

# After the Nielsen report NFB — The last debate

*The federal government has appointed a mixed study group to suggest ways in which government spending can be cut back. The group reports to deputy Prime Minister Erik Nielsen, and has now finished its study. The Nielsen Report is currently making its way to Cabinet, after discussion with the ministers affected by its recommendations.*

*The government film commissioner and president of the National Film Board of Canada, François Macerola, confirmed to Cinema Canada that the report recommends cutting \$20 million off of the parliamentary appropriation of \$63 million which the NFB received last year, with the cut backs to begin in '86-'87 and to be spread over four years. The following article on the state of the NFB in light of this news was written from information gathered in an interview with Macerola, the study of his five-year plan for the Board and from several documents prepared by the NFB employees' union, commenting on this plan.*

*The article is written from the point of view of the Montreal head-office and does not take into account the regionalization of the Board and the particular situations that pertain in the regional offices.*

*Unfortunately, the NFB's head of regionalization could not free himself for an interview with Cinema Canada, and the documents themselves make little mention of regional situations. It should be mentioned that the question of "privatization" in the regions is very different from the question of privatization as it is posed in Montreal: first, because the regional offices were never staffed with a creative core of filmmakers and, second, because the size and nature of the private sector differs from that in Montreal.*

by **Connie Tadros**

This could be the last debate. If the cabinet acts on recommendation of the Nielsen report that the budget of the National Film Board be reduced by \$5 million each year for the next four years, the NFB as we know it will no longer exist.

Since the Massey-Lévesque Royal Commission in 1951, there have been flurries of concern in the past. Recently the Applebaum-Hébert Commission recommended the Board withdraw from production, a recommendation that caused great *angst* within the institution. Some small relief followed when then Communications minister Francis Fox's National Film and Video Policy seemed to confirm the Board's production and distribution role. But pressure from the private sector has been unrelenting since, and the Conservative government, looking for ways to cut costs, finds cutting back the NFB by lopping off one third of its parliamentary appropriation over the next four years an attractive option.

And so the debate must come. A public debate to determine the importance of the NFB in the national cultural scene; perhaps a final evaluation of what the past 45 years have meant and what the future promises. But that public debate can only begin from an awareness of the more private debate that takes place (or fails to take place) within the halls of the NFB, among those who work there every day and have some

vested interest in preserving the institution.

NFB filmmaker Guy L. Côté gathered the pertinent statistics together and published *Figuring It Out*, one of the more impressive documents to fuel the internal debate at the Board. Published by the Syndicat Général du Cinéma et de la Télévision — Office National du Film (SGCT-ONF) and circulated to the members of the union, the administration of the Board, its Board of Directors and to the department of Communications, Côté maintains that the government appropriation to the Board represents only 4.4% of the cultural envelope, or \$62.5 million of the \$1,409.4 million spent overall (see table). As well, the Board's appropriation represents only 4% of the totals spent in Canada on all audio-visual production in 1982. So what's the big fuss? People love the Board or hate the Board, but few would argue that the Board's productions are not worth the 4% of either amount that they cost.

"The Nielsen report is based on a philosophy of privatization of industry; the State is not in place to do things, it is there to support the doing by others. Given that philosophy, it is evident that there would be no role for the National Film Board to play. That would, by the way, suit some producers just fine." In an interview with *Cinema Canada*, government film commissioner and NFB president François Macerola was candid. Given the magnitude of the problem, he expects the union to present a common front with the administration. Together, he says, they must have the Board.

The argument which Macerola brings to the debate is spelled out in his Operational Plan Presenting Strategies for the Production and Distribution of Films at the National Film Board of Canada, commonly called the five-year plan. With the plan, he hopes to shield the NFB from the drastic cutbacks suggested by Nielsen. He has, he says, the support of minister of Communications Marcel Masse, and judges that, within five years, the Board will be stabilized both in terms of its functioning and its finances. The plan deals with a rationalization of services, and promises to add \$12 million to production, distribution, research and training, thanks to the reduction of around 200 jobs over the five-year period and other cost saving measures like rent-sharing.

