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FOR IMMEDIATE RELEASE

New Canada Media Fund puts private companies in charge of key Canadian cultural fund

On Monday, the Department of Canadian Heritage announced the creation of the Canada Media Fund (CMF) – an amalgamation and re-branding of the current Canadian Television Fund (CTF) and the Canada New Media Fund (CNMF).

With the creation of this fund, The Documentary Organization of Canada / l'association des Documentaristes du Canada (DOC), is concerned that five Canadian cable companies have been given control of nearly 300 million dollars in public funds contributed by Canadians to support Canadian television production. These funds include 134.7 million dollars from Canadian Heritage and a similar amount collected from cable subscribers by order of the CRTC.

The cable companies have argued in the past that the special levies they collect from Canadians are "theirs" and that they should have the ability to influence the content of programs produced and to spend the money on their own in-house productions. This would give them full control over content, copyright and distribution of Canadian programming paid for by public funds.

DOC welcomes the continuing financial commitment by the Department of Canadian Heritage to support Canadian production. However, for reasons outlined below, we are concerned about the negative impact of the proposed new fund on Canadian independent production and Canadian documentaries in particular.

- **Poor governance and no accountability:** Despite the fact that the Canadian public and not the cable companies contribute to the fund, the controlling majority (5 out of 7) of the proposed board would be nominated by the cable companies. With no balance of power and no effective oversight, the cable companies will be accountable only to themselves.
- **Direct conflict of interest:** By controlling the board, cable companies will effectively create the rules for access to the fund. As they themselves control and own a large majority of broadcasters, they are in direct position to financially benefit, to the exclusion of others, from the Canadian Media Fund.

- **Elimination of transparency and fairness:** As broadcaster envelopes are eliminated, the CMF will need to return to a subjective point system for making funding choices. Through their control of the funds board, cable companies will be in a position to effectively decide on the type of content allowed.
- **Documentaries could be shut out of the fund:** In the proposed CMF, documentaries are **no longer listed as a priority** and will be subject to a stringent "test" not demanded from fiction programming. Through the previous fund, documentaries were recognized as an under-represented genre and received almost 20% of the funds - translating into about 40% of all programming hours produced. But as genre allocations are revised, documentaries may be financially pushed to the sidelines.
- **Endangering Independent Production companies:** Independent producers provide the bulk of the programming for Canadian television. As such they are the major employer of Canadian talent and craftspeople. But under the CMF they will get **no representation on the board nor fair access to the funds**. By having independent producers directly compete for the funds with broadcasters and cable companies, **the playing field will become anything but level**. In these trying economic times we can ill afford disadvantaging an entire independent business sector for the benefit of Canada's largest media companies who operate in a protected environment.

Next steps

Before the CMF is launched in 2010 the Minister has promised broad consultation with the industry. The issues raised by DOC and others need to be addressed and representation on the Board of the CMF must be revised to ensure balance, transparency and fairness in the management of this key cultural fund.

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The DOCUMENTARY ORGANIZATION OF CANADA | l'association des DOCUMENTARISTES DU CANADA (DOC) is the collective voice of independent documentary filmmakers across Canada. DOC is a national non-profit arts service association representing over 850 directors, producers and craftspeople in the documentary community, from all provinces and regions of our nation. DOC advocates on behalf of its members to foster an environment conducive to documentary production and strives to strengthen the sector within the broader film production industry.

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