Juneau spells out new cuts in CBC

OTTAWA – "This is not a whining session" said CBC president Pierre Juneau, but for the second time in 18 months, the news he announced at a two-way audio-feed press conference April 3 again saw staff and programming reductions at the public broadcaster.

For the just-begun 1986-87 fiscal year, Juneau announced the elimination of 350 positions (100 or so through lay-offs), cuts of 122 hours of Canadian production on the English and French (respectively, 77 and 45 hours) television networks, and a reduction of approximately 1,000 regional television hours (beginning immediately with the termination of the daily Toronto program **CBLT Morning**, itself more than 500 hours).

The reductions announced by Juneau continue CBC efforts to stay within its budget which, despite being up $22.7 million in 1986-87 to $869.5 million, still leaves the corporation with a shortfall of $48 million to meet its needs this fiscal year.

Pointing to the CBC's inability to evade such cuts in the face of a period of overall budgetary constraint, Juneau noted the result of these latest parings would "probably" mean a reduction in the level of Canadian content on the CBC, slowing the CBC's goal of attaining 90 per cent Canadian content by 1987, and increased reliance on less expensive repeat programming and foreign program acquisitions.

The CBC president, brushing aside suggestions that federal Conservative M.P.'s are out to finish off the CBC as merely reflecting traditional "normal tensions" between government and the media, underscored the corporation's preference for selective eliminations rather than across-the-board reductions or the still unpalatable option, once again resisted, of closing its various television and radio stations.

With the CBC still absorbing the $85 million budget cuts of November, 1984 and the 1,150 positions it eliminated last year, as well as inflation and the ongoing loss of purchasing power from a still devalued Canadian dollar, Juneau reported with regret the corporation's inability to maintain services at "their present level" until the Caplan-Sauvageau task force on broadcasting releases its report, which won't become public until June.

As a means of avoiding further such reductions, Juneau remarked it would be "very wise eventually to find a way to finance the CBC to protect it from the ups and downs of government" and suggested, as has been called for by the corporation's various union locals, a five-year financial plan. On the subject of management-labour relations, Juneau stated that negotiations have been settled with eight of 29 collective bargaining units.

He stressed that while the CBC hasn't been "unduly aggressive" in those negotiations, it "won't back off on important matters" with those units should strike rumours arise. Juneau promised the CBC would be "firm" on such more essential matters and agreed that some unions were more important than others in negotiations.

Still, Juneau (whose release on the reductions noted that staff and administrative overhead carried the bulk of the $85 million cut in 1984) took pains to point out that 27 per cent of the positions to be eliminated will fall at the management level, including 33 positions at the CBC's Ottawa head office. (Regional breakdowns were unavailable due to contract negotiations).

Alternately pointing out that "uncertainty" is the operative word for the CBC at the moment and that he is optimistic based on conversations he's had with Communications Minister Marcel Masse, a "sad" Juneau said he wasn't bitter about the announcement of new cuts because the CBC is still part of the government and its deficit-reducing program. He was, however, "not totally clinical about it" and that the cuts being made weren't done with "total serenity."

Those cuts, specifically, are broken down into a "total impact" on the English and French radio and television networks and regional program production of $28 million and $20 million for reductions in the corporation's various administrative services (among

cont. on p. 46

Pay TV development fund

TORONTO – With an eye to "prime the pump" for the Canadian film industry at the same time it is requesting a Canadian content reduction from the CRTC, First Choice Canadian Communications Corporation has announced a $1 million annual FUND or Foundation to Underwrite New Drama for Pay Television.

The formation, announced April 3 by First Choice president/CEO Fred Klinkhammer, aims to "stimulate craft training and development of talented, but not yet established, Canadian scriptwriters," as well as developing scripts and script concepts for new feature films and made-for-pay-TV programming. Evaluations of those scripts – by independent script-readers – will be based on their "quality, marketability, financial viability, and suitability for pay television."

