film industry has undergone some dramatic changes and presumably film would be the biggest contributor to that, would it not?

MS. TAWHEEL: It's one of the larger contributors, but we have other contributors, certainly, some of whom we're supporting the sector.

MR. HOUSTON: What would be the top three? If film is one of them, what are the other two?

MS. TAWHEEL: Music and craft.

MR. HOUSTON: It would be your submission that both of those industries are growing whilst film may be declining, in my estimation.

MS. TAWHEEL: That would be in your estimation, not in mine. I believe that all of those sectors are, in fact, growing. Absolutely.

MR. HOUSTON: Would you believe that our film industry is bigger today than it was in 2014?

MS. TAWHEEL: I can't speak to the specifics of the size of the sector . . .

MR. HOUSTON: You just said it was growing.

MS. TAWHEEL: I believe that the sector across the board is absolutely growing and the creative economy is growing based on the aspects that we support. You'd have to speak with NSBI to look at specific numbers but, again, observing some of the significant investments that have been made through NSBI and film, and the investments that we are also making across our whole department, I would suggest that the creative economy - the culture sector - is growing. But for specifics on those numbers, I have no doubt NSBI could provide those.

MR. HOUSTON: So I made a statement that I believe that the film industry is probably smaller now than it was in 2014 and you said you'd dispute that statement. Am I wrong to assume that in your disputing that, you're saying that it's actually bigger? I'm saying it's smaller; you're saying it's bigger.

MS. TAWHEEL: I believe, based on the investments that we are seeing NSBI make, and what we are hearing from others in the sector, the sector is doing well. I can't speak to exact numbers. You offered up your estimation; I was offering you mine.

MR. HOUSTON: In your position as the deputy minister - I'm on the outside, you're on the inside - and you're still referring to anecdotal stuff of some announcements you may see. Governments like to do streams of announcements and who knows how significant they are at the end of the day. So in your position as the deputy minister, do you speak directly with NSBI on how we're doing in the film industry?

MS. TAWHEEL: Yes we do, we speak very regularly. We share a common goal, obviously. We share a common goal - we want to grow the industry. The news releases, for example, that NSBI issues on an almost weekly basis detailing their investments - those are hard numbers. Those are not anecdotal. Those are hard numbers - investments that they're making. We do speak regularly, and we work collaboratively, where possible, to ensure that our efforts are moving us all in the right direction.

MR. HOUSTON: Sure, but we're trying to recover from something. I'm asking you if you believe that we're trying to recover from quite a significant setback. I guess I'd just like to know on my last couple questions of this round, do you believe that there has been a setback to the film industry or do you feel that no, there was no setback and everything is going?

MS. TAWHEEL: I guess my opinion would be that every industry, every sector, goes through periods of change. This sector went through a period of change, certainly. We now have funds in place - for example the Creative Industries Fund and the Film and Television Production Incentive Fund - that have been focused on helping that industry continue to grow and contribute to our provincial GDP in the way that we know it can.

I think it's important for departments like Communities, Culture and Heritage and for government overall to balance both the needs of a sector and the potential that is seen with the fiscal challenges that this jurisdiction or any other jurisdiction may face. It is a

balance, and it's wanting to make an investment in an area that makes sense. That's what this fund is doing, and that's what CCH was established or set up to do.

MR. CHAIRMAN: Order. The time has expired. We'll move to Ms. Zann and the NDP caucus.

MS. LENORE ZANN: That was a very interesting conversation. I've got a number of questions to sort of follow along, but slightly different. This new piece of funding - you said it was discussed and decided to create it about a year and a half ago but didn't get the funding until just recently. Correct?

MS. TAWHEEL: Yes.

MS. ZANN: You mentioned that it covers the creative industries but not film. Does this also include dance, theatre, and the performance arts as well?

MS. TAWHEEL: Yes, it does.

MS. ZANN: You mentioned that there are 18 projects that have already been approved with 13 more to be approved.

MS. TAWHEEL: Yes - 13 pending. Fingers crossed they will be approved as well.

MS. ZANN: Does that include this new announcement today about the 11 publishers?

MS. TAWHEEL: Yes, it does.

MS. ZANN: Are those 11 publishers part of the 18 projects that have been approved?

MS. TAWHEEL: Yes.

MS. ZANN: Then the remainder of those other approvals, what kind of projects are they? In what medium are they?

MS. TAWHEEL: There is a range of companies that are receiving funding, in addition to the book publishers that you referenced. There are some submissions in the music area, and craft and fine art. Those are the main areas of the other projects at present.

MS. ZANN: So the other projects right now are music, crafts, and fine art . . .

MS. TAWHEEL: And theatre, I'm sorry.

MS. ZANN: Which theatre has been approved and for how much?

MS. TAWHEEL: None of this has been released publicly as of yet. I can provide you with more detailed information about the specifics around that investment, if that would be appropriate.

MS. ZANN: The theatre piece - is it to one theatre, or is it to several theatres?

MS. TAWHEEL: It's to one theatre company.

MS. ZANN: One theatre company. Have other theatre companies applied?

MS. TAWHEEL: Yes, they have.

MS. ZANN: How many theatre companies would you say have applied?

MS. TAWHEEL: I can ask Marcel to speak to that.

MR. CHAIRMAN: Mr. McKeough.

MR. MCKEOUGH: To the best of my knowledge, just two so far.

MS. ZANN: Two theatre companies have applied?

MR. MCKEOUGH: Yes. I think, though, one of the key elements in this is understanding that the companies that are from the fine arts world - dance, theatre, visual art - the task here is to find export markets. So the theatre companies that are coming to us are ones that have the capacity to go outside of the region to play. "Export" means to New Brunswick as well.

MS. ZANN: Outside the province.

MR. MCKEOUGH: That's right. That's who's coming to us typically, the ones that do that on a regular basis.

MS. ZANN: There are a number of theatre companies that do travel, like 2b Theatre, Limelight Productions, and Mermaid Theatre. I know that the puppet company from Truro travels all around the world, Maritime Marionettes. What do they need to prove to be viable in order to get approval for you to say, yes we believe in you, and we're going to give you money so that you can travel?

MR. MCKEOUGH: The theatre companies that we're speaking of - and by the way, there are three. You just named Mermaid, and Mermaid is one that has been approved.

MS. ZANN: I figured that.

MR. MCKEOUGH: Just for an example - Mermaid Theatre, they received \$27,000 and it's to go into the market in China. They have a 10-day tour there. This is a big market for them. They produce productions in Mandarin. It's a very strong market and they want to access it more. On any given day, Mermaid Theatre can have two or three companies on the road throughout North America. They're based in Windsor.

MS. ZANN: They've done that for 30 or 40 years now.

MR. MCKEOUGH: They are a model upon which we look for growth and development. They're rurally based, they employ pretty much 100 per cent Nova Scotian, they win accolades around the world and they repeatedly tour to these markets.

MS. ZANN: I'd have to say at this point, Maritime Marionettes do that as well, and that's just the two of them. A husband and wife in Truro make their own puppets, do their own stories, do the music, and hire actors like me once in a while to do the voice-overs for their stories. I know they've played to kings and queens and all kinds of things.

I think one of the problems for our artists in Nova Scotia is the fact that a lot of them would be able to get out and be received elsewhere if they had the money, if they had the funding behind them. Many of our companies are dance companies - they're complaining that they just don't have enough core funding. The same with the theatre companies. It's very difficult.

So does this fund help those theatre companies and those dance companies and those movie companies in any way other than just travel? Could you explain what you do with them?

MR. MCKEOUGH: We have a multitude of programs and operational support is one of those programs. On the arts side, they can come in for special projects to create new works, but this fund is aimed at export development. It's actually aimed at creating greater sustainability, so we're trying to have these companies earn more of their income from export markets. That's the whole concept.

It's interesting, you mentioned Maritime Marionettes. They have not applied, but they would certainly be an eligible applicant. They would be eligible for 50-cent dollars, which is one of the things they would have to demonstrate - that they have the 50 cents for every dollar.

