

Western provinces form caucus

MONTREAL — Filmmakers in four western provinces have formed a lobby in an effort to make their concerns known in Montreal and Toronto.

Several film organizations met in Saskatoon, Sask. on Nov. 15 to form the Western Provincial Motion Picture Industry Association. These member organizations include the British Columbia Film Industry Association (BCFIA), Alberta Motion Picture Industries Association (AMPPIA), Saskatchewan Motion Picture Industry Association (SMPIA) and the Manitoba Association of Picture and Sound (MAPS).

High on the agenda at the Saskatoon meeting were common concerns about inadequate representation in the western provinces by Telefilm Canada and the CBC. A series of recommendations have been sent to both government agencies as well as to Flora MacDonald, minister of Communications.

Stephen Onda, a representative of SMPIA and a member of the western caucus steering committee, says the consensus at the Saskatoon meeting was that the western-based industry is entering "a period of

rapid growth." Thus, he says, there was a sense of urgency in forming the new lobby in order to develop a strong private sector industry and take advantage of public sector support offered by Telefilm and the CBC.

"In the past," says Onda, "we all had the same concerns but we addressed them as individuals. Today, we can address policy issues on behalf of the whole industry. Our purpose is to become an effective lobby and to form a network of activity in the west."

Where Telefilm is concerned, the western caucus is recommending an "autonomous decision-making process which stems from a western Telefilm office."

Other recommendations are that Telefilm financial participation in regional production be maintained at its current level of 40 to 49 percent and that at least 25 percent of Telefilm's annual allocation be directed towards productions originating in Western Canada. Allan Stein, an Edmonton-based filmmaker who co-produces with Toronto's Alliance Entertainment Corp., says what is needed most is the decen-

tralization of the Telefilm process.

"The very existence of an institution like Telefilm in a major western city would have a stimulating effect on the volume of films produced here," says Stein. For too long, he says, western filmmakers have been troubled by the concentration of Telefilm resources in Montreal and Toronto.

"It's difficult to want to put out energy to make a project fly with Telefilm assistance when you are left with the impression that you are a country cousin," he says.

"Alberta told us that they didn't want an office," says Peter Pearson, executive director of Telefilm Canada, who agrees that increase in film production in Western Canada is expected in 1987 and that the objectives outlined by the western caucus are "the same as what Telefilm aspires to."

Pearson says that in terms of autonomous decision-making there are many aspects of the Telefilm process that would be too costly to duplicate.

"We are not going to duplicate structures," says Pearson,

cont. on p. 42

Quebec rolls back film tax shelter to 100%

MONTREAL — Reacting to a provincial announcement that the capital cost allowance for film will be reduced in Quebec, a memo warning of a bleak future for the Quebec film industry has been issued by the Association des producteurs de films et de vidéo du Québec (APFVQ). The memo, which insists that the 150 percent capital cost allowance on film investment be reinstated, has been sent to the Quebec minister of Finance.

The Quebec film producers did not lose any time in expressing their dissatisfaction with the Quebec government's decision to reduce the limit for tax deductions on investments in Quebec films to 100 percent from 150 percent.

In a move designed to save the Quebec government \$81 million in 1987, Quebec finance minister Gérard-D. Levesque announced, Dec. 11, that the government would diminish tax breaks available to Quebecers in the Quebec Stock Savings Plan (QSSP). This program allows for deductions on investment in mining exploration in Quebec and in Quebec-made films.

Louise Baillargeon, executive director of the 80-member producer's association, told *Cinema Canada* that a memo was sent to the minister on the following day objecting to the reduction in the capital cost allowance and requesting a meeting between the APFVQ and the minister.

"The tax shelter in Quebec is an example around the world of how governments can help to develop a vital film industry," says Baillargeon.

She says the reduction came as a "complete surprise" although the APFVQ had discussed forming a strong lobby in the event that such an announcement was made.

