## Editorial

# Good news of free trade is bad news for industry

t is still surprising to hear the government's good news: "Protecting our culture was one of the biggest single achievements by the government of Canada in the negotiations for the Free Trade agreement." The minister of Communications, Flora MacDonald, repeated the message as she announced plans for film importation and distribution legislation. But this very legislation is proof to the contrary.

Yes, there is a distribution problem in Canada. Study after study has pointed to a solution: effect structural change to release the stranglehold of the six American majors on film distribution in Canada. Canadian distributors need to be allowed to earn money distributing important foreign films and the majors must be obliged to put some of their Canadian revenues at the disposition of the Canadian production sector for indigenous production.

The object of these strategies was not to increase the distribution of foreign films in Canada but to create a vigorous distribution sector which would then be a positive force in the production and distribution of Canadian films. It was to enforce the idea of a Canadian market, a trading place where money is exchanged between producers, distributors and exhibitors, eventually supporting the efforts of all the sectors. With the proper strategy, the market was to become, in some measure, self-sustaining. An industry was to become a reality, the kind of industry which the old department of Industry, Trade and Commerce would have recognized.

With the proposed legislation, the federal government is abandoning the idea that film production and distribution can rightfully develop into a viable industrial sector. The potential of a healthy industry has been set aside while the government confirms the industry in a passive, dependent stance, wholly attached to the political favours which this government and subsequent ones wish to grant the sector.

Instead of opting for structural change as it had proposed in its draft legislation last year, when it was ready to license distributors and automatically return monies from the box-office to the producers, the government is content to throw money at the problem. The important sums to be given to the distributors, the dubbers, the producers of regional films, cultural films, French films and non-theatrical films can hardly help but please almost everyone. What they don't do is get to the root of the problem: the need to modify the position of American distributors in the Canadian market.

The minister seems especially pleased that the legislation creates a domestic market in Canada, wrenching domination away from the Americans. Does it? By what mechanism can the Canadian government determine whether a contract signed abroad between a distributor and a producer genuinely reflects separate negotiations for the Canadian market? Surely, this is unverifiable and unenforceable.

As for the "fair access" which must be accorded Canadian distributors for non-proprietary films, the legislation proposes a bidding situation, though the word is avoided. As we saw when the theatres were obliged to bid for films in the early '80s (a consequence of Cineplex's complaint about unfair collusion on the part of the majors), bidding drives the price up for everyone, and ultimately, the richer bidder wins. There is no way that even \$17 million per year can allow Canadian distributors to exercise muscle equal to that of the American studios.

As for the funds, the regulations will stipulate how they are to be used, but one must not assume that the \$17 million for distributors and the \$3 million for dubbing will be applied necessarily for Canadian productions. Already distributors use Telefilm's dubbing fund to make English and French versions of foreign films, and the distributors must use a good portion of their funds to bid for non-proprietary, foreign films.

It is assumed that distributors will feed some profits back into Canadian production. Historically, they have done so. But nothing in the legislation actually links profits in distribution to investment in production. As for the foreign distributors of proprietary films – the majors – they get off scot-free: the proposed legislation confirms the status quo.

Telefilm Canada is once again the instrument through which this legislation is to be applied, though the National Film Board and the department of Supply and Services come in for some of the funds. (No one has publicly addressed the question of why Supply and Services is being given money which the Canada Council should be awarded for non-theatrical films, but that might just add to the confusion!) And Telefilm, as we know, has no policies whatsoever to guide it in its decisions. It is to be hoped that the new executive director and chairman of the board will make the creation of policy a priority.

So what we have is a lot of money which may be here today and gone tomorrow. We have no tax incentives to help the industry interest the public in participating in production. We supposedly have a strengthened distribution sector, but its attentions will be focussed on the importation of foreign films. We have some suggestion that the government will monitor importation and contractual agreements in situations which seem unenforceable.

Nothing in the proposed legislation suggests that the industry should be able to get along without massive infusions of government money. Nothing is being proposed which will change the structure of

the industry. More important, there is nothing there to make the Americans angry on the eve of the passage of the free trade deal.

How is our culture protected? We will have failed to create a self-sustaining, viable industry. Yet we are expected to deal in a free market. We will either become major players in the American market (and that can be done), or we will remain on the dole in Canada.

Someday, some government is going to reconsider the important sums now going to the industry and wonder whether such support is still justified. If the only industry we can then point to is one which survives wholly because of government grants, then Telefilm Canada will surely be abandoned and more economic structures put in its place. We may still have a cinema, but the industry will end up paying dearly for it.

## Letter

## Write on, Peter

The following letter was addressed to Professor Peter Harcourt of Carleton University.

ear Peter,
I just finished reading your article *The*Education We Need in the March edition of
Cinema Canada (No. 150).

I found it as focussed and focussing, as lucid and as inspirational as your lecture twenty years ago at Queen's. And it came at a time when I really needed it.

Thanks, keep up the good work.
Best regards
David Barlow

### He understands

"Copyright", an open letter by Jacqueline Barrette to her Colleagues in the April '88 issue of Cinema Canada, has choked me again. As a filmmaker, I am suffering from a deep guilt of a thief – that we have been stealing credits from the writers.

Last year at Banff TV Festival I saw Death of a Silence (Le Lys cassé) the day after it won Best Drama Award. During the whole week I had seen and heard Jacqueline Barrette in the Writers' Seminar and in the hallways of Banff Park Lodge. But running into her right after seeing the film was special. I was almost choked in tears. I told her, "It's a wonderful film, I feel like crying," and she put her arm around my shoulders and said, "I understand." We understood the emotions. No more words were needed.

It is a well known fact in the industry that without a good story you can't have a good film. You can give a good story to a lousy director and still get a half decent film, but if you give a lousy story to the best director, all you'll get is pretty pictures, not a film.

Then why is a writer treated as a second-class citizen on a film?

I also remember, last year, Mel Frohman almost came to tears sharing his feelings with us in the audience at Banff. I promised then to myself and now again after reading Jacqueline's letter in Cinema Canada that in my films writers are going to share equal credits with directors.

I hope other filmmakers feel the same way.

Please let's not turn our writers into typists only, otherwise I am afraid our directors may end up being only instant camera photographers.

I would like to run into Jacqueline in some hallway again and this time I will put my arms around her shoulders and say, "I understand." Jay Bajaj

#### Left out in B.C.

am writing to comment upon a couple of small items in the April issue of Cinema
Canada this year.

I refer to the section on British Columbia film written by Mark O'Neill. I found the coverage well-written and interesting to read, but was upset by the omission of my 1970 feature film, The Life and Times of Chester-Angus Ramsgood.

This film represented one year in the life of myself and the producer, Don Wilson who invested some \$40,000 (1969) dollars in the film. The film played at both universities here as well as some across Canada. If also had a one-week run on Granville Street. It was covered by *The Sun* reviewer Les Wedman in a major write-up plus by Michael Walsh of *The Province*.

It was reviewed in *Take-One* magazine as well as in *Variety*.

In short, it had as much attention as many of the other films of this period which were mentioned.

Don Wilson (not *Dan* Wilson, as you have written) was also the producer of the 1978 film, *The Keeper*, which had starred Christopher Lee. **David Curnick** 

#### **Errata**

A couple of typos slipped into last month's late-breaking news story about Hannah Fisher's resignation as executive director of the Vancouver International Film Festival (VIFF).

A quote from a press release should have referred to the *Eighth* annual festival. As well, Daryl Duke of CKVU-TV should have been quoted as saying, "I'm not interested in working with the new group of directors."