For the other companies, Mermaid, they're a registered society in the Province of Nova Scotia so they can come in for 75-cent dollars. So there are some guidelines that guide us but our effort here is to help these companies grow their operating revenues.

MS. ZANN: Is that the main mandate of this fund, of the Creative Industries Fund is mainly to help these industries expand to outside of the province - is that what the main mandate is?

MR. MCKEOUGH: It is the primary one in terms of cultural industry development, but I believe we're also trying to promote tourism. We're trying to promote business, so when these companies go into export markets, they appear well. They produce a high-end product and they look good. If you see Mermaid Theatre in Florida, it's called Mermaid Theatre of Nova Scotia. So we're using these as ambassadors, if you will.

MS. ZANN: I suppose Brookes Diamond would be another person who would be applying for stuff for DRUM! and things like that?

MR. MCKEOUGH: Potentially.

MS. ZANN: I've travelled on some of those shows, so I know how well they do.

MS. TAWHEEL: I just wanted to add, the other aspect that the fund is targeting is helping - to Marcel's point - to shore up these companies so that as the market shifts and as we see new trends and new opportunities emerging, they're best positioned to take advantage of them. So it's supporting the foundation upon which these businesses are built as well. I just wanted to mention that point to you.

MS. ZANN: The other thing is, what analysis was done to determine the level of funding for this? It is \$2 million right now, which to some of us who have been in the industry for a long time is really just a drop in the bucket. What analysis was done to determine this level of funding?

MS. TAWHEEL: I will start and then perhaps ask my colleague to add. Two million dollars, we believe, is the right level for this fund right now. The particular aspects of the sector that we are supporting through this fund, and I'm not speaking of some of the other funds that the Department of Communities, Culture and Heritage administers, we're working by and large with organizations that are already doing some level of exporting. They need help growing and moving to the next level, but overall they're not huge companies in terms of their scope and size and annual sales. The key around this fund, the fact that they have to come to the table with 50-cent dollars, sometimes is not doable for some.

MS. ZANN: Especially smaller ones.

MS. TAWHEEL: Right, for smaller ones, which is why - and again, we'd be happy to walk you through some of our other program offerings at another time - but we do have other program offerings that are geared to help those smaller companies, businesses, advance to the point where they are then eligible to apply for the Creative Industries Fund.

MS. ZANN: Let me ask you this, then, when the NDP was in government, we morphed Film Nova Scotia into Film and Creative Industries Nova Scotia, which basically did what you guys are doing now but on a larger scale and for more projects, more types of projects. Everything was included in that, but we lost several funds that were lost when

Film and Creative Industries Nova Scotia was lost. One of them, basically, was the Eastlink Fund, which was attached to that; we're still kind of waiting to find out what happens with that fund. There were a number of different shows this year - Studio Black! was waiting for funding, and other TV shows were waiting for funding from that, which they never did get.

There was a film and TV development fund that was worth approximately \$1 million. That one was a fund for helping Nova Scotian writers write their stories and turn them into screenplays, things like this; they were for playwrights, so turning a play or a book into a television or film project. There was also another fund called the equity fund, and that provided up to \$2 million for producers to be able to produce films. All of those funding pots fell through and became extinct when we lost Film and Creative Industries Nova Scotia.

I would have to say that this \$2 million suddenly popping up as another fund seems to me like just a way of trying to appease the industry and say, well, we're not really forgetting about the artists; here's another pot of money, of \$2 million for the artists.

What exactly do you do for recording artists? They were offered - like a music tax credit. Do you offer anything whatsoever to do with tax credits for the music industry, for instance?

MS. TAWHEEL: There were a few aspects in there . . .

MS. ZANN: There were a lot of things in there, yes.

MS. TAWHEEL: . . . so I will try to tackle them. The first point I wanted to make was around the Eastlink Fund that you referenced. Several weeks ago it was announced that NSBI now has the Eastlink Fund program. So just to set your mind at ease, that has moved.

MS. ZANN: They got it over a year ago, but they didn't actually do anything with it, so the thing is that we've been waiting and waiting and waiting for them to actually act upon it, so that people could use it. It's not news that they've had it. We've known that for some time. They just didn't do the final paperwork that needed to be done so that filmmakers could access it.

MS. TAWHEEL: It is up and running now. I wanted to make that point.

MS. ZANN: Well, that's good. Finally.

MS. TAWHEEL: Sorry, now I've lost track - oh, music. I'm sorry. We do work very closely with Music Nova Scotia, which administer programs on our behalf. We make - I believe it's a \$900,000 contribution to music through the Department of Communities, Culture and Heritage to support them.

Music Nova Scotia, I have to say, is a fantastic partner. They work diligently to deliver programs.

In addition to that investment, as referenced even in my remarks, the Creative Industries Fund also provides support to musicians looking to grow.

MS. ZANN: And what about the tax credit that was promised?

MS. TAWHEEL: Communities, Culture and Heritage does not provide a tax credit, but my understanding is that, in consultation with the industry, their preference was to not pursue a tax credit but rather to work through an investment process like the one we've established, the Creative Industries Fund, and through other funding mechanisms.

MS. ZANN: Okay, so even though the Premier promised them a tax credit - and he promised them that in the last election, if people remember, there was a tax credit promised to the music industry. You're saying now that the music industry said they didn't want that?

MS. TAWHEEL: Yes.

MS. ZANN: They didn't want it at all?

MS. TAWHEEL: They were not interested in a tax credit but rather wanted to pursue other funding models. In response to that, we've pursued other funding models and are funding them through other means. Much of the way the Creative Industries Fund was created was in consultation and collaboration with the sector that we were funding, so our programs are established to be responsive to what the industry is telling us.

MS. ZANN: Right. So, you're saying the \$900,000 that was invested in the music industry - did that come from your fund or that came from the mainstream of the Department of Communities, Culture and Heritage?

MS. TAWHEEL: It comes from the Department of Communities, Culture and Heritage.

MS. ZANN: Right, and then so what extra are you doing for Music Nova Scotia?

MS. TAWHEEL: I can ask my colleague Marcel to talk in detail about our relationship.

MS. ZANN: Thank you.

MS. TAWHEEL: Absolutely.

MS. ZANN: I mean financially, what's being invested?

MR. CHAIRMAN: Mr. McKeough.

MR. MCKEOUGH: Sure, so, with Music Nova Scotia and the \$900,000 - I'll just reiterate what my deputy just said there, that this is a fund that they administer on our behalf and they have for some time. We hold them to account for it. We apply a rigour in how they administer their processes somewhat similar to ours. They deal with the emerging element of the music industry, and sometimes emerging can look pretty good because the music industry is funny; you can be 19 and almost be a star.

You look at Mo Kenney tonight or Friday night playing in front of the sold-out orchestra. She's very young and her career is elevating quickly. In her earliest years, which would be just a couple of years ago, she would have gone to Music Nova Scotia for advice and for support. That would be to help deal with export development practices and things like that.

The new Creative Industries Fund however is really aimed at the upper echelon. We did speak to the music industry and they did tell us unequivocally, we don't want to do tax credit, we prefer to do a straight grant-to-program because it's a very simple process. It's expedient and this is how we are responding to it, but the effort in the music industry is to take as I say the upper echelon, and that's my phraseology.

MS. ZANN: And, what do you mean by that, upper echelon?

MR. MCKEOUGH: Joel Plaskett, even Mo Kenney.

MS. ZANN: People who are already established?

MR. MCKEOUGH: Yes, who appear like they've got the infrastructure behind them. They have a good management company, they have a record company, they have a publishing deal, they're streaming . . .

MS. ZANN: They're ready to tour.

MR. MCKEOUGH: More than just ready to tour. They're ready to go into marketplaces and really sell, and the fund is really aimed at that group of the industry.

MS. ZANN: That's the \$900,000?

MR. MCKEOUGH: No, this is the \$2 million. This is the Creative Industries Fund. It's really aimed at that.

MS. ZANN: Okay, right.

