For the good of the system

The quiet counter-revolution
of Marcel Masse

by Jean-Pierre Tadros & Michael Dorland

"Because we are a new government, we are in fact looking at everything from a new perspective. We can, and we will, carefully examine all facets of our responsibilities, with a view to achieving the degree of change, as well as the kind of change, which the Canadian people have said — and shown — they want to have."

— Marcel Masse

Nothing says counter-revolutionaries can't be charming, and Marcel Masse is both: Masse, 49, former historian turned technocrat, former independenceist turned (briefly) Liberal, then unionist under Daniel Johnson, became at 30 the youngest cabinet minister in Quebec history.

Nineteen years later, Masse is a cabinet minister again: since the Tory landslide of September 1984, the federal minister responsible for the $1.6 billion department of Communications. He has described himself as the most nationalist minister of Communications in federal history.

It's a new kind of nationalism, a Tory version of Quebec's Quiet Revolution, but in this case it's a Quiet Counter-Revolution. And not even so quiet either as last November's culture cuts and the recent removal of Telefilm director Andre Lamy forcefully demonstrate. As Masse has pointed out, the major challenge facing the Mulroney Tories is "nothing more or less than to redefine the role of government." In Masse's department, the process of redefinition has only just begun and in its ambition and scope it is, to employ the word used in the following interview by Masse himself: "a revolution."

Acutely conscious that culture is the Canadian blindspot, the redefinition of culture is tantamount to reversing the centralizing thrust of Liberal federal action in culture since the Massey-Levesque Royal Commission of the early '50s. However, it by no means suggests the abandonment of the cultural field by the new Tory federal government. On the contrary, it represents the construction of a new cultural system in Canada, for it is Masse's ambition to come to grips with Canada's constitutional blindness in cultural matters. If the chosen achievements of Pierre Trudeau the lawyer was to provide Canada with a constitution, it is no less Masse's to nominate one of the most gaping blanks in the Canadian constitutional division of powers. In this sense, he is perhaps quite right to describe himself as a nationalist.

The difficulty, however, is that there are as many variants of Canadian nationalism as other things Canadian and it is still too soon to attempt to call the full extent of the Masse variety. The following interview was requested primarily to get a sense of Masse's philosophy and the Tory government's cultural objectives, both of which have been obscured by the storm of cultural agency cutbacks. Indeed, on the day before the interview, The Globe & Mail's parliamentary columnist was also wondering "just what are the Government's cultural and economic priorities."

In person, in his Slater Street office where the stereo plays opera and a gilded Canadian flag stands to the right of the minister's desk, Masse is energetic and forceful and, as the following interview shows, without a driving eloquence. The interview, by Cinema Canada publisher Jean-Pierre Tadros and associate editor Michael Dorland, was in French and has been translated by Cinema Canada.
The policy so far

A briefing book prepared by DOC staff outlined a range of departmental positions on questions ranging from the National Film and Video Policy to摇the players in the Canadian broadcast system. The briefing book was approved by Masse. Some highlights:

- National film and video policy
  Approval of the policy in principle as well as continued application of the national film and video policy. Recognition of the inefficiency of the capital cost allowance but no specifics, however, other than favoring the development of domestic industries, attempt to control the domestic market and increase the Canadian share of theatrical revenues, reduction of foreign control of the internal market, and supporting production and distribution of film and video as cultural export.

- Quebec's Bill 109
  Quebec's Bill 109 has objectives similar to those of the government. Development of domestic industries, attempt to control the domestic market and increase the Canadian share of theatrical revenues, reduction of foreign control of the internal market, and supporting production and distribution of film and video as cultural export.

- Negotiations with the Majors in Canada
  Three meetings to date have taken place with the Canadian Motion Picture Distributors' Association, with a fourth to take place shortly. Negotiation is focused on fees as an approach over quotas, levies or taxation that would restrict the range of films offered to Canadians. In 1982 foreign distributor income from film, and broadcasting in Canada was $184,445,000 while Canadian distributors earned $71,799,000 for a total of $255,844,000. Yet does not truly exist if Canadians can't opt for Canadian films. A negotiated solution is hoped for, as well as to the taxpay for the credits we need for the development of the cultural sector.

- Non-payment of U.S. rights holders for program retransmission on Canadian cable systems
  Under existing copyright law, retransmission of broadcast programming by cable operators does constitute copyright infringement. Canadian cable operators did have to pay, estimates that $10 million in copyright revenues would flow to U.S. rights holders. The government has referred the matter to the Parliamentary Committee on Communications and Culture which will be holding public hearings on the whole question of copyright.

