

Telefilm may lose \$17 million

MONTREAL — According to estimates in mid-January, Telefilm Canada will hold \$16.9 million in unspent funds at the end of the current fiscal year. Whether these funds must be returned to the government coffers or will remain available to Telefilm for production is the subject of current negotiations between the federal agency and the Treasury Board.

Yves Beauchesne, head of Administration at Telefilm, told *Cinema Canada* that while the budget of TF has risen by +5 percent this year (up to \$106,680,000 from last year's \$72,395,441), the industry is only growing at a rate of 33 percent and cannot produce enough to fully use the funds available.

(The rate of industry growth is based on the sum of all the budgets of projects accepted by TF in '85-'86 and '86-'87.)

According to Beauchesne, TF's net expenditures (including administrative costs, less revenues) from the Broadcast Fund will be \$57.8 million while \$37.3 million net was spent on feature films. Other net administrative costs are \$3.9 million. When total ex-

penditures of \$99.4 million are subtracted from the \$106.68 million available to TF in '86-'87, the unused portion of the funds coming from this year's operations is \$7.3 million.

An additional \$9.6 comes from funds rolled over from the '85-'86 financial exercise. TF may have to relinquish both sums if the Treasury Board decides so.

The agency would have had a larger pool of unused funds, had not two important projects come together in time to qualify for assistance this fiscal year. Beauchesne said that both the mega-project **Bethune** and the renewal of the series **He Shoots, He Scores** reduced the sum of unattributed funds from the \$25 million which had been rumoured in the press.

"We don't refuse that many projects," commented Beauchesne, insisting that proposals had to be "bizarre, crooked or borderline" to be turned down by Telefilm. In general, TF accepts two out of every three projects submitted to it, Beauchesne says, and almost every project refused is simply missing some elements necessary to its application.

"If there is any one factor which determines our participation in a project, it is the criterion of prime-time interest," a criterion dictated by the Broadcast Fund definitions, he maintains. "We tend to pull away from programs which wouldn't fit into prime-time viewing," he concludes.

Obviously, other criteria — financial, legal, content — are also examined at TF under the stewardship of Linda Beath in Toronto and Francine Forest in Montreal.

Less than a year after the much-heralded organizational restructuring at TF which created an Operations branch on the one hand (under André Picard) and a Business Affairs branch on the other (headed by Bob Linnell), TF has returned to the older geographical division of labour, funneling requests from Montreal and the east through Forest, and those from Toronto and the west through Beath. They are responsible for evaluating both the operational and business aspects of the projects. The administration of signed contracts will now be overseen by newcomer Larry Pilon. (see article, p. 44)

TVO French service

TORONTO — A flurry of calls from mystified television viewers greeted TVOntario switchboard operators as the public broadcaster's new French language network went to air Jan. 1, 1987.

In fact, many enquiries were received as changes were being made in the two days before the service went on air, said TVO's Kathleen Vaughan.

The calls ranged from angry enquiries about what had happened to the previous channel, bumped from the basic cable dial to make room for the new service, to messages of support, Vaughan said.

In the Toronto area cable companies bumped the American network NBC from basic cable service, which includes channels 2 to 13 on most televisions without converters, in order to comply with federal regulations.

The Canadian Radio-television and Telecommunications Commission (CRTC) requires

that Canadian channels receive priority over other channels.

To continue receiving NBC's Buffalo affiliate, Toronto area cable subscribers will have to buy a converter. The station moved to make room for the French network varies throughout Ontario.

Hugh Coulthard, Toronto area regional manager of Maclean-Hunter Cable TV, estimated the cable company initially received hundreds of calls per day following the start of the French network.

"The calls are still coming, but they're slowing down," Coulthard said during an interview one week after the new network, called *La chaîne française*, went on the air.

He said about 8-10 percent or 15,000 Maclean-Hunter subscribers owning a television without a converter would find themselves affected by the change.

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Consumers contest cable increases

OTTAWA — A major consumers' group is taking the federal broadcast regulator to court over its approval of automatic cable television rate increases.

The Consumers Association of Canada will contest the Canadian Radio-television and Telecommunications Commission (CRTC) decision and a Maclean-Hunter Cable TV automatic rate increase application before the Federal Court of Canada.