MR. MCKEOUGH: There is another element to that that we measure and that is that those companies functioning at that level often have access to the Canadian Radio Starmaker Fund or to significant funds through the foundation to assist Canadian talent.

MS. ZANN: Right, so they can leverage it.

MR. MCKEOUGH: They do, and our fund has actually made it more possible.

MS. ZANN: I understand that; that's always very important. Is there any sense of this fund being increased any time soon, or is it going to stay at \$2 million for the near future?

MS. TAWHEEL: I think it's really too soon for us to say. The fund has only been up and running since late May, and I think we need probably a year under our belt before - we need to properly evaluate it as well.

MS. ZANN: So I have a very quick question, I only have two more minutes. Those funding pots that I told you were lost because of the Film and Creative Industries Nova Scotia takedown - the Film and Television Development Fund was a \$2 million fund where people could apply to - as I said for playwrights and people like this, to write projects. Would that be something that they could apply to you for and get funding for?

MS. TAWHEEL: Yes, it is.

MS. ZANN: So, playwrights and people who are doing screenplays, producers of films, could apply for this funding? Television and film producers could get the money to pay for writers for TV and film productions?

MS. TAWHEEL: Through other programs. Not necessarily through the Creative Industries Fund, but yes.

MS. ZANN: Oh, not through the Creative Industries Fund?

MS. TAWHEEL: Not necessarily. It would depend - we'd have to look at the scope of the project.

MS. ZANN: So, most films do travel as you know. Like, I thought the whole point is that it would be expanding and be good for tourism and will be going outside of Nova Scotia. Most film and TV productions do that.

MS. TAWHEEL: So, if it's an emerging artist or writer, then absolutely we can provide some support.

MS. ZANN: But not a well-known work?

MS. TAWHEEL: I guess the differentiation would be to my earlier points - if it's more on the production side, that wouldn't come through us.

MS. ZANN: So, the writers, the creators. Let's say you're going to do a TV series, you need to get someone to create that series; you need to be able to pay someone to create it. Right now, there's no fund in Nova Scotia for that because it was taken away when they took away Film and Creative Industries Nova Scotia. So I'm asking, could they get that from this fund?

MS. TAWHEEL: We examine every project that comes in the door. We would absolutely talk to any of those folks who wanted to come through the door with a writing project.

MS. ZANN: And hopefully say yes.

MS. TAWHEEL: And hopefully say yes.

MS. ZANN: Thank you. Okay, I think my time is up for now.

MR. CHAIRMAN: We'll move to the Liberal caucus and Mr. Stroink.

MR. JOACHIM STROINK: Thank you very much for coming today and talking about this important fund.

I want to start with your department, with the \$45 million within that department. If you add additional funding from NSBI for the creative economy, what's the total number that we get to for the creative industry in Nova Scotia?

MS. TAWHEEL: Communities, Culture and Heritage - you are correct, and as I mentioned in my opening remarks - our budget contributes approximately \$45 million to the overall culture sector in the province. NSBI, through their fund, at present their contribution is sitting at I believe \$22 million. If you put those together, we're looking at a \$65 million contribution to the overall sector.

MR. STROINK: That's a lot of money to start off with. Have you ever seen any government spend that amount of money on the creative industry as a whole in Nova Scotia?

MS. TAWHEEL: As a whole, we believe this is the most significant investment that government has made. By way of example, the announcement that we'll make shortly, the investment in book publishing, the \$1.1 million, is the single-largest investment in that particular area of the sector that has ever been made. We're quite excited about that.

MR. STROINK: I do want to touch on that in a moment, but I guess as a whole, encompassing all the cultural aspects of Nova Scotia, that's a lot of money in the sense of

we're looking at all aspects of Nova Scotia and all aspects of artists and all aspects of the future development of the arts and the creative economy. Maybe you can expand on that in the sense of what areas we are including in that, so that it's clear that, yes, part of that is film. What else?

MS. TAWHEEL: Maybe I'll start narrowly with the fund. The Creative Industries Fund supports the music industry; design, clothing, and textile; performing and touring arts and crafts, et cetera. That's what this fund supports. When you expand more broadly and look at Communities, Culture and Heritage across the board, we are supporting things like festivals and events across the province.

We established, through this year's budget, a fund to support the 150th Anniversary of our country, the Canada 150 fund. We're supporting local, kind of grassroots cultural events that will acknowledge Nova Scotia's place in Canada. We also have responsibility for events, events that run the gamut and that take place from one end of this province to the other. The department also supports heritage, museums, archives, and libraries, all of which provide a foundation for the culture sector and our culture generally in this province. As I believe I referenced earlier, contributions in this area are proven time and time again to help create, not just drive the economy and attract new investment and attract people to want to stay here, students to come here, but they're also very important for the social fabric of our province.

They are what set us apart. Valuing and respecting diversity and our cultural differences, cultural identity, et cetera - all of those pieces fit together when you're looking at culture, and that all falls within the purview of Communities, Culture and Heritage, and our programs are lined up to try to maximize and take this province as far as we possibly can in supporting that in all aspects.

MR. STROINK: All aspects of the creative economy. That's great. That can clear up some points on how important the creative economy is for Nova Scotia as a whole and our true investment to the economy. Thank you for that.

I guess I do want to touch base on - last year we had a great event in one of the hotels here about Books Start Here, and that initiative from the book publishers. They really came together as a whole and invited all the MLAs to come and I had a real seek-to-understand moment of the publishing industry of Nova Scotia. What was their original ask to support the book publishing industry?

MS. TAWHEEL: I believe they were originally asking for in the range of \$1.2 million. Through working collaboratively with that sector we've arrived at a figure of approximately \$1.1 million. At the announcement today we'll have five publishers here to speak to the importance of this investment and how they believe this investment will help take them to the next level.

MR. STROINK: Maybe you can walk us through the \$1.1 million that we're giving to them and how that's going to work. It's not a tax credit - it's an investment.

MS. TAWHEEL: Thank you for that. It is an investment and in broad terms it will allow these publishers to expand into the academic publishing market. It will also allow them to translate existing titles that they hold - particularly in children's books - into French and Spanish, which is a large market that warrants exploration. Also through this funding, they'll be able to grow new titles that will increase their sales worldwide.

What speaks volumes to me and to the department is that the publishers came to the table and said, we are willing to put 50-cent dollars on the table - for every 50 cents that you put on the table we will invest the same - because they believe in their industry. They believe in Nova Scotia, and they believe they have huge potential to grow. That's what this investment will do. It will help take them to the next level.

MR. STROINK: I guess we do have some naysayers in this province in the sense that they see the book industry as a dying industry. I personally don't think that's true. So maybe you can broaden that a bit on why we're spending that much money on the book industry. To me, this is a fundamental aspect of publishing as a whole. Maybe you can just walk us through why we're doing that - because of those naysayers.

MS. TAWHEEL: Certainly. The book publishing industry is a thriving and growing industry. I think sometimes people mistakenly believe that when you talk about book publishing you are only talking about what we may have thought about 20 years ago, which is just the hard kind of book in your hand, but we're talking about much more than that. We're talking about digital content. We're talking about re-packaging existing materials and marketing them on a worldwide stage.

This funding will open doors - international doors - for this industry that they may not have been able to open without this kind of investment. Our book publishers will be at the largest book fairs in the world, thanks to this investment and their willingness to come to the table and work with us.

This industry is thriving - huge growth potential. There is a large opportunity for our book publishers to carve out - and they are carving out - their own niche markets. These smaller companies - there is huge opportunity for them to cater to particular audiences that live and exist on the international stage.

MR. STROINK: We have heard that Ontario has a better program in place for book publishers. How does this compare to the Ontario model?

MS. TAWHEEL: This model would be comparable to the Ontario model and it will certainly allow us to keep pace with what that province is doing. In the absence of this fund, we wouldn't be able to provide the kind of support that we are to the book publishers in the way that we are.

This is an innovative and different kind of fund in that we really do work hand-in-hand with the industry - and we have with the book publishers - to arrive at viable, strong projects that we believe have high potential to succeed. To my earlier point, perhaps more importantly, the industry themselves believe there is high potential to succeed and they're putting money behind that.

