

# FILM NEWS

## THE 'TOMPKINS' REPORT: CONCLUSIONS

*Hugh Faulkner, while still Secretary of State, commissioned an independent study of the Canadian film industry. This study was undertaken from July, 1975, to March, 1976, and has become known as the 'Tompkins Report,' because Tompkins was the project manager for the Bureau of Management Consulting which was responsible for the study. As the entire report will soon be made public, Cinema Canada offers its readers the conclusions of the study.*

*One of the assumptions made by the BMC in its introduction to the report was that the "government is entertaining a possible change in direction on film matters and seeks a third party input before reaching specific positions." It was well known that Faulkner had started to reevaluate the functions of the different government agencies - The National Film Board, the Canadian Film Development Corp., The CBC - which deal in film matters, and it was expected that the publication of the Tompkins Report would be followed by a major reorganization of the coordination between the agencies, and by a change in emphasis in the relationship between the public and private sectors concerned with filming.*

*What effect the removal of Faulkner from the post of Secretary of State and his replacement by John Roberts will have on this presumed reorganization is now anyone's guess.*

*Below, the recommendations:*

### Conclusions

The purpose of this study was to identify and analyze the composition of the labor force working in the film production industry. Some lack of precision in the results was inevitable,

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*Due to the changing of the cinematographic guards at the Secretary of State Dept., and the importance of the Tompkins Report, we have foregone the usual Film News section. Film News will be back, in a new, more readable format, in issue no. 32.*

for film production, as an industry, cannot be isolated from a number of parallel industries and activities, notably television, that use similar facilities and require the same categories of labor. Moreover, these categories are not in all respects self-contained, since individuals may work in one capacity or another from time to time, or from one type of film product to another. Statistical data, which are hard to come by, may therefore be misleading if heads are counted under more than one category or sub-category. Entry to the professional associations or unions does not, in most cases, require highly specialized qualifications. Thus the unfortunate fact has to be faced that, since the film industry is amorphous and far from self-contained, it is not possible to arrive at reliable estimates of the number of people in each category and sub-category, or of what they earn. It is believed, nonetheless, that the information presented in this report will serve to bring fresh insights to bear on the complex problems of the labor force in the Canadian film production industry. These are the principal findings:

(1) Film, like broadcasting, is an important element in the preservation and development of social and cultural values. The market for Canadian films is restricted by the distribution system, with the result that output and work opportunities are lower than they should be.

(2) In broadcasting, there is a growing public belief that there is too much American programming. In a recent Gallup Poll conducted by the Canadian Institute of Public Opinion, 59% of the responders (65% of those under 30) said that Canadian culture is being influenced too much by American television, as against 49% in 1970.

(3) The Canadian film industry is still in an adolescent stage, and cannot be compared to or modeled on its counterpart in the United States, with its very different demography, wider and larger markets, and greater capacity to absorb film products.

(4) Broadcasting in Canada cannot be fairly compared with broadcasting

in the United States, because it is dominated by the CBC which provides, by definition, a national service. American broadcasting is basically a community system only partially hooked up nationally by the three major networks. The need for more locally produced programs has led to the establishment of a flourishing sub-industry of 'program packagers', which has no counterpart in Canada.

(5) Work opportunities for the labor force are directly influenced by the budgets and activities of:

- the NFB and the CFDC;
  - the CBC, the provincial educational television authorities, and the television networks and stations in the private sector;
  - film production firms in the private sector; and
  - advertising agencies;
- and by the multiplicity of labor agreements between the employers or engagers and the professional associations and unions.

(6) The Canadian Radio-Television Commission (CRTC) exercises a direct influence on the volume of film and videotape production in Canada through its rules and regulations governing:

- Canadian content in television programming;
- the length and frequency of commercials;
- Canadian content of commercials; and
- the balance in programming within and between the public and private sectors.

(7) The CBC is by far the largest employer and engager of creative talents, but spends only 11% of its operating budget for that purpose, as compared with, for instance, 35% by the British Broadcasting Corporation (BBC). Only about 6% of CBC programming is commissioned from the private sector.

