



House of Commons  
CANADA

## Standing Committee on Canadian Heritage

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CHPC • NUMBER 019 • 1st SESSION • 38th PARLIAMENT

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EVIDENCE

**Tuesday, February 22, 2005**

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**Chair**

**Ms. Marlene Catterall**

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## Standing Committee on Canadian Heritage

Tuesday, February 22, 2005

• (0905)

[English]

**The Chair (Ms. Marlene Catterall (Ottawa West—Nepean, Lib.)):** I call to order this meeting of the Standing Committee on Canadian Heritage. We have one main witness today. We also have some other business to take care of: we need to finalize our travel agenda, hopefully, and to look at the witnesses we want to have.

Ms. Oda had a motion that we tabled at the last meeting. I was asked to speak to the chair of the official languages committee, so I'll let you know about that.

We have, by happenstance, the report on the Auditor General's appearance. It didn't get tabled last Thursday, which may have been a good thing, because we subsequently had comments from the Auditor General on the motion, which we might at least want to consider. We may still do exactly what we did last time, but I thought we would bring those to the attention of the committee in any case.

So could we take approximately the first hour with our witnesses and then go on to the other business of the committee, so our clerk can get busy organizing our travel. Thank you very much.

I'm happy to welcome you here, Robin and Mary. Thank you very much for taking the time to be with us this morning. We're trying to get as good a fundamental grasp as we can of how film production in Canada comes together, what the issues are, and what the future holds. We look forward to your presentation.

**Ms. Robin Jackson (Executive Director, Canadian Independent Film and Video Fund):** Thank you very much, Madam Chair.

Ladies and gentlemen, my name is Robin Jackson. I am the executive director of the Canadian Independent Film and Video Fund.

With me is Mary Armstrong, vice-chair of the fund and an independent producer from Montreal with over 25 years of experience.

We thank you for the opportunity to appear before you today and to elaborate on a few points raised in our submission.

One of the most significant contributions of the CIFVF to the film and video community is its work with first-time and emerging creators to assist them to gain real experience in filmmaking. It should be noted that the training offered by the CIFVF is not like that offered by the National Film Board, where the board assumes the role of producer, much like the Hollywood studio system. We require that the producer take charge of the project and be responsible for such things as building the financial structure of the project, making

the pitches to the funders, securing the moneys, contracting with the crews, negotiating with distributors regarding territories and markets. This all has to do with the business side of managing production.

In this respect, I would like to read you an e-mail that we received:

Hi Robin,

At Last—the paperwork is complete! My lawyer is coming by tomorrow to look at the financials and sign the affidavits. I will forward everything on Monday morning. The allowance for the HST made it possible to balance perfectly. We are still awaiting the CRTC letter, but hope to see it soon and will forward it immediately upon receipt. I will also enclose a CD in Monday's package with all of the assembled art work for the project. Please let me know if you need hard copies as well.

This process has been an amazing experience and I sincerely thank you for all of your patience and assistance. I am sure that in the future we will be fully prepared to operate such a project in a more timely fashion! If it is not too much trouble, please pass our thanks on to everyone in your office as well. It was a true pleasure to have all of our inquiries met in a kindly, efficient manner.

Muchas Gracias & Warmest Regards,

Lara

The CIFVF has not only provided a means for emerging filmmakers, but it also fills a gap in this country with respect to the existing support mechanisms, specifically: in 2002, 62% of the projects funded by the fund had no Canadian Television Fund, CTF, or Telefilm funding; in 2003, 73% of the projects funded by the CIFVF had no CTF or Telefilm funding.

The producers of these projects turned to the CIFVF for assistance. In 2002 only 6.2% of the projects funded by the CIFVF had funding from the National Film Board. In 2003, 6.3% of the projects funded by the CIFVF had funding from the National Film Board. Because the CIFVF is often first in a project, its participation can be critical to a producer. It also often provides the critical 10% or 20% of a budget that is so hard to find once all conventional sources of a television project are exhausted.

The following is a quick note from another recipient:

Hi Robin,

Wanted to say a quick thanks for all the support and partnership from the CIFVF for *The Corporation*—as you probably know, we're nominated for a Genie. Couldn't have happened without you folks.

all the best!

Bart Simpson

Producer

THE CORPORATION

In a survey of English-speaking film and TV producers in Quebec, done in October 2003 for the Quebec Community Groups Network, it should be noted that in response to the question, "How satisfied or dissatisfied are you with the following elements of the Canadian film and television new media funding system?", the CIFVF received the highest satisfaction rating, followed by the Quebec tax credit and CIDA.

● (0910)

**Ms. Mary Armstrong (Vice-President, Canadian Independent Film and Video Fund):** Another key facet of the fund is the social impact the projects will have on their community. Whether that community is a neighbourhood, an educational facility, or a group of health professionals, many of these films have brought about positive changes in their community. The film entitled *Silence of the Strings* and the accompanying lobby saved a public school music program in Victoria. A program that previously had 175 students now has 550 students.

When the producers did a series of presentations at senior centres they found many retired teachers and other seniors for whom making music was a critical social and educational force in their lives. A number of seniors they met became active in petitioning the provincial government to return full funding to education as a result of seeing the film.

Another retired music teacher offered to lead a free class weekly for elementary kids at the senior centre located a couple of blocks from one of the schools. We think this is another very important way of evaluating the return on investment.

The future of the point-of-view documentary continues to look bleak as film costs increase and the available funding decreases, and as broadcasters move towards reality programming. Another real concern for independent producers is the power that the new CTF system has put in the hands of the broadcaster. Rich cultural heritage is not built on hypothetical market demands. The elimination by Telefilm of the revenue stream from equipment rentals, which has been the financial life raft of many small companies, will further erode the viability of these companies in their cashflow situations.

Pepita Ferrari and Malcolm Guy wrote, in an article they entitled "They Shoot Dogs, Don't They?", that on bad days it's difficult not to feel as though the independent community is under siege as the situation becomes increasingly unviable for the small documentary producer to continue. What this also calls into question is the very survival of a documentary form that reflects a healthy diversity of creativity as well as social and political vision.

So to this end the CIFVF recommends the following:

One, that the feature film policy be renewed in April 2006 for a period of five years, and that the budget of the CIFVF be increased to \$3 million at that time to meet the needs of the community.

Two, we recommend that the Canadian government recognize the importance of the cultural sector in society, both because of the wealth of knowledge that is revealed to us about ourselves and the world around us through film and television, and because of the significant employment generated by this sector.

Three, we recommend that the Government of Canada cancel the cuts imposed in 2004 on Telefilm, the National Film Board, the SRC and CBC, and the Canada Council.

Four, we recommend that Canadian Heritage recognize the critical role that CIFVF plays, and can continue to play, in professional development in equipping producers with necessary business skills.

Five, we recommend that Canadian Heritage support the creation of a Canadian documentary policy that includes support for both short and feature-length documentaries.

Six, we recommend that the film policy for Canada must recognize that there has to be not only different sources of funding available, but different types of professional development—that one-stop shopping doesn't work.

Seven, we recommend that Canadian Heritage acknowledge that creative control must rest with the filmmakers, and not with bureaucrats or broadcasters.

Eight, we recommend that a strong film policy weave into it mechanisms to ensure that all components of the industry are strong, from the non-theatrical to the feature film sectors.

Thank you.

**The Chair:** Thank you very much.

Mr. Schellenberger.

**Mr. Gary Schellenberger (Perth—Wellington, CPC):** Thank you.

Thanks for coming this morning. Every day I'm learning there are more and more funding opportunities for people in the industry. It seems to require quite an infrastructure when it comes down to producing a film, or doing a film, in order to find out how you're going to get to that end result.

One thing that was mentioned, I think by Ms. Armstrong, in reference to Telefilm, was about changes on equipment rental. Could you explain a little more to me what the changes by Telefilm have been that impact a producer?

● (0915)

**Ms. Mary Armstrong:** I'd be happy to.

Telefilm has recently insisted that small companies not be able to use or include their own equipment facilities in the budget that Telefilm considers for their participation. They would take any equipment the producer owns out of the equation in establishing their own budget. As we suggested, for years that has been the only way some companies have been able to survive. In some cases, the producer of the project would also be the writer, the editor, and the director. A lot of these projects are really very small-budget ones. Even Alliance Atlantis, and so on, have operated successfully because of vertical integration, as it's called, where you own your own editing system.

To take that out of the equation has perhaps made it a little more equal for the big companies, but for the small companies, it's made it virtually impossible. What we're seeing are hundreds of small production companies going out of business.

**Mr. Gary Schellenberger:** I know that in my business—I had a small business—as things went along and some of my employees became very astute at their jobs, they decided to spread their wings and go out on their own. As time goes on, you can get more people wanting to get into the business. I know that in the film industry it must be the same way: people work for producers or writers, or work as they go through, and then they want to sprout their wings.