MR. STROINK: I guess from the book publishers we go to the craft sector. How is this supporting the craft sector? I think that is another aspect of the Nova Scotia creative economy that really hits from Yarmouth to Cape North. You see it everywhere - the craft industry thriving. How is this helping those crafters exceed beyond the Nova Scotia borders?

MS. TAWHEEL: Similar to the investment that we're making with book publishers, investments that we're making in the craft area will do much of the same thing. It will allow them to take their product, and explore and expand into other markets, and help them to identify new buyers for their products, expose all that Nova Scotia has to offer on a broader scale, bring them into contact with other venues that could market their product, and take them into fairs and other exhibition opportunities that will give them access to markets that they would not have had before.

As my colleague mentioned earlier, we have a huge and highly competitive craft sector, cultural sector, in this province. So much talent here that just needs a bit of a boost in order to be seen outside of our borders. The expertise in the department, combined with the expertise that the artists bring to the table, is a really powerful combination that will help them grow.

MR. STROINK: I do want to change gears just a tad away from this topic for a moment and talk about a project that has come to light called the cultural link project. I guess I see this as a very interesting project for your department. I'm wondering, have you heard about it? What have you heard? Maybe you can explain to me where it sits in your department.

MS. TAWHEEL: I am familiar with the project and I believe we have received an application. I will ask my colleague to speak to it in particular in terms of which fund might make sense. We are in the very early stages with the project, but we're certainly familiar and are assessing it at present.

MR. MCKEOUGH: The cultural link project is new to us. It's literally brand new. We've just received it in the last few days. It advocates for the creation of a film soundstage, which really wouldn't necessarily be our area, but the other part of it is it focuses quite a bit on the arts, and that is our world. We're definitely going to give it serious consideration.

It actually contains within it a proposal we've been examining for a few years, which is known as the legacy centre. This is something we're watching closely because we

think it has real merit, but in order for it to succeed it has to have a strong proponent, and so far that hasn't appeared, but we're working with the community to try to encourage that and cultural link might be the next step forward.

MR. STROINK: Excellent. It's a great initiative and I think with the purchase of the World Trade and Convention Centre for a private developer who is interested, that's creating that foundation for business to lead and making changes within the cultural sector for positiveness, I think it's a great initiative.

I do need to turn it over to my colleague, Suzanne, who has a few questions for her riding.

MR. CHAIRMAN: Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: Thank you for being here because I am a great supporter of the creative arts and tend to dabble in them a little bit myself. I feel fortunate to live in a constituency and a county that really attracts the creative industry.

I want to talk about the LAMP program - the Lunenburg Academy of Music Performance. It has incredible, outstanding performers coming to study. Recently it did receive money from the Department of Communities, Culture and Heritage, but I think it was under the Industry Growth Program. Does that still exist or - I'm a little confused as to how people get their funding for different organizations. I understand it's a not-for-profit organization as well. Could you give me more details on how this happens?

MS. TAWHEEL: Yes, I am familiar with the LAMP project. You're correct, that project did receive funding through our Industry Growth Program - I think about \$45,000. The Industry Growth Program is - if I can put it in simple terms - it is sort of the precursor to the Creative Industry Fund.

The Industry Growth Program would be where a project or a group like LAMP would go when they're just starting to establish. When there's an idea and some really good energy behind it, they would come through the Industry Growth Program, and that's exactly what LAMP has done.

That project is showing lots of promise, as you would be well aware, and they've had some great success just in the last couple of years. Their next step would be to work with our team to determine if it's time for them to perhaps look at the Creative Industries Fund if they have a project that they want to advance, and they're ready to move to the Creative Industries Fund. I guess that's the easiest way. Without getting into all the program criteria, the Industry Growth Program is an ongoing, existing fund, and it is geared at those companies that aren't quite ready for the Creative Industries Fund. They don't have a product yet to export, or they're just in the initial phases.

MS. LOHNES-CROFT: So the Industry Growth Program would be a one-time funding opportunity?

MS. TAWHEEL: No, potentially two years.

MS. LOHNES-CROFT: So you could apply two years in a row? Does it have to be two years in a row - can there be spaces between?

MR. MCKEOUGH: The Industry Growth Program is designed to foster growth and development. Essentially, we prefer not to go past two years simply because applicants then want a continuous return. Eventually there's no fund for development. We try to wean them off after two years. If, however, there's great growth, and we can see that if we continue to invest, they won't need our funding, we would consider more time.

If you don't mind, I would just like to speak to LAMP a little bit because it's a bit of a cliché in Nova Scotia in terms of potential. The Town of Lunenburg is one of the amazing creative economies in Nova Scotia. Your town is driven by arts and culture, and you are attracting new arts and culture interest all the time. That's why LAMP has chosen that. They're in a heritage building. They have attracted great people to the project. They have proven themselves for two years without any public investment - all private donations and earned revenues. They came to us with an idea on how to further grow their earned revenues. They are, in fact, exporting because a lot of their clients come from away to study in Nova Scotia and they bring with them all of that capacity, again, making Nova Scotia a more attractive place to be, an arts and culture friendly province and community.

When we invest in LAMP, these are the things we're also looking at. We're looking at community and economic development and social development. That project is providing it. We do hope that in time, however, most of the projects that do arts education in Nova Scotia, the institutions like the Gaelic College and others, actually are sustainable and come to us periodically for opportunities to grow and be more sustainable.

MS. LOHNES-CROFT: LAMP does a wonderful outreach program. I've been on organizations that they've given free concerts, or in the schools. It's a real opportunity for the local people as well.

The creative funds, how often can you apply for those?

MS. TAWHEEL: You can apply multiple times through that fund. The fund is designed to support projects, so if there's a project that, for example - book publishers are on my mind - a book publisher wants to come forward with, they can apply to the fund multiple times. The fund is based on a project basis.

MS. LOHNES-CROFT: So each project should have a little different goal?

MS. TAWHEEL: Yes, exactly - a new market, a new aspect, again, with the goal of driving export, of increasing market share, of growing revenue.

MS. LOHNES-CROFT: How are the visual arts doing as far as applying for grants - are there many people taking advantage of what's available?

MS. TAWHEEL: I can ask Marcel to speak to specifics.

MR. MCKEOUGH: Thank you for that question, because it's actually really relevant to Lunenburg. This is an area where we've only ever assisted with artistic development. The artist wants to expand their repertoire, and they're in that area. Some have come to the Industry Growth Program and had some success. We believe that the visual arts in Nova Scotia have tremendous potential, really significant. We are home to some of this country's greatest visual artists. The recent passing of Alex Colville - that's not recent, I suppose - but this was a gentleman whose work sells for many hundreds of thousands of dollars, had an amazing career. There are others like Tom Forrestall and many more. I'm just naming the clichés.

MS. LOHNES-CROFT: Joseph Purcell.

MR. MCKEOUGH: Thank you - and a lot of folk artists from that part of the province. This program is asking the art gallery owners in the Province of Nova Scotia to take those Nova Scotian artists into the markets, into New York City, into London, and sell their work there, and they have done that.

We haven't had a big response yet, but we have had a few. The reason for that is because typically they've not come to us, but now that we can invest into business, more are looking to us now and trying to find ways to do it. We expect that there will be fair take-up on this in the next number of months.

MR. CHAIRMAN: Order. We'll move to Mr. Houston for 14 minutes.

MR. HOUSTON: I do want to return to the film industry, and the future prospects for the film industry, because we had a little chat about whether it was down, or up, or where we're going to go from here.

I was reading an article where the Directors Guild of Canada reported that its Nova Scotia members made \$2.8 million less in 2015 compared to 2014. They attributed it to the decrease of migration of industry workers to the West, and problems with the new NSBI fund at the time. We know that fund was late coming. It was a reactionary thing, and there were a lot of issues with that fund that I still don't necessarily think have been ironed out. It is holding the industry back, in my estimation. I'm curious - is your department working with NSBI to try to make that process better?

