



## **A Critical Investment: Stable, Permanent Funding for our Cultural Institutions**

The audiovisual sector is one of the most efficient job-generating industries, giving government a lot of bang for its investment buck. In 2008, Canada's film and television industry generated 131,600 jobs, including 51,700 full-time jobs directly in production, and a further 79,900 spin-off full-time jobs in other industries in the Canadian economy.

In order for the film, television and digital media production industry to thrive, it needs reliable and significant investment. We urge the government to commit to renewed and increased, long-term funding for the Canadian Media Fund, Telefilm, the NFB and the CBC. These cultural institutions are the central tools that support Canada's \$5.2 billion audiovisual industry.

### **Canadian Broadcasting Corporation (CBC)**

Canadian audiovisual artists believe fundamentally in the principle of a strong and effective public broadcasting service, which is financed by the public but operated at arms-length from the government. The CBC has a unique mandate under the *Broadcasting Act* to showcase Canada's national identity by providing programming in English and French that reflects Canada and its regions, its multicultural and multiracial nature and contributes to the exchange of cultural expression. Developing, producing, and broadcasting high-quality Canadian dramatic programming is one of the best ways for the CBC to meet this mandate.

Unfortunately, the CBC's role within the broadcasting system has been weakened by chronic under-funding. Per capita public funding for CBC is among the lowest funding for a public broadcaster in any industrialized country in the world; while the average is \$80 per citizen, per year CBC/Radio-Canada only gets \$34.

In an attempt to fill the funding gap increasing ad revenues, the CBC's current executives have committed an increasing number of programming hours to U.S. programs such as *Jeopardy* and *Wheel of Fortune*. We believe this is the wrong track. We feel that this programming strategy is contrary to the CBC's mandate to provide programming that is distinctively Canadian.

To that end we support last year's recommendation of the Standing Committee for Canadian Heritage that the annual allocation for the CBC be increased by \$7 per Canadian.

### **Canadian Media Fund (CMF)**

The Canadian Television Fund (CTF) is the most important source of funding for Canadian programming. Over its 12-year history, the CTF contributed \$2.7 billion to support over 5,400 productions. This resulted in the creation of more than 27,000 hours of high-quality television for

Canadians and triggered over \$9 billion in production volume across the country. CTF-supported television shows such as *Little Mosque on the Prairie* and *Flashpoint* have found substantial loyal audiences in Canada, often topping 1 million viewers.

As a catalyst for the funding of thousands of hours interesting, innovative and entertaining Canadian programs for Canadians to enjoy, the CTF has been a success story since its inception. The Fund must be allowed to continue to do the excellent work it does.

The small size of the Canadian market and the high costs of producing original content for TV make support mechanisms essential for the production of high quality Canadian programs, particularly 10-point Canadian drama. Government support of domestic television drama productions is not unique to Canada. Many countries around the world support domestic television productions through, among other vehicles, direct funding from the tax base.

Canadians agree that the CTF serves a critical role. A Harris/Decima poll conducted in January/February of 2008 found that over three-quarters of Canadians felt that it was important to have a choice of television programs that reflect Canadian society, values and perspectives. Further 86% of those polled agree that the government should help finance Canadian programming and 81% agree or strongly agree that Broadcasting Distribution Undertakings (BDUs) – cable and satellite companies – should contribute to financing Canadian programming.

As of April 1, 2010, the CTF will be merged with the Canada New Media Fund to become the Canada Media Fund (CMF) with combined government and private investments totalling \$310 million by 2010. We applaud the government's strategy to encourage production of content that can be distributed across multiple platforms and the two-year government funding commitment. However, in order to allow the production community to make long-term strategic plans, we urge the government to commit to increased, long-term, stable funding.

Furthermore, creators are concerned about the structure of the new CMF board and the development of new guidelines for the CMF. We urge the government to take all steps necessary to ensure the independence of the new board and look forward to participating in stakeholder consultations as details of the Fund are worked out.

We look forward to participating in consultations as the parameters for the CMF are developed in the coming months.

## **Telefilm Canada**

Government funding through Telefilm Canada is crucial to ensure films with Canadian writers, directors, performers and crew continue to be made and seen by Canadian audiences. Each dollar invested in a Telefilm production generated \$3.58 in digital media projects and \$3.26 dollars in feature film projects.

Telefilm notes in its 2007 annual report that taking into account the impact of inflation, the agency's purchasing power in terms of parliamentary appropriations, decreased by 23.7% between 1994 and 2007. Furthermore, according to Telefilm's 2008 annual report, overall funding fell from \$136.6 million in 2007 to \$128.3 million in 2008, a drop of \$8.3 million that was chiefly due to lower contributions from the CTF and the Department of Canadian Heritage.

While Telefilm is looking for new industry partners and exploring innovative funding models, it still requires solid, stable and predictable public funding.

### **National Film Board (NFB)**

For over 65 years, the NFB has provided Canada and the world with ground breaking documentaries, animations, dramas, digital media productions, and more. The NFB has crafted over 12,000 productions and received more than 5,000 awards, including 12 Oscars and more than 90 Genies.

For the past 15 years, the NFB has, after repeated cutbacks, seen its budget slashed by 17%. These cuts have considerably undermined the NFB's capacities to create and produce original films. Over the same period, this NFB's employees saw their ranks drop from 723 employees to only 356 in 2007.

As Canada's premiere public film producer and distributor, the NFB deserves the necessary government support in order to continue providing unique Canadian perspectives and stories.