

2009-411 Hearing Presentation:

Chairman, commissioners, thank you for the opportunity to present before you today.

My name is Cameron McMaster and I am the policy and research coordinator of the Documentary Organization of Canada/ l'association des Documentaristes du Canada. My colleague is Mr. Danijel Margetic, the former chair of the advocacy committee, one of the many dedicated volunteers DOC depends on in order to articulate its positions in regards to regulatory changes affecting our **industry**.

DOC supports the promotion and the development of the art of documentary filmmaking and speaks on behalf of Canadian independent documentarians. It champions the position of its members in order to create an environment that is conducive to documentary production with the aim of reinforcing the sector to the benefit of the entire Canadian film industry.

DOC represents directors, producers, and artisans working in an underrepresented and underfinanced form of programming in conventional broadcasting. As our past submissions already demonstrate, documentary exhibition and expenditure is declining on the conventional stations. However, we believe that the proposed regulations on mandatory Canadian program expenditures, the creation of a programs of national interest system, and maintaining independent programming exhibition regulations will reverse this decline.

Today, we will respond to some industry developments, comment on the importance of the PNI system, CPE, and group-based licencing, and finally, draw attention to some specific documentary regulatory concerns.

The State of Documentaries on Canadian Television

Over the last year, the entire broadcasting industry has been affected by the recession, and documentarians are no exception. At the same time, the documentary community faced an even graver blow: the end of documentary commissioning on the private conventional channels for the fall of 2009 combined with the disappearance of flagship documentary windows on the public broadcaster. All of the major private conventional television stations have either shuttered their documentary commissioning units, or suspended the commissioning of any documentaries. Indeed, the conventional broadcasting world is bleak for documentary production.

Last year, there was a decrease in documentary production on all television: from \$481M in 2007 to \$424M in 2008. ¹The number of documentary hours being produced continues to decrease: from 2,894 hours in 2007 to 1,896 hours in 2008.²As for the demand of Canadian documentaries, 16.74 M hours were watched between 2007-2008, which is flat from the previous year. For conventional stations, there has been a decrease of Canadian documentaries viewed from 2.22 M in 2006-2007 to 1.94 M in 2007-2008, a figure which is indicative of a decrease in commissioning, rather than lack of public interest. There has been an increase in Canadian documentaries on specialty and pay services. In 2006-2007, 11.85 M hours of documentaries were watched, and in 2007-2008 that increased to 12.17 M hours watched.³

The numbers bear out the following conclusion: despite the drop in comissioning and decrease in documentary exhibition on television, Canadians continue to watch Canadian documentaries. The demand is growing and the viewership is stable.

Alongside television, there is an increasing demand for documentaries offscreen. Canada has 3 major documentary film-festivals: RIDM (Rencontres International Documentaire de Montreal),

HotDocs, and the Global Visions Film Festival. There is also a growing number of smaller documentary film festivals appearing across the country, such as Movies of Un-common Knowledge, with some themed festivals primarily screening documentaries, e.g. Plant in Focus.

According to film festival box office statistics, documentaries remain an audience favourite.⁴ In addition, festival audiences at Hot Docs and VIFF, for example, continue to increase.⁵ For consumers, festivals are an expensive proposition, with ticket prices sometimes more expensive than theatrical features, but the numbers show that Canadians are attending film festivals to see documentaries. It is our position that in the absence of documentaries being aired on television, the Canadian public is prepared to pay the cost of festival tickets for the content they want.

It therefore puzzles us that the broadcasters would halt commissioning documentaries on the conventional stations when there is an increasing, or constant, demand for documentaries on and off the air.

Group-based licencing mode: PNI, CPE, and Independent production

In our submission, we expressed our support for a group based licencing system. We have seen in the past that programs are often cross-licenced over a group, and it only make sense that the program expenditures should be shared across corporate groups. We have proposed floors and averages for each element of a corporate group allowing costs to be indexed to the growth and prosperity of a group that will also serve as safeguards. Although many of the large corporate broadcasters have different compositions and holdings, we think that our proposed model provides enough flexibility as well as guidelines to allow the broadcasters to create adaptable programming strategies that help under-represented programming.

DOC appreciates that the Commission has decided to replace the Priority Programming regime with a new one: Programming of National Interest. Although DOC welcomes the change, we urge the Commission to create a system that actually promotes under-represented programming.

In order for PNI to properly support under-represented programming, DOC argues that the Commission should implement expenditure requirements for the PNI system. The expenditure requirements serve as a means to keep over-spending on foreign programming in check. Priority Programming was based solely on exhibition requirements, and it failed to live up to its targets. It makes no sense to repeat the same mistake.

In addition, if the focus of the PNI system is to support and maintain under-represented programming on private conventional stations, the programs supported by this system must be those that are truly under-represented, namely, children's and youth programming, documentaries, drama, and variety and performing arts. If entertainment magazine programs are to be included, they should actually support the Canadian star system, and only showcase Canadians. We urge the commission not to expand the scope of programs, but limit it to those that require regulatory aid.