Is this developing more as we speak? Are there more requests coming in for funding, because some of these people want to sprout their wings? Is there a maximum area where we can go with funding?

**Ms. Mary Armstrong:** It's a very difficult question. On one hand, I don't think we would want to discourage artists and talented technicians from working in the cultural sector, because the more we can reflect our own society the better.

Yes, there is an increased number of projects every year; certainly Telefilm and the CTF and the broadcasters are well aware of that. On the other hand, the number of windows or opportunities on television has increased dramatically with the 100-channel universe, of course, and with the number of cable outlets. Yes, there are a lot more schools training filmmakers; but then I guess there's the issue of this baby boom generation in which a lot of us are not going to be making films 15 or 20 years from now, because we've been doing it already for... Most of the people in the film industry, and certainly in Quebec, where I work, are my age; so we won't be doing that in 15 or 20 years, necessarily.

There is certainly room for, and a need for, training and development of a whole new generation of creators.

**Mr. Gary Schellenberger:** Thank you.

**The Chair:** Thank you.

Mr. Kotto.

[Translation]

**Mr. Maka Kotto (Saint-Lambert, BQ):** Thank you, madam Chair.

Culture hates stagnation. It needs movement. According to the information that I have obtained on your work, you support the mobility of culture and of creators. I have seen a film to which you have given your support, entitled *The Corporation*, and I liked it enormously. One can say that apart from the intrinsic quality of the film, it has an educational reach about the major issues that are at stake in our modern societies. I know that if not for your share of the investment, it would have been difficult for the creators of that project to see it through. That is the reason why I wanted to focus on these creators. Could you give us some details on the profile of the creators that you are supporting?

• (0920)

**Ms. Robin Jackson:** I don't know what you mean exactly.

**Mr. Maka Kotto:** I want to know who are these people who are turning to you to get financial support from you.

**Ms. Robin Jackson:** I did not hear the last sentence.

**Mr. Maka Kotto:** What is the general profile of creators who are turning to you?

**Ms. Robin Jackson:** Are you talking about the size of production companies?

**Mr. Maka Kotto:** Exactly.

**Ms. Robin Jackson:** They are rather small. Most of these companies, about 70% of them, have revenues of less than \$1 million per year. Only one or two persons make up most of these companies. They are doing all the work. The same person is altogether producer, director, screenwriter and editor. These people do it all because they have no choice.

**Ms. Mary Armstrong:** There is a large variety of people. There are young filmmakers who are beginners and there are experienced filmmakers who, for years and years, have been making educational films that are always made on a small budget but are just as important as big television series. Generally, those who turn to the Canadian Independent Film and Video Fund for support are not big producers or large projects. It is not worth it because the Canadian Fund's contribution is only between \$5,000 and \$50,000, which is the upper limit. When you have a large budget, it is not worth it.

**Mr. Maka Kotto:** You mentioned a film policy that would allow a five-year renewed funding. What impact could this have on the present state of things?

**Ms. Mary Armstrong:** With all the cuts that we have had for the past five years, we had to reduce the number of applications—

[English]

We had to reduce the number of times that filmmakers could come to the CIFVF to once a year, which makes it very difficult for the filmmakers. You can't. It's very difficult to plan around one deadline a year, which is why the CTF at this point is basically allowing people to come all year, or at any time.

If the budget of CIFVF is increased to \$3 million, as we would like, there are essentially two things we'd like to do. One would be to go back to two deadlines a year, which would meet the needs of the community much better. The second would be to increase our mentoring program, because in the past we had a mentoring program. That's difficult to do on a national scale because we're working with a small budget, but we find we can do a very efficient and successful job of mentoring emerging filmmakers. But it does cost money.

[Translation]

**Ms. Robin Jackson:** In 2001, I have established a profile of creators and production companies. Could I send you this study?

**Mr. Maka Kotto:** Yes, if you please. Thank you very much.

[English]

**The Chair:** Okay, Mr. Angus.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Thank you.

I'd like to follow up on some of your recommendations, particularly in terms of funding. Can you explain to me the implications of the 5% cut that has been asked of all our heritage departments and how it would affect film, your agency, and other film agencies?

• (0925)

**Ms. Robin Jackson:** If they cut us any more, we're not going to exist. It's as simple as that. We've already had a cut of.... We went from our initial budget of \$1.8 million under film policy, and in May 2003 we went down to \$1.55 million. If we're cut any further, essentially it's going to be very difficult for us to operate. I mean, we're just not going to exist any more.

**Ms. Mary Armstrong:** We'd like to remind you that Robin operates with one other person in the office. It's a funding agency that attempts to serve the needs of the community, but there are two people in the office. We work very modestly because we want to put as much of the budget as we can into the production grants. These cuts to a small budget have an enormous impact.

**Mr. Charlie Angus:** The euphemism they've been using is that agencies have been asked to partake in an exercise. Have you been asked to partake in an exercise to recast your budget to drop 5%?

**Ms. Robin Jackson:** No. I think they realize that they've taken all the blood they can from us and they have not come back to us at this point. I also think that because there's only one year left, they haven't come to us on that right now. You'd probably know better than I what their plans are.

**Mr. Charlie Angus:** With a budget of \$1.5 million, as you said, how many projects are you able to fund and to what amount?

**Ms. Robin Jackson:** We funded 56 projects last year, 63 projects the year before, and 45 projects the year before that. We're responding to about 30% of the demand.

I'd like to point out that the National Film Board funded 147 projects in 2003-04, so we're not doing too badly, with one-sixtieth of the budget. We're not doing too badly for a small organization.

**Mr. Charlie Angus:** What would be the average support?

**Ms. Robin Jackson:** You have to understand that we also fund development and production. Development is much smaller and we go up to \$10,000. An average amount in development would be \$5,000.

You have to also understand that because these are educational and informational projects, the budgets are much smaller. We're looking at anything with a budget of about \$100,000 to \$150,000, so it's much smaller than a feature film budget. For development, it could be \$5,000 to \$7,000 and you can get a treatment developed. We go anywhere from about \$25,000 up to \$50,000 for production.

**Mr. Charlie Angus:** For development, you're talking about taking an idea, researching it, and putting a script together. Is that it?

**Ms. Robin Jackson:** It may not be a script in the sense that you understand it, because you do not script documentaries in most cases. You would be doing the research, identifying the interviewees, and searching out locations. You may be doing a little bit of a demo to see how the person interviews, if there's a main character or if there's an event that you may want to capture in terms of trying to sell it to the broadcaster or the funder.

**Mr. Charlie Angus:** Do they come back to you at the end of that with a storyboard?

**Ms. Mary Armstrong:** It wouldn't actually be a storyboard because a storyboard is something that's used more in animation. If it was an animation film, it would be a storyboard. Otherwise, it would

be what we call a documentary film treatment or a documentary script, which would outline who they'll be talking to and what we can expect to see on the screen, as much as you can. The idea is to put as much information on paper as possible to give the reader an idea of the structure of the documentary.

The nature of documentary as opposed to drama, of course, is that you can script it very tightly and ask people to speak what you've written in drama, whereas in a documentary you can't ask your interviewees to say what you want them to. The nature of the documentary is that it can change in the editing room, of course, depending on what happens in front of the camera.

**Mr. Charlie Angus:** Thank you.

**The Chair:** Thank you very much.

Mr. Silva.

**Mr. Mario Silva (Davenport, Lib.):** Thank you, Madam Chair.

I want to get a little more information. As a new member of the organization, I must say that I'm not too familiar with your funds. I want to be a little more informed.

First of all, I'd like to know the nature of what got the fund going. I didn't quite get the message on why the fund was established in the first place. Given the fact that you talked about cutbacks, for that matter, there are other funding mechanisms out there at all different levels of government.

The other factor I want to know about is on the work that you do. Given the fact that the nature of the funding is so small, is there a focus on trying to actually do some incubator types of production? That's what I want to get a better idea of in my mind.

• (0930)

**Ms. Robin Jackson:** The fund was established in 1988 when Flora MacDonald set up the national film policy. There was a feeling at the time that the non-theatrical area was not being attended to at all. That included the educational market, libraries, community centres, festivals, social services, and the health area—areas that were not covered by television or feature films. End users, such as librarians and educators, were not getting the projects they wanted, the Canadian productions they felt they needed. There were a lot of American projects available to schools, but not a lot of Canadian projects. Based on that, the government set up that policy and the non-theatrical production fund was established.

For some peculiar reason, it was run by the Department of Supply and Services, because at the time they thought it was more of a contracting process, as opposed to a creative process. It ran quite successfully. Jack Horowitz, who some of you know and who is now with the National Film Board, ran it very successfully for about three years until, in a budget-cutting exercise, it was cut.

The community was outraged, and rose up and lobbied quite strenuously. At that time, setting up more funds inside government was not fashionable. The bureaucrats went to the advisory committee and said, "We'll give you some money to start a fund outside to keep this work going. You're going to have to find money to keep it going." So they gave them some money and said, "Go forth and be well." That was in 1991.

