



Writers Guild of Canada

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April 29, 2005

Robert Soucy  
Director, CAVCO  
Department of Canadian Heritage  
100 Sparks Street, 4th Floor  
Ottawa, Ontario  
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Dear Robert:

**RE: Public Notice CAVCO 2005-001 - Draft amendments to the *Income Tax Act***

The Writers Guild of Canada (WGC) welcomes the opportunity to participate in the Canadian Audio-Visual Certification Office (CAVCO) consultation 2005-0001 on proposed amendments to the *Income Tax Act* ("Act").

The WGC is the national association representing more than 1,800 screenwriters working in English-language film, television, radio and multimedia production in Canada. The WGC is committed to building a vibrant industry showcasing Canadian imagination and talent.

For over sixty years, the WGC and its predecessor has negotiated collective agreements setting out minimum rates and terms for screenwriters with independent producers and broadcasters. The WGC has negotiated separate Independent Production Agreements with the Canadian Film and Television Production Association (CFTPA) and the Association des producteurs de films et de télévision du Québec (APFTQ), as well as agreements with CBC Radio, CBC-TV, CTV, the NFB and TVOntario. By hosting events such as the Canadian Screenwriting Awards, and publishing its magazine *Canadian Screenwriter*, the WGC puts writers in the spotlight.

A Member of the International Affiliation of Writers Guilds

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## **Introduction**

The Department of Canadian Heritage, through CAVCO, is consulting with interested parties on the adoption of guidelines to implement the November 14, 2003 changes to the Canadian Production Tax Credit (CPTC) and corresponding amendments to the Act. The main objective of the CAVCO 2005-1 consultation is to clarify the amount of Canadian control, both in terms of copyright ownership and creative participation, required for a project to be certified by CAVCO to receive (1) financial investment by way of the CPTC and (2) CRTC Canadian content classification for broadcast purposes.

The WGC thanks CAVCO for undertaking this important review. It is imperative that taxpayers are assured that creative control and copyright ownership are in Canadian hands for projects that enjoy Canadian content status on our airwaves and access to the CPTC.

The primary objective of Canadian content policy must be to encourage the production of Canadian content created by Canadians. While government policy goals may include building a production infrastructure and expanding our market share internationally, Canadian tax payers must be assured that public funds and airwaves primarily support the production of Canadian stories with a distinct Canadian voice.

For this reason, CAVCO must ensure that for Canadian-certified productions, creative control is firmly in Canadian hands. This means that only shows created and/or written by Canadians should qualify as Canadian content; productions created by foreigners should not be certified as Canadian.

It is also important that Canadian airwaves and cinemas are not filled with “Canadian content” with little or no Canadian creative input. CAVCO-certified productions are not purely financial transactions – they should have cultural merit and reflect Canada to Canadians. Canadians must occupy the key creative positions including screenwriter and director in order for these productions to have a Canadian voice. Otherwise, CAVCO-certified productions are no different from foreign-service production created elsewhere but using Canada as a shooting location. These productions should not be classified as “Canadian” for broadcast and distribution purposes but may benefit from the federal Production Services Tax Credit (PSTC) and similar provincial credits.

### **The financial realities of six-point or export production**

Tax credits are a crucial component financing productions in Canada and there are currently two federal production tax credits available – the CPTC and the PSTC. The CPTC, set at 25%, is earmarked for Canadian-controlled production companies making Canadian productions scoring at least six (6) points on the CAVCO scale. These CAVCO-certified productions must use either a Canadian screenwriter or director, and one Canadian lead performer. Meanwhile the PSTC is set at 16% to encourage a production infrastructure. It does not require that key creative posts be held by Canadians and is available to both Canadian and foreign-owned corporations. Shot in Canada, but created and written abroad, “service productions” benefiting from the PSTC typically have a Canadian co-producer, and use Canadian directors and/or secondary performers.

If the PSTC is aimed at building infrastructure in Canada, then what is the CPTC attempting to accomplish? The CPTC exists to support Canadian content productions created by Canadians and reflecting our unique voice. However, Canadian screenwriters rarely work on CPTC-supported export productions because CAVCO's minimal Canadian content benchmark enables the use of predominantly American story departments on these shows. If a production is to be considered Canadian, it must be controlled by Canadians and this is the crux of the issue. Canadians have all but lost that control in six point export programming.

