

The Yukon Film Commission Review

Public Meeting and Feedback on the Recommendations from the Community
On the "Made in the Yukon: Yukon Film Commission Review Report"

VERBATIM RECORD

Friday, July 18, 2003
Gold Rush Inn
Whitehorse, Yukon

Present:

Tina Sebert	NFVIA Secretary
Colin MacKenzie	NFVIA President
Derek Ryles	NFVIA Treasurer
Mark Hill	NFVIA Vice-President
Luke Smith	Sole Proprietor
Andrew Connors	Producer
Rob Toohey	Industry
David Petkovich	Caribou Records
Mark Smith	RAIYA
Richard Lawrence	Elsa Entertainment
Iris Merritt	YFC
John M. Cole	YG Tourism and Culture
Diane Nikitiuk	YG Tourism and Culture
R.G. Hopkins	CFET Radio
George Privett	YG Economic Development
Rachel Grantham	Elsa Entertainment
Sarah Taqqart	Whitehorse Star
Lawrie Crawford	YG Economic Development
Clarence Kelsey	F/X Service
Kurt Fraser	Grip/Set Deck
Bob Snyder	YG Economic Development
Carole Vivier	CEO Manitoba Film and Sound
Diane Janzen	Janzen and Associates

OTHERS:

Joyce Bachli **MEGA** Reporting Inc.

1.0 Convene

The meeting convened in Whitehorse, July 18, 2003, at 9:10 a.m.

2.0 Welcoming Remarks, Introduction Steering Committee & Diane Janzen

BOB SNYDER: I am Bob Snyder with the Department of Economic Development. At this stage, the Department is responsible for the Film Commission, the film industry. So, that is why we are involved.

I would like to do just a quick overview of the purpose of this session. As everyone is aware, the Film Commission activities and programs are being reviewed, and a consultant has been retained for that purpose. The purpose of this meeting is to look at the interim report, which is draft, subject to change, and obtain your input into those items which are good, bad, require some change and some amendment so that the final report reflects a fairly good consensus or agreement on the industry.

What I would like to do at this stage is outline the roles of the various players in this exercise. The project is being undertaken by a steering committee, comprised of both private sector and government. Unfortunately we only have three of the eight members here today, and I will introduce them: Tina Sebert, Mark Smith and Richard Lawrence. The other members who are not available today are: Terry Hayden, Laurel Perry, Ken Kane, David Curtis and George Henry. It is the Steering Committee which will make the final determination on the report, the recommendations and what will go forward to Government as being recommended by the Committee.

The consultant, Diane Janzen, is the industry expert. She brings the knowledge and expertise from the film industry throughout western Canada. Her bio and corporate history is on the internet, and she is the expert resource for this project.

I think that's about it. Everybody has got a copy of the agenda. What is proposed for this next step is to have a presentation by Diane on the recommendations made to date, some rationale for it and get some feedback on it. After the presentation, there will be time for questions and answers; and as well, if you require further time later on in the day, we have the whole afternoon available if anybody so wishes it, or we can arrange for special interviews and times if somebody wants to make a more lengthy presentation.

At this stage what I would like to do is introduce Diane Janzen of Janzen & Associates and ask her to proceed.

3.0 Presentation - Synopsis of Findings & Recommendations - Diane Janzen

DIANE JANZEN:: Thanks, Bob. First of all, I want to thank everybody who has participated so far. I know the Steering Committee has spent countless hours looking at recommendations and looking at options; and many of you or most of you have been interviewed as well, and I appreciate your input to the process.

If there is one big message I would like to leave today it's that what we're looking at here is a draft report. It is several recommendations, which when we said "public input," we really did mean public input; and we will be honing this over the next couple of weeks with the Steering Committee, as well as with reaction from the industry.

One of the principles which is very important in this exercise is the whole issue of being responsive to the industry and to the community. So, when looking at these, I looked both at a local situation, as well as the best practises from other provincial jurisdictions. One of the messages from all other jurisdictions is there is no one best model. Every provincial or territorial jurisdiction is going to develop things in a different way, depending on what they need. So, I'm going to make a very quick presentation of the process and some of the key recommendations. I won't go through every single one of them (there were 42 of them) but the broad strokes; and then I'd like to open it up to the most important part of the meeting, which is really to get your response and for us to work together towards any kind of changes that need to be made in the recommendations.

The purpose and terms of reference of this project were to evaluate the current effectiveness of the Yukon Film Commission, which has been in existence for some years, as you know; to look at the mandate, including role in indigenous development (So, should it be expanded), looking at sound recording, looking at the program and service mix, looking at structure and governance, looking at the financial framework and providing recommendations for action and implementation.

The principles that we were committed to during this review are a commitment to consultation with the community, and this includes some 50 interviews that were conducted, as well as working with the Steering Committee and through a forum such as this.

A commitment to meeting the needs of the industry. Very much we have talked about a "made in the Yukon solution," not simply just a transported model from someplace else; a commitment to looking at the lessons learned from other jurisdictions. Some of these agencies have been in the business for some 20 years, and there is one such an agency here today from Manitoba. They've learned some important lessons along the way, and they're not always the same lessons; and it's very instructive to look at those examples.

A commitment to a responsive structure and accountability to the industries, a commitment to accountability to the taxpayer and to the issue of affordability and practicality. One of the issues, of course, is what are the resources that are required, and can they be financed within the government structure?

The process: Interviews on-site and telephone; a review of all current documentation and there are a number of studies that have been conducted over the last number of years, which I took a look at; a review of other jurisdictions, and they had some interesting lessons; communication with the Steering Committee. The Film and Video Industry Association held a good meeting here on the 26th and provided me with some 60 pages of information to look at and to weave into the document, and I have worked at doing that.

As I mentioned, this is a draft report, with recommendations for public consultation; and we will be honing this until the final recommendations. The Steering Committee has the responsibility for recommending to the government the final recommendations that go forward.

One of the key sets of information relates to what you said, and I wanted to report back to you what the results of the interviews were. We looked at a number of questions, such as: Where is your company in its current development? Where do you think the industry overall is at in the Yukon? What are the major needs and impediments? How effective do you think the current Yukon Film Commission is? What role do you think the Yukon Film Commission should play in the future, both in film and sound? And what mechanism would best support these ends, and what is important to you about the structure?

So, these are key responses, and although it's much more detailed in my report, I have really tried to put it into a number of key sort of themes. A sense that the Yukon Film Commission's original mandate had great validity and that there were some successes, some great successes in the past; a sense that it has lost its way and is no longer in the game. And that phrase "in the game" came up quite a bit. No strong sense of who the market is and no presence there. I think that you will see that staff are working hard, but there is right now sort of a wait and see attitude that is there right now, partially because of the review; but very much a sense that things need to get back on track.

The local film community is at a pivotal point and has both economic and cultural potential but its lacks of support and resources in a national setting places it at a great disadvantage. So, if you look at every other -- NWT and Nunavut not so much -- but all provincial jurisdictions provide fairly strong support for their local film industry, and you have a small level of support through the \$25,000 fund, but it's not a significant amount in order to really be competitive on a national scale.

Key film and television needs that were talked about: development, production, marketing, professional development and industry association support.

The sound recording industry has great potential with strong traditional singers and song writers, labels and sound recording studios. A comment about the sound recording industry here is I think it is ideally positioned in a national context to make a major leap forward, and I think that it's really sort of a gem of

an industry and something that has some real possibilities in the very near future. The need to include demo support, production, professional development, association and marketing.

Comments about the overall strategy, and I know in the film meeting that was held on the 26th, there was quite an active debate about cultural versus economic; and the strong sense coming out of the interviews is it really needs to be both. It needs to have both feet firmly planted in either of those areas. It can't be one over the other.

