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Standing Committee on Canadian Heritage

**House of Commons
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**Speaking Notes
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Monsieur le Président, mesdames et messieurs.

Thank you for the chance to meet today. I'm pleased to be here as the new Director General and CEO of Canada's national showcase for the performing arts, and I look forward to our discussion.

There's a great deal that I'd like to include in my opening remarks... but because of time constraints, I'll keep my comments relatively brief. I'll simply highlight what we've done at the NAC already, and some of the things we intend to do in the future.

When I came to the National Arts Centre, I knew it had a glorious 30 year history. I knew it had an important mandate... and an enormous amount of potential. But I also knew that we had to re-establish a solid foundation if we wanted to move ahead with confidence.

I'm happy to report to you today that we've made significant strides in re-establishing that foundation.

This is certainly the case financially. We've just reported an operating surplus of more than \$2 million in fiscal year 1998-99, eliminating our accumulated deficit from the past few years.

We've also completed the first four months of the 1999-2000 fiscal year... and with revenues well ahead of target and expenses well below budget, we're now in a position to forecast a healthy surplus for this year as well.

And we're close to completing a PILT (payment in lieu of taxes) arrangement with the Department of Public Works and the City of Ottawa... whereby we will be receiving \$48.5 million for much needed capital improvements over the next ten years.

It's also the case in terms of audience growth, with our box office revenues, subscriptions and attendance up significantly. Overall, NAC subscription revenues are up 7.3% over last year, reaching their highest levels ever. We've also attracted a lot more NAC

subscribers overall (34,644), a record for the 1990's. And the NAC Orchestra has more than 15 thousand subscribers this season, also an all time high.

That tells us in very clear terms that people are responding to the quality of music, theatre, and dance that our Artistic Directors -- Pinchas Zukerman, Jean-Claude Marcus, Marti Maraden and Michel Dozois -- are putting on our stages.

And if you'll indulge me for a moment, I want to congratulate all of them for a superb 1999-2000 season. We've had a spectacular season of dance, a rivetting theatre season, and all of the ongoing excitement of Pinchas Zukerman's first full season as the Orchestra's Music Director.

But Canadians in other parts of the country are also responding to our work. We feel strongly that the NAC has to exist for all Canadians, not just those fortunate enough to live near our home base on Elgin Street. This is not simply the Board's view or mine; it's our mandate. It's what Canadians have every right to expect.

That's why we were so pleased with the success of the "Canada Tour" by the NAC Orchestra during the fall -- a tour that the House of Commons and your Speaker honoured on December the 6th.

Maestro Zukerman has always believed strongly in reaching out to bring music to the widest range of audiences possible. And Pinchas and the Orchestra very much succeeded in achieving that goal during the Canada Tour. The tour played to full houses in almost all of the ten cities they visited.

The tour was an even richer success because of its outreach elements -- both in those communities we visited... and over the internet. The tour was important to us because it showed that we could engage and "move" the people who came out to our concerts. But it also showed how we could use "new media" effectively to reach people who lived hundreds or thousands of kilometers away from our live performances -- in Dauphin, or Digby, or in Vegreville. And the tour showed how we could work with schools and educators to reach out to the children and young people who will be our next generation of audiences. And that applies to dance and theatre as much as it does to music.

One other point that I want to make about the tour reflects a hallmark of all our programming at the NAC. The tour worked through partnerships with the local orchestras that were our hosts in each city. The same is true in all of our programming. Our English and French Theatre... and our dance series... usually co-produce or present the best work done by other theatre and dance companies across Canada.

Last Thursday's opening of "Whylah Falls" in Dartmouth, Nova Scotia... a co-production between the Eastern Front Theatre and the NAC's English language theatre... is a perfect example of the kind of creative partnerships that can be built across the country. And last month's co-production of the Odyssee with Montreal's Théâtre du Nouveau Monde was another very good example.

Still, even with these successes, there is much more to do. Let me, then, turn briefly to the broad changes that we're in the process of making.

Probably the most fundamental initiative we have underway is to change the NAC organization from a "bureaucratic culture" to a more "creative and entrepreneurial" one. David Leighton and I are extremely optimistic about the future of the performing arts in this country, about the potential impact of new media such as the internet, and about the future of the National Arts Centre. We believe, as a result, that we can afford to take a more ambitious approach to mapping out where we want to go.

Whether we do so by increasing our touring (like the Orchestra's Europe and Middle East tour this fall), through CD recordings, through radio and television broadcasts, through webcasting, or through a greater emphasis on youth programming, we are well positioned to respond to the demand for high quality artistic performances. We can do it in ways that reach a wide cross section of Canadians. And we can do it in ways that are compatible with our resources.

The centrepiece of our strategy has to be a commitment to artistic innovation and expansion. As I mentioned earlier, most of our production partnerships have involved bringing the work of Canada's best artistic organizations to our stages in Ottawa. We've hosted Les Grands Ballets Canadiens, les Ballets Jazz from Montreal, the National Ballet of Canada and the Royal Winnipeg Ballet in the past year... and we've recently showcased works from the Vancouver Playhouse, the Citadel Theatre in Edmonton, Soulpepper in Toronto and Théâtre Denise Pelletier from Montreal, to name just a few. In addition, we present Les Quinze jours, an extraordinary 15 day festival of the best French language theatre from across the country, every two years.

All that will continue to be important, because we should be a showcase for the best of what this country is producing. But we also need to do more work at the NAC that we can take on tour as well.

We need to be continually more inventive, more imaginative, and more willing to take on exciting projects -- "flexing our artistic muscles", as it were. And I'm confident that we have the artistic leadership, the musicians and the artists who can do all of that extremely well.

Where will that lead us? Well... we hope that people in Calgary, for example, will feel increasingly proud that they have a vested interest in two very good orchestras. They have a local orchestra, the Calgary Philharmonic, that deserves their loyal support, of course. But we hope they'll feel just as proprietary about the NAC Orchestra... or "Canada's Orchestra" as many journalists called it on our tour. It's an orchestra that they'll see in Calgary regularly... and an orchestra that will have far greater exposure in Calgary through the media -- radio, television, CD's and the internet.

And we hope they'll also see the NAC as a place that creates some of Canada's best theatre -- plays that are available to theatre goers across the country. And always in partnership with the local and regional theatres in their own cities.

I want to stress that this does not anticipate some federally financed growth spurt. In fact, we've been working on the assumption that our parliamentary appropriation will be stable for the next few years.

I believe that for us to achieve the kinds of goals we have in mind, the NAC has to generate far more of its own revenue. We have to improve our marketing, our fundraising (we're about to launch an NAC Foundation to help in that)... and we have to generate significantly more net proceeds from all of our other revenue centres.

We then have to use that "earned revenue" to cross subsidize our programming plans -- not our infrastructure. In other words, we have to invest in the seeds of our own future success... and that will happen if we can reach more Canadians... with the kind of music, theatre and dance that moves and inspires them.

I want to conclude these remarks by pointing out that I've only been on the job for about five months. There's a great deal to do, but I believe that we're heading in the right direction. I'm also pleased with the support and advice that the Board has provided, and I hope that we can work with your Committee in the same way. Thank you again, Mr. Chairman. We look forward to your questions.