I got involved at that point. We spent the next few years trying to raise money. It's very difficult to raise money for funding projects, because \$10,000 isn't a lot of money to fund.... It's not like having car washes or bake sales. We were trying to find money. We were very grateful for money we got from the National Film Board. We got free rent from the Film Board. We went all over the place—Telefilm, and corporations. We got a lot of money from various places. That's how we subsisted. Fortunately, in 2000 the department saw their way clear to include us in the feature film policy for professional development. That's how the fund got established. That's where we've come to today.

On other funding agencies and why we're there, we fill a gap other people don't. From the statistics I've quoted, a lot of the filmmakers don't have broadcast licences in their projects, or if they have them they can't apply to the Canadian Television Fund or to Telefilm because their broadcast licences are not high enough to qualify. So where do they turn? They have to turn to a funding agency such as us for educational information projects, primarily documentaries.

Also, filmmakers who are just starting out are not going to have the backing of broadcasters. A lot of broadcasters want to have a track record with a producer. Emerging filmmakers don't have that track record, so they're not going to get a broadcast licence, or they're not going to get one that's very high. They may get one from an educational broadcaster for \$2,000, which isn't going to make their project, so they turn to us.

We're the only agency in the country that doesn't require that they come to us with a broadcast licence. If they have one, that's fine, but they don't have to have it. That's an enormous aid to the filmmakers out there. I'm sure that's the first thing they would tell you if you asked them about the benefit of having an organization such as ours. If we ceased to exist, you'd have to establish another organization or change some of the guidelines to require that, because of the way the financing works in this country.

● (0935)

**Ms. Mary Armstrong:** If I can, I'll just add something. I think we have to remember the end uses with respect to the various sources of film and television. There's the big screen, obviously, with mostly feature fiction films and, increasingly, feature-length documentary films. There's television, with television taking up the biggest sector of the film and television industry. Then there's the non-theatrical, educational sector, of which the CIFVF is the principal funder along with a lot of other small sources. People who are making films for the educational market would in some cases go to television but in some cases would just deal directly with a distributor.

Those films are very important to libraries, schools, various professional organizations, and church groups. There's still a large sector of Canadian society using those educational films, and this is one of the only ways those films are funded. In some cases those

films are funded by the Canadian Independent Film and Video Fund—this fund—with resources from the filmmaker. They may not even be able to go to a lot of other sources, but those films get made and are very successful.

We can offer you lots of examples of communities who have responded to the filmmakers and who have been very grateful to the filmmakers for providing films about autism, for example, or about ADHD. There are all kinds of issues parents are facing now that they don't see on television and that are obviously not on the big screen. They need access to that kind of information, and of course we know film and video are wonderful media for offering that kind of information.

**The Chair:** Thank you very much.

Ms. Oda.

**Ms. Bev Oda (Durham, CPC):** Thank you very much.

Thank you for coming. I'm very interested in your presentation.

I want to pursue a little further the discussion you've just been having. I'm trying to decipher this, although I know there's no clear answer, and if I could I'd like to get your response on this. If you had to prioritize your mandate...because I'm hearing a lot about first-time filmmakers, persons who are early on in their career. You've outlined how many credits, etc., and less dependence on a requirement for a track record....

The other message I'm getting is that there's a predominant emphasis on or a predominant response to a need to produce films that are educational-informational, ones that don't have a commercial objective or return, because the broadcast licence, obviously, indicates a market demand decided by someone.

My dilemma is, if you had to prioritize your mandate as to fulfilling a need for educational-informational films versus providing opportunities for new, emerging filmmakers.... Because, I would suggest, the one question I'm posing to myself is, if there is a demand and a purpose served by good-quality educational-informational projects that don't have a commercial end, should they not also be supported in order to be done by people with track records? Why are they only being relegated to new, emerging artists?

If, as you say, they're educational and they're giving information that's needed on health, say, then my dilemma is with the overall feature film policy of the government. Do we have you trying to do two things, and which is your priority?

● (0940)

**Ms. Mary Armstrong:** I'd like to respond to that. Thank you for that question.

The answer is that we wouldn't like to think we can only do one thing. We have found that we do fairly well the job of helping young and emerging filmmakers to understand the process and to be able to work through the process themselves with a mentor or with guidance from someone. But they represent at this point thirty-something percent of our filmmakers and the projects we fund, not 100%.

There is a real need also for the development and production of non-theatrical films, and I'm not sure we would want to be forced to make a choice between those two. I don't think there's any reason to make a choice. If any of the public agencies in Canada were asked to boil their mandates down to one thing, I'm not sure they would have an easy time of it either. I think it's okay to serve these two communities, and we can do it very well because of the nature of the fund.

**Ms. Bev Oda:** I'll just follow up.

I'm familiar with your fund, and you quite rightly pointed out that it's one of the smaller funds getting support from the government. When I try to put into context where we have assistance being provided.... We had the Canada Council before us, and they support filmmakers and projects that are artist-driven. Then we heard from the NFB, and they described a program that takes those filmmakers and exposes them to more of the production, the less artist-driven, but adding some additional realities of filmmaking. I'm trying to fit your fund and your development mandate into that kind of continuum to make sure that through government programs we've identified where the need is and that we've seen to it there's adequate funding at those critical points in one's career.

Again, because you're such a small fund.... And I know that no one organization has only one mandate, but I'm just mulling around in my mind for clarity of focus. That's not to say you abandon one or the other, but if you were to choose one or the other, how would you describe your position in the continuum with other government funds? I know you can give me the characteristics, but if you look at one's career, where do you think you fit?

**Ms. Robin Jackson:** In terms of the continuum, if you're looking at it that way, I would say the Film Board really works a lot with directors and not producers. They're not focusing on business skills, and we feel we're working in that area; that's the area we're focusing on.

Mary, you wanted to make a point.

**Ms. Mary Armstrong:** It's to further your point.

Certainly at the Film Board—because I've worked at the Film Board myself—you work in a very cushioned, womb-like environment in which everything is provided. It's great for the 10 or 15 filmmakers who get the Film Board experience for a couple of years to develop their skills as directors, as Robin says, but it doesn't at all equip young people to produce on their own or to understand the whole context of financing films and the film industry in general.

The other point is that there are film schools like L'INIS in Montreal and the Jewison school, but they represent a whole other sector of development. They also help emerging filmmakers but they don't work with the same filmmakers we work with. Those are young people who are going to elite, costly, private schools for kids

who want to make Hollywood feature films. That's great, but we don't do that, and we don't make exactly the same kinds of films.

One of the features of the Film Board is that they have always encouraged new ways of looking at film and new ways of using the medium, and we can't do that either. We don't have those kinds of budgets. The Film Board can set aside half a million dollars for an animator to learn how to draw on film. We don't have those resources. We have \$25,000 or \$50,000 to offer somebody to make a very different kind of film, but clearly there's a need in the community for this kind of training and development.

• (0945)

**The Chair:** Thank you.

Monsieur Lemay.

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Madam Chair, I yield to Mr. Kotto.

**Mr. Maka Kotto:** Thank you, madam Chair.

An emerging talent needs to make several films in order to build up its reputation and carve its own place in the collective memory. What is your approach for monitoring these emerging talents? Are you following up on them? When they file other applications, are they welcome in consideration of their own development?

**Ms. Mary Armstrong:** The Fund has several ways of helping a young filmmaker to go through with its project and to understand the film industry.

I am not quite at ease in French.

[*English*]

There are several ways in which we do that. One is a mentoring program, which we have used in the past, as I said. Unfortunately, with the budget we have right now, we haven't been able to do it this past year, but it's something we would like to continue to do. When someone decides to come to the CIFVF for money, we match them with a seasoned filmmaker or producer who works with them from the moment of the genesis of their project. Even in the application process, in understanding how to create a budget, where to find other sources of funding, how to develop their scripts, and in every other step of the process, they're guided by a seasoned filmmaker or producer.

Another way is that we specifically ask first-time or emerging filmmakers either to prove to us that they have taken some courses in film production, or to again associate themselves with somebody who is more experienced so that there is some kind of encouragement for them to learn the process. And we certainly are available at the office to help them with any questions they have. We don't discourage questions about how to....

[*Translation*]

**Mr. Maka Kotto:** Once they have succeeded in carving up their own place in the collective memory because their work has been recognized, and they are coming back to you for another project, are you welcoming them back in a positive way, or do they have to yield to others who have not yet had the opportunity to benefit from your support?

**Ms. Robin Jackson:** We have a new assessment committee for every application. So there is no continuity. Each producer can come back several times. However, he or she is not guaranteed to receive funding since there is no continuity and he does not deal with the same person. For example, I am not the one who will decide who will receive funding, given that there is a new committee every time. It sometimes happens that a producer receives funding several times, but the situation may be different. Did I understand your question correctly?