Overall support must be along the developmental continuum. So, that includes from development to the expert level at all levels. For example, you'll see in certain provincial jurisdictions that they've made the choice that they are going to support the top end of the spectrum, and that's all they're going to support. That is not a strategy that I would recommend here in the Yukon. You need to be very broad-based in terms of how you go at this.

Looking at a national scan, and in the report it's much more specific in terms of who gets what kind of support, all provincial jurisdictions have agencies or bodies and support mechanisms for film development, and that is right across the country, varying levels. The highest per capita is no surprise, Quebec; but the rest of the country, as well, provides strong support. They vary widely in terms of structure. So, we'll have things like B.C. Film is a nonprofit society. Many others, such as Manitoba, Saskatchewan and Ontario are either corporations or agencies or somehow attached to government, but they are at arms length. The vast majority are delivered outside of the confines of government, and they are delivered outside the confines for a number of reasons. One is responsiveness, and the other is creative content assessment. Often governments don't see themselves in the business of assessing creative content, and it's actually a protection for both the government and for the industry to have it managed outside. So, that's why you see that external delivery model. The only one that is a real aberration is Alberta, that delivers their film funding dollars out of the Alberta Foundation for the Arts, which is part of Alberta Community Development, and their Film Commission is out of Alberta Economic Development, although the office is co-managed.

Some divide Film Commission and other programs; so, they'll have a Film Commissioner, and then, they'll have the CEO of another organization. In some jurisdictions, smaller jurisdictions like Manitoba and Saskatchewan, for example, because of economies of scale and the sense that they want to move forward in an integrated fashion, they tend to have a CEO and Film Commissioner all in one. So, that person represents the entirety of the organization.

Boards of directors have changed significantly in these organizations, and we'll get into the issue of governance in a lot greater detail; but one of the things that has happened over the last number of years is a move away from having

industry directly represented on boards of directors, especially if that board is making project decisions. Many organizations, and even larger ones, and I was on the phone with B.C. Film a couple of days ago, they have made a decision that they are very committed to industry involvement, but not at the board level. The board tends to be people who are knowledgeable in the industry but are not in a position where they would be in any conflict of interest. So, you would tend to see things such as broadcasters or CAs in B.C., for example, you have quite a few people with entertainment law expertise. So, you tend to see the boards not so much as expert industry boards but as boards that have some knowledge, but they are not placed in a conflict of interest.

Using a jury or a panel system to assess creative elements is very common. Support mechanisms include development, production, marketing, industry association and tax credits. Although in the case of most Canadian agencies they offer both, but Alberta, for example, only offers direct financing. They do not have a tax credit system. All agencies provide lessons learned, and I am very much saying today that there is no one model that you can just take and put on top of the Yukon.

In terms of sound recording, my overall assessment, and I don't know if Mark would agree with me, but I think generally speaking, the national approach on a provincial basis to sound recording is fairly weak. The Federal Government has a fairly strong approach; but when you go province-to-province, they tend to be delivered out of arts branches. In a lot of cases, you have individual artists' support, but there are very few provincial examples of where you have, for example, support for labels or support that would recognize that you have got an industry there. There are a number of variations. Alberta has a sound recording label program. Manitoba has the most well developed and comprehensive programs for sound, and Ontario has the Ontario Media Development Corporation, and they actually developed a sound tax credit system, which is kind of an interesting approach. I'm suggesting that the Yukon actually has the opportunity to lead the way in sound recording and to set a strong example in the national setting in terms of how to move that industry forward.

Moving very quickly to the recommendations, there are 42 of them, and I hope you've all had the opportunity to look at them. It's on the web, as well as I think there are some extra copies here if you don't have them. I would like to go through them very quickly, and then really go back and do a check on what kind of changes need to be made to the recommendations.

The key recommendation for mission and mandate is that the Yukon establish an organization with the mandate and role of providing a Film Commission to attract out-of-Territory and out-of-country location shooting, provide for and support the growth and development of a local film and television industry, provide and support for the growth and development of a Yukon sound recording industry and keeping the door open for other cultural industries like new media and publishing.

That last point is an important point. I think you're seeing on a national level that there is a recognition that the cultural industries, which is everything that is intellectual-property based, have many common elements and especially in jurisdictions that are smaller and need economies of scale, you may wish in the future to take a look at issues like the media or publishing, as well. So, whatever you call it, and I know there was some concern about the name that was suggested, the name isn't as important as the overall role and mandate of the organization, which I am recommending should be fairly broad at this point. Ensure it has a role both in economic development and cultural development, and we talked quite a bit about the dichotomy there.

The recommendation on programs and services: To establish five key streams, a formal locations program, built on the current program with some changes; a set of support programs for the Yukon film and television industry and a revamped and extended film incentive program, which I am recommending you rename the "Yukon Film Incentive and Co-production Program," which builds in local support and encourages co-production; a set of programs to support, support for professional development and support for industry association events and film festivals.

Now, some basic recommendations on each one of these, and again, there is much greater detail in the report. Locations program, the biggest message there is "It's time to get back in the game." The Yukon has a lot to offer in this area, and it is well-positioned to sort of get back into the game and become a real location player yet again. There is a need for a clear marketing strategy. Right now there's not a clear sense of, well, who is the market? Should you be targeting L.A.? Should you be targeting repeat business from Europe where you've received some business before? What exactly is the approach? There isn't a strong sense of what that should be, and the report calls for a very targeted approach in terms of who is your market and how are you going to go after them; and the utilization of contract services wherever possible and clear policies and guidelines internally in terms of how the program is run. I am recommending somewhere down the road a formal economic survey of the film and television industry be conducted here so that you can establish a benchmark of where everything is in terms of employment, in terms of the contribution of the industry to its economy. Right now there is not a strong set of numbers where you can benchmark where you are and where you need to go.

In terms of film and television funding, development funding, production fund, reinvestment fund, film incentive fund, to be recalled the "Yukon Film Incentive and Co-production", in this area, what I did was I examined the issue of a tax credit system, and I came to the conclusion that you have a basis in your rebate program that is already working fairly well. It needs some guideline redrafting, but it can be used as a base with some strong support to use something that's already effective and move it into supporting local industry, as well. So, I'm suggesting here you don't need to re-create the wheel and create something that

is complicated. In fact, I think the Yukon has an edge already in that respect in the simplicity of the program and looking at a film marketing program, as well.

Developing partnerships to enhance aboriginal film making, I think the opportunities here are significant in terms of that potential area. An economic survey at some point of the sound recording to benchmark it, support for the sound recording industry in terms of demo recording, a sound recording and production fund, music video, sound recording marketing and touring support. And the touring aspect is a really high need in this area, especially with costs associated with travel, and it's really important at this level.

The recommendations also call for a human resources development strategy. We've been spending quite a bit of time talking to other jurisdictions, and we felt that one of the things that they missed doing early on in the game was to figure out where they were, because the building of an entire crew or two crews, the identification of where the gaps are; because really the film industry in particular is all about people and what kind of above-the-line support do you need, what kind of below-the-line. What is the human resources strategy that's going to make you really competitive, and that's something that I think is a large need.

The development of a professional development fund, industry association event and festival support; and then, somewhere down the line but it is certainly not the number one priority, is review the advisability and include new media and publishing at some point.