Six point export programming relies on license fees from U.S. broadcasters to be made. In exchange for their financial investment, U.S. partners seek creative control of Canadian-certified shows. Creative control rests with the writing team and, as a result, the majority of CAVCO-certified six point content is created and written by U.S. screenwriters living in Los Angeles.

Data compiled from the WGC database, demonstrates that, on average, resident Canadians received only 26.3% of the writing contracts for export dramas in the WGC's jurisdiction from 1999-2004 based on a total of 88 projects with 2562 writing contracts<sup>1</sup>. The overwhelming majority -- 56% went to U.S. citizens, while 9% went to Canadians residing in the U.S.

Although the Canadian Film or Video Production Tax Credit has encouraged the production of export-oriented programming since it was introduced in 1996, in recent years, there has been a shift away from six-point production due to weaker international demand. WGC statistics support this trend. While in 1999, we had 24 projects with 408.5 hours of export programming; by 2004 there were only 11 projects with 180.5 hours of export programming produced in our jurisdiction, representing a 55% reduction.

This downward trend has nothing to do with the creative component of these productions -- export programs have become difficult to sell internationally because foreign markets have developed an appetite for their own programs. This means it is not necessary to try and woo foreign financiers back by relinquishing Canadian creative control in these productions. Simply put, there is no longer a business model for these types of shows; pre-sales and distribution advances have dried up and export shows have become less attractive to producers like Alliance Atlantis and Fireworks who have long since exited this business.

### **Reasons for the Absence of a Canadian Voice in six-point Canadian Production**

The current Canadian content rules pave the way for US financiers to hire Canadian directors to meet their Canadian content obligations rather than use Canadian writers. WGC data demonstrates that Canadians have all but lost creative control of CAVCO-supported six point production. Of the eleven projects produced in the WGC's jurisdiction in 2004, only 96 of 438 contracts, or only 22% went to Canadian resident screenwriters.

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<sup>1</sup> Note that this data is based on contracts where the screenwriter's nationality is available.

This is particularly disturbing in television production where control over the writing is equal to creative control. The showrunner and the story department are the creative engines in series television. As a result, U.S. broadcasters and distributors insist on U.S. showrunners who, in turn, hire Los Angeles-based writers with whom they are familiar. For this reason and not for lack of skills, talent or experience, six point export series have remained largely closed to Canadian screenwriters.

This is especially detrimental to Canadian screenwriters in the current model of series television production where virtually all episodes of a series are written by members of the story department with a negligible number of scripts contracted externally to freelancers. Typically, the showrunner takes a number of script assignments, handing over the rest to other members of the story department.

Canadians have the experience and talent to write production geared to the international market. In fact, *Stargate SG-1*, arguably the most successful of export series and now in its ninth season, has a Canadian executive producer as a show runner and is predominantly written by Canadians. Canadian Brad Wright was initially hired in the story department and when promoted to executive producer and showrunner, he began to use Canadian resident screenwriters. But series such as *Stargate* remain exceptions, because under the existing six-point benchmark, productions are allowed to use American story departments to develop and write these series.

### **Canadians must reclaim creative control of Canadian content productions**

**Canadians need to have creative control over a production in addition to holding copyright -- both are equally important. The WGC believes that creative control is the essence of what determines a Canadian production, not who arranges the financing and distribution.**

In the current climate where distinctively Canadian drama production has declined sharply, it is even more important that this other stream of Canadian production support a creative infrastructure within Canada. Only if export shows are genuinely created and written by Canadians, will they ensure a Canadian voice in international production and provide meaningful work opportunities for the indigenous creative community. Moreover, Canada has the depth of screenwriting talent to write productions with wide audience appeal – there is no need to engage non-Canadian screenwriters to write Canadian-certified productions.

### **Proposed solutions**

In order to reclaim creative control of Canadian content productions, the WGC recommends that the use of a Canadian screenwriter be made mandatory for Canadian-certified productions. The WGC also strongly suggests that all CAVCO-certified productions also have a Canadian director attached to the production.

### Make use of a Canadian screenwriter mandatory for Canadian-certified production

The objective of CAVCO-certification is to create Canadian content, and not foreign content created outside of Canada. However there are many examples of CAVCO-certified content that is void of a Canadian voice. For example, *Sue Thompson FB Eye* is a CAVCO-certified production, classified as “Canadian” for broadcasting purposes, but employing non-Canadian screenwriters to make a show about an American FBI agent with no recognizable Canadian content. This fact is that this type of production is essentially U.S. content, created by U.S. screenwriters for U.S. audiences, but subsidized by Canadian taxpayers.

