



Submission from the Canadian Independent Documentary Fund to the Standing Committee on Finance Regarding 2016 Pre-Budget Consultations

Background

Over twenty years, the Canadian Independent Film and Video Fund (CIFVF) provided financial assistance to 1,000 Canadian independent filmmakers to produce documentaries in both official and Indigenous languages. During its existence, the CIFVF contributed an average annual contribution of \$1.55 million to media production, which generated up to \$20.4 million in annual production activity. Financial contributions made by the CIFVF to production companies generated 510 jobs annually, not including the spin-off jobs associated with film production. The CIFVF provided critical, often first-in, funding to small and medium-sized enterprises (SME) production companies who in turn created employment in communities across Canada. The CIFVF supported many start-ups who received both production assistance and valuable mentoring in business skills which assisted them in securing additional financing. The CIFVF invested in the long-term survival of the industry by providing access to skills and training. Productions supported by the CIFVF are viewed in libraries, educational institutions, community groups, museums and galleries. They also appear on educational television such as TVO and in film festivals both Canadian and international.

Declining Production Volume and Gaps in Current Documentary Funding

Despite the concrete results achieved in the development and production of Canadian content by the CIFVF, it was canceled in August 2009. Since that time, the volume of documentary production has declined significantly by more than \$100 million and resulted in job losses totaling 4,000 (FTE) across the sector. There is an ever-widening gap in documentary funding currently available through the Canada Media Fund (CMF), NFB and the Canada Council.

The current landscape of documentary funding in Canada is quite contradictory: one needs a broadcaster license to “trigger” funding from the Canada Media Fund, even though broadcasters are decreasing their buys of precisely the sort of author-driven point-of-view documentary films that have had so much success. The National Film Board can co-produce films with independent producers but the producer must seek out

approximately 60% of the funding from outside sources; again relying on a broken system of CRTC-licensed broadcasters to complete the funding. The Canada Arts Council will only on very rare occasions commit money to a film that has the National Film Board as a partner, or a broadcaster as a partner. The entire system of documentary funding has been severely crippled by the loss of what is termed “first-in” funding: the CIFVF. Under the CIFVF, producers were able to create content either entirely with the support of the Fund, or to go to broadcasters and / or the CMF and / or the NFB as needed.

A report released in January 2016, entitled *Canadian Television 2020: Technological and Regulatory Impacts*, projects that the impact of CRTC-mandated unbundling will cause investment in Canadian TV shows to decline by \$400 million a year. By 2020, 15,000 creative people working in Canadian TV and film will lose their jobs, and the total annual loss to Canada’s economy (GDP) will be \$1.4 billion.

Documentaries: Investment in Canadian Economy and Return on Investment

An example of revenue retention by a SME production company that makes documentaries is *The Corporation* (a 2003 CIFVF funded project) that grossed \$ 5.6 million+ dollars worldwide. It was the second most commercially successful feature film in English Canada (fiction or documentary) in 2004, grossing \$1.8 million nation-wide and grossing \$1.9 million from its U.S. screenings (thereby netting the production company \$163,000). International sales included Mexico, Italy, Japan, Poland, Greece, France, the U.K. and Australia. The production company subsequently executive-produced several signature documentaries, and is in production on *The Corporation 2*. Another example of revenue opportunity is *This Is Daniel Cook*, a 2004 CIFVF-funded educational children’s series that was bought by Disney in 2005.

Importance of Documentaries in the Canadian Cultural Identity

The cultural sector has a unique place in establishing Canadian identity, and is also a key economic driver. In terms of GDP, the information and cultural industries are larger in size than mining in Canada.

Independent documentary production continues to be a vital means for Canada’s stories to be told and shared within Canada and throughout the world. Documentaries have a positive social impact on communities. For example:

- *Leaving Bountiful* described abuse within a Canadian polygamist colony in BC. It was viewed by 1 million Canadians and was instrumental in getting the provincial government to investigate reports of abuse
- *Silence of Strings* helped save a community music program
- *Odd Kid Out* highlighted the struggle of kids with ADHD. Drug companies spent \$4,000 to purchase copies of this production to show the “human side” of ADHD to their salespeople who sell the drug Ritalin.

- *Continuous Journey* told the story of the Komagata Maru incident. The film has helped build awareness about racist policies in Canada at the turn of the 20th Century.

Documentary production is a significant genre in the screen-based media production industry in Canada.

Creation of Revitalized Independent Documentary Fund to Address Current Funding Problems

Since the Fund's cancellation, a caretaker Board of Directors has maintained the organization's charitable and legal status with the goal that it would be re-instated under a new government. Renewing the CIFVF as the CIDF can be a vital part of the government's plan to strengthen Canada's cultural and creative industries, as well as support initiatives for youth and innovation highlighted in the Liberal Platform for Culture.

The goals of the revitalized Fund would be to:

- Provide support for the development, production, promotion and digital distribution of high quality "point-of-view" (POV) or "auteur" Canadian documentaries owned and controlled by Canadian production companies and intended for broad-based distribution, with an emphasis on digital platforms.
- Provide support to projects that have the potential for high impact with Canadian and global audiences.
- Encourage innovation and skills building in the promotion and digital distribution of Canadian documentaries.
- Provide support to small and medium-sized production companies, including established and emerging producers.
- Provide support to Canadian producers who reflect the richness and diversity of the Canadian population, working in all regions of the country, in both official languages and Indigenous languages.

The CIDF would fill the gap in public funding aimed at POV documentaries. It proposes a number of innovations to enhance the environment for POV documentary production in Canada. The Fund would make Canadian content available on digital platforms, bringing a wealth of new Canadian documentaries to multiple platforms and allowing Canadian artists to share their stories with Canadians and the world, entertaining, informing and engaging them on a host of topics, including those drawn from culture, science, history and social issues.

With annual funding of \$3 million injected into the new CIDF Fund, essential support will be provided to numerous SME production companies with an aggregate budget for supported productions to exceed \$40 million. With the \$3 million of funding per year, 1,000 direct jobs will be created. Funding will be invested in all regions of the country and support green jobs in the knowledge-based economy.

The CIDF will not require a broadcaster to trigger investment, which addresses one of the key weaknesses of the current funding offered by the CMF. The Fund will offer assistance to producers who own the rights to their intellectual property which allows for back-end revenues to be returned to production companies for growth. Profits accrued by SMEs will be able to be applied to R&D for future projects, or to interim financing for current projects.

The Fund will develop the next generation of story-tellers, be they new graduates of film schools and training programs, Indigenous filmmakers who increasingly use media as a prime means for cultural development, or new Canadians who see media as a prime means to communicate their stories to the larger Canadian society.

Conclusion

The cultural and creative industries are an enormous source of strength to the Canadian economy. Canada's stories, shaped by our immense diversity, deserve to be celebrated and shared with the world. Documentaries produced by independent companies are a way to help ensure these goals are achieved. Revitalizing an independent documentary fund can be part of the plan to assist the federal government in implementing its policy.

Respectfully submitted by: Lalita Krishna, (Co-Chair) Lalita@insyncmedia.ca and

Sarah Spring (Co-Chair) sarah@parabolafilms.ca; Telephone: 514.961.7026 | office 514.903.7026