Governance, there we've covered mission and mandate and programs and services. Now we're going to the issue of governance, which I think is probably always one of the most controversial and most important aspects of how it is you're going to run an organization. My recommendation is that you look at external delivery by an arms-length body. You could look at a nonprofit society model like B.C. Film. Most others are operating in a Crown agency context; and what has happened in the case of some organizations is they've gone from a nonprofit model eventually to a Crown corp model. I'm suggesting that you may wish to look now at a nonprofit society model. The most important aspect here is that it be external delivery, not internal delivery from government; an integrated operation with all elements, and one of the issues that has to be faced in the Yukon, as in some other jurisdictions, is the whole issue of economies of scale. So, I looked at, for example, taking sound recording and having it delivered out of the Arts Branch or having a separate commissioner and a separate local film development office, and the recommendation I'm making is that you need one-stop shopping. You need one core central organization that's going to respond to these sectors. It's more efficient, and it's more effective. I'm recommending development of a board of directors, not directly associated with the industry but knowledgeable. We talk a little bit about lessons learned and how other jurisdictions have moved very much away from direct industry representation on boards because of potential conflicts of interest. Saskatchewan is an example.

They just went through that where they have revamped the board entirely for conflict of interest reasons. One of the issues in discussing things with Val Cretan, she said, “Look, you have to make sure that the industry is involved in policy development and in program development; but it is actually not fair to the industry to place them in a conflict of interest where they’re constantly having to excuse themselves from decisions or meetings.” So, that’s one of the important considerations.

I know that there were some concerns about the nine-member number. That’s certainly not the defining factor. It could be five. It could be any size. The functions are more important, and I’m recommending that two-to-three of those people be government, because they will be the ones putting in the money. The principle there is that non-government should outweigh government in terms of representation on the board. I think that’s a very important aspect; and it’s important to work out with the industry exactly what kinds of representation they might want on there. For example, somebody with a strong financial background and a strong legal background are strong aspects, or even an educational background, as well, given the focus here that should be on training in certain areas.

The board should be a policy-making board and overall governance board. The use of industry should be through advisory committees or industry associations for policy and program structure and advice. Utilizing expert panels for project assessment, and the panels wouldn’t exist for every single program. In certain cases where you just require a broadcast licence, that’s the automatic kicker, and the project is in the system; but for other areas where you view that there is a creative assessment requirement, that’s where an expert panel kicks in. Some provincial agencies have moved to actually including representations from other provinces on given panels, depending on the expertise. So, if there’s a particular strength of somebody from Ontario in these documentaries, for example, Saskatchewan has felt that this is very useful because the film industry, as everybody knows, is not a local industry or a national industry. It’s an international industry, and that kind of level of expertise, not that it’s a majority of an expert panel, but as a voice they have felt is really quite helpful.

I’m recommending a program committee comprised of staff and two members of the board to make decisions on projects, subject to some well-developed guideline criteria. Conflict of interest and confidentiality guidelines are very important, and I found it interesting in my national review, regardless of the size of the industry, that’s the biggest thing people have talked about on the issue of governance, and we’ve seen massive changes in organizations across the country to try and get a balance between wanting appropriate industry representation but not having people be in a conflict of interest.

Further governance recommendations: Looking at professional staff functions, and what I am suggesting here is not necessarily considering these positions as

one full-time equivalent but these are the functions that you need to cover off in some way. Now, whether that's three people or whether that's five people or whether that's two people, the work load demands that you have somebody who will be able to serve a function of Chief Executive Officer and Film Commissioner. A locations program needs to be covered, film development, sound recording, programming, administrative and financial assistance; because there is the administration behind the board.

I know there was a lot of concern about the amount that was being suggested for administering it, and one of the issues I know I struggled with is there is a minimum level of support that you need in order to be in the national and international game. You just can't get away with anything less, and that's one of the challenges, I think, of any jurisdiction. Saskatchewan and Manitoba have faced that, as well, that you need sort of a core competency of professional staff, and they need to be able to cover this off. So, you might, for example, be able to amalgamate some of these functions. The biggest recommendation I would have is bring in your CEO, and bring them in soon. That person is very vital. Let the structure develop after that in consultation with your industries, but bring that key person in immediately.

Look at contracting out where you can. The locations program already is contracting, and that's an effective way of doing things, and I wouldn't see a need to change that.

I have talked about the CEO, the qualities of the CEO, and I have spent quite a bit of time talking with people about what kind of a person that is. It's a bit of a rare bird, but that person should be hired at industry rates. One of the issues around that is you're probably going to land up having to pay them 80-to-\$100,000 a year, and that's just how it is. That's pretty industry standard at this point in terms of what you're seeing across the country for a CEO. They really need an extensive knowledge of the industry, ability to work in local, national and international environments. Really they are the face of the Yukon film and sound recording industries abroad; and if you think about that person in that context, it's a very critical position. Program delivery skills, ability to work with Government; so while they are being responsive to industry, they also have to know to work with the Deputy Minister, know how to work with Government departments, know how to get things through Treasury Board, through Cabinet; and those are skills that are very important to this position, and the ability to work with our friends, the media.

The other key recommendation here is the issue of accountability. When you're moving things outside of government, and even inside government, there needs to be a framework of accountability to the industry and to the public, as well as to government, and I am suggesting that these are some of the things that need to happen: a close relationship with the industry and industry associations along the

way. That CEO needs to really be in sync with what's happening with the industries and have a good relationship with them.

An annual management plan, so a strong idea of what they want to accomplish that particular year and how they're going to get there; a formal agreement with Yukon Economic Development. I'm making the assumption that the money would come from Economic Development. I'm not sure about that, but I think that an agreement between those two would be a good idea.

Annual reporting, a way of getting back to the public; and detailed guidelines and procedures developed with the industry input.

Financing – the recommendations that I've provided are about 1.5 million. Film programs, and this includes locations as well as local development, 924,000; sound recording 100,000; professional development 30,000; industry association events and festivals 57 and operating anywhere from 300-to-425. I know that last figure has really been sort of a flag for people, and that's something we need to talk about in terms of where you're going with things. One of the issues that has come up is what do other organizations look like. For example, look at British Columbia. There's a total of 19 people that work in a combination of B.C. Film Commission and B.C. Film. You're got 10 in Manitoba, you've got nine in Saskatchewan. So, when we're looking at four or five, think about those kind of numbers, as well. And that's it.

So, I think I have talked long enough. I wanted to now open up the discussion and sort of go through, in a methodical way, the responses to the various aspects, to the bigger recommendations. We're not going to go through 42 of these. I think the Steering Committee can manage that, but certainly with some of the bigger recommendations, it's important to get a sense of whether the community supports them. I'm just going to move things back.

3.1 Questions/Comments - Janzen Presentation

Q DIANE JANZEN: The first key recommendation, and it's a big one, is: What is the role of the Yukon Film Commission or this new body, what should it be? The recommendation there, and I've read the four points, and I wanted to get a sense from you whether you feel that that top bullet represents the kind of mission and mandate role that this new organization should have, whether it resonates with you, what changes you would make to that. So, I'm going to open that up for comments.

A RACHEL GRANTHAM: I was just wondering what the response of the Steering Committee is to the report.

Q DIANE JANZEN: How do you want to manage this?

C BOB SNYDER: Well, I think that's up to the Steering Committee. We don't have a formal Chair on it, so I don't know which one of you would care to respond.

C TINA SEBERT: Yes, I guess I can start, and Mark can break in if I'm missing anything. Our response so far to the recommendations, we've reviewed them through one meeting already, and I've had a chance to speak to some people in our industry association. There are some concerns about some of the recommendations. Certainly about some of the staffing levels and so on, I've heard about that. I know also there was some concern about some of the funding programs and their applicability to certain people.

I think in terms of my formal response right now, I'm still listening. So, I don't have a sense of my own opinion as to recommendations at this point in time. I'm still listening to hear what the industry has to say.