By establishing the use of a Canadian screenwriter as a mandatory element for Canadian-certification, in the same manner that a Canadian producer is currently required, CAVCO would restore a Canadian voice to non-CTF Canadian production geared to the export market. It would also recognize the fundamentally writer-driven nature of film and television production (particularly series television production) and the role of the screenwriter as the project’s voice.

This requirement would also help ensure that our airwaves are not filled with *Canadian*-certified production void of a Canadian voice and indistinguishable from American or foreign shows. The WGC’s Canadian Screenwriter Collection Society (CSCS) has encountered significant challenges convincing Europeans, and other jurisdictions, that the shows like *Sue Thomas FB Eye* are Canadian and not American, when seeking to claim secondary authors' levies for Canadian productions. It is very telling that most jurisdictions assume that this type of Canadian-certified export show is American content and the onus is put on CSCS to prove otherwise.

### **WGC responses to specific policy proposals raised by CAVCO**

As stated previously, the current CAVCO consultation is aimed at clarifying the amount of Canadian control (both in terms of copyright ownership and creative participation) that is required for a project to qualify as Canadian content for CPTC and broadcasting purposes. This consultation directly impacts WGC members because the screenwriter is both the author of the audiovisual work and the first owner of the copyright as established by Canadian case law<sup>2</sup>.

The WGC would like to comment on the following proposals set out in CAVCO 2005-001:

1. Proposal to clarify copyright ownership (points 8-14)
2. Proposal to exclude non-Canadians from project development (point 19)
3. Proposal to treat format programs as ineligible services deals (point 25)
4. Proposal to exclude non-Canadian showrunners (point 26)

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<sup>2</sup> In the case of *Jean-Claude Chehade Inc. v. Films Rachel Inc.*, [1995] A.Q. No. 1550 (S.C.Que.) the Superior Court of Quebec concluded that the individual creator of the film (Ms. Suzie Cohen, who was both the script writer and the director of the film) was the one who had creatively assembled the various elements of the movie to create the final product and that therefore, she was the “author” as well as the first owner of the copyright in the final product.

5. Showrunner definition and writing credits (point 27)
6. CAVCO Advisory Committee (point 28)
7. WGC responses to CAVCO's specific questions (points 29-33)

### **1. Proposal to clarify copyright ownership (points 8-14)**

The WGC welcomes CAVCO's initiative to clarify the copyright ownership guidelines. The Public Notice refers to several different terms in its discussion of copyright ownership including "legal copyright", "beneficial copyright", "investor's rights", "rights of parties to a profit participation", "beneficial interest in exploitation", "equity interest" and "copyright – like interests." To avoid unnecessary confusion, the WGC asks that CAVCO use more consistent terminology in its discussion of copyright ownership.

For example, the description of "legal copyright" in Point 9 of the Public Notice is reasonably accurate but the references to "beneficial ownership" of copyright (which essentially refers to a right to share in the revenues or profits of a production as opposed to control of the copyright per se) could be replaced with a more straightforward reference to persons with an "equity interest."

Similarly, in Point 11 of the Public Notice, there are technically inaccurate references to each of distributors, broadcasters and lenders as "investors" and to their payment of "broadcast advances", "minimum guarantees" and "loans" as "investments" which should be modified. It would be useful if CAVCO were to draw a clear distinction between:

- (i) a "**loan**", which must be repaid and does not constitute an "investment" in a production;
- (ii) a "**licence**" granted to a broadcaster or distributor, which does not customarily result in an interest in copyright being transferred or a right to recoupment or entitlement to a profit participation; and
- (iii) an "**equity**" interest in a production which customarily results in an assignment of an undivided co-ownership interest in the copyright of a production to the investor and a resulting entitlement to recoup the initial investment and participate in profits.

As a general rule, The WGC position is that any Canadian "investor" should be allowed to acquire an "equity" interest (including an undivided co-ownership interest in the copyright) in a production provided that the acquisition is not made pursuant to a tax shelter and the CPTC rules are otherwise complied with, and the Act should be amended accordingly.

With respect to Point 12 of the Public Notice, production financing from distributors and broadcasters normally takes the form of a licence payment and does not involve the acquisition of an equity interest. If a broadcaster or distributor wants to invest more than the fair market value of a licence fee for the production in the form of an equity investment, it should not be prevented from doing so, provided the production remains under the genuine control of the

Canadian producer and otherwise meets the requirements of the CPTC. The WGC also believes that such broadcasters should continue to be prescribed.