(8) Film production firms in the private sector mostly have very small permanent staffs, which they supplement, as required, by engaging freelance creative and technical talents of all kinds.

(9) The private television networks and stations provide only a small

percentage of the work available for creative talents.

(10) The CBC (English Network) produces 80% of its programs on film, thus providing much more work for film directors than the French Network, which produces 80% of its programs on videotape.

(11) Television provides, directly or indirectly, more work for performers, writers, and, to a lesser extent, musicians and anglophone film directors.

(12) Film directors in general are less concerned about the money they make than about the establishment of a distribution system that will permit their films to reach wider audiences both in Canada and abroad.

(13) The cost of talent and labor in film production in Canada is 50% lower than in the United States.

(14) The 'star system' is of greater importance in French-language film production, since the most successful performers in Canadian English-language films tend to be lured away by the wider opportunities and larger earnings available in the United States.

(15) The first generation of NFB and CBC filmmakers have retired, or are approaching retirement age; a need is going to arise very soon, if it does not already exist, for younger directors, most of whom can at present find work only in the private sector.

(16) Both the NFB and the CBC are perceived in the industry as heavily inbred, providing work opportunities and relatively high incomes only to the select few.

(17) Industrial relations in the broadcasting and film industries are dominated by the agreements negotiated by the CBC with the professional associations and unions, particularly ACTRA, UDA, and AFM.

(18) In the private sector of the film production industry, industrial relations appear to be rigid and cumbersome, giving rise to a regimentation of the technical craftsmen which makes it almost impossible to produce a medium-cost or low-cost motion picture. It was reported that, in some cases, a work crew is forced on a producer with no real regard for the nature or amount of the work to be done.

(19) The anglophone technicians' associations have structured and organized the commercial sectors of the film industry, and to a lesser extent, the feature film sector. The franco-phonie associations, on the other hand, are moving from the feature film sec-

tor to the organization of the commercial sector.

(20) As the output of the private sector grows, it is likely that some of the production firms that now have very small permanent staffs will tend to employ more staff technicians instead of relying mostly on freelancers, as they do now.

(21) The intervention in the industry by the federal government, necessary and helpful as it may have been 30 or even 20 years ago, is now fairly generally regarded in the industry, in one aspect or another, as restrictive of growth, misconceived, inconsistent, and insufficiently sensitive to the real needs of the labor force that is the most valuable asset of the industry.

(22) In one particular aspect, opinion is divided: while the performers, writers, and musicians are pleased to have negotiated with the federal agencies for an overall 'target budget' to be spent on their services, most filmmakers and producers believe that a rapid growth in output would be stimulated if more film products were to be commissioned by the agencies from the private sector.

(23) The CFDC is restricted by its incorporating statute to promoting the production and distribution of Canadian feature films, the production sector in which nearly all filmmakers are most interested, and which at present provides work for some 25% of the total labor force. Opinions have been expressed that:

- i. the CFDC should take a more active part in promoting the distribution of Canadian feature films in Canada and abroad; and
- ii. the CFDC should only invest in films when authentic stimulation of creativity is evidenced and major functions carried out wholly by Canadians.

Although the Canadian film industry is still in an early phase of a struggle for survival, a more demanding audience is developing and Canadian films are recognized, particularly in French-speaking Canada, as a prime means of fostering a distinct consciousness of Canadian identity. The 'critical mass' which is the essential base for a fully professional and organized industry has been achieved, and the next phase of development will provide more stable employment for the labor force and wider opportunities for the use of creative talent.

Rapid technological change will continue to confront filmmakers with

challenges to their competence and adaptability. The videotape recorder, for instance, has already made inroads on a large scale. It is too early to predict the impact of the video cassette, let alone its putative successors, the video disk and the 'memory block'.

The creative talents, while seizing the opportunities for original forms of expression being made possible by new technologies, will be all the more inclined to ensure that they are competently represented in negotiations with employers and engagers. In particular, they will become increasingly insistent on legislative changes that will afford comprehensive protection of their various proprietary rights in the film products in which they have taken part.