C MARK SMITH: I think the other big thing we all seemed to share at our meeting on Tuesday was that the structure of five or six people, full or part time, to administer a program whose total sum was 1.5 million dollars, including 400,000 in administration, was not acceptable. You know, that's really gilding the lily or creating a separate bureaucracy or whatever. If that kind of money is going to be spent, it should go into the field, not into administration programs. So, we looked at a number of different ways of "How would we pare that down and how would we take that apart?"

I guess the only other issue we talked about, without arriving at a solution, was "Should the CEO and the Film Commissioner be split? Should they be separate positions", because I think it would be tremendously binding on a Film Commissioner to have to look after the day-to-day administrative CEO duties when they should be focusing on the Film Commission.

C TINA SEBERT: One of the most interesting parts of the discussion that I think we've had as a Steering Committee when we looked at this was talking about the culture of this new organization and how to build in a closer relationship between this organization and the industry; and a lot of that has to do with sharing certain goals, like sharing in the success of the industry itself. So, one of the things we also discussed was would this organization, in whatever form it takes, also be raising money as part of its mandate and leveraging funds; and through that, that organization would share certain goals and a whole environment and culture that we share when we work in the industry, as well, which I found very interesting and something that would merit further discussion.

C RICHARD LAWRENCE: Just briefly, Diane, I came into the Steering Committee late. I'm filling in for Andy Connors, who actually was at these sessions earlier on. To comment a bit on your concerns about conflict of interest, and this question came from my wife, I should explain. My biggest concern as a person on the Steering Committee is to better understand the unique situation the Yukon is in, to have a clearer understanding of why it's unique and what sort of remedies should address that uniqueness, the fact that we do not have a local broadcaster and the fact that we have a very small population base, that it's transient, that it competes in a country which is vast and that models from southern jurisdictions where there are local experts and there are local broadcasters and there are local so on and so forth do not apply necessarily to the Yukon and how we should deal with that.

Q DIANE JANZEN: Did you have a comment in terms of a response?

A RACHEL GRANTHAM: No, that's fine. I just wanted to get feedback on their thinking.

Q DAVID PETKOVICH: Of course, I lean more towards the sound recording aspect of this report; but if I could just step back a bit, because I was expecting something a little bit different than what I've received here, and it might be because it wasn't necessary. I'm assuming, based on this report, there's a lot of information left out on what sound recording specifically could do for the Yukon economically, what benefits it can provide the Yukon. I'm assuming that that wasn't necessary, that the local Department of Economic Development is fully aware of its potential to contribute to the Yukon economy, as well as the current administration. I've seen these reports come out over the years; and if you read this and don't know anything about the industry, you just read, "Oh, recommendation, but it doesn't tell us what it can do for the economy, so I'll just put this on the shelf and let it collect dust for a number of years."

So, I'm wondering and maybe the Steering Committee might be able to answer this even better than you: Is there an appetite for even beginning to actually implement real programs for cultural industries in the Yukon, or are we going down the road of just getting more lip service? We have a new administration in power. The previous one wasn't interested at all in working with cultural industries. They basically ignored any recommendations that were made in the cultural industries, around the table. This goes on and on, and it gets really tiresome --

A DIANE JANZEN: Right.

- Q DAVID PETKOVICH: -- to keep going through this process. It goes absolutely nowhere. This report doesn't educate the politicians as to how the film industry and sound recording can contribute to the Yukon economy. I guess my main question is: Is that because it's not necessary, that this current administration is behind this, and they're going to support this report as fully as they're capable of doing?
- A DIANE JANZEN: Let me comment. I think it would be important if Bob or somebody from the Yukon Government, because I'm not going to speak on behalf of the Government; one of the recommendations is that there be a formal economic survey done. That was not within the terms of reference of this review. It's important to know where you're at, how many there are. I mean, if you take the Manitoba example, it grew from a million in, what, 1985 --
- C CAROLE VIVIER: Five hundred thousand actually.
- A DIANE JANZEN: -- to what is it now, 48 million, somewhere in there?
- C CAROLE VIVIER: Eighty-five last year.
- A DIANE JANZEN: Eighty-five within the frame of about 25 years. And you're seeing nationally that every province has grown dramatically in terms of its industries. I think it is still a missing piece, and it's a missing piece both on film and on sound. I've been talking to Bob about the issue of economic benchmarking, which I think is very important; but I'll let Bob comment and maybe the Steering Committee.
- C BOB SNYDER: Yes, I believe the Government has a sincere interest in developing a cultural industry. That's recognized as a very important and valuable sector of the economy, and that includes sound.

I also recognize that sound is the poor cousin on the block, compared to others. I won't get into the reasons, I think we're all aware of them, but the sound industry sort of fell through the cracks over the years when it comes to government support. I'm hoping that will be rectified.

There are two things that are happening concurrently with this exercise. This film review is one stand-alone project that includes sound and film. Another exercise that's happening is the rebirth of the Department of Economic Development, the re-creation. That's going to define it. To be quite honest, at the time Ec Dev was dismantled, a lot of things fell through the cracks and just got lost in the process. I am hopeful, although I can't guarantee anything, but I am hopeful that through the restructuring

and the re-establishment of the department, that we'll be able to plug those gaps. I know the Government has mentioned that they're going to be conducting public consultations on what the new department should look like, what it should do and so forth. We'll see what happens. So, keep that in mind, that this is one angle; but I think sound needs more than this exercise to address what you need.

- C DIANE JANZEN: Right.
- Q DAVID PETKOVICH: Do you think the Government is aware of the contribution that film and sound can contribute to the economy?
- A DIANE JANZEN: Oh, yes.
- Q DAVID PETKOVICH: You've laid out what happens in other jurisdictions, but we really need to emphasize the uniqueness of the Yukon and why film and sound have such a strong cultural industry sector regardless of government support, --
- A DIANE JANZEN: Right.
- Q DAVID PETKOVICH: -- because of the nature of the people who live here, that it's really an industry or a mine or a resource that needs to be tapped into that hasn't been.
- A DIANE JANZEN: Right.
- Q DAVID PETKOVICH: The spinoffs to other jurisdictions are really important. How our artists touring or films getting out there are bringing attention to the Yukon as a destination for people to travel to. It will have much more impact than any other similar industry in Manitoba or Ontario will do to its own tourism industry. The Yukon is really unique in that aspect, and that bringing an extra 100 or 500 people to the Yukon because of knowledge of the Yukon exists through the sound recording or film industries has potential for a major spin-off impact that isn't equivalent in other jurisdictions, as well.
- A DIANE JANZEN: Right, and I think that's part of the reason why you see the sector under "Economic Development", right?
- C DAVID PETKOVICH: Yes.
- C DIANE JANZEN: That says a lot for the kind of thing that is happening right here. My sense, just from working internally with the Yukon Government, is they want to do something, and they would like, say for example, at meetings like this to get to a sense of "Okay, what can

people live with? What is a good strategy” and that they are willing to go to the wall for that to see what they can do about it; because there are incredible diversification opportunities. The issue of the decline of the resource industries, the issue of needing to diversify the economy generally and what opportunities there are. So, with these two sectors in particular I think that that message is very well understood inside the Government.

Q DAVID PETKOVICH: So, I’m assuming, then, you don’t need to do that educational process in this report, that they already have that knowledge, and they’re just asking you to come up with a framework initiative on how it should be developed.

A DIANE JANZEN: Well, I think there may be a piece that’s developed internally. Whatever happens here has to go to Treasury Board and Cabinet, and there will have to be a rationale piece there that’s built in, there’s no doubt about it.