Publicly, Macerola admits to no major difference of opinion with the union, despite Côté's affirmation that, on Nov. 5, 1984, the SGCT(ONF) unanimously rejected the document as being "against the very nature of the institution and of the filmmaking being done there." It is perhaps a measure of the gravity of the situation that neither the administration nor the employees are anxious to have internal squabbles make the headlines. As one union member remarked, "This is no time to be taking on Macerola. That would be playing the small game. What is up for grabs is the whole of the NFB — and the commissioner, his plan and his opinions are but a small part of the larger game we must play." In an inhumane gesture, the union made its case public in a press conference Dec. 17.

A major part of the internal debate

concentrates on the question of a creative core of employees. Everyone agrees on the necessity of such a core of people. "They may not be the best in the country, but they must be people capable of defending and illustrating the notion of public producer, and they must make films in the public interest," explains Macerola. As he pursues his five-year plan for making the NFB "serve the cinema" and "reducing the infrastructure", Macerola feels the need to invent new relationships between the Board and its employees, and entertains the notion that there is middle-ground between the fulltime staff person and the filmmaker who is hired for a single project. "What we need is a relationship which may last for several years and bridge many projects, after which the person would return to the private sector." Remembering that even the commissioner has a mandate of only five years, after which he too will be moving on, Macerola is convinced that a new dynamic energy will be felt at the Board when the revolving door opens to let in freelancers and turns out those who have made their contribution. He expects the split between staff and freelancers to be 30/70 by 1990.

Côté, on the other hand, fears that the rhetoric of the five-year plan hides the intention to downgrade the Board, and he too points to the question of the creative core. "The present management's intention to disband this creative team (i.e. to reduce current staff levels) is based on the erroneous assumption that free-market competition constitutes the most favorable environment for the making of public-service

films." He remarks that no producer or director has been hired by English production since July 3, 1979; that the youngest director is now 38 years old; and that the generation of filmmakers whose names were Bobet, McLaren, Glover, Low, Verrall, Koenig, and Munro are aging, have left the Board or are about to do so. The employment policies followed by previous administrations have resulted, he says, in no creative promotions, no sense of belonging among the freelancers, nor recruitment of replacements to fill the vacuum being created as the old hands leave. The five-year plan not only fails to rectify these deficiencies, it exacerbates them by flirting with the private sector.

According to the five-year plan, the object is "to ensure professional input in the establishment of a Branch program and to create more focussed production ... that responds to audience needs and interests." Responding to audience interest is, indeed, another way of saying that market forces should begin to operate in the programming choices of the Board, and, to this end, the five-year plan creates a Planning Directorate "to assure that institutional objectives are established, achieved, evaluated and monitored." Meanwhile, the plan foresees reduction of all English staff directors from 38 persons to 20 by 1990; by that time, the whole English production staff will only number 48 people.

In-house, what Macerola calls efficiency constitutes dilapidation for Côté, and the slow privatization of filmmaking at the Board only strengthens the arguments given by Applebaum-Hébert to end all in-house production. Lack of competition is not what's ailing the staff at the Board, Côté says, it's "over-management." Talking about the institutional dynamics which would be brought about by the administration of the Board through the application of the five-year plan, he states, "innovation cannot easily flower under a domineering bureaucratic management."

The conflict between the creator and the administrator is well-defined, and seems to be, at the moment, the center of the debate. "The creative act is basically a personal risk and to attribute macro-economic characteristics to it is to misunderstand it completely," says Côté. On the other hand, the commissioner is a political appointee, and he must wrestle with the political and other forces which determine whether or not the Board continues to receive funding. It is no accident that the Planning Directorate must maintain "close touch with constituencies" and that its responsibilities "include the preparation of documents destined for the fed-

## AUDIO-VISUAL PRODUCTION IN CANADA (1982)

	(millions)	(NFB = 100)
<b>FILM PRODUCTION</b>		
NFB/ONF (global production expenditures)	\$ 37	100
CFDC/SDICC	4	11
<b>Private Sector (production revenues)</b>		
Feature films	20	54
Television films	36	97
Commercials	53	143
Educational and Industrial	43	116
Others	2	5
<b>TOTAL Private</b>	<b>154</b>	<b>416</b>
<b>Canada Council</b>	<b>3</b>	<b>8</b>

### AUDIO-VISUAL PRODUCTION BY TELEVISION BROADCASTERS

CBC/Radio-Canada Programming	400	1081
Other TV Network Programming	320	846
Educational TV Programming	51	138
Cable Television Programming	38	103
<b>GRAND TOTAL</b>	<b>1007</b>	<b>2703</b>

• In 1982, when Canadian audio-visual production (film and television) reached over a billion dollars, the Board represented no more than 4% of the total.

eral government." Nor is it surprising that Macerola describes his plan as a "document developed by an executive team." The criticism to which the Board has been subjected by the private sector and through many federal reports has no doubt made the executive staff touchy about its political relations.