● (0950)

**Mr. Maka Kotto:** Yes. It was for my information.

Let me now play the devil's advocate. If the general policy was reviewed and you were put in competition with the NFB, how could you defend your mandate vis-à-vis that of the NFB? What could you do in order to avoid being swallowed by a new structure dominated by the NFB, for example?

[English]

**Ms. Mary Armstrong:** One of the most important distinctions between our fund and the National Film Board is, as Robin suggested in her statement, that the National Film Board hires filmmakers to do a project that becomes the Film Board's project. They control the project from A to Z, and they keep the project. That's not the case with us. We insist that the creative control rest in the hands of the filmmaker and that the filmmaker work with an independent distributor to see that the film is distributed throughout Canada. We're very happy with its success. We have lists, which we can also provide, of the number of awards that have been won.

In answer to the continuity of our filmmakers, they certainly have gone on in many cases to make bigger and better films, but some have chosen to continue to work in the non-theatrical venue. It's a choice we make. You can decide to go on to make bigger television projects, or you can decide that your interest is in social impact documentary and continue to make educational films for a market that needs it.

Thank you.

**The Chair:** Thanks very much.

Mr. Simms.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-  
sor, Lib.):** Thank you, Madam Chair.

I want to go back to the points Ms. Oda made. I, too, have things mulling about in regard to who the client actually is in this particular case. For example, let's say I'm a school teacher with a genuine interest in the issue of cystic fibrosis, and I approach you to do a documentary for all schools. Where do you turn then? What's the process that you follow?

**Ms. Robin Jackson:** That's a really hard one, because our mandate is to help independent producers. We get calls every day, largely referred to us by the Department of Canadian Heritage—which is interesting—because I guess they don't know where to refer them. We get a lot of non-profit organizations who want to do just that. They want to make a film on some worthy case, but we can't help them; unless the producer is holding the rights and has the creative control, we cannot help them. If they're working in conjunction with the non-profit organization, that's a different

situation. But if it's a non-profit organization that wants to do it, then they're out of luck.

That's an area in which I don't know where the citizens of this country turn. It's certainly an area we could deal with if there was some extra money hanging around. But it's not an area that is dealt with very easily, because nobody seems to have a mandate for it.

**Ms. Mary Armstrong:** I would think, though, that the answer is also that the teacher could go to the film organizations in their city. Every city has a number of film organizations, whether they're producers' associations, directors' guilds, or film cooperatives, thanks to Canadian Heritage back fifteen or twenty years ago. There are burgeoning film co-ops in every city, and that's what I would recommend to a teacher. It would be to go to a film co-op or a film organization to find a filmmaker who can work with them. But in order to get funds from the Canadian Independent Film and Video Fund, the project has to be in the hands of the filmmaker.

● (0955)

**Mr. Scott Simms:** It was a question I had, and it came from Ms. Oda's question about who actually is the clientele in this particular case. I see that if you have filmmakers with a track record in doing this sort of thing to help out disadvantaged children, then certainly you could just call them up from a Rolodex on which you certainly have filmmakers, to say you were approached by such and such.

Speaking of the filmmakers themselves, I want to ask you about the criteria again. If you're a lawyer and you want to be admitted to the bar, it's a pretty clear-cut process. In this situation, what is required of the filmmaker in regard to a reel? They have to have a reel of material worked on before, I'm assuming. You wouldn't just hand a project to some man with a high 8 who tapes his kids on the weekends and that's the only extent of the experience he has, right?

**Ms. Mary Armstrong:** No. However, at the same time, one of the priorities of the fund is to work with emerging filmmakers. They don't come with a reel necessarily either. This is a juried process of granting applications funding. The jury will look at all of the various facets of a project—whether the script is viable or the idea is viable; whether the filmmaker, if a first-time filmmaker, has surrounded himself or herself with experienced filmmakers who can help them ensure that the project will succeed.

It's hard to guarantee completely, but there are several mechanisms in place at the fund by which we try to ensure that the person's in the mentoring program. But if the person is very clear about the kind of project they want to make, if they have surrounded themselves with people who know what they're doing, and if they assure us that they will work with somebody who knows what they're doing—

**Mr. Scott Simms:** What do you mean by “surrounded themselves”? They've had partnerships of some sort? Or is it something formal or informal?

**Ms. Mary Armstrong:** It could be a legal association with an executive producer who has some experience. It doesn't have to be anything legally binding. From what we know from the person's application and perhaps a conversation with them, we try to establish whether they've surrounded themselves.... It takes a crew to make a film. It's very difficult to do it alone. Filmmaking is very much a collective process, and there are lots of experienced filmmakers.

**Mr. Scott Simms:** You mentioned earlier about courses. Do they have to have prior courses in filmmaking?

**Ms. Mary Armstrong:** No, they don't have to, although a lot of people will have courses. I have a degree in film production from a university, so I have some experience. In that three years at university I certainly made films there. A degree from a university is one indication that a person has some sense of how to proceed. If the person doesn't have a course, we encourage them to associate themselves, legally or not, with an experienced filmmaker.

**Mr. Scott Simms:** This is not necessarily a question. It's both comment and question. You provide a lifeline for many of these young filmmakers, and that's fantastic, but there don't seem to be many hurdles to cross to get into the business of filmmaking. If I want to become a filmmaker, as I get into the starting block I want to know where the hurdles are. I want to know what it is I have to surpass or what it is I need to have. It seems to me that there are objectives you need that are not clearly stated, or maybe because I'm not a filmmaker I don't quite see them. Am I reading this wrong?

**Ms. Robin Jackson:** The hurdles are getting the funding together. You ask any filmmaker about how difficult it is to get into this business and sustain yourself. It's a very difficult business to stay in. I shouldn't even talk about it; Mary should.

• (1000)

**Ms. Mary Armstrong:** It may not be true of most professions, but there are many kinds of work in this society in which you don't have to have a master's degree to get started in it. One of the ways to get started in the film industry is to work from the bottom up. Lots of these people who are coming to CIFVF for application may have worked as a technician on some level in the film industry for many years, but may or may not have had—we're talking specifically about emerging filmmakers right now, which represents about 30% of the projects. It may take a year or two for those people to find the funding for their films. It's a very difficult process, and if they don't succeed in finding the funds to make their film, that grant will go to someone else.

The contract is signed at the moment at which we can offer.... Like Telefilm or CBC or anyone else, the first thing that happens is they offer you their participation based on a series of conditions, one of which is that the rest of the funding falls into place over a certain period of time. If that funding does not come, if you haven't convinced the powers that be that the funding is in place—and some are more stringent than others—and that the film is workable and doable, then you don't get their money, *point final*.

**Mr. Scott Simms:** Based on the project itself, as opposed to the criteria of the—

**Ms. Mary Armstrong:** Absolutely, on the project.

**The Chair:** Mr. Simms, we will come back to you if there's time. I've been overly generous.

Mr. Tweed.

**Mr. Merv Tweed (Brandon—Souris, CPC):** I have a few questions. First, how do people find out about you in general? Does somebody refer them to you?

**Ms. Robin Jackson:** You don't seem to have any lack of clientele. We advertise on our website. We advertise in *Qui fait Quoi*, *Ciné TV*, and *Convergence* in Quebec. We advertise in *Playback*. A lot of

other websites put a link to our website. The CFTPA guide and guides like that list us. Any industry guide would put us as a funding source.

We're fairly well known. I'm now getting stuff from producers and filmmakers from all over the world. There has to be some kind of advertising that goes out there because we seem to be well known.

**Ms. Mary Armstrong:** I'd just like to say that I think the most important source is probably word of mouth. The universities and organizations such as the film co-op in Montreal and all the associations would have links on their websites to the CIFVF as one of the potential sources of funding.

I taught at Concordia University in the film production program, and one of the things you want to do as a teacher is to introduce your students to the ways of the world and the sources of funding.

**Mr. Merv Tweed:** You mentioned that a jury makes the selections on the projects. How many people sit on that?

**Ms. Robin Jackson:** Three people sit on it—an end-user, a distributor, and a producer.

**Mr. Merv Tweed:** Can you break down for me, if not today then in a written document, the project approvals by region across the country?

**Ms. Robin Jackson:** Yes.

**Mr. Merv Tweed:** Is there any other source of revenue for your organization? Are you allowed to receive residuals based on successful productions?

**Ms. Robin Jackson:** We're non-equity participation. In other words, it's a grant. We don't take an equity position. We do get funding from Star Choice Communications. That's our other source of funding at the moment.

**Mr. Merv Tweed:** You said you haven't been approached in regard to the 5% reduction. In there any fear in your minds of losing the funding altogether?

• (1005)

**Ms. Robin Jackson:** Yes.

**Ms. Mary Armstrong:** It's really hard to know. I think everybody in the film community is very nervous right now. Because the CIFVF is a very small player in a big industry, it's very scary. We think we serve a community that will desperately miss us if we're not there. So it's very nerve-racking, not only for us, but for a lot of filmmakers. People are very nervous.

