

# Industry hurting as funds dry up

*DesRoches welcome at TFC*

MONTREAL – With the appointment of Pierre DesRoches as new executive director of Telefilm Canada (see People section), effective June 1, the most turbulent period in the agency's existence draws to a close, observers trust.

Under the interim direction of Michèle Fortin, the agency's finances were brought under control, finishing off the fiscal year March 31, 1988 without lapsing any funds and having only committed \$30.7 million of the '88-'89 budget. The latter amount, committed to productions which are currently underway, is a normal carry-over, Fortin told *Cinema Canada*, and could not have been disbursed last year due to contractual conditions.

This is a credible and encouraging state of affairs, compared to the year-end '86-'87 which saw the agency lapse \$22 million of unspent funds.

The current fiscal year, however, will be more difficult, Fortin reports. Revenues to the agency from federal allocations are down and sales revenues are not expected to be as high next year as they were this year with the high-grossing *Decline of the American Empire* and *Night Zoo* pushing up profits.

In particular, the agency will now receive \$60 million each year for the Broadcast Fund; formerly, it had received \$300,000 to be spent over five years, and last year still had \$68,000 in the TFC coffers to spend.

As for sales, last year the agency received \$20 million in revenues but is only forecasting a modest \$12.5 million in the current year.

Despite the fact that the required management systems are now in place and that certain policy questions have been clarified, Fortin does not expect TFC to be able to meet the demand of producers this year, and the agency is searching for ways to augment their financial options. This is admittedly difficult in a year which has seen the federal government diminish the tax shelter for investment in production and fail to pass distribution legislation.

As for the policy questions, Fortin – in an open letter to producers dated April 8 – explained that TFC has once and for all removed the litigious 2.5 per cent administrative fee from TFC's transactions. She also clarified the agency's policy concerning series' renewals; "The dollar amounts granted for each hour... will not be larger this year than they were in the previous year, and these amounts must also represent a lower proportion of the production budget..." Last year had seen TFC increase its participation in renewed series, a move which would

ultimately deplete funds completely for other TV productions.

Fortin reports that feature production poses the greatest problem. "If producers can't raise their 50 per cent of the budget, all our help won't be enough and many projects may lapse." Her concern echoes that of the Quebec industry concerning the current year.

Fortin credits the staff at TFC with the success of the last period, insisting that its hard work permitted her to establish priorities and achieve major objectives. Currently, there are 121 jobs at Telefilm with 25 openings.

In turn, the minister of Communications and the TFC staff credit Fortin with a difficult job well done. She expects to return to her consulting firm, CGI Inc., by June 1.

## DesRoches brings solid experience to TFC

MONTREAL – Pierre DesRoches is "a man with vision" says Toronto-based producer Don Haig. He is also the new executive director of Telefilm Canada following an announcement by Communications Minister Flora MacDonald.

The 56-year-old former Radio-Canada (CBC) executive was most recently a member of the Francophone Summit Follow-up Committee.

DesRoches will succeed Peter Pearson who resigned as executive director in October 1987. Telefilm has subsequently reorganized its management staff and operations.

In 1952 DesRoches joined the French Services division of the CBC in Montreal and became director in 1955. He later occupied a variety of positions at the Société Radio-Canada, including network supervisor of youth programming, managing director of French radio, director of development, vice-president of planning, executive vice-president, vice-president and general manager of French broadcasting services.

DesRoches told a recent Montreal press conference that he is pleased with the appointment at this stage in his career. He said Telefilm Canada provides a privileged position from which to influence Canadian cultural policy and that it is important that all sectors of the film and television industry will pull together to support policy.

Without Telefilm, the former CBC executive says that CBC cannot hope to reach its 95 per



PHOTO: HAZEL FIELD

Pierre DesRoches

cent Canadian content objective by the early 1990s.

The appointment is effective June 1, 1988.

Other Telefilm appointments, announced recently by Interim Director Michèle Fortin, focus on operations in Ontario.

Judy Watt, with Telefilm since 1984, has been appointed business affairs manager. Bill Niven is the new project development manager and Helen Paul is the project coordinator for Ontario.

Gilles Bériault, the former manager of operations in Montreal has been appointed manager of coproductions.

## Industry on the skids in Quebec after budget

MONTREAL – The Quebec film and television industry suffered an unexpected blow recently when Lise Bacon, minister of Cultural Affairs, announced the 1988-1989 budget allocations for cultural industries in the province.

A proposed 5 per cent increase (or \$11 million) allocated for film and television through the newly organized Société générale des industries culturelles Québec (SOGIC) is "far from sufficient" to support the Quebec-based industry, says producer Rock Demers, main spokesperson at a press conference called by several sectors in the Quebec film and television industry.

He says the budget proposal does not take into account an increasing cost of living, direct costs which have increased on average by 35 per cent in the last four years, severely diminished tax shelters for film and television (both federal and

provincial) and the competitive onslaught that free trade will bring from the U.S.

Panelists at the Montreal press conference agreed that another \$10 million is needed.

There was also consternation that the government failed to create a television fund to be administered by the SOGIC, similar to Telefilm Canada's broadcast fund. Such a fund was expected with the recent folding of the Société Générale du Cinéma du Québec (SGCQ) into the broader SOGIC (effective March 30).

Demers, president of Association des producteurs de films et de vidéo du Québec, said the membership had approved the SGCQ/SOGIC integration on condition that the television fund be created.

"We were led to believe by the government last fall that this would be the case. Personally I don't have much hope that we will see any more money," Demers told *Cinema Canada*.

It is obvious, he says, that help is needed. The overall trend is towards independent television production and private financing does not come easily in a limited (French-language) market.

Where Quebec/France coproductions are concerned as an alternative to raising money in the domestic market, Demers says Quebec producers could have difficulty holding up their end of the deal.

"You have to wonder why the government worked so hard to establish good relations in this area (Quebec/France coproductions)," says Demers.

The panelists took steps to make it clear that, if properly supported, film and television can provide jobs and generate a profitable return on investments for the Quebec economy.

The most telling evidence of inadequate government support of film and television, according to a press conference communique, is the production of only seven SGCQ-funded feature films in 1987, down from 11 in 1986 and 12 in 1985.

Industry representatives at the conference were Micheline Charest, president of the Association québécoise des industries techniques du cinéma et de la télévision, producers Roger Frappier and Aimée Danis, Joseph Beaubien of the distributors' association, Iolande Cadrin-Rossignol of the Association des réalisateurs et réalisatrices de films du Québec and Pierre Blondin of the Syndicat des techniciennes et techniciens du cinéma du Québec.

Other organizations represented were the Société des auteurs, recherchistes, documentalistes et compositeurs and Union des artistes.