Nevertheless, the real debate should not focus on the tensions between the creators and the administration. These tensions are part of every organization, will always be with the NFB and, properly orchestrated, could fire the creativity of the Board. The real debate is whether a creative core is necessary — not as part of an employment strategy but as the very heart of the institution — and, if so, what is its role? For the moment, Côté concludes, "The five-year plan now proposes increasing the indirect costs by creating new planning and marketing research functions which will have the effect not only of complicating decision-making procedures but also of diminishing the influence of the two English and French directors of production whose professional author-

ity — within a dynamic film production enterprise — should be primordial. The five-year plan privatizes production while leaving the administrative structures as they are — or even further expanded."

The key words are "privatization" and "public interest." If the budget of the Board is drastically reduced by the Nielsen report (or even reduced to a lesser degree as proposed in the five-year plan, according to Côté), then the only way the Board can maintain any reasonable production is through cofinancing projects with the CBC/Société Radio-Canada and co-producing with other public service organizations and the private sector. Both Macerola and Côté agree that is currently the new direction of the Board. It is the ramifications of this move that are debatable.

While Macerola recognizes that the private sector is led by the profit motive and must build an industrial infrastructure, he maintains that the Board must first produce films in the public interest and only secondarily be driven by commercial interests. Nevertheless, he finds

a common ground upon which the Board and certain private producers can work together to produce films which meet both the requirements of public interest and commercial promise. He points to the Atlantis series, or to films like Léa Pool's *Anne Trister*. Côté, on the other hand, sees co-production with the private sector as a way for the Board to access funds to which it, alone, would not be entitled.

Macerola is aware of the contradictions in his approach to co-production, especially if the rationale is to bolster the private sector — for coproduction with the Board hardly fosters the private infrastructure. The case of the labs is the most eloquent.

For as many years as there have been laboratories in Montreal, the private sector has accused the NFB of unfair competition. "It's true that we have used our infrastructure to buy equity in co-productions, but now we have to find an intelligent solution to the problem," Macerola says. Services are what the Board can offer, and the five-year plan's notion of a fully integrated production and distribution facility in both film and video has finally closed the door on the possibility of selling off the labs.

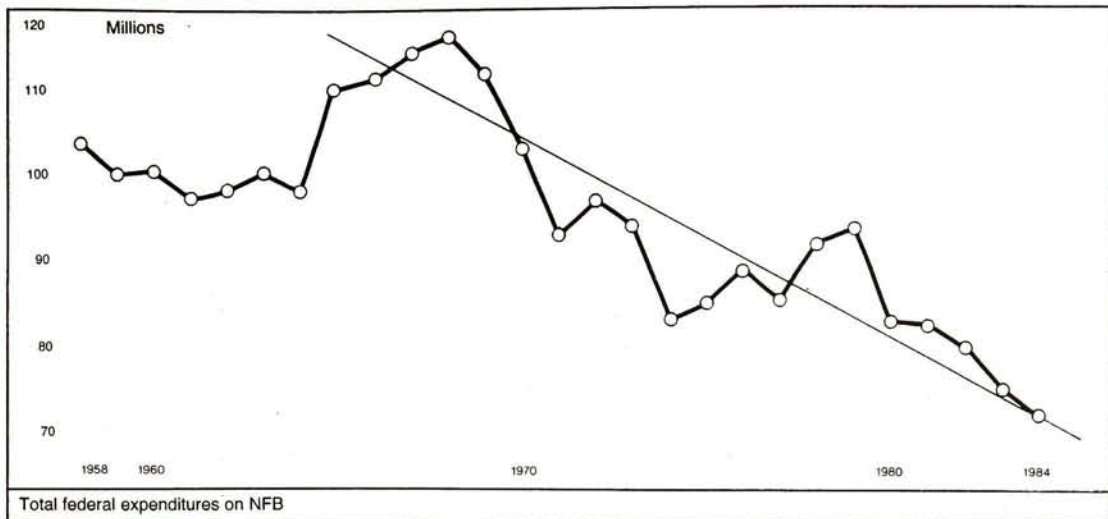
Currently, there is increasing pressure to involve the NFB as an integral part of production plans in Quebec where Francophone fictional features have great difficulties getting backing. To this end, a meeting initiated by Telefilm Canada and including the Société Générale du Cinéma took place early in December to try to find a formula whereby moderately budgeted French features could be made through co-production at the Board. "All the organizations must be present," says Macerola. "If not, there will be no Francophone films." To which Côté responds: "The Board is not Telefilm Canada and must not become an instrument in the service of that organization." The staff and union members of the Board welcome freelancers, insists union head Bob Verrall. What they are not ready to relinquish is the creative input which is the essence of the National Film Board.