Consumers association official David McKendry said his group feels the CRTC did not have the power to make that decision.

"We feel the commission did not have the jurisdiction in law to make the regulations that it did with respect to automatic rate increases."

He said it is a test case and if the consumers' association is successful with its case, all cable companies will have to go back to the old system of outlining rate increase applications before the CRTC.

The CRTC ruled on August 1, 1986 that cable companies could apply for automatic increases that can be the equivalent of up to 80 percent of the

previous year's consumer price index.

"We think that the commission is obligated in law to ensure that the rates are fair," said McKendry, who is director of the regulated industries section of the 160,000-member consumers' association.

He said with automatic increases the commission will not look at the underlying reasons for increases in cable television rates. The CRTC should examine costs, revenues, the quality of service and give subscribers an opportunity to comment on the increases they face, McKendry explained.

With automatic rate increases the customers only recourse is to disconnect or pay, he added.

He said the consumers' association decided to contest the Maclean-Hunter Cable TV application for its Guelph, Ontario operation for several reasons.

Maclean-Hunter applied for a rate increase in Guelph last year, but was denied an increase because it had high profits, McKendry said. Then after the CRTC handed down

its decision, it applied under the new regulations, he added.

Only a matter of weeks before the new regulations came into place, the CRTC found that Maclean-Hunter's rates in Guelph were high enough as it is, he said.

He also said Maclean-Hunter was one of the first companies to apply under the new regulations.

But McKendry said the consumers' association is not singling out Maclean-Hunter as being any worse or any better than any other cable system.

While a ruling in favour of the consumers' association will mean that cable companies will have to go back to applying for rate increases, that still doesn't mean the old system can't be improved, he said.

In an interview with *Cinema Canada* after the release of CRTC regulations last year, the vice-president of public affairs for the Canadian Cable Television Association applauded the move.

Susan Cornell termed the new rate system sensible and said it includes regulations for written notice to subscribers 40 days prior to the increase.

Dubbers win battle

OTTAWA — French-language television viewers will no longer have to wait six months to two years to watch the latest U.S. TV series dubbed in their own language.

High level negotiations between the federal department of communications, the Quebec government, American television distributors and both French and English-language television broadcasters have resulted in a landmark agreement which in effect recognizes a duality of dominant languages in Canada.

For the first time, an agreement between the department of Communications and the distributors, represented in Canada by the Canadian Motion Picture Distributors Association (CMPDA), has enabled French-language broadcasters to purchase first-run rights for U.S. TV series. French-language audiences will watch dubbed American programs at the same time as English-language audiences view the same programs on English Canadian networks.

Traditionally, the English Canadian networks were used to having total exclusivity of U.S. TV series for two runs and two years.

"This was an unfair and unacceptable situation," says Gilles Desjardins, vice-president corporate affairs of Le Groupe Vidéotron Ltée which recently

bid to purchase Télé-Métropole, Canada's largest French-language broadcaster.

"They are beginning to realize in the U.S. that there is a large French-language audience here," says Desjardins. "We were at a terrible disadvantage. It was not very interesting to watch the same **Dallas** episode that everyone had talked about two or three years ago."

Alain Gourd, deputy minister of Communications, says he commends the Screen Actors Guild for being the first to make an exception where residual rights are concerned for foreign languages which includes the French-language in Canada.

"The only way for the French-language broadcasters to broadcast immediately after the U.S. broadcast was to buy for English language and compete against CTV on a 25 million viewer basis," Gourd told *Cinema Canada*.

"It was a de facto impossibility for a French-language station to broadcast a U.S. TV series before two years had elapsed."

Although there were several weak series that gave French broadcasters a stronger negotiating position, Gourd, a broadcaster between 1973 and 1982 says he "cannot think of one example."

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Will Telefilm Journey with Watkins to Berlin?

MONTREAL – WILL Telefilm Canada find it in the goodness of its corporate heart to provide distribution funding for Peter Watkin's 14-hour peace epic entitled **The Journey**?