C BOB SNYDER: Yes. I’m not aware of any specific piece that only deals with sound to be honest with you, but I do know that the Government is aware of the value of cultural industries, including sound; but that’s something that maybe should be a future project to define the value.

Q DAVID PETKOVICH: But unless they know there’s value there, this report is worthless.

A BOB SNYDER: No, I’m confident they know there’s value there. Otherwise they wouldn’t have included it in the first place. It’s just you asked me for a number. I can’t give you one. That’s all.

Q DIANE JANZEN: Any comments by the Steering Committee on their sense of the Yukon Government approach or what their experience has been?

A TINA SEBERT: Well, I can just speak that I think in my experience, they’ve been very sincere about it. In fact, it would be folly to launch a process like this unless you were committed to making some positive changes.

In terms of film, the Northern Film and Video Industry Association has already done some of those economic impact figures and so on. So, we actually have a paper on that and have submitted that as part of this process, as part of the review of documenting our impact on the economy. So, that piece has been a part of what we brought to the table.

The only other thing I would like to add is that although I think they're sincere, they don't share the bottom line like we do. We are contractors or private enterprise people engaged in the business that we're engaged in. So, for us, there's a sense of urgency that this move forward quickly and that we get the results that are going to mean growth or even in some cases maintenance or where we're at. But I think that that falls on us to be strong and keep our priorities straight and make sure we voice them really clearly during this process.

C MARK SMITH: Similar to the film industry having presented backup and information documents to Government, sound recording, David and I did a presentation to Caucus in January, and that was followed up with sort of an economic summary from me. Really what it talked about was where we are and where it's come from, but we don't have the expertise to start pushing those numbers out to say where it can go. That's where we start vision-gazing or whatever. Does the Government have an appetite? I think so. I know that the Minister, Elaine Taylor, has read this report front-to-back, because she talked about it with me on the weekend. It's great to see that kind of involvement, although I would hope that the Minister, Fentie, from Ec Dev has read it front-to-back, as well. That would be nice. Is there an appetite? Well, there are three pretty hungry people at this table.

C DIANE JANZEN: Just going back, then, to some of the key recommendations. In terms of finding out whether you would support the key recommendation that the Yukon Government establish an organization with a mandate and role of covering off those four areas: Film Commission, support the local film and television development, Yukon sound recording industry development and leaving the door open for an enhanced role. I would like to open that up and see where we go with that.

Q ROB TOOHEY: I would like to ask you, Diane, about that last point, keep the door open.

A DIANE JANZEN: Yes.

Q ROB TOOHEY: Could you explain what physically that means.

A DIANE JANZEN: What it means is there is no current, compelling information about publishing or about the media that would suggest that it should be included at this juncture; but what you're seeing nationally is organizations that are – Ontario Media and Development Corporation is an example, Technology P.E.I. is an example, Manitoba Film and Sound, which has just picked up a new media fund that it

delivers for about 900,000. You've got a package of industries in the same way as you've got the transportation industry is bussing and airlines and a whole host of other things. Under the umbrella of cultural industries or intellectual property industries, you have film, television, book and periodical publishing, new media, sound recording. The way it's generally considered on a national level is that's all one part of a big, big sector. So, my recommendation is that you may find years down the road that that is an appropriate thing for that agency to pick up. So, what I didn't want to do is recommend to you that you set up something that has no room to go anywhere, that you just leave the flexibility. As I mentioned, there's no rationale for those right now. That shouldn't be its number one priority at all.

Q ROB TOOHEY: I guess something that concerns me is that we don't dilute what we're doing here. My vested interest is the film industry. Other people have a vested interest in sound. I agree with that, but what happens in the Yukon because we are so desperate here is that people follow the funding pools, and suddenly there will be six new publishers if there's money. That's not a bad thing, but they may not be real publishers. So, I would like to say that I would like this thing to be focused on film and sound and keeping the door open. I would like to really know how that is structured. If there's going to be a separate line item in the budget, then I can see that as a detraction from film and sound.

A DIANE JANZEN: I think in the way that the budget was developed here, I didn't say, "Okay, here's the pie. Now let's make everybody share it." What I did was said, "Okay, let's look at some baseline numbers on each program so that it has some adequate level of funding." So, I wouldn't for example, take this budget of 1.5 million and recommend go and stick it in publishing and new media on top of it. It's not about making the pie smaller. In fact, if there was an enhanced mandate, if there was some rationale for it, there would need to be new resources that would be brought to the table; and I can certainly highlight that in the report, because it's not an effort to dilute or to make the pie smaller or to widen the share of the pie. It's to say, "Look, forward-thinking provincial agencies are moving in directions where you're seeing an integrated operation, rather than this thing here and that thing there," because they recognize that the media is blurring. The lines between media are blurring all over the place and forward-thinking Governments are recognizing that. So, that's where that came from, but I understand your concern, and I will certainly note that, because you wouldn't want to see it an issue.

Q MARK HILL: A couple of points about the first two points up there. I have voiced some of this before, but I think it's fairly clear that certainly in Canada and in much of the world, the dominant

financing models being used by film have forced an integration of local and Outside, that virtually everything is being done as co-productions. None of the producers that I know in western Canada are doing any productions outside of that model at this point.

So, I would say two things. First of all, I think the way that we look at it and talk about it needs to reflect that as a current reality. And the second thing is I would strongly support a statement that focuses on a bottom line of what we're trying to do. We're not trying to attract films. We're not trying to develop the local film and television industry. What we're trying to do is create jobs, and these are some of the techniques that we use to create those jobs; but in the end if people aren't working, we're failing in what we're doing. So, I would rather see that focus being stated and the combination of working with Outside and local producers and all those things being implied than the other way around.

C BOB HOPKINS: Bob Hopkins, CFET Radio, Number 6.7 FM, coming from Tagish. I have a couple of different questions about this report that came out. One of the things I see is we have in the room here 28 people, most of them are Government employees. I don't see any representation from our aboriginal partners that we're trying to reach out to, and I just wanted to have that noted; especially the industry missing. You know, I see all this stuff, we're going to spend money, we're going to create jobs. The question comes down to: Do we want to support this industry, or do we want to create an industry? Do we want to take people who are already here, do we want to support them, or do we want to create a platform to attract new people? If we do that, then we're going to compete with people who are already here existing, established businesses, established talent and perhaps deter them from investing in the Yukon. You're talking about "the game". We're out of the game. As you showed up on the board there, when were we in the game?

A DIANE JANZEN: I think in a locations area a number of years ago, I would have considered you to be in the game.

Q BOB HOPKINS: Right, so when you're talking about locations, this comes into competitiveness and the future. So, right now, we've got "the Yukon, a great place," we've got mountains, we've got scenery and whatnot. With the technology coming with blue screen, green screen, most of the location stuff, you're going to send a B Unit crew up here to film the mountains, take that film and put it into a studio down in Hollywood somewhere and project it like that. So, we have to look at that for a very long term; maybe not even that long a term, 10 years from now. What happens if people won't need to come up and look at the mountains up here? So, that's another issue that you should be taking a look at. And why would another company come up here and spend more money

to come up here, even with an incentive and whatnot, why would they come up here and spend 15 percent more on meals and hotels and whatnot if they could do that in Toronto or Vancouver; or if there are union problems, they'll go somewhere else and shoot that.

Another quick point here: On page 7 of this report, there's a paragraph in here that says:

“Every sound recording participant noted that there is no current mechanism outside of arts funding [from the government] to support sound recording production and development and that this represented both a need and an opportunity.”

Through my affiliation with local broadcasting industry, I have gone before the CRTC and successfully argued for broadcasting licenses located throughout the Yukon. Part of that public process was that I pledged to spend targeted amounts of cash in the communities --

Q DIANE JANZEN: So, you promised a performance, right?