MS. TAWHEEL: We do work collaboratively with NSBI, absolutely, in terms of growing the creative sector - the culture sector - broadly. When it comes to the specifics of the administration of the Film and Television Production Incentive Fund, we're not involved in the administration of that fund. That is under the purview of NSBI. Similarly, NSBI is not involved in how we administer the Creative Industries Fund. We work collaboratively and share a common goal, but the actual day-to-day administration of the fund does fall within their purview, and our fund falls within ours.

MR. HOUSTON: So the Directors Guild of Canada - and I hear this too - say that the new fund administered by NSBI is too time-consuming. It's too confusing to attract new business. It just takes too long between applications and getting cameras rolling. I'm hearing this. Presumably you're probably hearing this - and I appreciate that you want to kind of say that's them, not us. Do you feel any responsibility to try to make things better - to try to get that industry going?

Yes, maybe it's theirs, but you're the deputy minister - do you not have any authority to say, look, this has to improve?

MS. TAWHEEL: We do work together to try to create the best conditions possible for the industry to grow - not just the film sector, but all of the other pieces of the sector that I referenced. Absolutely, I feel a personal responsibility to help this sector grow. I think we all feel a responsibility to help Nova Scotia grow.

MR. HOUSTON: Have you suggested any improvements to NSBI? Have you said, here is a list of recommendations we think you should do at this time?

MS. TAWHEEL: I am not familiar with how they are administering the day-to-day administration of that fund. It falls within the purview of NSBI. We do work collaboratively, as I say, on the broad strokes. We will come together periodically to assess.

For example, the Creative Industries Fund is essentially four or five months old. I would suggest once we have a year under our belt, we're going to want to sit down to say, here are the program offerings that we're providing to the sector - what's working, where might we make some adjustments within the department, but also in collaboration with NSBI.

MR. HOUSTON: Here is the problem as I see it - and you kind of hit the nail right on the head. You're the deputy minister and you're not entirely familiar with how that fund works - that's kind of their deal, right? But you're the deputy minister and you're not even really that understanding.

Imagine how confusing it is for people in the industry. Well, you have to do that with NSBI, but if you want to go to a festival, we may or may not have a program over here at the Department of Communities, Culture and Heritage. Then you can probably apply to the Department of Finance and Treasury Board for that.

It's the exact problem with government that I hear from people - wrapped up in a nice little bow as to how confusing it is. I see that as a problem. Do you see that as a problem? We're sending people to this different department - that's not my department, try this department. It doesn't make sense to me. We're trying to help this industry recover and there are more roadblocks being put up in front of them with bureaucracy and red tape than you could possibly - you couldn't even dream up a more complicated system. I'm offended by it. Are you offended by it? Do you see a problem there?

MS. TAWHEEL: What I would say is that - and from the highest possible level, I think government is well served and the public is well served generally, regardless of the sector that we're talking about. When we do our best to ensure that we have processes, programs, grants, et cetera, that those that we are trying to serve - not just in the Department of Communities, Culture and Heritage or NSBI, but across the board - that we make those as user-friendly as we can possibly make them.

From where I sit at the Department of Communities, Culture and Heritage, we have very good relationships with the sectors that we're serving. Can we improve and simplify things? I think there is probably always a bit of room for that, but I would suggest to you that the success we're seeing through the fund that I'm here to talk about today would say that the industry, the sector - these particular aspects of the sector - they are aware of the fund and awareness is growing.

We can always do more to promote the funding mechanisms that we have in place and I do believe - to some of my earlier points about creating a strong cultural foundation in this province - we do need to make sure that programs - not just the ones we administer - but programs - do speak to the clients that they serve.

MR. HOUSTON: That's the problem I have. I don't think that's happening. I would ask you this - when the Film Tax Credit was cut, the Premier said that was to save money, because it was too rich. We couldn't afford it. We're a broke province. Remember all these types of sound bites that he had at the time.

Now we hear about this fund here, and that fund there, and this department. I can only imagine the administration that goes along with all that stuff. I don't think the new process is efficient, for sure. Do you have any sense as to whether the new process is actually saving the province money after all this?

MS. TAWHEEL: I can't speak to the intricacies of a tax credit versus a fund beyond saying that my understanding is through a tax credit, it's very difficult to budget the amount that would come through a tax credit versus a fund. It's easier to budget the amount, and it's a different investment model.

I can't speak to the process that NSBI has in place. I can only speak to the process that the Department of Communities, Culture and Heritage has in place. Insofar as our fund is concerned, I would say we have stripped away as much of the bureaucracy, if you will,

that we possibly can and work hand-in-hand - to some of the earlier points that I made - with those we are trying to serve to make sure that when they finally get to the point where they're putting that application in, it has a very high possibility of being successful.

MR. HOUSTON: So in your meetings - and I think deputy ministers meet and this type of stuff, and you're probably dealing with the Department of Finance and Treasury Board around budgets and stuff like this - have you ever been part of any discussion where anybody actually stood back and said, okay, we made that dramatic change, we really did a lot of damage to the film industry - we did it under the guise of wanting to save money. Are we actually saving money?

If you're saying, okay, my department is efficient and we do things well, but this is a cultural item - the film industry. Have you thought to ask or have you heard anyone saying, we definitely did a lot of damage to the industry but did we save money in doing it?

MS. TAWHEEL: I can't get into specific, line-by-line details.

MR. HOUSTON: I'm not asking for line-by-line. I'm just asking on a global thing, has anyone actually stood back and said, wow, we wanted to save money - did we save money?

MS. TAWHEEL: I would say - if we look at where the provincial budget currently stands, we are in a surplus position through different decisions that government has made, some of which would be reflected in some of the investments that have been made in CCH and some of the program changes that have been made. Certainly, as a group of deputy ministers, we do obviously look at our individual departmental budgets, and we do work collaboratively on the global budget. I cannot today get into specifics around particular, discreet decisions or items that have been made.

MR. HOUSTON: So, the answer is no. The question was just on a general basis - has anyone looked and asked if this saved the province money. And the answer is no to that question.

MS. TAWHEEL: No, it actually isn't no. I can't respond to that question. That doesn't mean that others haven't had that conversation. I am not the Deputy Minister of Finance and Treasury Board. That conversation may very well have been had within that department, but it is beyond the scope of what I can speak about today.

MR. HOUSTON: Okay, it's not a discussion that you've been part of.

MS. TAWHEEL: Right, and bear in mind that I've only been in the department for less than six months.

MR. HOUSTON: Okay. Fair enough.

MS. TAWHEEL: So, that doesn't mean it hasn't happened.

MR. HOUSTON: It would be interesting to ask that question, and I would suggest it would be particularly interesting to you in your capacity as the Deputy Minister of Communities, Culture and Heritage to know where is this going, because the film industry is a big part of the number that you said, \$800 or \$900 million, and a lot of that was the film industry. And that number is a lot less now I think, and I think these are the types of things that we should be looking at and asking, did we make the right call there?

I think it was absolutely the wrong call. I can see some people want to spin that certain ways, but I'm just asking a simple question, did it save money or not save money?

The fact that there's no answer to that question is a concern to me because we have a more inefficient process that's probably costing more money, and we're further behind as a province - and all three of those are bad things in my estimation, but you did respond. The question was from another MLA here, how much is invested in cultural activities, and you used the number \$22 million from NSBI. So, that's a number that you're aware of I guess. You seem to have that right to hand so ...

MS. TAWHEEL: That's adding up the investments that they have announced, yes.

MR. HOUSTON: Okay, so, that's something that you didn't ask them, you just kind of figured it out on your own.

MS. TAWHEEL: Right, because they've made public announcements of the funds that they've committed to support through the Film and Television Production Incentive Fund, so yes.

MR. HOUSTON: Okay, so that's how you're getting your information about the film industry, by looking at their press releases.

MS. TAWHEEL: It doesn't mean that I haven't also had conversations with them but, again, it is on the public record, the investments that they've made.