As of the second week in January the answer is "no" says Jan Rofekamp of Les Films Transit Inc. who will premier the film, over a three-day period, at the Berlin International Film Festival, Feb. 20 to March 3, with or without Telefilm assistance

Rofekamp, who holds world distribution rights to **The Journey**, formerly **The Nuclear War Story**, says the extraordinary degree of Canadian participation in the film shot in 15 different countries on a slim production budget of close to \$2.3 million deserves some recognition in the form of support by Telefilm Canada, the government funding agency.

He admits, however, that there are several major obstacles in the way of a Telefilm endorsement unless Telefilm is willing to be flexible.

"I know the technical rules as well as Pearson (Telefilm president Peter Pearson) does," says Rofekamp, "and even if we can't bend those rules the film will be in my stand in Berlin and will be the main event representing a lot of Canadians."

Among 20 to 30 Canadian filmmakers who had a hand in the film on a voluntary basis is Peter Wintonick who acted as editor and Canadian co-ordinating producer.

Wintonick estimates that the Canadian contribution including all of the post production work with National Film Board assistance, deferred salaries and monies raised privately amount to in excess of \$900,000 to date.

In effect, he says, the Canadians salvaged the film when the Swedes found the cost of post production prohibitive. Thus, Wintonick says, the film is a sort of Canadian co-production even though monies have been raised around the

world and the film cannot be classified in a strict legal sense as a Canadian film.

Both Rofekamp and Wintonick have been told by Telefilm that a Canadian broadcaster and adherence to Canadian content regulations is necessary before Telefilm assistance can be considered.

Says Wintonick: "Because of the international nature of this film we have not been able to go through this process. Some people look inwards and others look out."

The 14-hour film, directed and produced by British filmmaker Peter Watkins and co-produced by the Swedish Peace and Arbitration Society has been in the works since 1982. The film has been shot in 10 languages and can be broken down into 45 to 50-minute units or thematic modules for community group or school-room use. Each unit in a thematic continuity which includes the use of live action footage, graphics, computerization, animation, documentary footage, raises a peace related issue. These issues range from the impact of the arms race on human psychology to Third World development versus the arms race.

Pilon on board at Telefilm Canada

TORONTO – Telefilm Canada has a new executive in charge of its financial coffers and legal affairs.

Lawrence Pilon joined Telefilm Canada, the federal government's movie and television development agency, Jan. 12, 1987. Previously, Pilon worked as vice-president and general counsel for movie exhibition chain Famous Players Limited in Toronto. He worked at Famous Players for more than 20 years.

Pilon, who is based in Telefilm's Toronto offices, was

named executive – financial control and legal services.

The new Telefilm executive will have overall financial authority within the agency for production and distribution loans.

As well, a Telefilm spokesman said Pilon will be responsible for agency investments made within the framework of the 13 different funds administered. He will handle Telefilm's investment planning.

Pilon is also in charge of all contract management for Telefilm.

The making of Amerika on CBC-Radio

TORONTO – CBC-Radio will examine the controversial ABC-TV mini-series **Amerika** in a two-part program in February.

CBC-Radio's **Ideas** program will take an in-depth look at the 14.5 hour mini-series that is scheduled to air on the CTV network later in February.

Amerika takes place in 1994 after a Soviet takeover of the United States. The mini-series details the lives of several Americans after the country is over-run in an unopposed coup.

Much of the filming of the

television series was done in Toronto where it raised opposition from some filmmakers and members of the public.

The show has been criticized on the grounds that it stereotypes several groups including the Soviets, women and some ethnic groups. Critics have also labelled it anti-Soviet propaganda.

A spokesman for **Amerika** has called it "entertainment," adding it is a work of fiction. Some view the program as a look at the fundamental values of American society.

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For application forms and more information please contact:

CANDIDA PALTIEL
TORONTO
653 Yonge St., 2nd Floor,
Toronto, Ont. M4Y 1Z9
(416) 967-0315

MARC BOUDREAU
MONTREAL
1600, ave. De Lorimier,
Montréal, P.Q. H2K 3W5
(514) 598-7597



DEBBIE JANSON
VANCOUVER
163 Hastings St. W., Suite 338
Vancouver, B.C. V6B 1H5
(604) 684-4712

BARRY BURLY
HALIFAX
5211 Blowers St., Suite 32,
Halifax, N.S. B3J 2J2
(902) 425-0124