A BOB HOPKINS: Yes, so somebody should be aware of that. I have been updating RAIYA of that for many years now, 1999. those targets, by the way, \$3,000 cash for the first three years, 5,000 for years four-to-six and 7,000 a year for the last year.

Q DIANE JANZEN: I think the broadcaster is a really big part of the picture. There's partial representation here. Is the CBC still here?

A SPEAKER: Right here.

C DIANE JANZEN: I think that the financing from CBC to the Yukon is too low, just having had a discussion with them about that. The CBC is going to be a key broadcast partner. You can't get away from it here. So will NFB. And the whole issue around the CRTC, I certainly can't intervene. Neither can this body, except to say that there needs to be a stronger broadcast presence here; and that is something that I would see as the role of the industry association, as well working in combination with this particular organization to start dealing with the Federal Government; and the Federal Government in totality, and Carole can tell you, probably spends 40 percent of her job pounding the table with Telephone Canada or some of the Federal agencies. That's a vital role for this organization in terms of its work.

- C BOB HOPKINS: Well, there should be more representation from broadcast, because that is your market.
- C DIANE JANZEN: Yes.
- Q BOB HOPKINS: That's your business case not just in the Yukon but Outside the Yukon. Part of the film funding incentive when I was dealing with Mark Hill years ago was that you had to have an agreement for local broadcast. Is there anybody here from WHTV or are there any media buyers in the room?
- A DIANE JANZEN: Well, media is represented; I'm not sure of the buying aspect.
- Q BOB HOPKINS: Media buyers?
- A DIANE JANZEN: I don't think so.
- Q BOB HOPKINS: Because that's who you should be talking to. Business will then tell you what your business case is. If you have a product that's worth buying, they will buy it; but if you put money in to try to subsidize this, you're going to try and create an economy or create an industry and that will compete with local business. Thank you very much.
- Q DIANE JANZEN: Thank you. Any other comments about the general four-point role?

I will make certain assumptions that there isn't. So now is the time.

I have noted very much the issue of concern that we focus on film and sound now, that there be a clear set of parameters for how and when and if other industry should be provided, the issue of maybe redrafting of one and two to make sure it's covering off the co-production aspect in a more integrated approach, national approach, that we need to take in broadcasters, as well.

I'm going to move to Bullet 2. Ensure it has a role both in economic development and cultural development. So, therefore this means that the agency can finance things like art films. That is within the bailiwick of emerging filmmakers or first-time filmmakers, that the mandate cannot be entirely one end of the spectrum. It has to be very comprehensive. So, it has to be both economic and cultural, as well as emerging and expert. Any comments about that?

Q MARK HILL: I'm just going to put you on the spot, Diane.

A DIANE JANZEN: Yes.

Q MARK HILL: What would you see the balance as being?

A DIANE JANZEN: Well, if you look at the fund -- actually it might not be in there.

Q MARK HILL: I see the numbers; and I'm just wondering if in its mandate that it balances. Would you see it that way, that it balances more towards the economic development side with an eye to cultural development?

A DIANE JANZEN: Well, I think what you're going to find is when you get into larger productions it costs more money, right? The smaller productions you're going to be able to finance at a lower level. You may get 15 or 20 of them in a year and one larger one or two larger ones. I think in the assessment I had was that there is going to be a lot of attention paid to that developmental end, as well. I think it won't necessarily be balanced in dollars, but I think the organization has to be very responsive that they're not just going to say, "Oh, well, we're just after movies of the week or features or whatever, and we're not going to consider this other element." If you look at other jurisdictions that have developed, what they have done, especially when they're working in cooperation with things like Film Co-ops is you've seen people move through the industry from the start; and within a number of years, they're the ones doing movies of the week. So, you're growing from one end of the spectrum to the other. I think that you will wind up spending more money on the larger productions, you have to otherwise you're not there; but you may end up doing a good number of smaller productions.

Any other comments about that economic/cultural?

Q ROB TOOHEY: Diane, there has to be a mechanism to stop the abuse of the Yukon Filmmakers Fund which we have now. There are people who are going in there with a proposal and getting money, and then, the film is never produced, and that makes everybody look bad. That's been happening for a few years now. That's alive and well here.

A DIANE JANZEN: And I think there are orderly mechanisms and guidelines that you can set up so that it is responsible and it's not a wing nut operation.

C ROB TOOHEY: It's completely loose now. It's "Come in and get a cheque."

C DIANE JANZEN: Okay, that's a good recommendation.

Any other comments on the issue of economic development and cultural development?

C RICHARD LAWRENCE: Just one. I think it would be a lot safer if you called it "economic/cultural development", because the point is that these two are really united in this industry; and I think if you separate them out, we're going to get into that life-long Yukon Art thing, the arts person versus the business person; and that's just going to lead into a long, dark tunnel that we've all been in before.

C DIANE JANZEN: And you want out of it, okay.

C RICHARD LAWRENCE: Yes, basically I think you would be doing us all a great service by not separating them out in your report.

C DAVID PETKOVICH: And keeping "economic" first, because that will speak larger volumes than cultural development to the politicians.

Q DIANE JANZEN: I'll move on to the next one. Looking at five key streams, so a formal locations program, which is built on the one you currently have in existence with some changes; looking at a set of support programs for the local industry, and I'll go into the specific ones. I would just mention that film development, from the development to marketing, is an important aspect; a set of programs to support sound recording, support professional development and support for industry association events and film festivals. So, if I could have a reaction to those five streams, whether you think those are the kind of focuses that there should be and we'll get into greater specifics, but I wanted a sense of what you felt about the big picture.

A BOB HOPKINS: Yes, for the first one, the locations program, we want to develop a service and whatnot, I believe Rob Toohey has a business that does that and already does that for a living. It would be more efficient to support his business or to point some business his way, and then, he can hire people to train people to take over and compete in the real business world.

Q DIANE JANZEN: You're absolutely right, but I think the industry here is quite heavily based, in fact, on a locations business. So, there is already in existence some people who work in the area. What I'm

saying is keep that, just strengthen it, make some improvements and away you go with that.

A BOB HOPKINS: Right, and that the mechanism for creating those improvements should be on a rational model.

C DIANE JANZEN: Absolutely.

A BOB HOPKINS: If it is not, you're just taking a bunch of money and saying, "Let's put it in a coloured poster and see who we can attract." We should go with a mechanism or a group which is already established that knows this market up here. As I mentioned before, this is like a head of lettuce, this market; it's dated, sitting on a fridge for location.

C ROB TOOHEY: I'm going to read comments from Dan Campbell. He's a location manager in the Yukon and he couldn't come to this meeting. He gave us two pages of stuff, and he says:

"A leaner staff with an effective Film Commissioner, an office administrator and possibly a rotating locations person similar to what British Columbia does where one location manager works until he or she lands a job, and then, the next person fills in.

We've developed kind of an ad hoc locations caucus, and we've agreed amongst ourselves that the way the locations contract with the Yukon Film Commission is now is it's a really lousy contract, and there's no guarantee of getting any money out of this contract. You just have to be available 24-seven, and then, you get all the abuse that comes at you from everybody else. So, we want to have a rotating position for the locations and quit this talk of "conflict of interest, conflict of interest". In British Columbia they tell me that once you're in the office, it's assumed that you're going to try and get a job, using the Commission's resources and your own; and as soon as you get a job, you're out of the office, and the next person fills in. It's an equitable way to share this locations positions; and we are against putting a staffer in there, because as it stands now, we're kind of in competition with the Film Commission, and it's not right.