MR. HOUSTON: Sure. Okay, it was \$22 million. Then I'm interested in the number used for your department was \$45 million, and I did look at your budget which is \$81 million, and of that there's \$35 million for libraries and museums which, interestingly, leaves \$45 million. So the number you used of \$45 million, that was a number that you put out there as the government's investment in culture and arts and communities. How much of that is actually getting to people in those industries and how much of that is overhead?

MS. TAWHEEL: Just let me pull up the numbers here - I'll grab the number for you. So, \$45.7 million is the actual investment in culture that we are making through grants and programs, and I'll just pull up the other numbers so I can break out the rest for you.

MR. HOUSTON: So, would that be part of your \$81 million overall budget?

MS. TAWHEEL: It is part of it, yes.

MR. HOUSTON: So, just as an example, I'm looking at your budget and I see Planning Secretariat, \$4.5 million. So, that's part of the \$45 million I guess.

MS. TAWHEEL: No, it's not. The \$45 million is specific to grants and programs that go directly to the culture sector.

MR. HOUSTON: Okay, maybe we can get a table on that, because if your whole budget . . .

MS. TAWHEEL: Yes, you can, absolutely.

MR. HOUSTON: . . . your whole budget is \$80 million and \$35 million is for libraries and museums, that only leaves \$45 million. So part of that remaining \$45 million has to be overhead. I see different things in your line item right here like Planning Secretariat, Office of the Minister, and Deputy Minister. They have to come out of the \$45 million, so I'm just a little curious as to - maybe we can get it . . .

MS. TAWHEEL: I can, I can give you the full breakdown - and I'd be happy to sit with you to walk you through what each of those aspects include because there are a bunch of other aspects of the department that we have not touched on today, and I'd be more than happy to walk you through those.

MR. HOUSTON: Okay.

MR. CHAIRMAN: Order. Time has expired.

We will now move back to the NDP caucus and Ms. Zann.

MS. ZANN: Actually, on that note, I was trying to hear what you said about how much of that \$45 million budget was for arts and culture and heritage. What did you say?

MS. TAWHEEL: The contribution is \$45 million.

MS. ZANN: Right, but as he said, part of that has to go toward running the office.

MS. TAWHEEL: No, it doesn't. It's \$45 million in grants and contributions.

MS. ZANN: Of that \$45 million, part of that goes toward heritage, right? Part of that also now is part of this new sports; you've had sport added in, haven't you?

MS. TAWHEEL: Sport is not included in the \$45 million, but yes, we have sport and recreation.

MS. ZANN: So you have sports and recreation, but that's not included in the \$45 million. For actual arts and culture, I remember that it used to be, before everything was put together, about \$9 million. Is that about right? Could the executive director answer that one because he was around at that point in time? For arts grants.

MR. MCKEOUGH: For arts and culture, it was. But the division, for example, for which I am responsible, the budget is now just shy of \$18.5 million. Pretty much all of that is grants and contributions just in arts and culture. When you go to the larger figure, you're actually adding in programs that are in the museums, the archives, and the libraries. There's a lot of grants.

MS. ZANN: So just for the arts grants, it hasn't been increased. It's mainly still the same, isn't it? The \$9 million figure?

MR. MCKEOUGH: Some programs have and some haven't. The \$18 million that I'm referring to includes this \$2 million fund here today. It also includes money for Canada 150. It includes money for Events Nova Scotia. So there are numerous developments.

MS. ZANN: They're one-time only things - ECMAs, things like that.

MR. MCKEOUGH: Exactly.

MS. ZANN: I was the ministerial assistant there for several years. I know the amount was about \$9 million, and it wasn't cut. I don't believe it has been cut since then, has it?

MR. MCKEOUGH: No, it has grown.

MS. ZANN: Right, with all those other additional things and with this budget of \$2 million.

MR. MCKEOUGH: We spoke earlier about the Industry Growth Program, which historically was around \$400,000; today it's around \$700,000.

MS. ZANN: Then the other thing is, when the deputy minister said that the creative industry gave close to \$1 million GDP and 14,000 jobs, you meant with your department, correct? You're not including film and television in that, are you?

MS. TAWHEEL: The number that I was referring to is a Statistics Canada number, and it was a \$949 million contribution to the provincial GDP.

MS. ZANN: It was \$949 million?

MS. TAWHEEL: Yes.

MS. ZANN: From just in Nova Scotia?

MS. TAWHEEL: Yes, the Nova Scotia GDP.

MS. ZANN: Okay. I thought you had said \$1 million.

MS. TAWHEEL: No, \$949 million. And 14,000 jobs, approximately. But I believe we've committed to - we can provide you with a full package with all of those numbers, absolutely.

MS. ZANN: Yes, that would be great. The film industry itself did their homework and said that they had contributed \$180 million to the GDP plus 3,200 jobs. Would that be included in that figure?

MS. TAWHEEL: Yes, it would.

MS. ZANN: Also it's a shame that the Premier, at the time, didn't accept that offering and didn't want to read the PricewaterhouseCoopers report, which actually showed how many jobs and how much money was being contributed by this very important industry.

One of the things that I wanted to know is, for this particular \$2 million fund, it sort of sounds like it's really replacing what Film and Creative Industries Nova Scotia was geared up to do. Film and Creative Industries Nova Scotia was supposed to do exactly what this project, for want of a better word, is doing, but on an even wider scale. Do we know exactly how much was lost by the closure of the Film and Creative Industries Nova Scotia agency? Does Mr. McKeough have that figure or know approximately how much that would have been?

MR. MCKEOUGH: I really don't. We were not intimately involved in their operation, and most of the funds you refer to spoke of the film industry. The investment for music and crafts was nominal, frankly.

MS. ZANN: And that was involved with your department.

MR. MCKEOUGH: Yes.

MS. ZANN: Wasn't it supposed to bring them all together somehow - bring the departments together so that once they reached the point where you're talking about now, where they could be capitalized, for want of a better word, they could be taken to the next level once they had already been created - giving the creative people money to create, then work with business people in order to turn it into a product that could actually be sold? And then it reached the point where they would also go to another level, which is what

we're talking about here, where they would also get help to then sell their products around the world and outside of Nova Scotia.

I feel like this \$2 million fund is really just taking the place of what was - that's what we were working toward with Film and Creative Industries Nova Scotia, as we were trying to bring all of the different activities and the arts together.

I know you mentioned to Mr. Stroink that this fund is very generous, but we don't really know how much Film and Creative Industries Nova Scotia was worth when it was around. So you can't really say to us, then, how much more was being put into the industry with Film and Creative Industries Nova Scotia?

MS. TAWHEEL: No, I would not have that number here. It's not something that we would have. We could certainly try to secure that for you, but we would not have that with us today.

MS. ZANN: The other thing is, for dance companies here in Nova Scotia, for instance, I didn't see any of them on the list of things that have been approved. Are dance companies here in Nova Scotia part of the - can they apply? Will they be approved any time soon?

MS. TAWHEEL: Yes, absolutely they can apply. I'm not certain if we have any projects with them in the queue, as it were, at present, but they're absolutely eligible for this fund.

MR. MCKEOUGH: We are actually in discussion with one or two. They're not on the list of 18 or 13, but we're definitely in discussion with some.

MS. ZANN: That's good to know. What about some of the bigger companies like Neptune Theatre and Symphony Nova Scotia, for instance?

MR. MCKEOUGH: Neptune Theatre have come to us with a proposal and we're reviewing it. It may not be through this fund, because it's really not export driven as much as it is audience development right here in Nova Scotia. We are having discussions with the symphony about some ideas related to the Canada 150 fund.

MS. ZANN: So you mentioned festivals - are you talking about already established festivals, or can new festivals come to you and say, we're establishing a festival, we'd like to get help getting it up on its feet? Or is this something where you say, well, we don't see any proof in the pudding yet - you need to come back to us after you've already done something?

MR. MCKEOUGH: The fund is not for emerging, but if new festivals come to us we usually see if we can support them in one way or another. I suppose the latest example is the Devour! festival in Wolfville, where we've been working with it. It's only three or

four years old and it has had great growth. It's an important economic generator for the Town of Wolfville and for all of the Annapolis area.