With respect to Point 14 which refers to an “acceptable share of revenues from the exploitation of the production in non-Canadian markets”, CAVCO’s determination of what constitutes such an acceptable share should generally respect the terms which are commercially negotiated between producers and distributors and should not involve the imposition of any minimum commercial terms prescribed by CAVCO (i.e. beyond specifying the applicable minimum percentage of “profits” which the Canadian producer must retain).

## **2. Proposals to exclude non-Canadians from project development (Point 19) and to exclude non-Canadian showrunners on certified productions (Point 26)**

CAVCO has proposed three tests to determine whether a production is controlled by Canadian producers. These are: whether the Canadian producer: (1) demonstrates legal ownership of copyright in a production (Section 11-A), (2) holds an acceptable share of revenues from the exploitation of the production in non-Canadian markets (Section II-B), and (3) exercises full control over the initial licensing of its rights as a copyright owner, from the time of acquisition of the property (Section II-C).

The third test — set out in Section II-C, Point 19 - refers to the acceptable level of foreign participation in the development of the project. It is as follows:

19. Difficulties arise where a certain amount of development occurs, under foreign copyright ownership, before a Canadian producer in turn secures the copyright in a concept or project. In the interest of providing greater clarity, we propose to adopt two simple rules to recognize only those productions whose development originates under the control of Canadians. Productions would be ineligible for the CPTC program to the extent that any meaningful development or exploitation arrangements have been initiated by non-Canadians before copyright ownership has been secured by an eligible Canadian company. In addition, non-Canadian owners of underlying rights in a concept or project would not be permitted to obtain exploitation rights under licence or otherwise once the production has been completed.

In Point 26 of section II-F, CAVCO has further proposed disallowing the use of non-Canadian showrunners, while permitting a single non-Canadian writer in a supervisory position in the writing department. Point 26 of Section II-F entitled: Show Runners and Writers is as follows:

26. We also propose to adopt a new policy to disallow the use of non-Canadian showrunners on certified productions. We are prepared, however, to allow a maximum of one non-Canadian to occupy a supervisory position in the writing department.

WGC position:

The WGC believes that CAVCO's proposed points 19 and 26 are inextricably linked and our position assumes that these two clauses will work in tandem. This means that the WGC can be flexible on allowing non-Canadians to develop a concept for a project, as long as the scripts are written exclusively by Canadians, the showrunner is Canadian and there is a maximum of one non-Canadian in a supervisory role in the story department.

The WGC also recommends that the separate CAVCO grids for live-action and animation be made consistent to allocate two screenwriting points for each type of production. This would change the status quo by increasing the number of screenwriting points in the animation grid from one to two. The same stages of script delivery, including the initial outline and subsequent drafts, are required for both live action and animation production – and this should be reflected in both CAVCO Canadian content point system grids by giving the same weight to screenwriting.

Under point 19, the WGC supports the CAVCO proposal on financial control. Canadian companies must demonstrate that they have financial control of exploitation rights before copyright ownership has been secured.

However, the WGC is prepared to be flexible on creative control of concept development as long as the scripts are written by a Canadian and the story department is Canadian (with a maximum of one non-Canadian in a supervisory role in the story department.) This position is based on acceptance of CAVCO's proposal to exclude non-Canadian showrunners as set out in point 26. If a Canadian screenwriter writes the script, and the story department is Canadian, the production should qualify for the full CAVCO screenwriting points.

The WGC is concerned that by disallowing concepts developed by non-Canadians as proposed in Point 19, CAVCO would effectively exclude projects even if the scripts are written by Canadian screenwriters. Examples of this type of Canadian content production include *Stargate SGI* and *Young Blades*. In order to continue to provide the maximum series writing opportunities to Canadian screenwriters, the WGC recommends that the full two points for screenwriting be awarded to productions written by a Canadian, provided the story department is Canadian, with a maximum of one non-Canadian in a supervisory role, even if the concept development was done by a non-Canadian.

As stated earlier, the WGC's position is contingent on the composition of the story department and the assignment of scripts by the series head or showrunner. This is addressed by CAVCO in point 26.

Showrunners must be Canadian

Currently, CAVCO rules do not allow any non-Canadians in writing roles in the story department where a project is awarded the two screenwriting points. Non-Canadians are permitted provided that they do not write scripts and do not take the two screenwriting points. These productions engage Canadian directors to qualify for certification. In the past, CAVCO

has however effectively accepted non-Canadian showrunners as long as those individuals were not in a writing role and had permissible screen credits.