C DIANE JANZEN: One of the things, and we'll get into that more specifically, there is a recommendation that the whole system of how that works be reviewed; and there needs to be a system that's developed and that that be done with industry. So, I think there's a clear sense from many perspectives that the system right now isn't quite working and it needs to be addressed.

Can I have those comments from him?

A ROB TOOHEY: Yes, certainly.

Action #1: Rob Toohey will provide Dan Campbell's comments to Diane Janzen.

Q DIANE JANZEN: Anybody else in terms of the five general streams?

A MARK HILL: I certainly agree that the locations program as it currently stands needs tightening up. I think again that locations per se is an area of the industry that certainly for us is dwindling. The number of inquiries, just the potential out there, is dwindling sharply; and one of the things that I assume Carole is doing I know that a lot of the other jurisdictions are doing, as well, is a key part of the marketing has become taking producers to market, to be able to set up the co-productions and using that. I think there needs to be some recognition of the very marked change of weight in how productions are landed now as opposed to simply a locations program. I'm certainly supportive of Rob's idea of using private sector people for the locations, but I do not support a full-time locations person one way or the other, simply because there are simply not enough inquiries happening; and based on my dealings with the market in the last number of months, some of it very intensive, that there is very little opportunity out there.

C CAROLE VIVIER: Further to what you're saying, Mark, just from my own personal experience of being the Film Commissioner and the CEO is that the benefit of that is when I'm going to markets, I'm wearing both hats, and I'm able to speak with the filmmakers that are there about co-productions, about investment and what we can do on that side or development; but I'm also able to speak to the Film Commission side. So, the people who are looking for locations, I'm selling that, as well. So, it's kind of a very good value-added when you can do both things at the same time.

Q MARK HILL: Absolutely; so, it's fairly well integrated in yours?

A CAROLE VIVIER: Totally integrated.

Q MARK HILL: And into marketing?

A CAROLE VIVIER: Yes, it's all integrated.

C MARK HILL: That's what we need to do.

- A CAROLE VIVIER: Yes, absolutely.
- C RICHARD LAWRENCE: I just wanted to come back, because it relates to the point about support and project description support for industry associations and so on; I think the critical thing in this report is that it not pull out artists for art sake alone, and one thing in coming back to that issue; the whole point behind this is that any artist or any filmmaker or sound person who's interested in what the Government can do to help them has some interest in a career path to becoming a professional or to be working in the industry if not part time, full time. So, to address the issue of "Well, I just want to do it, because I've got a rich uncle, and I love playing the guitar," it's not relevant. In fact, it's less relevant than the whole business of Rob's concern about bringing new media and so on.
- What scares me is that you might involve yet another aspect of Government like the Arts Branch that could even further muddy this whole business about cultural industry.
- Q BOB HOPKINS: The Arts Branch is already involved in this industry heavily, though, isn't it?
- A RICHARD LAWRENCE: I wouldn't say "heavily".
- A DIANE JANZEN: Probably more the individual artist, though.
- A MARK SMITH: And I wouldn't say any more either.
- A DIANE JANZEN: No.
- A BOB SNYDER: The Arts Branch is involved at a slightly different level. When they become cultural industry like Dave's operation, you go to a commercial level; and there's sort of a trade-off where a person goes from doing something they like and sort of in the developmental, and then, they want to make a career out of it, and it sort of crosses that grey barrier. It's not a firm line, and Arts Branch deals more with below the line.
- Q BOB HOPKINS: But they've spent a ton of money supporting artists whose goal or some of them is going into film and whatnot. So, their money is being levered to gain other funds like this 1.5 million dollar fund, correct?
- A DIANE JANZEN: And in a lot of other jurisdictions you find that you will get a film agency that will fund something, maybe the arts council puts a bit of cash in on certain productions. I think what you're

- trying to avoid is the wing nut got an idea for a film, run off and do whatever and use government money to do that. Obviously, even to get into developmental funding here, there's a strong sense of --
- C RICHARD LAWRENCE: I don't want to put those people down. Those people are fine. I'm just saying that the whole issue behind arts for arts sake should not be entered into this discussion. The whole reason for taking the government aside and saying, "Cultural industries are viable up here and have proven to be viable because we are working in it now," is a clear indication that we are talking as people who are aspiring to be professionals or are professionals and are making our income from it. If we're going to address the other issue, then let's do it somewhere else at some other time. That's all.
- C CAROLE VIVIER: For instance, in Manitoba we have the Manitoba Arts Council that funds projects that you're speaking of, and that's a separate program from what we operate, and again, it's artists. It's a very different form of art expression. There is the odd time where there's a filmmaker, because their programs fund directors, they don't fund producers. It's the writer-director is what their money will fund. So, Guy Madden for instance, the filmmaker, he has accessed money from the Manitoba Arts Council but also accesses our money; because there's the odd time that there's a connection, but it's more often that it's not than it is. So, I understand what you're saying, and that was always a very big concern for us, too, to keep those extremely separate.
- C DAVID PETKOVICH: That's why I think it would be important to identify that these programs that are established to support cultural industries don't parasitize funding from other programs that support art for arts sake. We have some small programs in the Yukon like the advanced artist award. Some people in sound recording and film apply there, and they're not trying to necessarily produce a commercial product, just because they're compelled to produce a recording or a film; and I think that fund should still be there for those people, --
- C CAROLE VIVIER: Oh, for sure.
- C DAVID PETKOVICH: -- much like the Canada Council is on the larger scale for producing art for arts sake, rather than economics' sake.
- C RICHARD LAWRENCE: One last comment, I think the key thing is what does the artist want to do? In other words, if you judge the art, you're going to get bogged down in "Well, is it apples or oranges, which is better? Is this an artistic project, or is this a business-minded project?" I think much more importantly, like P.E.I. asks of its short film candidates to

be successful: “How does this further your career as a filmmaker? If we’re going to invest \$12,000, we don’t care if you’re making it about how a bumble bee buzzes around a flower, 20 minutes on that. How does this further you as a filmmaker in your career?” That’s the key point, what is the filmmaker or the sound person, the musician attempting to do with this project to further their career; rather than what is this project all about, whether it’s artsy or industrial or whatever.

C DIANE JANZEN: That’s a very good point. Any other comments about that?

So, the locations program, we’ve gotten into that a little bit. The specific recommendations are related to getting back in the game, and that’s going to involve developing a clear marketing strategy. So, the Yukon has first snow/last snow. Is that the entirety of what your strategy is to be? Is your primary market going to be L.A., or are you going to have a European focus; or are you going after particular kinds of productions? Do you have a revisit strategy, because you had a number of companies that maybe twice they came back and did commercials. Right now it’s not very clear, and there needs to be a clear marketing strategy there.

Responding to the issue of utilizing of contract services wherever possible. The recommendations here are not proposing that every single locations service be managed internally, not at all; but you will need some kind of warm body who’s going to be there, managing certain aspects of a locations program that will take initial calls, that’s going to look to working with local location managers and do all the things that Film Commissions do everywhere else. Farming out the work, absolutely! Looking at an organized contract system, as has been suggested, needs a good review, absolutely! So, I don’t want there to be confusion about what that means. It does not mean pulling back all the services and turning them all back; and clear policies and guidelines, and that’s been talked about.

Q BOB HOPKINS: One of the policies and guidelines I’d like to see implemented is adherence to a local hire policy. Especially with this review being undertaken, why did the Government, which talks about local hire, the desperate economy, “We have to create jobs,” farm this contract out to do this phone interview to Vancouver and where you’re at Diane?

A DIANE JANZEN: Well, if it will make you feel better, I’m from Chilliwack. So, it’s a small community, too.