**Mr. Merv Tweed:** Thank you.

**The Chair:** Thank you.

You mentioned Star Choice. How much of your funding is from Star Choice? What other funders did you have before you got government funding, and what happened to them?

**Ms. Robin Jackson:** Up to 2000, before the contributions agreement was signed with Canadian Heritage, we had the National Film Board and Telefilm during various years. Fundy Communications was involved with us, and then there is the Stentor new media fund. When they merged, Stentor ceased to exist, so we finished administering that fund. Fundy was bought by Rogers, which was bought by Shaw, or vice versa, I can't remember. They subsumed that into their own fund. They now administer that money themselves, so we lost that. We were ambulance-chasing with the CRTC for a number of years, so that's how we got those various funds.

With Star Choice, we were getting \$780,000 a year up to last year, when Star Choice and ExpressVu went to the CRTC and said they wanted to have a fund for the local broadcasters that were losing money from the satellite situation. The CRTC agreed to that. The CRTC did not require them to put any new money into that local broadcast fund, so they took money from the independent production funds. There are two others in addition to ourselves. So we're now down to about \$60,000 a year.

**Ms. Mary Armstrong:** One of the things that the CIFVF does constantly is look for additional sources of revenue. But they are few and far between. Whenever a purchase is made by somebody in the communications sector, they have to commit a percentage of that sale to production. All the institutions in the public sector rush to try to get hold of that money. The problem is that recently those tangible benefits have gone largely to regional productions. TELUS wanted to fund specifically Alberta-based projects, for example, and understandably so. But that cuts us out, because though we certainly represent all filmmakers across Canada, we can't specifically fund Alberta-based projects, for example, or a series of regional-based projects.

**The Chair:** Thank you.

Mr. Smith.

**Mr. David Smith (Pontiac, Lib.):** Thank you very much for being here.

I'm sorry for having arrived a little late. I was in another committee.

My question is on projects. You say that you finance roughly 30% of all your requests. On a total project, what would your percentage of participation be in a given project on a documentary, for example?

**Ms. Robin Jackson:** I think it really depends, again, on whether you're talking about development or production. It can be 49% in development. Our maximum is 49%. We don't go beyond that, so it's often 49% in development. I would say it's probably lower than that in production. It would go anywhere from about 10% up to 49%.

**Mr. David Smith:** Coming from a rural community and from an aboriginal community, one of my concerns is always on whether there's funding reserved specifically for aboriginal productions or aboriginal groups.

•(1010)

**Ms. Robin Jackson:** We don't have funding that's reserved specifically for aboriginal productions. We do track the participation of applications that we get from aboriginal people. I don't know if we

submitted it, but I can send you that information. We track it by aboriginal producers, directors, and writers.

We have aboriginal participation on our board of directors as well. We have two positions right now that are occupied by aboriginal people.

**Mr. David Smith:** One of the concerns is that it's assured that urban areas are often well represented. When we get to rural communities, we often might have some stories to tell, but we have to assure ourselves that funding is available for these communities.

**Ms. Mary Armstrong:** One of the advantages for people in rural communities and in aboriginal communities is the system that we have in place to encourage people. Even if they can't find somebody in their own community to mentor them or to work with them, we can hook them up with somebody, if need be, by e-mail or by phone. It's not ideal, but it certainly works.

**Mr. David Smith:** It's a kind of sponsored mentor program that is available at your place, right?

**Ms. Robin Jackson:** It has been in the past.

**Ms. Mary Armstrong:** It has been in the past, but because our budget has been reduced, we've had to eliminate the mentor program for the moment.

**Mr. David Smith:** Okay.

**The Chair:** Thank you very much.

Mr. Angus.

**Mr. Charlie Angus:** I have no more questions.

**The Chair:** Ms. Oda.

**Ms. Bev Oda:** Thank you.

I only want to follow up. I know that we've been spending a lot of time talking about the new emerging filmmaker and the 30% of your grants. I'd like to look at the other 70%, if I could.

From what I've heard this morning, I would assume there are projects that are not directly new and emerging. However, am I correct in thinking that the educational information projects that may have been produced are being produced by more experienced producers?

Can you tell me how the distribution is done? Where is the end use for these projects? Is there a requirement if it has a distributor? If there's no broadcast licence, how do you get information on where the project is going to be seen and for what purpose? Could you also tell me what proportion of those would be supported by or used by government departments?

I'm assuming there may be some health ones, educational ones, educational institutions, etc. You mentioned community groups and churches. I'd like to get a better picture of the other 70% of your work and your mandate.

**Ms. Mary Armstrong:** Unique to the CIFVF is that we require two things. First, every application requires a distributor, a deal with a non-theatrical distributor. Before the final contract with CIFVF is signed, the contract with the non-theatrical distributor, a Canadian independent non-theatrical distributor, must be signed.

The second thing is that every application must be accompanied by as many letters as possible from end-users so the jury has a very good indication that the film is going to have a substantial audience, whether it's libraries that desperately need a film on that subject, community organizations, schools, or any one of those kinds of organizations. We require a concrete indication from the end-users before a project is given the green light.

**Ms. Bev Oda:** I guess one part of my question is whether you can indicate what percentage of those projects—just take a sample year—would have the end user be another government department: military, health, whatever.

•(1015)

**Ms. Robin Jackson:** I'm not sure I can tell you that, as we have never tracked those kinds of statistics. I can tell you they're often funders within projects. For example, *Diet of Souls*, which was produced by Triad Films out of Halifax, had the Department of Sustainable Development in it. Another project had Canadian studies in it. They're often participants in it.

I presume they would want to use the projects. I think there's probably a direct correlation, but I don't have actual statistics on the end users. We've never done a survey of government departments, to be honest. I guess we've been more interested in non-government end users in that respect.

**Ms. Mary Armstrong:** The end users are not usually government agencies. Have you run across that very often, where the actual end users are the government? I don't think so.

**Ms. Robin Jackson:** On occasion. Not very often.

**Ms. Bev Oda:** That actually was my thinking, because I have seen some of your projects. They do show support by other government departments. Consequently, in trying to get an assessment of all the government support for the film industry, there is also that aspect of it, particularly with the projects you're involved with.

**Ms. Mary Armstrong:** It would be very small, though.

**Ms. Robin Jackson:** If you want that information, we keep these black books of breakdowns of which government departments have supplied moneys.

I'm not sure if your initial question was whether they use them themselves.

**Ms. Bev Oda:** I just wanted to make sure my thinking was correct.

Thank you.

**The Chair:** Ms. Bulte.

**Hon. Sarmite Bulte (Parkdale—High Park, Lib.):** Thank you very much, Madam Chair.

Thank you very much for coming. I'm a big fan of what you do and certainly have seen some of the films that have been produced. I think it's very important that we do continue to develop non-theatrical films that have Canadian stories. The *Angels of Flight*, I think, was one that years ago Pixie Bigelow produced about female pilots who watched out for environmental polluters. I think they actually got a broadcast licence. So they're fabulous films.

I want to ask you two questions. One is how does your envelope for the young filmmakers differ from that of the Canada Council? They too have a peer system, a jury system. They also talked about the fact you could have a film degree and you didn't necessarily have to have a proven track record. How do you differ there from the Canada Council?

I'm going to follow up on Ms. Oda's, too. I think distribution is so important to get our stories told. It's always been part of our cultural policies, not just to ensure that we have Canadian content, but also the infrastructure to showcase that Canadian product. Is there something we can do to assist in that?

Again, on the documentary side, do your documentaries get to Hot Docs? Do they get a broadcast licence? Time and time again in this country I've heard there are no envelopes for documentary films. I think we need to do more in that area.

Those would be my questions.

**Ms. Robin Jackson:** In terms of the first question, I would say the major way our program differs from the Canada Council is by genre. We fund things that are educational, informational. Because of our proof of market demand—that we require the audience be identified, that we require a letter from end users, that we require you to do research into competing analogous products, that you tell us how the end users are going to use the product, and that you get a letter from a non-theatrical distributor—it really cuts out anybody who would be applying to the Canada Council. Those people are doing more artistic kinds of projects and probably wouldn't be getting letters from end users and wouldn't be getting a letter from a non-theatrical distributor.

**Hon. Sarmite Bulte:** Just for a point of clarification, could you tell us what a “non-theatrical distributor” is? Give me an example.

**Ms. Robin Jackson:** A non-theatrical distributor, in the case of Quebec, would be Nuance Bourdon; it was Cinéma Libre. In the case of Ontario, it would be McNabb and Connelly and Magic Lantern. These are companies that are a combination.... Some of them started out as co-ops and were non-commercial. Some are commercial, like Magic Lantern, which has a catalogue of 40,000 titles. They deal primarily with schools and libraries and sell to them. They go to showcases across the country. They do mailings to educational broadcasters. They send out tapes for previewing.