The film industry will not be able to avoid the ill-effects of a tax shelter reduction, says Baillargeon. She explains that this reduction combined with a recent \$12 million cutback in the overall budget of the Quebec minister of Cultural Affairs and speculation of further cutbacks to the tune of \$15 million will quickly erode investor confidence in the Quebec film industry.

"The future does not look too good," she says.

However, Richard Goudreau, of Cinéma Plus Inc., a Quebec-based distributor committed to increasing the market size for Quebec-made films' says there is no cause for alarm.

"I don't think this action will hurt production in Quebec. It will not decrease the volume," Goudreau told *Cinema Canada*, "there are new investment opportunities available that will compensate for this difference."

These opportunities, explains Goudreau, include inter-provincial and international co-productions and potentially ripe opportunities to enter into financial arrangements with U.S. interests.

He says the issue will be discussed at the next meeting of the Association québécoise des distributeurs et exportateurs de film de TV et de vidéo sometime in the new year.

Huge B.C. Film Centre for \$18 million

VANCOUVER — The construction and operation of any major film production centre should be left to the private sector, says Jim McLean, vice-president of lands and projects with the British Columbia Development Corporation (BCDC). McLean's advice comes on the eve of a major renovation project which will result in a British Columbia Film Centre in Burnaby B.C.

This \$18 million conversion of existing factory facilities into a motion picture production centre is scheduled for completion by April 1988. Private sector proposals have been evaluated and a decision as to who will control ownership of the film centre is expected in January.

"The sale price of the centre will more than pay for the renovations," says McLean, who warns that although the Canadian film industry must rely to a degree on government support, the development of a major film centre in any province should be market-driven. To do otherwise would be to court disaster, McLean told *Cinema Canada*.

"I don't recommend government subsidies for infrastructure. Government funding should go directly into indigenous production," he says.

Although McLean says he is not fully informed about federal/provincial government negotiations with the private sector to build a film and TV production centre in Montreal, he says public money should not be necessary if market conditions are favorable.

McLean explains that a film centre must be able to offer competitive rates for state-of-the-art technology and services rendered.

"The real estate and the production facility in itself does not guarantee success. You have to offer technological know-how at economical rates. If the customer can't bargain he will stay at home," says McLean.

Admittedly, says McLean, the production outlook in B.C. where 90 percent of production is foreign (U.S.), differs from that of Quebec and Ontario. Proximity to Los Angeles is the one sustaining factor supporting U.S. production in B.C.

A favorable U.S./Canadian exchange rate and supportive federal and provincial government policy have brought about a resurgence of U.S. production in Canada but how long this will last is anyone's guess, says McLean.

By no stretch of the imagination, he says, should these climatic factors, subject to change overnight, be the decisive basis on which to build a multi-million dollar production centre.

The completed British Columbia Film Centre will be second only in size to Pinewood Studios in England and will handle four productions at once, says an enthusiastic McLean, who adds, "We could shoot *Star Wars* with room to spare in here."

The main stage, equipped for special effects, will provide 40,000 sq. ft. and a 60 ft. overhead clearance. Three smaller sound stages of 15,000 sq. ft. will be partitioned by removable walls. A second building on the property site, formerly owned by Dominion Bridge, will contain living and commercial space.

CBC coming to terms

TORONTO — CUPE members have ratified a new contract with the CBC by an overwhelming majority, but two other unions say the possibility of a strike still looms.

Members of the Canadian Union of Public Employees (CUPE) approved on Dec. 15 a three-year agreement that will give them improved job security and wages. A CBC press release says a tentative agreement was reached with CUPE in December after 13 days of intense negotiations.

CBC senior vice-president Anthony Manera said that funding problems that the corporation has faced in recent

years and the cutbacks expected in future made negotiations complex. CUPE represents 2,500 office, professional and production workers outside Quebec.

Bob Paterson, president of CUPE's broadcast council, said 92 percent of the membership were in favor of the new contract that is retroactive to June 1985.

Under the new provisions employees with five years seniority or more receive job security provided they are willing to move to another job within the immediate area, he

cont. on p. 40