Which way out of the dilemma? Macerola suggests negotiations. In his five-year plan, he speaks of negotiations with CBC/SRC to enhance the distribution of films, and he talks about "consultation with the private sector" to actively develop a centre for applied technical research. He suggests "new general agreements that will enable the NFB to better fulfill its mandate as a public producer", targeting Quebec's producers' association, the APFVQ, as the body with which to deal. But, to *Cinema Canada*, he said that no negotiations were ongoing with the CBC/SRC,



N - Nomination

A - Academy Award



that formal talks had not taken place with the labs, and that the latest brief of the APFVQ to the Caplan-Sauvageau Task Force once again recommended the abolition of the Board pure and simple. Macerola is probably right when he says that closing the Board would not solve the problems of the private sector, but he is insensitive, it would seem, to the real anger which feeds such recommendations.

From the union's point of view, the five-year plan constitutes a kind of fool's paradise: a place where everything would seem to work for the better while deteriorating steadily. Presently, Macerola has what he calls "an enormous problem of morale" in the French division of the Board. In mid-November, producer Roger Frappier left the Board and, by early December, Daniel Pinard, head of French Production, had handed in his resignation as well. To boot, a feature by Anne-Claire Poirier was halted just three weeks before principal photography was to begin, for reasons which are not yet clear to her. Lingering in the background are discomfords over the productions of *Le Crime d'Ovide Plouffe* and *Mario*, which were to be two coproductions between ICC and the NFB; only *Plouffe II* was done in coproduction, and the resultant complications were so acrimonious that it took negotiations by Montreal lawyer Francis Fox (representing ICC) to extricate the producers from the situation. Rumours in the French Production persist to this day about the effect of these productions on the financing of current films.

Asked to explain the difficulties surrounding the French division, Macerola says simply, "I don't know." Far from looking for any external reason for the intense dissatisfaction, he suggests that the films themselves should give heart to the filmmakers, though he wonders "whether it isn't simply the condition of being Québécois" which creates such anguish, and believes that the solution to the problem "will be found inside each individual. It's time that French production ceases to flagellate itself while waiting for signs from heaven to come from above, from the minister or from the commissioner's office. It's time they stopped being afraid, look themselves in the face and accept that their films are good." A rather psychological explication from an administrator - and hardly adequate to deal with the problem.

So what is the problem? What focus should the debate take? The anger and frustration building around the Board's activities and its projected future is fed by the confusion over just what is being proposed. In the union's analysis, there is a gap between stated goals and the measures to reach those goals. It becomes a question of credibility and is centered on the question of privatization; is it appropriate to even healthy for the NFB to move toward the private sector, becoming one player among many in the production of films which are of public interest? Conversely, is there no room for the private sector to make films of public interest independently?

In *Setting The Record Straight*, the most recent document published by the SGCT (ONF), consultant Sandra Gathercole does a masterful job of outlining the various government policies that have influenced the Board over the years and the Board's response to the policies. The thesis of *Setting the Record Straight* is simply that every time the NFB has responded to federal criticism by accommodation, it has weakened its own position, thereby provoking more criticism, accommodation and weakness. It is little wonder, therefore, that both the administration and the union find it so difficult to confront the question of privatization squarely. For Macerola, a refusal to accept the privatization philosophy would fly in the face of his political bosses, and his context is partially made of that political reality. For the union, to refuse

to support the notion of working with freelancers sounds mean, a stance meant to protect staff jobs. At this point, given the many ex-staffers who are in the private sector, it probably needs the support of these filmmakers if only to gather the numbers necessary to make any defences.