On the other hand, older established - we just did a project with Celtic Colours where they streamed their opening event and there were costs related to the musicians' union, but it allowed them to stream worldwide, and so we were able to invest into that.

MS. ZANN: What about one-time-only festivals?

MR. MCKEOUGH: Interesting question. It depends on the component around the festival.

MS. ZANN: So for instance, in 2017 I know that in Colchester County they're going to have a first-ever Colchester County Highland Games. They would like to turn that into an annual event. What about something like that?

MR. MCKEOUGH: It really depends on what they're asking. It depends on their legal structure, it depends on their capacity, and it depends on the history of the persons involved. There are so many considerations before we advance public funds.

MS. ZANN: So is it worked into the system, though, that a one-time-only festival or a possible beginning of an annual festival could apply, or is this only for festivals that are already really established?

MS. TAWHEEL: They absolutely could apply - not necessarily through this fund, but through other programs that we offer. For the example that you provided, through one of our other divisions in Communities, Culture and Heritage there may be a program or some work we could do with - games like that, for example might not necessarily fit within this fund but would probably fit elsewhere. Our department does have responsibility for festivals, et cetera, so we would be the place to come to determine if we have a program that fits. If not, we would work collaboratively with the organization to help them figure out if there are other avenues available to them.

That's a point that I don't think we have raised through this discussion - the provincial government is not the only funder. There are also funds that are often available federally, and sometimes municipalities can leverage funds. Depending on the maturity of an organization or a group, sometimes they're not fully aware of what the other options might be that are available to them, so I see it as part of our role to work collaboratively, to help open up whatever those other doors might be.

MS. ZANN: Thank you. Also, when it comes to heritage - heritage buildings, heritage spaces - does this fund have anything to do with helping them in any way, shape, or form?

MS. TAWHEEL: No, it does not.

MS. ZANN: So this is, again, more about exporting products?

MS. TAWHEEL: It is.

MS. ZANN: Going to business, things like this - ones that have already got capital and are looking for more capital, 50 per cent or 75 per cent. Also, how many more are you expecting to get this coming year from the community across Nova Scotia, to apply for this fund? Has the industry showed you any interest, in how many people will be applying for it?

MS. TAWHEEL: As referenced, we have 13 applications pending. Marcel can certainly add to this, but I know the program staff who are administering the fund are out talking with artists and companies every single day, looking for projects and helping them identify viable projects that they could bring forward. I think it would be very challenging to put a hard number on that.

MS. ZANN: Are you working with Tourism Nova Scotia at all?

MS. TAWHEEL: Yes, we work collaboratively with Tourism Nova Scotia.

MS. ZANN: Can you explain that a little bit further?

MS. TAWHEEL: Obviously we have a shared goal: we want to market Nova Scotia nationally and internationally. We also need a vibrant creative sector and cultural economy in order to attract visitors to the province.

MS. ZANN: Sorry, I've only got 30 seconds left. Have you asked about the ferry - if we could have any performers on the ferry, anything Nova Scotian on the ferry to try to celebrate our culture here on that Yarmouth ferry?

MS. TAWHEEL: As I understand it, there is information that is available on the ferry, that does speak to - not necessarily performers, but that does speak to the culture in the province. There's information that is available.

MS. ZANN: Any discussions, though, that are going to be happening with the ferry owners about putting our Nova Scotian performers on board to show people what we offer here in Nova Scotia?

MS. TAWHEEL: We work regularly with Tourism Nova Scotia, and that's absolutely always part of the conversation, how we market Nova Scotia, using the ferry and other means, and other modes of transportation as well. We need to be looking at our visitor information centres and making sure they're providing information about all that is available here.

MS. ZANN: So long as they don't get rid of those visitor information centres, which they tried to do.

MR. CHAIRMAN: Order. Time has expired.

We'll now move back to the Liberal caucus and Mr. Porter.

MR. CHUCK PORTER: Thank you, Mr. Chairman, and thanks to the department for being with us. It's a very interesting topic, part of which - I guess when I thought about it, I wasn't really thinking about the craft side of it. I go to enough craft shows that I probably should be more aware, I guess, but it's an interesting piece, what this Creative Industries Fund does capture.

Before I get into that, there's a little bit about the music side I want to ask about too. There has been a lot of discussion today around NSBI and the film side of things, so I want to just ask you, before we move on, to help close that for me - and I'll ask you the question. I won't insinuate or try to tell you what you've heard. I'd like to ask you, what have you heard with your collaborative works through NSBI on where we are with the film industry and how that's going?

As a second piece to that, how much different is it now than it was? I think you quoted something like \$22 million in a quick calculation that you've done, has been invested with more announcements in the wings. If I'm recalling back a year or two, that's not too far off from where we were, and what we've done is actually added - with the Creative Industries Fund on top of that again and many more things. We'll get into that, but maybe your thoughts on that first.

MS. TAWHEEL: I'm sorry, the first part of your question?

MR. PORTER: The first part was about asking you what you're hearing - not telling you what you're hearing. You didn't really have a chance to go there. It wasn't more about trying to tell you what you're hearing. I'm going to ask you - what are you hearing with your partnerships and collaboration with NSBI, and where that's all going?

MS. TAWHEEL: Again, I will ask my colleague to jump in if he wants to supplement my response at all. I would say what we are hearing in our collaborative conversations is that things are going well, that the investments that are being made in film, along with the investments that the Department of Communities, Culture and Heritage is making and other facets of the sector are really helping to grow the sector, absolutely.

We can see on an almost weekly basis the investments that NSBI is making, you'll very soon be seeing releases come out and announcements take place with the investments that we're making in the Creative Industries Fund. Now that we have a substantial block of those we're ready to start announcing those and promoting our fund.

I think the sort of climate, if you will, in the province generally - and also within the sector - is quite positive and we want to capitalize on that. We know that Nova Scotians value their creative sector and they want to see it supported and they want an opportunity to enjoy it, but also to see businesses that have grown up in their own communities have a chance to thrive and succeed in markets outside of Nova Scotia. We've run through a few examples of those. We could take up a whole amount of time running through a lot of other examples, but I would say generally the sense that we have in conversation with the sector is that things are good. Marcel, do you want to add to that?

MR. MCKEOUGH: For me it's a tough question because as we pointed out earlier we do not have statistical information, but certainly anecdotally we are hearing that the industry is well, that it is remodelling. For example, it seems like there are a lot more television projects underway. The government has invested.

It is interesting to point out, I suppose, that the tax credit model is an old model. It has been around for a long time. It is being challenged in jurisdictions across North America and new models are the way of the day. So that means some adjustment, no question about it, but it seems like we're back into a period of growth.

MR. PORTER: It's interesting because in recent weeks there have been as many as three different films being shot in my area. We've continued over many years seeing movies in that business - in the Windsor, West Hants area and beyond, throughout the province. Obviously there is great value in coming here to do that business.

From the creative industry side - the reason that we're actually here today - I'll ask you the same question. What is the industry saying? We talked a few minutes ago - you're going to make an announcement here in a bit about the Creative Industries Fund and the publishing side of things. Again, that publishing piece is - I don't think people relate to books, but we're not generally thinking outside of that box by way of - it's probably e-readers, and everything else. There are so many people now in the electronic world who are still reading a great deal.

I guess when I think about that, my children being part of that, and my wife, who loves to read electronically as well - more so than all the books lying around. I was very interested and somewhat amazed that we're putting \$1.1 million into it because it's just something that I really didn't think of. I don't know if Nova Scotians in general think a lot about that side of it. Obviously they must be excited about that. You worked with them to get where we are on it. What are they saying about that - at least that sector, that piece of the industry?

MS. TAWHEEL: I think certainly you will hear more later today directly from the industry, so I won't try to completely speak on their behalf, but I will say, in the conversations that we've had with them, they're very excited about the prospects for the industry. They see potential for growth. They like this fund, and I think they've enjoyed

working with our staff in order to get to a point where we're able to stand today and make this investment in their industry.