- The broadcast review task force
  Will recommend on an industrial and cultural strategy which takes full account of the government's overall social and economic goals: the public policy objectives for the Canadian broadcasting system; the role and mandate of the CBC, private broadcasting, provincial broadcasting services and interrelationships; the demands of the public; regulation; impediments to the broadcasting system's contribution to the Canadian economy and society.

- The broadcast fund
  Since the fund was fine-tuned April 1, 22 new projects (13 French and 9 English) were submitted for assistance -- as compared to 27 for the month of March -- an increase of 95% in 10 days. Since July 1, 1983, more than 500 programs or 140 projects have been supported by the fund, representing budgets of over $200 million.
What is its relation with respect to the cultural responsibility of the Quebecois government or the government of Saskatchewan or the government of Ontario? That is an area we began to approach at the Vancouver conference (with provincial counterparts in March) and that we will continue to discuss at the Halifax meeting this fall and beyond.

Cinema Canada: But you yourself must have some idea of what that space is?

Marcel Masse: I have an idea of the difficulty of it! But I don’t think it would be wise of me to define what I should be the responsibility of the Canadian Parliament, or of the federal government in the sense of its relationships to the provinces. I do think that would be wise of me, though I can arrive at a definition of it in the context of a larger assembly.

Cinema Canada: Can you envisage the possibility of the provinces unani-

mously asking to control their cultural resources?

Marcel Masse: You know that’s already happened. The political problems that we have in Canada result from the fact that we have no collective memory. And that’s a fact. In 1979 at a meeting of Canadian ministers of culture, including a representative of the Canadian government, a resolution was unanimously passed stating that the primary responsibility in the cultural domain belongs to the provinces. The resolution was accepted and they re-presented it to me in Vancouver, saying: This resolution has already been approved, Mr. Minister, what do you think of it? So I said, firstly, that I note that it was passed in ’79 but that I also observe that, on this topic which is clearly of the constitutional domain, the Canadian constitution is silent with respect to culture, though it rules on what the responsibilities are in educational matters. For example, the constitution says education is the responsibility of the provinces. Which does not prevent the federal government from assuring through the income-tax a certain equalization by means of the subsidies it gives the provinces. But it’s the provinces who define the programs, who grant the diplomas, etc. You know the system.

In the cultural domain, it’s rather symptomatic, we have never discussed this question: Why did neither the Fathers of Confederation nor anyone since discuss constitutional responsibility with respect to culture? Even if in ’79 there was a unanimous resolution. I know perfectly well, as you know, that in 1982 there were fundamental constitutional debates in Canada and that this same question was not taken up by the premiers of the Canadian provinces. As a result, two conclusions are possible: either the prime-ministers did not agree with the ’79 resolution since they didn’t table it for constitutional discussion, or the clienteles that they serve are perhaps in disagreement with this (the provincial) position. In any event, one thing is clear: and that is that the problem has never been taken up until now. I have no objection that the question be discussed, that a working group be formed to determine who is to do what so that there be better-coordinated programs, a better use of public funds, that there be the minimum of duplication, that the clienteles in question be better served in the sense of knowing who to address when they want such-and-such a program, whatever to the provincial level for this or the Canadian level for that. But it is certain that, as we speak, there has been no working document made available that would allow us to discuss this question of responsibilities. That’s where we were in Vancouver and that’s where we are now. And I think that this lack of clearly defined responsibilities creates part of the confusion.

And it’s the same at the administrative level. Which is to say that as long as the provinces do not know exactly what their responsibilities are, there are some provinces who are more active than others in cultural matters; some devote a higher percentage of their revenues to cultural programs than others. The situation is unequal. Secondly, it’s from there that the federal government runs into difficulty in defining programs: should programs be defined in terms of culturally passive provinces or in coordination with the active provinces? And the result is a certain confusion in the debate and people are not sure whom to address for what.

Take the domain of cinema, for example. With respect to the question of Telefilm, the Canadian government, reacting to the pressure of American cultural products in our market for one and, secondly, out of the need to use film as a means of cultural identity, as a means of transmitting a certain cultural identity, and thirdly, the need to develop an industry—that is to say, a certain number of investors, of people working—decided to develop a film policy. They established a system of taxing cable distributors, a six percent tax, and with it made a fund and on the basis of that, defined a policy. This policy was in the beginning, at that time, oriented toward the existence of CBC. After several years, with the agreement of the milieu and an analysis of the results of the policy, we have tried to expand the policy, taking into account the needs of the regions that want to participate in this policy because they put money into the fund. An example: Saskatchewan injects $1-1.5 million into the Telefilm fund, so Saskatchewan minister Gary Lane wants to see a certain return on his investment. Everybody is agreed that, each year or at least over a number of years, it would be normal for Saskatchewan to get back a certain percentage of what it has placed in the fund. So we have tried to give clear indications in favor of the idea that the Atlantic provinces, like the western provinces, like Quebec and Ontario, must find themselves within the investment they have put in as participants in the film industry, be it at the level of producers or story location. As well we have tried to enlarge the number of potential clients who would use Telefilm product by opening the fund to provincial broadcasters, by bringing the private sector to better use those means, and so on.