From observations and analyses made in the course of this study, it is evident that the next phase of development will be critical, and will be beyond the capabilities of the private sector to achieve without the right kind of support and assistance from the federal government. The NFB and the CFDC have played a vital role, which now needs to be reviewed and probably amended. The CBC and the NFB have been the most important factors in the growth and organization of the labor force, but their activities have tended to inhibit the growth of the private sector and its utilization of creative talents. There is a strong conviction among filmmakers that if more work were commissioned by the federal agencies from the private sector, the effect would be catalytic, since the additional output would foster the growth of the better production firms beyond the marginal status, enabling them to hire larger permanent staffs and achieve economies of scale which would lead to greater sales. There is also a widespread belief that the production of Canadian feature films will continue to be constrained unless something is done to break the hold of the foreign-owned distribution chains that prevents Canadian films from being seen by larger audiences, both in Canada and abroad.

There is room for improvement in the field of industrial relations, where the professional associations and unions are so numerous and so varied in their approaches that they present almost insoluble problems for production firms in the private sector. There is some evidence, too, that the multiplicity of representation may not be

in the best interests of the labor force as a whole. Some of the professional associations are, in effect, acting like old-fashioned trade unions by promoting the employment or engagement of their own members without regard to the interests of other groups, and inhibiting the proper use of the creative talents without which the industry, as a social and cultural force in Canada, could not continue to exist. It is to be hoped that the labor force itself will generate a move towards a more rational structure of labor organization, which would enable the government and its agencies, as well as film producers in the private sector, to respond more quickly and effectively to representations from organized labor.

It should be mentioned that there is some uneasiness among creative artists and technicians about recent interpretations of the difference between 'an employee' and 'a contractor'. The reasons for the general policy of the government in this regard are understood in relation to the recent growth in the practice of contracting for the services of individuals on more than a very short-term basis. The policy has, however, a restrictive effect on the utilization of freelance creative talents in both public and private sectors of film and television production. Consideration should be given by the appropriate authorities to finding means to ameliorate the situation.

The film production industry in Canada is, in a sense, unique in its dependence on government intervention. The size and prosperity of the labor force are to a very large extent governed by federal legislation, policies, and funding, either directly or through the CBC and the film agencies. More general policies, in such areas as taxation and revenue practices, affect investors, producers, and organized labor in ways that are not always beneficial to the strength of the film industry. These comprehensive studies of the industry were timely, for the nursery phase is past; the film industry should now be encouraged to spread its wings.

**Recommendations**

In the light of the foregoing findings and conclusions, it is recommended that:

(1) Steps be taken as soon as possible to increase the proportion of film production for the government

and its agencies that is commissioned from the private sector.

(2) The Secretary of State should consider giving a direction to that effect to the National Film Board, exercising his powers under Section 3 of the National Film Act.

(3) The Department of the Secretary of State should enter into discussions with the Canadian Broadcasting Corporation on the desirability and feasibility of commissioning a larger proportion of the Corporation's program production from the private sector.

(4) The Department of the Secretary of State should initiate a study in depth of all the labor agreements in effect in the film production industry, particularly those to which the CBC is a party, for comparison with labor agreements in such countries as the United Kingdom and Sweden, and make the results available to organized labor and to producers in the private sector. □

**Report on Roberts**

*Random phone calls around Toronto gave the following (more or less reliable) biographical sketch of John Roberts, the newly appointed Secretary of State.*

*Ph. D. from Oxford with education at the Ecole Nationale d'Administration (Paris)... Fully bilingual, representing St. Paul's riding (Toronto) as MP... Lives in Cabbagetown and has office hours in the riding Saturday mornings... Married to a member of I.A.T.S.E., photographer Beverly Rockett who has done still work for David Perlmutter (Quadrant) who was Roberts' official agent during the last election.*

*Familiar with film affairs as he has been listening for the last few years... Chaired May, 1975, meeting involving the Council of Canadian Filmmakers, the Canadian Association of Motion Picture Producers, Toronto Mayor Crombie and Metpack (the Toronto Liberal MPs' and ministers' group)... Has own cable TV show, Roberts Report... Has worked as assistant to P.E. Trudeau... Was originally with External Affairs... And way back when, was best man at Hugh Faulkner's wedding.*

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