They operate in a very different way. The way they take their cut is 60-40 or 70-30, their percentage. It's very differently structured from a distribution deal with a television or a feature film distributor. It's a very different kind of distributor.

They don't give advances. That's the other big thing—no advances, as a rule. It's an entirely different bag of bones.

•(1020)

**Ms. Mary Armstrong:** Non-theatrical refers specifically and literally to it not going to the big screen, so these are films that would not generally go to the big screen but are made for educational purposes or purposes other than film and television specifically.

**Ms. Robin Jackson:** To me that would be the biggest difference between us and the Canada Council.

In respect to the distribution, did you want to add?

**Ms. Mary Armstrong:** For sure distribution is very important. Again, we insist there be a contract with a Canadian independent distributor, in part to support the Canadian independent distributors, because they have always been in competition with the National Film Board. When the National Film Board was providing films free to schools, 20 or 25 years ago, it was very difficult for independent distributors to survive. Now that the Film Board is selling to schools like the independent distributors, they're on fairly much an equal footing with the Film Board, except that they are private and not public.

We certainly encourage people to go to Hot Docs or whichever showcase is available. It's in the interest of the filmmaker. Hot Docs has been a wonderful opportunity for independent documentary filmmakers because it's not an expensive festival to participate in, but it's a very big festival and it showcases specifically Canadian independent documentary production. It's very exciting. I don't think filmmakers have to be encouraged, in fact, to enter their films at Hot Docs, because it's in their interest. I think they understand that.

**Ms. Robin Jackson:** Just to answer your question about broadcast licences, I would say that probably between 80% and 90% of our projects do actually have broadcast licences, but they're very low. Most of them would have a broadcast licence with an educational broadcaster. As you know, SCN pays \$2,000. Knowledge Network pays \$1,500 or \$2,000. So we're not talking a lot of money here.

**Ms. Mary Armstrong:** We should show you, if anyone is interested, some of the financial structures. The one I worked on this past year was a native story out of B.C. It had six or seven broadcasters. The total number of funders was about 12.

It's a very complicated puzzle trying to find the funding for educational films. It's a challenge.

**The Chair:** I have just a couple of things.

One of the things that I certainly don't have a clear grasp on, which I think as we move forward we'll need—and you might be able to help—is on the production you just mentioned, what those different sources of funding are. Outside of government funding and funds such as yours, where do producers get their money?

I think we need to have a handle on who is putting this money up front and whether there are things we might look at that would stimulate more of that kind of investment. If you can give us something on that, that would be helpful.

**Ms. Mary Armstrong:** It's a very good question. I think what we should do in response to this is offer you a few examples, because the permutations and combinations are endless in a way, except that obviously there's a limited number of sources.

For example, the one I was just referring to was called *The Lynching of Louis Sam*, about the lynching of a young adolescent aboriginal boy at the turn of the century, in 1884. As I say, this film had six broadcasters. There were, of course, federal and provincial tax credits, which are very, very instrumental in Canadian production. Before we had those tax credits, there was always 25% of the budget that was missing and was often made up by the filmmaker. In this case, the Stolo Nation, where the film was shot, and one of the principal end-users, the Stolo Nation community itself, put in a little bit of money. We were fortunate to have a grant from the Canadian Studies Directorate. The producer puts in a percentage of the budget; in this case it's about....

•(1025)

**The Chair:** Maybe it's better if we ask if you could submit a few examples that would give us an overview of different types of funding sources.

**Ms. Robin Jackson:** We'd be pleased to do that, Madam Chair.

Can I just say, though, that for the non-theatrical area, you'll find, as Mary was saying, a lot more tailored sources that you won't find in feature films because of the subject matter.

**The Chair:** We'll be asking others, and we'll be looking at it more broadly than that.

We're interested at this stage in understanding how things work now. We're primarily interested in looking forward to see how things can be made to work better and to make sure that opportunities of the future are not missed. What's been clear to me is that every funding organization comes before us and says, essentially, "We do a great job and therefore nothing should change, except give us more money". But it's all interconnected. I think we do need some thought on whether it is working as well as it could. What is your link with Telefilm and the CTF? Are there better ways of it working in the interest of the producers? Because that's the bottom line here.

**Ms. Mary Armstrong:** If I can just respond to that, I've been working in this industry for a long time, and one of the problems over the last 25 years that I've been working in this industry is the lack of communication between the organizations. If there's one thing that needs to occur, it's regular communication between them, and that's not something you can legislate.

It seems to me that we all are, in theory, working toward the same goal, which is to develop a sustainable film and television industry, and we really need to work together, because we often have found the independent producer caught between two or three or four agencies that have different mandates and different requirements, and the producer is really caught in the middle.

**The Chair:** Thank you.

That's a bit of a sense I'm getting, at least in some areas. I think by and large everything's working very well, but our job is to see whether there are ways it can work better.

Are there any other questions from committee members? We do have some other business to do.

All right. Then I would thank Ms. Jackson and Ms. Armstrong very much for being with us today. Keep an eye on what we're doing as things develop, and if you have any comments, just submit them at any time. I know we'd be happy to hear them.

Thank you.

If you don't mind, I'd like to deal with our travel schedule first.

Let's start with our schedule for the next couple of weeks. We have the Canadian Audio-Visual Certification Office on Thursday. The following Tuesday, March 8, after the break, it's CRTC and the Competition Bureau. On the Thursday we've scheduled one of our longer meetings, with Telefilm Canada first and then the Canadian Television Fund to follow.

Then we have another week's break. We haven't specifically identified witnesses for the 22nd and the 24th, but those will be hearings in Ottawa.

Ms. Bulte.

• (1030)

**Hon. Sarmite Bulte:** I have a suggestion. I think Telefilm warrants a meeting on its own, even a three-hour meeting. Telefilm is a major tool for funding the audio-visual sector, and I think it encompasses the whole thing. I truly feel this is an opportunity for the committee to examine this institution and perhaps change its nature to ensure that all the stakeholders.... I think we're doing it a disservice to just let it split the time with the Canadian Television Fund.

I think it's important that we learn what their mandate is and what they have been doing, and what Mr. Clarkson's—he is the new executive director—vision for the future is. I truly believe it should be a full meeting of just Telefilm, as it is the key institution that funds all of our films in Canada.

**The Chair:** That's why we're having this discussion.

Are there any other comments from anybody else?

**A voice:** Agreed.

**The Chair:** It is agreed that we have a full meeting. And then we'll schedule the CTF for another one of our longer meetings.

The one thing we don't have in here yet that we talked about was a briefing on the tax credit, simply because everybody in the finance department was fully up to their eyeballs with the budget and its aftermath. So that's one we still have to schedule.

It looks as though, from the point of view of various whips and House leaders, we should not begin travelling until April. What you have in front of you is the schedule as it was last week. Just because of votes in the House, travelling to Vancouver the week of the April 4 is not going to work. What I would suggest is that we move Toronto, because then we don't have the long travelling time, up to the week of the 4th, and that we move Vancouver to the week of the 10th.

Now, I know that messes up our hopes to be able to do a day in Winnipeg and then go straight to Vancouver, but the simple fact is that's the week we're likely voting on the budget implementation bill.

From the point of view of the government, I would have thought it would be attractive to get quite a few opposition members out of town.

Is that acceptable to everybody?

**Mr. Gary Schellenberger:** Are we still going to Winnipeg?

**The Chair:** I want to come back to that, if you don't mind, because that's a kind of "one off" tied to the Junos.

So we would do Toronto April 6, 7, and 8, essentially. It looks as though we have witnesses for two full days of hearings, and then some site visits. Then we'd go to Vancouver the following week.

**Mr. Charlie Angus:** Excuse me. What are the dates, then, we'd be in Vancouver?

**The Chair:** Vancouver? We would leave the evening of April 12, I believe, and be there April 13, 14, and 15.

We could attach Winnipeg to Vancouver in that week. I'm just a little concerned about trying to schedule four days of travel, because of potential votes. So it's a question whether we still want to try to do a day in Winnipeg. For those who want to go to the Junos in Winnipeg on the weekend, we could do one day of hearings in Winnipeg on the Monday.

**An hon. member:** I'm sorry, the Junos are when? Is it April 16?

• (1035)

**Hon. Sarmite Bulte:** The Junos are April 3.

**Mr. Mario Silva:** What happened to the suggestion about breaking up the committee, so we don't have to—

**The Chair:** I think we felt at the beginning that it was important, as much as possible, that all members of the committee be involved in our hearings. If in fact we decide to do the one day in Winnipeg, it could be with part of the committee. I know Scott mentioned that it would be a problem for him; he has to come all the way from Newfoundland. As long as we have a core group for a day's hearings in Winnipeg, I think it would be workable.