Gathercole's document takes a clear stand, perhaps because its author analyses the situation while standing outside of the Board. Faced with current government policies and pressures, Gathercole outlines four options: full privatization, partial privatization, reduction of public production and expansion of public production. She and the SGCT (ONF) suggest the final recommendation: "Free the NFB of the deeply unreasonable expectation that it support the private sector and put it back in possession of its own resources so it can reconcentrate its energies as the national producer, and assume its share of the responsibility which the public sector carries for Canadian television." At least, the document provides firm ground for debate.

But if debate is the answer, generating debate is also the problem. A case in point is Côté's document. Despite its wide circulation, he says he has had no word from the commissioner, the Board of Directors or the department of Communications, acknowledging its existence. There is, in fact, no common voice with which the Board can address the public, no common direction being suggested, no vision one can respond to. It's the old question of a mandate.

Since its inception, the Board was to interpret Canada to Canadians. James de B. Domville, commissioner just before Macerola, was fond of saying the Board was there to produce films which the private sector couldn't or wouldn't produce, but Macerola believes that was a negative definition. In the five-year plan, "the mandate and the mission of the NFB is the production of films dealing with current socio-cultural concerns and which enhance artistic expression, as well as presentation and distribution of these films to a growing public." Addressing himself to fictional features, he goes on to say that the Board should produce such films "according to the identified needs of the Anglophone and Francophone milieux." Macerola proposes a mandate that dovetails with audience need, reflecting the influence of marketing research and commercial bias. This is a far remove from the mandate Côté describes when he states that the Board's purpose is "to enlist the passion for filmmaking in the service of Canada's truth." He speaks unabashedly of the history of the Board, fearing that, with no new staff in place, "the transmission of this legacy is now endangered."

This legacy is truly distinctive. In the past, the Board has made films unlike those being made in the private sector, and awards and opinion polls galore can be marshalled to prove the privileged place the Board has occupied. The question today is: what is the Board becoming? Atlantis made its first series with no coproduction agreement from the Board. Would it have been incapable of making the second series independently? After the enormous critical success of her first film, could Léa Pool not have made *Anne Trister* in the private sector? It is not enough to have a history, glorious though it may be. Which films will the Board point to at the end of the five-year plan that will distinguish it absolutely from the work being done elsewhere in the Canadian industry? For, in the end, the films themselves are the Board's only defence.

The Board was created as a great war loomed, and the government was sensitive to the argument that national propaganda was part of the answer to mobilizing the public. Today, when Francis Fox talks of cultural occupation and Brian Mulroney speaks of cultural sovereignty, when the U.S. State Department interferes with the application of cinema regulations in Quebec, it should not be difficult to outline once again the dangers at hand. No matter what policy is advanced to defend the National Film Board from irreversible atrophy, it must be stated clearly and articulated so that the public can respond. For it is neither the private sector nor the other film agencies that can decide the fate of the National Film Board once it is confronted by the Nielsen report. It will be - and rightly so - the strength of public concern. For those who feel that the time has come to leave the half-measures behind and speak directly to the Canadian people, there is much work that remains to be done. And, at its height, the Board was able to do exactly that - once.

Failure to do so today will be fatal to the Board, and conclusive proof that the Board's demise was the final victory of its own impotence.

## FEDERAL BUDGETARY ESTIMATES - 1984-85

(\$ millions)

Arts and Culture Program	\$ 90.4
Canada Council	69.6
Canadian Arts Center	14.8
Canadian Broadcasting Corporation	895.7
C.F.D.C. (Telefilm Canada)	54.8
C.R.T.C.	25.5
National Film Board	62.5
National Library	29.8
National Museums	69.5
Public Archives	39.4
Social Sciences and Humanities Research Council	56.9
<b>TOTAL</b>	<b>\$ 1,409.4</b>

• The NFB/ONF today occupies a modest share (4.4%) of federal expenditures on the arts.