Phyllis Yaffe, current director of marketing for Owl TV, has been appointed chairperson of the non-profit FUND corporation. Of interest is that the new corporation will devote "special attention" to developing projects involving producers from outside Toronto and Montreal. As well, it's planned that any profits generated by successful projects will be re-invested into the Foundation to assist further applicants. And regardless of the rate of return, First Choice will keep the FUND "topped up" to ensure an annual budget of $1 million in seed and development funds.

Proposed category allocations of funds will be for rights acquisitions and screenplay adaptations of existing Canadian and non-Canadian literary works, the creation of original screenplays based on Canadian topics, and the creation of original screenplays based on more international topics.

Funds will also be provided by the Foundation (whose board of directors was to be announced at a later date) for screenwriting seminars, awards, and scholarships. The Foundation's board, on which First Choice will have one seat, will be a mix of private sector and government representatives.

First Choice's request before the CRTC is seeking a lowering of the 50 per cent Canadian content it's currently required to air and comes at a time when, said Klinkhammer, the pay-TV network has virtually exhausted all available Canadian material since First Choice started three years ago. The result has been repeated showings – and repeated customer complaints – of Canadian material by the company to meet that quota, said First Choice communications director Ellen Davidson.

CRTC to reconsider CanCon requirements

OTTAWA – With the Task Force on Broadcasting Policy due to report its recommendations to Communications Minister Marcel Masse this month, the Canadian Radio-television and Telecommunications Commission (CRTC) has scheduled a May 21 hearing on a number of applications pending from licensees seeking Canadian content reductions which had been deferred until presentation of the Task Force report.

Last July, at the request of the Task Force, the Commission agreed to defer hearings on applications from, among others, general interest pay television networks First Choice, Allarcom and French-language Premier Choix-TVEC Inc., as well as multilingual specialty *license* Telelatino seeking reductions (to 15-20%) to Canadian content conditions of license. These had set Jan. 1, 1986 as the date for Canadian content increases from 30% to 50%.

However, with the Task Force report delayed from its original Jan. 15 deadline to sometime in April, the CRTC, in a Feb. 14 public notice, announced its intention to proceed with the hearings tentatively set for May.

The reason for going ahead, CRTC chairman André Bureau wrote to Task Force co-chairmen Gerald Caplan and Florian Sauvageau Jan. 27, is that the hearing would allow the Commission "to publish a decision before July 1, 1986 which is the start of the next reporting period for the purposes of Canadian content."

Responding to Bureau, Caplan and Sauvageau agreed to the Commission's request to proceed noting, however, that any decision reached by the CRTC would only be valid until 1987 when the current five-year licenses expire.

"In other words," Sauvageau and Caplan noted in a Jan. 31 response to the CRTC chairman, "when the Commission comes in 1987 to review those licenses for a full-five-year renewal period, the recommendations of this Task Force, and the Government's decisions with respect to our recommendations, can be taken into account."

Care Bears II makes it in Canada

TORONTO – **Care Bears Movie 2: A New Generation**, Nelvana Limited's sequel to the top-grossing Canadian film of 1985, has pulled in more than $1 million in box office revenues since opening in the Ontario market March 7. By April 1, the sequel has grossed approximately $1.1 million from showings at 109 theatres across Canada.

Care Bears 2, whose release was timed to exploit the March school break in Ontario and out west with a similar spring break in early April, was reported to have had a less successful opening at 1,395 theatres in the U.S., following a late March release. Ted Hulse, general manager for distributor Columbia Pictures of Canada, said combined North American figures for the film wouldn't be available until April 7 and was unable to offer an explanation for the less receptive American performance.

The film, which has Hulse "very happy" with the Canadian figures, was said by the Columbia GM to still be showing at every theatre at which it opened. Currently, its exhibition is confined to weekend matinees, with Hulse vowing "I'll play matinees until it's down to nothing."

This latest Care Bears production from Canada's largest animation house involved approximately seven months of production since last summer at Nelvana's Lakeshore Boulevard East location, with 100-plus animators working on the film.

Nelvana, whose other credits include several seasons of **The Edison Twins** (three seasons, worth have aired on the CBC, as well as the Disney Channel) and current production of **Ewoks** and **Droids**

cont. on p. 46