**Mr. Charlie Angus:** Madam Chair, I don't know how many are going to the Junos—I don't even know what I'm doing with my life at that point. But I would suggest that if we could have a small forum, anyway, from the Junos to stay over the extra day, it's very important that we be present in Winnipeg. I don't know if it's possible to get the whole committee—everybody—flying out there especially for it, but if we could just do it, I'm sure the recommendations we'd be bringing back would be acceptable to the members who aren't there, anyway.

**The Chair:** Sarmite.

**Hon. Sarmite Bulte:** I am planning to go to the Junos, but I think people who want to go to the Junos should either let me know so that we can go to the organizers.... Remember, it's going to be very busy for hotel space at that time, too. For anybody who would want to go to the Junos, I would be happy personally to coordinate with the organizers. Let me know, so that we have tickets available.

**Mr. Charlie Angus:** There's an important question here. Can you get me two tickets for my daughters? If I don't take them, I'm told I'm not coming home, period.

**Hon. Sarmite Bulte:** I'll tell you what. Why doesn't everybody give me their requests and let me see what I can do? But do it within the next 48 hours, just to be fair to the organizers as well. Obviously, it's usually with a guest. We also need to know what the cost of these things is so that it can be worked out with the ethics commissioner. But again, I'd be happy to take this on myself. The organizers are personal friends of mine.

**The Chair:** Are we agreed, then, that for those who want to, we will be at the Junos on the weekend and then hold a one-day hearing in Winnipeg as part of our schedule?

**An hon. member:** Agreed.

**The Chair:** Okay.

We won't worry if we don't have a full committee, but in terms of tickets for the Junos and so on, let Sam know in the next couple of—

**Hon. Sarmite Bulte:** Within the next 48 hours, so by our next committee, say.

**The Chair:** And I don't think Sam should feel responsible for everybody who wants to take all their volunteers to the Junos.

**Hon. Sarmite Bulte:** No, but if you just give me your requests, all they can say is no.

**The Chair:** Okay.

Then our following week, April 18, would be in Montreal. Is that acceptable?

**Mr. Gary Schellenberger:** Do we go down on April 20 in the morning, or do we go there on—

**The Chair:** We think we might go down on April 19 in the evening. It's a lovely train ride. You get on and have dinner.

**Mr. Gary Schellenberger:** Yes.

**Mr. Mario Silva:** I'm sorry, what was the date you said for Montreal? I have here—

**Hon. Sarmite Bulte:** The following week, leave on April 19.

**The Chair:** April 20, 21, and 22. Again, that gives us a half day, or a day, for some site visits.

**Mr. Mario Silva:** That would be in the morning, right? I would imagine so, because Ottawa.... It's only an hour away.

**The Chair:** If we move into May, we now have Halifax scheduled for May 18 and May 19.... Yes, we leave on May 17.

Do we need three days in Halifax?

**The Clerk of the Committee (Mr. Jacques Lahaie):** Two days would be fine.

**The Chair:** Two days? And that would include site visits?

**The Clerk:** I'll have to see. If we get some more briefs, then we might add a site visit—two and a half days.

**The Chair:** Okay.

We want to go through the list of witnesses. I'm not sure we have time to do that thoroughly now. Could I ask everybody to do that

fairly carefully, and we will firm up the list of witnesses on Thursday?

Monsieur Lemay.

• (1040)

[*Translation*]

**Mr. Marc Lemay:** Madam Chair, I have a problem with Winnipeg. I do not mean to say that evenings are boring in Winnipeg, but would we leave for Winnipeg on April 4?

**The Chair:** Yes. I know that because of the Juno Awards evening...

**Mr. Marc Lemay:** Which is held on the 3rd.

**The Chair:** Yes, during the weekend of the 3rd.

**Mr. Marc Lemay:** Are the Juno Awards held on the Saturday or the Sunday?

**The Chair:** On the Sunday.

**Mr. Marc Lemay:** The 3rd.

Are we leaving for Winnipeg on the Sunday morning or the Saturday morning?

**The Chair:** It is the weekend. Each member could want to make his or her own arrangements.

**Mr. Marc Lemay:** We would need to have at least one representative from each of the parties to hear the witnesses in Winnipeg. So the hearings in Winnipeg will be on the 4th.

**The Chair:** Yes.

**Mr. Marc Lemay:** Are we coming back here in the evening of the 4th or the 5th?

**The Chair:** I believe that we are coming back on the evening of the 4th because of a probable vote on Tuesday.

**Mr. Marc Lemay:** Tuesday the 5th. On the 6th, 7th and 8th, we are going to Toronto.

**The Chair:** Yes. The 6th, 7th and 8th—

**Mr. Marc Lemay:** We are in Toronto. Would we leave for Toronto on the evening of the 5th or on the 6th?

**The Chair:** The evening of the 5th, after the vote. However, if there were votes on the Wednesday, which is possible but not likely, we could leave on the 6th.

**Mr. Marc Lemay:** And we would come back in the afternoon, on Friday, April 8. Agreed. Thank you.

[*English*]

**The Chair:** Merci.

As I said, because we have a few other things to take care of, could we leave the witnesses until Thursday? I'd ask everybody to have a very careful look at that witness schedule, now that you know our agenda, and see what we need to fit in.

**Mr. Mario Silva:** Can we make recommendations on Thursday?

**The Chair:** Yes. That's okay?

We now have added Winnipeg, and I think we already had approval for the Vancouver portion.

**The Clerk:** Yes, but the dates have changed, and now it's a total budget for the two.

**The Chair:** Okay. But we're not doing it as one trip now.

**The Clerk:** No, in two separate trips; yes.

**The Chair:** Anyway, I understand from our clerk we need a motion that on the Canadian feature film industry study, the committee adopt the proposed travel budget of \$117,000 to Winnipeg and to Vancouver, for April 4 in Winnipeg and April 12 to 15 in Vancouver.

**Mr. Mario Silva:** I'll move it.

(Motion agreed to)

**The Chair:** I'll take that to the liaison committee. I hope to get it approved by the House.

[*Translation*]

**Mr. Marc Lemay:** Madam Chair, will Mr. Lahaie give us an amended schedule at the next meeting?

[*English*]

**The Chair:** This is a minority government, isn't it, these days?

**Mr. Mario Silva:** Madam Chair, I have some questions as a new member. Do we make all arrangements—I just want to know for my staff—in terms of both the hotel and the flights through our point systems? Is everything paid through our own points?

**The Chair:** Everything is paid through the committee's budget.

**Mr. Mario Silva:** So who do we contact—the committee clerk?

**The Chair:** The clerk will make all the arrangements. If you have any special requirements—

**Mr. Mario Silva:** So my staff should get in contact with the clerk, then?

[*Translation*]

**The Clerk:** Tomorrow, we will send a questionnaire to all committee members asking them whether they want to travel. We will also ask them to fill out the questionnaire to indicate what kind of hotel room they would like: smoking or non-smoking, etc. We will make the hotel reservations.

[*English*]

**The Chair:** Go ahead, please, Monsieur Lemay.

[*Translation*]

**Mr. Marc Lemay:** Let's come back to the visit to Winnipeg. Mr. Lahaie is dealing with rooms and airplanes, but Ms. Bulte will make the arrangements for the Juno Awards tickets. Is that it?

• (1045)

[*English*]

**The Chair:** Yes.

That finishes that for the moment. Tell all your whips to behave and not change anything.

On Ms. Oda's motion—as you know, she had to leave for her shadow cabinet meeting—she has agreed to defer consideration.

At the committee's request, I did speak to the chair of the official languages committee. What the committee asked him to do—I think

we may have a copy of the motion, Mr. Clerk—was to meet with CTV and others responsible for the broadcasting of the Olympics, about what their plans are. The committee wants a plan in front of them as to how the broadcasts, in French as well as in English, will occur. The idea then is to bring those who would be responsible for the broadcasts in front of the official languages committee to explain how they plan to do this, and to hear any comments the committee may have.

Mr. Rodriguez has had some of those discussions. He has to have some more in Montreal this coming week, and he will keep me informed. The suggestion is that we'll see how those discussions are going, how quickly it's moving through official languages. I will keep this committee informed. I think Ms. Oda would certainly like—and I think most members of the committee felt the same—that if this is coming back before official languages at a time suitable to us and in a timeframe suitable to us, let's just see if we can arrange for a joint meeting of the two committees to deal with this issue, since we both have responsibility. Okay?

The third thing is the Auditor General. We had a motion passed last week: Mr. Simms' motion, amended by Ms. Bulte. We have since heard from the Auditor General's office, who had a look at the motion. It's nice to know they're watching what we're doing. They're worried it may not accomplish what the committee intends it to do, and suggest that the motion needs to be more precise. I'm just passing on their comments, and then I'll give you something else to have a look at.

What they fear is that the motion as worded may be interpreted as meaning that only Canadian Heritage and Treasury Board have to submit their action plans. They feel that the Parks Canada Agency—not the Ministry of the Environment, but the agency—the National Library of Canada, and the National Archives also have to be specified if the committee wants to address the question of the protection of cultural heritage, as outlined in the Auditor General's report.