To your point and to points that I think we've made throughout this conversation, book publishing is not just about the books necessarily, the hard books in our hands, although that is certainly a piece of it. Some people do still like to hold a book in their hand
...

MR. PORTER: Me.

MS. TAWHEEL: I do too. It is about so much more than that. This is an area of growth in an industry that has already enjoyed remarkable success. They see this fund and their investment, coupled with our investment, as a lever to take them to that next step. They would not, I believe, have come to the table and had these very productive conversations with us if they did not see huge potential and also a willingness on the part of government, and Communities, Culture and Heritage specifically, to work collaboratively with them to determine, okay, what does the future look like and how can we best take advantage of it.

MR. MCKEOUGH: I think it's very interesting, the word "book." Today, the book is on your screen. Where is the paper? Where is the page? You're right, the end result has been modified. But the process of creating the book, the talent to write the book, the editing required to make it a successful product, the marketing of it - these are all facets of the job creation that come with the book publishing industry.

A number of our book publishers are actually publishing books - we like to use this example - it's called Texas Trivia, which is a big seller in Texas that's produced by a Nova Scotian company. The publisher derives the income back into Nova Scotia from a product sold in Texas. I'm sure it's sold digitally and in hard copy. But all the facets of creating that project happen here in Nova Scotia. That's really what we're trying to capture.

The same is true of the music industry. We all know a name like a Joel Plaskett, but behind Joel Plaskett is a multitude of people who support him in his endeavour - help him market the product, help him do press releases, and help him record the product.

So many features of these industries are labour-intensive, and that's the opportunity we're trying to create. Of course, when we say the words "creative economy," that's what we're discussing, jobs in this province where we seem to have an abundance of talent, but we need the added market outside of the province to enhance our capacity.

MR. PORTER: Time goes by rather quickly on us, and I only have a few minutes left, but I do want to cover a couple of things. Just before I move on, for the record and I guess my own clarity, this was all part of what before - where did this assistance fit before the Creative Industries Fund was introduced as we know it?

MS. TAWHEEL: This is a new fund.

MR. PORTER: So where did it fit before? We did support those industries before differently, but out of where?

MS. TAWHEEL: We did, through a multitude of different programs. This is the first time we've put together a fund that looks like this in one place.

MR. PORTER: Thank you for the clarity. To the music side of things, that's something I'm very interested in. I have a number of friends who are in the music business. Does it matter how big or small you are - maybe that's not put very well - how well-known you are or what level of professional status you reach in the music business to enable you to apply for this kind of assistance through CCH?

MS. TAWHEEL: I will start and then ask my colleague to provide further detail. There are funding options available for musicians at every level, not necessarily through the Creative Industries Fund. So it does matter in the sense of how we would kind of channel the application process for a particular musician. Music Nova Scotia administers, on our behalf, programs that support those who would be what we would call at the sort of emerging stage. They're new to the business; they're just starting to develop, whereas the Creative Industries Fund would be looking at other artists who have reached kind of a higher level and who are ready to take the next step to expand an existing market and grow that existing market.

MR. PORTER: So then if I heard you correctly, it's specifically about marketing to a higher level of the artist - not necessarily Chuck taking his band and going into the studio and recording. Or am I wrong on that?

MS. TAWHEEL: I can let Marcel speak to the specifics.

MR. MCKEOUGH: If it was MLA Chuck taking the band into the studio without any previous experience, that would be Music Nova Scotia; but if it was one of the more established producers or management companies in the province coming forward saying I have got a rising star and you've not heard of them yet, we would probably tend to follow their lead because that career would escalate quickly and that does occur. These managers are out looking for talent at all times and occasionally they find gems - and they will escalate their career potential, and if they do, then this fund would be there for them.

MR. PORTER: So, it's basically industry-led, obviously, then - it's coming from someone in the industry.

MR. MCKEOUGH: Absolutely.

Mr. PORTER: So, they might come and say, hey, Chuck and the band are doing a great job. You should hear these guys. There is that opportunity that still exists for a new

music act coming along or desiring to be in the business, there's still an opportunity through that fund.

MR. MCKEOUGH: Absolutely.

MR. PORTER: But there are multiple other avenues . . .

MR. MCKEOUGH: Nine times out of ten, Chuck and the band would actually end up going to Music Nova Scotia before somebody major in the business decided to invest.

MR. PORTER: And then they would be redirecting from there if they saw that there was some . . .

MR. MCKEOUGH: The management company with the real experience would bring them forward and say, okay, it's our company, this is our performer.

MR. PORTER: Okay. What about the book side of it, then? I don't have a lot of time left but I'll ask, just in comparison to that - does the book industry work similarly the same way through the Creative Industries Fund? You know, do you have to be - there are publishing companies, obviously. It's the company for the writer that is doing that, then?

MR. MCKEOUGH: We rely heavily on the book publishers to identify writers. The book publishing companies actually will pay them advance royalties to secure the writer into their roster of writers, and yes, they are the talent finders. Occasionally, writers will come to us and ask us to assist with publishing. We usually defer them back to the publisher because we need the industry - we need their endorsement, and, frankly, we need their co-investment.

MR. PORTER: So, the risk is mitigated basically through the 50-cent dollars. If they've got the support and the faith in the act or the writer, you look at that obviously as being substantial enough to look at from that perspective. Okay.

How much time do I have left, Mr. Chairman?

MR. CHAIRMAN: You've got about five seconds remaining.

MR. PORTER: I guess that's about it. Thanks very much.

MR. CHAIRMAN: Ms. Taweel, I'll give you a chance to provide some closing comments.

MS. TAWHEEL: Just briefly, I just thank the committee for your questions, and I just wanted to say that I've only been in the department a short time, but in that time, I've had the privilege of working with a very dedicated group of staff who spend their days trying to grow the sector, as well as organizations like the Creative Nova Scotia Leadership

Council and Arts Nova Scotia, who are folks from within the sector who work really hard every day to try to grow our creative economy and the fact that this committee wanted to pay attention to the creative economy - we're very grateful for the opportunity. We'll provide all the feedback, or the follow-up materials that were requested. Thank you for your questions this morning.

MR. CHAIRMAN: Thank you for being with us.

I think there may be one item of committee business. Is there any business wished to be brought before the committee?

Mr. Houston.

MR. HOUSTON: Thank you, Mr. Chairman. Just in terms of the upcoming meeting we have with respect to the Yarmouth ferry, we kind of went back and forth as to which departments would appear as witnesses for that one, and I think what we would suggest is that the witnesses that we bring for that one would be Tourism Nova Scotia and the Department of Transportation and Infrastructure Renewal and I don't think there'd be any need for the Department of Finance and Treasury Board or the Department of Business, but that would be my recommendation - or my motion, however you want that, Mr. Chairman.

MR. CHAIRMAN: Thank you, Mr. Houston, and just for clarification: Tourism Nova Scotia, as in the Board of Tourism Nova Scotia? Okay. I'm hearing yes. For this to happen there needs to be agreement from the committee because previous to this we had approved, I think, four departments to come for that same purpose.

Mr. Porter.

MR. PORTER: Mr. Chairman, just with the change, is there a motion required to make that change? We're in agreement, by the way. I just don't know whether there's a motion that you want as chairman, formally, or that maybe the clerk requires. We'll do which motion is required.

MR. CHAIRMAN: I think Mr. Houston has made the motion.

MR. PORTER: I'll second that, then. That's fine.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

Seeing unanimous consent, our clerk will make note of that and make the adjustment for that meeting.

Our next meeting is October 26th, and that is with the Office of the Auditor General to discuss the Atlantic Provinces' joint audit of the Atlantic Lottery Corporation. It's the first time it has been done. There has been some information handed to you just now, in advance of that meeting, to help prepare any questions you may have.

Other than that, I'd just like everybody to stay for maybe 30 seconds after we close the meeting. There's a quick something I want to mention to all of you.

Is there any other business to come before the committee?

Hearing none, this meeting is adjourned.

[The committee adjourned at 10:51 a.m.]