If we, as a country, are to going to demonstrate a commitment to maintaining the diversity of voices in Canadian programming while making maximum use of Canada's creative community, it is important to ensure that that 75% of the programs of national interest be created by independent producers as was the case with the Priority Programming regime.

With the impending changes related to the implementation of the CMF, there is a strong pressure to diminish the role of the independent production community, which could undo years of capacity building in the sector. With the proposed changes to the CMF, it is clear that the programming environment may evolve into one where independent production would have a continually

diminishing presence. Unlike the other under-represented genres, documentary production could be easily usurped by in-house production.[6](#)

It is DOC's view that changes in the production landscape in the last 10 years have played to the broadcasters' advantage when commissioning works. DOC believes that in order to reestablish some equilibrium, terms of trade should be in place before the commission considers renewing any broadcasting licences in the future.

As for CPE, it is our belief that they should be spent on actual programming, and not the infrastructure that allows for programs to be delivered, such as new media infrastructure. The Commission should only allow for CPE to apply to programming, otherwise many other expenses will be made in the name of the support of Canadian programming , e.g. digital transition.

Non-simultaneous substitution, VFS, and Local Programming:

It is DOC's view that in exchange for the privilege of being a national broadcaster there are national obligations, namely that of providing national programming. The debate surrounding Value for Signal and local programming has squeezed national programming out of the discussion which we believe is a way of avoiding the most contentious issue at hand: the commitment of the conventional broadcasters' need to have to national programming.

On the subject of non-simultaneous substitution, although DOC welcomes renewed integrity for Canadian signals, we are cautious about the implementation of such a system. It may result in more foreign programming on the conventional stations, rather than putting Canadian programming centre stage. Flashpoint may be relegated to Fridays on CTV because of CBS setting the schedule, but the introduction of non-simultaneous substitution does not guarantee that Canadian programming will benefit. If such a system were to be implemented, we urge the Commission to regulate it in the interest of under-represented programming.

As for regional programming, Canadian documentaries, especially one-offs and POVs, reflect local realities from across the country. Independent documentary filmmakers explore in depth the issues that face their regions. However, the broadcasters have year after year decreased their commissioning of regional documentaries,[7](#) and now they want to decrease the level of independent production (including independent regional productions) and replace it with more self-produced local programming, not of the documentary genre.

Monitoring progress and regulation:

We want to see the regulation of under-represented programming done right, and in order to do that, the effects of the new regulations must be measurable. For DOC, this means seeing exhibition and expenditure on independent documentaries. Presently, it is very difficult to track and monitor the state of documentary production because of the aggregation of categories 2-5, and the misapplication of the documentary definition to other programs.

The result from these misapplications distort the current production conditions and paint a rosier picture than what is currently taking place. We ask the Commission to reconsider its decision to aggregate 2b with categories 2-5 in light of the need for the public to assess the Commission's new regulations. If the application of the definition is more transparent and rigorous, and 2b is disaggregated, it would allow for better public scrutiny and assessment of the new regulations for the promotion of under-represented Canadian programming, because clear and reliable expenditure and exhibition statistics would be generated.

DOC has come up with a number of solutions on how the Commission could approach solving this problem and we are happy to engage in dialogue on this matter at a further date.

Conclusion

In conclusion, DOC finds it regretful that larger issues of substance have been lost over the course of this hearing. We would like to rearticulate the principle underlying our policy recommendations: the Commission must create conditions of licence where all broadcasters, whether they be conventional or specialty, private or public, to spend money on independent under-represented programming. Without specific conditions of licence, the progressive decrease of independent children's and youth programming, drama, variety and performing arts, and documentaries on conventional channels will continue.

We welcome any questions on our submission and today's presentation. Thank you.

notes

¹ Profile CFTPA, p. 43.

² Profile 2009, CFTPA, pg 39.

³ CRTC 2009 Communication Monitoring Report, pp. 130-133

⁴ At the AFF, there was a decrease of 3085 in 2008 to 3065 in 2009 attending Canadian documentary films, which accounted for an increase of 2% of the audience share from 8% to 10%. At CIFF, the audience share of documentaries remains around 20% for the last 4 years

⁵ At Hotdocs, the audience has increased by 43% from 2008 to 2009.

At VIFF, the audience has increased by 39% from 2005 to 2009 and the documentary share has increased from 29% to 41%.

⁶ According to the 2007-2008 financial data of the broadcasters, the conventional private broadcasters spent only 20% of their budgets for categories 2-5 on independent production. Unfortunately, we cannot discern how much was spent on in-house vs. independent documentaries because the data is aggregated.

⁷ See Appendix 6 and 7 of our submission with the following addition to Alberta's CTF share:
From 2005, the share of CTF funding for Albertan documentaries decreased from 8.9% to 6.3% in 2009. Moreover, documentary production has decreased from 86 productions in 2004 to 51 in 2009.