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VANCOUVER – The Eighth annual Vancouver International Film Festival wrapped on October 15 with a record-setting number of Western Canadian films having been screened to sold-out and appreciative audiences. **Sandy Wilson's** *American Boyfriends* (the sequel to *My American Cousin*) disappointed many festivalgoers – it's a meandering coastal drive through a not very interesting segment of Sandy Wilcox's post high school life – but there were many compensating highlights in the non-curated Western Canadian Showcase.

Among them, Manitoba's *The Last Winter*, which came within a hair of winning the Best Canadian Screenplay Award, *Quarantine*, *Matinee* and *The Traveller*. **Wayne Sterloff** of BC Film reports that all of the features will be showing up in commercial distribution before Christmas.

By the way, **Atom Egoyan's** *Speaking Parts* won the Screenplay Award followed by *Jesus of Montreal*.

LEARNING THE LANGUAGE

The concurrent BC Industry Trade Forum played to generally full houses at the Robson Square Media Centre. The focus was the Independent Initiative; the highlight, a 13-minute preview of *Bethune: The Making of a Hero*. Co-producer **Nicolas Clermont** was on hand to discuss the much publicized difficulties behind the \$18 million dollar feature which, he says, should be finished post-production in mid-January. The trailer is spectacular, beautifully shot and teeming with the Chinese masses who eventually elevated Bethune to the status of Communist saint. Clermont's advice to anyone contemplating a co-venture with the People's Republic: "Learn the language and be patient."

CANWEST INVESTS

Speaking of initiative, the CanWest Television Group is going to spend \$10 million over the next five years on dramatic TV production. CEO **Donald Brinton** says the chain of independent stations, including CKVU here in Vancouver, will invest \$2 million a year for five years in "high quality productions that provide a significant benefit to Western Canada." The move follows British Columbia Television's similar \$5 million fund announced in August.

UNION MOVES

On the union front, the members of IATSE 891 are not happy with a proposed contract that would have provided some concessions to Paramount, producers of *MacGyver*. They voted down the contract along with another deal that would have covered *Movies of the Week* and some low-budget, indigenous features. This at the same time that producer **Richard Davis** was warning that some made in B.C. productions "could have been 10% cheaper if shot in Los Angeles, or 15% cheaper if shot in Florida."

IATSE Projectionists' local 348 was embroiled in a labour dispute with Cineplex-Odeon & Famous Players at deadline. The projectionists have been locked out in a disagreement that centres on hourly wages. The theatre chains say the B.C. members make more money than anywhere else in the country; IATSE claim it's willing to talk concessions but refuses to acknowledge the employer's Joint Bargaining Committee. Numerous hearings in front of the B.C. Industrial Relations Council are likely before a settlement is reached. In the meantime, Cineplex and FP are operating with non-union projectionists.

A LAID-BACK SHOOT?

Now Shooting: *Deep Sleep*, \$2.6 million feature written by **Patricia Gruben** of the Praxis Script Development Workshop. The feature is about a teenage girl who tries to unravel the mystery of her father's death; as she asks questions she begins to see that her beliefs about her family may not be true. The project is being crewed by the Association of Canadian Film Craftspeople, the group's first West Coast contract. This development was not welcomed by the more established unions with one Teamsters spokesman suggesting that there may be troubles on other ACFC shoots in Eastern Canada.

FUNDS FOR ALTERNATIVES

BC Film has begun a new program for Film and Video artists. "Experimental work, animation, documentary and drama projects are some of the areas eligible," says **Christine Moffat**, explaining that productions destined for theatrical release, prime-time TV, commercial or industrial promotion and so on are ruled out. \$150,000 has been budgeted for the program between now and March 31. There's also a new fund to help send Film & Video artists and their projects to festivals.

GST harmful to the industry

OTTAWA – ETAC, the Entertainment Tax Action Committee, composed of the ACFC, ACFTP, ACTRA and DGC, went to Ottawa before the House of Commons Standing Committee on Finance to lobby for special consideration under the proposed Goods and Services Tax for their "unique industry."