CAVCO's new proposed guidelines would change the status quo by no longer allowing a non-Canadian showrunner, while permitting a single non-Canadian writer in a supervisory position in the writing department.

The WGC supports this proposal, provided that the scripts are written only by Canadians in order for the project to qualify for the two screenwriter points. Almost all showrunner contracts received at the WGC include provisions granting the showrunner a number of guaranteed scripts as part of their overall compensation package. In only the rarest of cases would the showrunner not be writing at least one script. Given this practical reality, the WGC does not accept participation of a non-Canadian showrunner on series production because in 99% of cases, that person would be writing scripts. Canadians must write the scripts in order for a project to qualify as Canadian content. Surely CAVCO wants to administer an honest and transparent system – for all practical purposes, by allowing non-Canadian showrunners CAVCO would really be permitting American screenwriters.

Since the purpose of this review is to clarify how CAVCO will determine that Canadians control the copyright for exploitation, and hold creative control over a project, then the showrunner and the writer, who is the first copyright holder, who exercises creative control over the project, must be Canadian for the production to qualify under CAVCO rules.

#### A maximum of one non-Canadian in a supervisory position in a story department

While the WGC understands that U.S. financiers will want a U.S. national in the story department in exchange for their financial participation, the WGC is prepared to support a maximum one (1) non-Canadian individual in a supervisory position in the story department. The WGC position assumes that all scripts will be written by Canadians on CAVCO-certified productions. This means that were the non-Canadian to have script assignments, his/her scripts would not qualify for the two screenwriter points under CAVCO rules.

It must be stated however that the WGC's position and support for CAVCO proposals outlined above is limited to six-point productions. While such an approach is appropriate to non-CTF Canadian production, it would be inappropriate for CTF-funded production and feature projects funded by the Canadian Feature Film Fund. The WGC will also oppose any proposal to split the two screenwriter points into single points – one for use of a Canadian screenwriter on an episode, one for a Canadian story department. Such an approach would downgrade the importance of the screenwriter in the system and would deny the fundamental creative role of the screenwriter in series television.

### **3. Showrunner definition and writing credits (Point 27)**

In point 27 of Section II-F, CAVCO has further requested comments on the appropriate definition of a "showrunner" in television.

Although the screen credit “showrunner” is rarely accorded, it is not difficult to determine who is at the creative helm. The showrunner is the creative engine and the most important position in series television production. Simply put, showrunners are responsible for all creative elements on a television project.

While CAVCO may hear from other stakeholders that it is too difficult to determine and regulate who is a showrunner on a series, the WGC does not agree. CAVCO’s proposal clearly states the need to determine whether Canadians hold creative control of a project and this must start with determination of who is the showrunner.

For television movies (or movies of the week (MOWs)) there is no showrunner position. Creative control is shared between the writer and director and the CAVCO rules should recognize this collaboration by ensuring that both positions are held by Canadians for projects seeking CAVCO certification.

### **Showrunner credits**

WGC members are showrunners; showrunners are screenwriters first and foremost. In most cases, the showrunner takes the executive producer credit. Other showrunner credits include creative producer and supervising producer. It is also possible to have more than one showrunner working in a showrunning team but this is unlikely unless the individuals are a verified writing team and share credits.

In Canada, there is a reluctance to give showrunners the executive producer credit but this is the credit most often given on CAVCO-certified six point export shows. However it is important to recognize that the person given the executive producer credit is not always the showrunner. The proposed definition below is intended to assist CAVCO to determine who is at the creative helm of a show.

### **WGC proposal for a showrunner definition**

In general terms, a showrunner bears ultimate responsibility for the ongoing creation, development and production of a television drama series. The showrunner facilitates all creative minds at work on the project and ensures that all talent involved collaborate and communicate to make the best show possible.

The showrunner is the person who is responsible for all series writing and development, ensuring that scripts are approved by the associated network(s), the distributor and funding agencies involved in the series. The showrunner also oversees the production of all episodes, including working within set budgets, attending all pre-preproduction conferences, assisting in location selection and working with production personnel.