We have tried to enlarge the film domain. Which doesn’t mean that certain provinces who, for their own reasons, either because there the cinema clientele is more dynamic and put pressure on the provincial government or because within the provincial government itself there are those who on their own initiative have decided to make a contribution provinces such as Alberta or Nova Scotia, a number of provinces who have developed parallel programs or ones complementary to the federal government shouldn’t. But there are provinces with no programs at all. That is why I believe that, for the both of the system, for the health of the system, for the value of the regional aspects of the system, for all the reasons we were discussing earlier about the sociology of Canada, it appears essential to me—and that is why we spent so much time on it last fall—to renew the dialogue in matters of culture with the provinces. They, people of agencies must not see themselves as adversaries; this is not a competition to serve clienteles; this is not a competition for a presence in the film milieu, it is in my view a complementarity of policies.

But in order to have complementary, there must first be trust and that is why from the beginning—there’s a last fall, we undertook a dialogue that had gone sour, as you know, and even more so in the area of my portfolio than in other milieux because of the cultural confusion. In other departments where the cultural sector is well-balanced or at least better balanced, there were daily struggles but without the complications that are in my portfolio. We’ve renewed that dialogue and will continue to do so for the dura-
tion of our mandate, that’s for certain, and I hope that in the years to come we will arrive at a situation where there will be a team working together for the flourishing and enhancement of what exists. Instead of having agencies using public funds to war among themselves.

For in my view they have been undertaking negative policies, oppositional policies. I am developing a counter-policies because what has been developed are oppositional policies, and in my view, policies should be complementary. And if I could realize this aspect— which is a difficult task— there should be no illusions on this account, but which is essential in my view—we will have greatly improved the climate and the programs, and I always speak in terms of programs and not in terms of money.

The Liberal approach—that is to say, throwing money at problems— had as a result the budgetary system, which you know about, that has almost bankrupted the country.

So it’s programs that have to be developed: though programs are not we’ve done the same with the broadcasting policy review. I will have a task force that will help me define the White Paper instead of, as was traditionally the case, setting up a team of bureaucrats and having them draft the White Paper. I want to be certain that there are people who will go and meet with the milieu to bring in freshness, new ideas, and bring those new ideas into the department. And from there we’ll arbitrate, make adjustments and provide the necessary coordination.

That seems very important to me and that’s what we’ve attempted to do, be it with the (NFB’s) photography museum, or be it with Telefilm, and we’ll do the same with broadcasting, and the other sectors to come. That’s what I’ve done since the beginning and to that effect wrote to my colleagues Mr. (Sinclair) Stevens who heads the (cabinet) economic committee and Mr. (Jake) Epp who heads the social development committee and I’ll be making those letters public. I want to assure myself that policy is the responsibility of the en-

when each has his responsibility—and I have to be assured that my clientele has a right to that. For instance, in the area of industrial expansion. I have to be assured that Mr. Sinclair Stevens’ business investment programs are made applicable to the film industry. I have to make sure in the area of taxation that the minister of Revenue takes our sector into account. It’s not a question of repatriating taxation our way or business investment our way or job-creation, it won’t work like that. It’s not organized like that. But I’m dealing with a milieu that isn’t used to that approach, that would like, to take a hypothetical example, that the Canada Council administer all the programmes. Yet if you want that the state as a whole be responsible in cultural matters, that culture cease being merely a side-car of the state, all the departments must understand that their programmes have a cultural dimension.

Take the export of cultural product: the minister responsible, Mr. (James) Kell-er, when he goes to export Canadian products, his programs, his thinking necessarily better because they have more money. You have a better program because it better answers a need. First in terms of the provinces. Secondly in terms of the milieux. I believe and I said so in Toronto last week, that there is no such thing as a coherent, infallible and that is clear. The governments must define their policies with the milieux. With milieux that know their needs. What that means is that we have to accept everything they put forward or directly elaborate policy on the basis of coordinating (all) the other milieux; after all, there are conflicts among milieux, that’s certain. For example, between the film industry and the cable distributors who are perhaps not always on the same side of the table. It happens that the government must arbitrate between the needs of the different groups. But it is essential that policies be more and more defined with the milieu. And that’s why in broadcasting we took outside consultants and why
that is more substantial than in other programs. This does not preclude – that's the last aspect to open – that the participation of the citizenry should not equally be greater. The state carries a lot with its responsibility for broadcasting and the development of culture. It's certain that – and I'm not putting it into doubt – the Canadian state, through geographical and sociological reality obligates us to bear such a policy. That is why for, example, according to certain statistics, though one statistic can always be contradicted by another, that in the United States the per capita cultural investment is $37 while we invest $34 per capita in cultural questions.