In their submission to the Committee, ETAC claimed "that the Goods and Service Tax may severely cripple an already marginal industry." The statement, delivered by ETAC chairman **Mark Prior**, concluded "the industry is already beleaguered by disappearing incentives and increased costs, and cannot be expected to flourish in the face of great impediments. The GST, as proposed, will not achieve a single positive result for this industry, and in fact, will do us great harm."

Prior told *Cinema Canada* his organization does not oppose the tax *per se*. "GST is a reality," he said, "and we are not going to be exempt." But ETAC does argue that the GST will have a negative impact on the cash flow of production companies, and will give rise to the obligation on the part of the company to interim-finance the

cost of the GST. Not only that, due to the amount of paperwork involved and the complex accounting procedures, smaller companies are going to suffer the burden of greater legal and accounting costs, all of which will be taxed nine per cent. ETAC also points out, because films are produced primarily, but not exclusively, for the export market, production companies might have to charge GST in relation to exploitation revenues. Canadian or foreign film producers will have an incentive to separate the licence for exploitation in Canada from the licence for exploitation elsewhere, and only deal with foreign distributors in connection with the rest of the world.

In addition, funds given by the federal government from Telefilm or the Canada Council may be subject to the GST as well, meaning that there could be nine per cent less support for the industry. ACFTP spokesman **Peter Mortimer**, who accompanied Prior to Ottawa, said the aim of ETAC "was to try and enlighten the government to reconsider the tax in ways that will manageable to the industry."

Copyright royalty hearings

TORONTO – January 1, 1990 is fast approaching and cable companies will have to start paying for the "distant" signals they have been receiving free for over 30 years. "The meter starts ticking as of January 1," said **Phil Lind**, Chairman of the Canadian Cable Television Association's Copyright Committee, "but we don't have any idea of the size of the fare. What is worse is we don't have any idea when we will know."

Hearings are scheduled to begin in Ottawa at the end of November and could take "five to 10 weeks", according to **Nancy Bickford**, spokesperson for the CCTA. "For the cable operator, it is a little unnerving. We are very concerned." Eleven collectives, representing various copyright holders from U.S. college football to the CBC, have filed claims before the Copyright Board. **Stephen Ellis**, head of the Canadian Retransmission Collective, representing the CFTA, ACFTP, TVO, NFB and some European producers, said the 11 will each have the right to cross-examine each other. "It will be a free-for-all," he predicted.

Between them, the 11 collectives are asking for \$100 million from the industry in the first year alone. The CCTA feels that \$18 million is a more realistic figure. The members of the Copyright Board will have to determine how much is reasonable. Its decision, when reached, will have the effect of judicial binding. But, unlike the CRTC, which has similar quasi-judicial

powers (in both cases the federal Cabinet has the right to overturn a decision), the Copyright Board does not allow for general intervention from the public. The consumer, who will ultimately pay the tab through higher cable rates, has no say in the process.

Generally, the 11 split their demands into two categories: a per-subscriber/monthly fee; or a percentage of the cable operation's gross revenue. The CCTA prefers the per sub./monthly tariff. "In the U.S., the percentage of gross revenue has been the source of many problems," said **Bickford**. "It's too difficult to decide what is 'gross revenue'. We recommend the per month, per sub formula because we feel it is in the best interests of the copyright holder and our subscribers. The cost of administration must be simple and low. You can't have 11 different tariffs."

Susan Peacock, who represents the Canadian Copyright Collective (primarily the U.S. majors as well as other U.S. and foreign producers), agrees with **Bickford** that "the simpler the better". But she also wants it to be precise. Her group is arguing for a per sub/monthly tariff, but one that recognizes "duplicate programming." Like **Bickford**, she hopes the groups join together and make the proceedings advance smoothly. "The legal fees will total millions," said **Bickford**. "This is a boom for copyright lawyers."