Specific showrunner responsibilities may include the following:

- pitching, developing, overseeing, writing and rewriting all episodes to the point where they secure network approval and overseeing the story department;
- liaising with other series executive producers, line producer(s), network executives and overseeing all pre-production, production and post-production activities;
- hiring, guiding, supervising and, where necessary, replacing staff writers, series directors, lead actors, key crew members and suppliers;
- ensuring that production costs stay within the overall series production budget;
- approving all look, sound, location, hair, makeup and wardrobe decisions, lead and guest cast selections;
- approving and overseeing all reshoots, music, mixes, colour corrects, ADR, titles, title sequences and credits;
- assisting with and overseeing the creation of ideas and material needed to promote the series and produce the series web site;

#### **4. Proposal to treat format programs as ineligible services deals (Point 25)**

We disagree with CAVCO's inclination to treat so-called "format" based television programs as "services deals" which are ineligible for the CPTC. Most Canadian versions of international "formats" are clearly Canadian controlled and typically written, directed, performed, produced by Canadians and directed primarily at a Canadian audience. As long as the production is written by a Canadian it should not be disqualified.

#### **5. CAVCO Advisory Committee (Point 28)**

The WGC welcomes the establishment of the CAVCO Advisory Committee -- transparent, ongoing consultation between the government and its agencies and key stakeholders is crucial to an effective CAVCO system. The WGC would like to work with CAVCO to appoint an appropriate screenwriter participant.

#### **6. WGC responses to CAVCO's specific questions (Points 29-33)**

##### **Point 29: Broadcasters as "prescribed" entities under the Regulations.**

The WGC believes that Canadian broadcasters should be able to acquire an equity interest in Canadian productions provided that such productions are genuinely Canadian controlled and otherwise meet the prescribed CPTC requirements. Any broadcaster equity interest should be for investments in addition to the fair market value of licence fees paid for a production aired on the network.

##### **Point 30: Should the current 25-year copyright ownership requirement be maintained?**

The WGC believes that the minimum 25-year copyright ownership period should be maintained.

**Point 31: For the purpose of the “acceptable revenues” provision in the draft legislation, is a net profit definition the best way to ensure an appropriate share of revenues to the production corporation?**

Industry experience with ‘net profit’ definitions has demonstrated a tendency to make such profits non-existent for even the most profitable projects. Therefore the WGC supports the use of gross profits, rather than net profits to measure production revenues. CAVCO should also determine whether or not distribution fees and expenses and similar deductions are within reasonable industry standards.

**Point 32: Should the Canadian copyright ownership requirements be adapted to take advantage of other tax-based incentives outside Canada that are also based on copyright ownership? How could this be achieved?**

The WGC believes that Canadian copyright ownership requirements should be maintained, but any Canadian should be permitted to acquire a copyright interest other than in connection with a tax shelter.

**Point 33: Given the substantial differences between theatrical and television production, as well as exploitation, does the preceding document raise issues that need to be treated differently for either market?**

It is the WGC’s opinion that the same rules should be applied to all productions.

**Point 34: Please provide comments as to the mandate and composition of a CAVCO Advisory Committee.**

The WGC’s position is addressed in point Pt. 5 above.

**Conclusion**

The current CAVCO review to institute mechanisms to determine whether Canadians control certified productions is important and timely. This review is not just about tax issues but also about ascertaining Canadian control over our public airwaves.

The primary objective of Canadian content policy must be to encourage the production of recognizable Canadian content, differentiating it from foreign-service production. Creative control on CAVCO-certified productions must be firmly in Canadian hands and this means that Canadian screenwriters must write the scripts for our projects. Our limited public funding and public airwaves should support recognizable Canadian productions first and foremost rather than facilitating foreign content, like *Sue Thompson FB Eye*, written abroad and disguising our cities and citizens as anywhere-U.S.A.

We urge the government to ensure that Canadians have creative control over Canadian-certified productions in addition to holding copyright -- both are equally important. Creative control is the essence of what determines a Canadian production, not who arranges the financing and distribution. If creative control is not in Canadian hands, it is not clear how the Canadian public benefits from this investment. Unless Canadians hold creative control of certified productions, our tax dollars and airwaves are being used to subsidize foreign productions, void of a Canadian voice and aimed at foreign, not Canadian, audiences.

Sincerely,

A handwritten signature in black ink, appearing to read 'Maureen Parker', with a stylized, cursive script.

Maureen Parker  
Executive Director

cc. Jean-Pierre Blais, Assistant Deputy Minister, Cultural Affairs, Canadian Heritage  
Jean-Francois Bernier, Director General, Film Video and Sound Recording, Canadian Heritage  
Rene Bouchard, Director General, Broadcasting Policy, Canadian Heritage  
Rebecca Schechter, President, Writers Guild of Canada  
Gail Martiri, Director of Policy, Writers Guild of Canada