The Auditor General has suggested an alternative wording. I presume the committee would like to at least look at that and see if we find it preferable. I think you don't want to deal with it today, however.

**Hon. Sarmite Bulte:** With all due respect, Madam Chair, I have a point of order.

This committee is the master of its own fortune, and I'm going to put on my lawyer's hat here. When I was a corporate counsel, when we would get auditors' letters, management letters, we challenged them. Quite frankly, I take exception to the Auditor General meddling in what this committee does. The Auditor General has her mandate and she can do whatever she wants, but we as a committee are our own masters. We determine what motions we have; we determine what we're going to do.

With all due respect to the Auditor General, just because they want something it doesn't mean that this committee has to do it. I find it quite a precedent that the Auditor General is now going to tell a committee what to do. I would like to see what the Auditor General's mandate is. Quite frankly, I'd like our researchers to take a look at whether this is appropriate. Is this a proper use of the Auditor General's function here to dictate or to even tell the committee what to do? I think that as a committee member—not as a member of a government, but as a committee member—I've never heard anything like this before.

• (1050)

**The Chair:** Ms. Bulte, if I may, possibly I explained the situation badly. I don't think the Auditor General is trying to tell the committee what to do. She has just drawn something to the attention of the committee. Since we're trying to respond to her report and get some forward movement on the issue, she has simply given us an opinion, and it's up to us to decide whether we want to consider it, or whether we don't. It's up to the committee to decide whether we want to look at a proposed wording. But there is no suggestion here that the Auditor General is trying to tell this committee what to do. And if I have explained it badly, then I apologize.

**Mr. Scott Simms:** Madam Chair, do we have anything in writing from them? From what I understand, all they gave us is suggested wording. Is that correct?

**The Chair:** Yes.

**Mr. Scott Simms:** Then is there a justification behind it as to why it's worded that way?

**The Chair:** No. I just read you the comments. If you would like me to request the letter, I'd be happy to do that.

**Mr. Scott Simms:** I think every committee member should have a look at this as well to justify why it's done this way.

**The Chair:** I'm not suggesting we deal with it right now, believe me.

**Mr. Scott Simms:** I see.

**Hon. Sarmite Bulte:** But is there accompanying correspondence? I'd like to see in what context this has been written. Has it been just telephoned to the clerk? I'd like to know what the process is.

**The Chair:** I think I just said that there hasn't been an accompanying letter, and if that is what the committee would like, that is what I will request.

**Mr. Scott Simms:** Yes, I think we should have it available for all to justify why the particular agencies were cited as.... If she's offering a suggestion, then you might as well give us a suggestion other than a wording.

**The Chair:** Thank you.

I will get that. I'll have it circulated to the committee, as well as a draft motion. Then obviously it's up to the committee as to what you want to do with it.

Do we have any other business to deal with?

We tabled Ms. Oda's motion. We don't have to deal with it. She's quite happy to leave it the way it is.

On Mr. Kotto's motion having to do with the committee meeting with the World Film Festival and Telefilm Canada, the clerk has indicated that the committee should be aware of the *sub judice* convention, which applies to the House and to some extent to committees.

Has that been circulated to everybody?

**The Clerk:** Yes.

**The Chair:** That was circulated.

It's not binding on the committee.

**Hon. Sarmite Bulte:** What was the...?

**Mr. Marc Lemay:** What is the problem?

**The Chair:** There is a court case currently under way between the World Film Festival and Telefilm Canada. The question is whether it is appropriate for this committee to basically have the two parties to a court case in front of us.

Mr. Kotto.

[Translation]

**Mr. Maka Kotto:** Madam Chair, in my view, our purpose is to deal with the likelihood that there will not be any film festival in Montreal this year and probably not next year either. Telefilm has launched an invitation to tender in order to organize a new festival, turning its back to a festival that had been in existence for 25 years. That is the issue that is of interest to us, not defamation or other allegations. That does not interest us at all.

**The Chair:** Mr. Lemay.

**Mr. Marc Lemay:** I would add, madam Chair, and this is very important, that there is a Telefilm Canada directive against holding two film festivals at the same time. The festival that is proposed for October is directly in conflict with the Festival du cinéma international in Rouyn-Noranda, which is held in my riding and which is in extreme danger. I would like to question the representatives of Telefilm Canada on this issue.

I entirely agree with Mr. Kotto: I object to us dealing with the case as such. I am a lawyer by profession and there is no question of us having anything to do with the personality conflict and the action in defamation. We want to know why Telefilm Canada has done that. This has a domino effect. Presently, in Quebec, anything that has to do with film festivals is being gently but surely shoved aside.

On this subject, I will ask the people from the Festival du cinéma international in Rouyn-Noranda, who have asked to be heard, to come and explain to us the impact of that decision made by Telefilm. The festival is like a mouse caught between two elephants. I can tell you that they will have to maneuver skilfully. This is what we want to express here.

• (1055)

[English]

**The Chair:** Are there other comments?

Ms. Bulte.

**Hon. Sarmite Bulte:** Thank you very much, Madam Chair.

Let me begin by saying that we all agree it is very important for Montreal to hold a world-class film festival, and that everything must be done to indeed ensure that Montreal continues to host a major film festival.

That being said, the dispute with the World Film Festival is one taken up by Monsieur Losique, who has been the WFF president since its inception. The WFF maintains that the call for proposals issued by Telefilm and SODEC exceeds Telefilm Canada's mandate. On September 10, 2004, Monsieur Losique filed an application with the Superior Court of Quebec for an injunction to force Telefilm to delay its decision until the court issues a ruling. He is also suing Telefilm Canada for \$2 million in moral damages and \$500,000 in exemplary damages. In addition to that, on January 14, 2005, Monsieur Losique filed another lawsuit, this time with the Federal Court. A ruling may be issued in spring of 2005.

Therefore it is my position, Madam Chair and members of this committee, that this motion is completely inappropriate at this time, because two courts are already looking into various allegations made by the president of the WFF.

That being said, Monsieur Kotto and Monsieur Lemay, in regard to your concerns about funding for a film festival, I suggested earlier today that Telefilm come for a whole three hours. I think that any issues you are concerned about that relate to having a first-class international film festival in Montreal or in Quebec should be addressed at that time. I would be happy to support you at that time, but I cannot accept this motion in light of the current litigation.

**The Chair:** Can I make a further point? The fact is that when witnesses appear before a committee, their testimony is privileged. That can have an effect on the current legal processes that are under way. As I understand it, information that emerges at a committee meeting under privilege is then exempt from being used in a legal proceeding. I think we need to be very cautious of our responsibilities to not have an undue influence on legal proceedings that are already under way in that way.

As Ms. Bulte has said, Telefilm is before us. We can certainly talk to them about their policy with respect to the funding of film festivals, and the role of film festivals in encouraging film production and the viewing of Canadian films.

I'm happy to hear what other members of the committee have to say, but I think it would be very risky for us to have those two particular witnesses in front of us.

Mr. Kotto.

[*Translation*]

**Mr. Maka Kotto:** I understand that we want to be careful. However, even if Telefilm appears before this committee, we will be

gagged and we will not be able to put specific questions relative to 25 years of concrete experience, which would perhaps have allowed us to prevent some future mistakes being made about other festivals. It is all very good to ask questions about the funding policy for festivals, but we always stay on the theoretical level. There are some practical experiences that we could deal with and ask questions about, in order to understand where mistakes have been made and where things have worked well. I believe that it will be in line with our research on the film making policy in Canada. I understand your prudence, but we can, in our wisdom, limit our questions to the reason why there was a call for tenders, without going into the specifics of the court action. According to my reading—

• (1100)

[*English*]

**The Chair:** Mr. Kotto, I'm going to interrupt you because we are delaying another committee starting. We can have this discussion again when we meet on Thursday, and there is another request that I need us to consider, but I don't think it's fair to eat into another committee's time.

I would conclude by saying I think we can get into some of these issues with Telefilm as we hold our hearings in different centres, including Montreal. No doubt we will invite witnesses involved in staging film festivals, and I think that's perhaps more the way to deal with the policy issues around film festivals and their funding.

I'm quite happy to allow the committee to come to a conclusion on this. There's clearly no agreement, and I would say there's maybe a preponderance of opinion that we should not have those two witnesses in front of us together.

Mr. Angus, you can have one final word and then I really do have to adjourn the meeting.

**Mr. Charlie Angus:** One final word, yes.

I want to make sure that on Thursday we have time to discuss my motion. I keep being afraid that we keep talking the clock down and I'm not getting this thing on the table. So can we have the time on Thursday?

**Hon. Sarmite Bulte:** I'm ready to take points of order on your motion any time.

**The Chair:** Absolutely.

**Mr. Charlie Angus:** Good.

**The Chair:** This meeting is now adjourned.

Thank you very much, everybody.







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**Publié en conformité de l'autorité du Président de la Chambre des communes**

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