But one must nevertheless attempt to ensure greater freedom. The taxation system has to be, in my opinion, reorganized, or at any rate reviewed. I don't say this because I want the state to turn the problem over to the private sector: I don't want to review the taxation system to diminish the presence of the state, but to increase the number of players and see whether, in the area of taxation, it is not possible to reorganize part of it to allow a greater number of Canadians to choose for themselves. Because ultimately freedom in the area of culture is closely related to the number of players and it's certain that a state-system wants to collect the tax and channel it through its own programs, which gives the bureaucracy the power of management in the definition of the programs and in who decides what the programs will be. Now since this is Canada, that has to be there, but it remains to be seen if one can't increase the freedom of choice to make it possible for a number of Canadians to decide for themselves whether they'll invest in films or in a regional museum or whether to buy a painting and donate it to a museum. Increasing the number of choices, the numbers of decisions that can be made by Canadians because the tax-system encourages this, in my view, an increase in the freedom of creation. And freedom of choice for the consumer increases the freedom of creativity. For as long as there is only the state, and it is only the state that decides, freedom is diminished accordingly. And so it's in that sense that, by improving the tax-system, you improve choice and increase liberty. And when I say I want to do that, it's not to free the budget in order to do something else, it's to increase freedom of choice.

Cinema Canada: So what position do you adopt given the fact that the culture – in the case of the cinema which is overwhelmingly in foreign hands or in broadcasting where the Canadian end of it is rather limited – is already undermined from within. How does the state deal with that in the overall policy?

Marcel Masse: That depends on the cultural sectors themselves. There are cultural sectors where the vitality exists, where the market exists, or where the pressure from outside is not so strong. There's very hard to take the example of sculpture since we spoke of it earlier. All things being equal, Canadian sculpture can express itself directly, market pressures and more, say, Italian or French sculpture being less. At the other extreme, in domains like television or film, there it's the complete opposite. That is to say that the economic costs of expression are high – it costs a lot more to make a film – the costs of expression are high and the need for the product is great because of the number of television channels or theatres. There are great numbers of product and it is not possible to satisfy 100% of the needs of the consumer with 100% Canadian production. Nor, perhaps, would that even be very interesting.

Cinema Canada: But the consumers in their need aren’t even asking for Canadian products...

Marcel Masse: Yes... and so you have two options. We have the means – though in my view that is not the road we should take, since I believe that freedom of expression of ideas, even for creators, even in the area of the finances, means that a certain competition can engender quality product. But we do have, nonetheless, a situation that's abnormal and because of it everybody considers it right that the state invest a greater amount of public funds in that area than in another. To what point can we turn the thing around? I don't have any figures in front of me, so I don't know. In any event I don't think anybody knows what the ideal level is. Should it be 35%? Is it 43%? Is it 68%? I don't have the answer. Since we are in any case far from the ideal, we've got a lot of room to manoeuvre before discussing that aspect. In the development of product, the state is attempting by all sorts of means – from coproduction to investment to the tax-system – to pump greater financial means into the system.

Cinema Canada: In seeking new partners, you seem particularly to favor artists, financiers, producers. If artists as well were equally favored, would you not find yourself with a different definition of cultural reality?

Marcel Masse: We're working right across the board, but I think that what is difficult in the cultural area is that, when you're speaking of one sector, there's always someone else who says: Yes, but what about the other sectors? And that for the good reason that you can't speak of everything at once, and we were speaking of investment. At the same time the White Paper on copyright is before the Parliament and in part it touches on the aspect you raised.

We're trying to work on all aspects at once. I think that the least one can say is that we've managed to energize the department up to now. Practically every month we're opening another sector but always with the same elaboration of policy with the participation of the provinces, be it in telecommunications or in broadcasting; secondly with the maximum participation of the milieux concerned through consultation, and thirdly to ensure that the range of instruments available to the state responds to the need of the policies. Whatever area we look at, it's always with this tripartite approach.

Cinema Canada: Speaking concretely, what are your immediate plans?

Marcel Masse: Concretely speaking, we reviewed Telefilm last month; this month it's broadcasting. I announced the review; we'll be getting the Task Force underway next. Next month we'll begin looking at telecommunications. Everybody's working seven days a week.