Q BOB HOPKINS: Chilliwack, sorry about that; Outside, so why did we have to pay for somebody who lives outside the Yukon Territory who pays taxes down in Chilliwack, why do we have to pay

- somebody from Outside to make a long-distance telephone call to call the Yukon to do the telephone interviews? Why did we have to pay for the Outside person to get flown up here to do this presentation here? Again, you probably don't want to answer that right now.
- A DIANE JANZEN: Well, it's not mine to answer.
- A BOB SNYDER: No, I think I can deal with that later, Rob, I can give you the rationale for it.
- Q BOB HOPKINS: Why can't we deal with it now?
- A BOB SNYDER: It's a side issue, Rob, and I don't want to take up time with it now.
- Q BOB HOPKINS: I'm interested in it.
- C DAVID PETKOVICH: I think it was important to choose an Outside consultant who doesn't have a local agenda. It's a very small community. Everyone has opinions, very strong opinions. It's good to take someone from Outside who can look at everything without any previous knowledge or background.
- C BOB HOPKINS: Agreed, agreed. Resources are scarce, there's no question there. I just think that if we're spending resources, we have to be very careful of where we're spending those resources; and in my opinion we should be spending those resources in the Yukon, because this program is about the Yukon.
- C DAVID PETKOVICH: And I'm not sure that there would be someone here who could develop such a comprehensive report.
- C BOB HOPKINS: Absolutely.
- C MARK SMITH: Maybe so we don't derail this, I think I can say for the Steering Committee that when we first met, the first job we had was to set up the terms of reference for what we wanted as the outcome, and then, we had to go and find someone; and we charged the Government to go and find someone who fit that bill.
- C BOB HOPKINS: Yes, I understand that and I agree. I just wanted it to be a matter of record. Thank you.
- C ROB TOOHEY: Diane, to point one there, getting back in the game, in your report you allude to the fact that we've had successes in the past. One thing that I found lacking in the report was that you never

explored the successes of the past, and I think that's something we should do and look at what used to work, because it will work again with changes.

C BOB HOPKINS: Yes, less government, an open and competitive atmosphere would work fine.

C DAVID PETKOVICH: I concur with that; with respect to sound recording, there were some Government programs in Economic Development that were really productive.

C BOB SNYDER: T.I.P.

C DAVID PETKOVICH: Yes, Trade & Investment Fund; there was some abuse of that program from sound recording, but I think there are ways of reducing that abuse.

C ROB TOOHEY: And also, further to the locations program, the busiest time we ever had here in the film business was when it was 20 percent of a Government employee's time. We don't need a full-time person for that. It should be a percentage of another person in that office.

C RICHARD LAWRENCE: A second point, a formal economic survey at some point, my feelings about that is that, once again getting back to David's point, we have to have some clear understanding that government's committed. We don't want the economic survey to say "Our cultural industry is worthwhile." We want the economic survey to instead measure benchmarks and say, "Is what they are doing in fact enhancing the cultural industries, rather than making it more competitive," not is it worthwhile to invest in it at all. We have to assume that they do consider it worthwhile.

C MARK SMITH: And we want it to have projections, where it can go; and the other thing is that while this formal economic survey is going on both in film and sound recording, that everything not be put on hold while that process takes place.

C DAVID PETKOVICH: Yes, that's a good point. I was worried about the cart being put before the horse here with this report; but if there's a feeling that they already appreciate and understand that cultural industries can contribute to the economy, that's great, we can move forward. The economic survey can be looking at what it ultimately can do down the road, not what it's actually doing right now. If we wait for that process, there's another year. Then we're going to have another election. Then we're getting nowhere.

C DIANE JANZEN: You're at it again. Okay, I've got the message.

C TINA SEBERT: I just wanted to add something, too, Diane, about getting back in the game. One of the things I have heard from a couple of people was whether, in order to get back in the game, we actually have to devote a few more marketing resources than we normally would in it being the first year since we haven't really been doing that for a good year.

C DIANE JANZEN: I hesitate to say this but I have to: You have one of the richest locations programs in the country in terms of the amount of dollars available. I took a look at it and actually looked at well, should it get increased in certain areas or not. I think in the past you have done an excellent job with those resources. I would say take those resources and put them to work. I didn't see a big need. Maybe the Steering Committee will take a look at it, but I think that the Yukon would actually be the envy of a number of provincial organizations in terms of looking at the amount that's available for that particular program.

Any other comments about this particular section?

Q RACHEL GRANTHAM: Sorry, I keep getting lost in this, where the current program, the \$25,000 filmmakers fund, falls into this list on the third bullet.

Q DIANE JANZEN: Oh, it would be revamped under film and television funding. Basically right now your film incentive program is 175, is that what it is, Iris?

A IRIS MERRITT: Film incentive in total, yes.

C DIANE JANZEN: Yes, 175; so there are a number of recommendations which expand that, and then, create some new categories. We can go through that.

A comment about the film and television funding, I did get into some detail in the report, but it will be up to the industry, working in cooperation with this organization, to develop specific guidelines that work for the Yukon situation. There are a number of models across the country, and you have to decide, for example, in development do you want to recoup it on the first day of photography or do you want it a grant situation. You need to make some pretty big decisions like that. What kind of caps do you want to put on it, what kind of percentage? In the report, I have provided some examples of things that may work, but you may not want to go with those. You may want to review them and look at something specific.

Generally speaking, film and television funding, looking at development funding, looking at a production fund, looking at a revamped Yukon film incentive fund to be called the “Yukon film incentive co-production fund”. What I looked at there, and this falls into the category of a few things you have “If it ain’t broke, don’t fix it,” that that rebate program has worked pretty well. It will need some guideline revision, but it’s very simple, it’s very flexible, and it’s something that you can use to build on right now so that you don’t need to revamp the whole thing.

Under film incentive fund, the local community built in there, as well, with a strong emphasis on co-production, which Mark has reminded us of. So, that’s where I see that working in the film marketing program.

C MARK SMITH: Diane, I’m not sure that Rachel’s question was properly answered about “What about the filmmakers fund.” The filmmakers fund has been extended from 25-to-\$35,000.

Q RACHEL GRANTHAM: You see the issue for me is I can see it on the back of the sheet, the filmmakers fund is in there, okay; and I’m trying to find it in the body of the text.

Q TINA SEBERT: Page 35, is that what you mean?

C RACHEL GRANTHAM: No, that’s not it. All the ones in the text are referring to funds which require either distributors, broadcasters, strong letters of support and so on. The thing is as far as I’m concerned and a lot of people are concerned, it’s the filmmakers fund which doesn’t require these things, --

C DIANE JANZEN: That's right.

Q RACHEL GRANTHAM: -- that has really inspired people here and has really helped people here; and for me to see that that’s been increased by \$10,000 is shocking to me. That means that’s in a whole year. That means that half that, right now it’s \$25,000, half of that is \$12,000. I don’t know, how many people have applied at one time. Iris, do you know how many filmmakers have applied to this fund?

A IRIS MERRITT: It varies; one time we had one application, and one time we had, say, 18.

C RACHEL GRANTHAM: So, if you have up to 18 people and it’s going to get more applying for \$12,000. You can say, “Well, it’s just for starter people. They only need a couple of thousand bucks.” Our business is caught in between where we’ve done four or five pieces but trying to secure broadcast licenses from southern makers or distribution

agreements, this is like a pie-in-the-sky for us. So, I was really depending on seeing something substantial for this that would really help get us from here to not up there. We'd just like to move by steps, because that's the best way to do it. It's either, "Well, you've got to have this and this and this and this," and of course I believe in accountability for the big bucks; or you're scraping around. You're begging for 2,000 bucks here. So far it is the advanced arts awards, the Arts Branch, that has given us the most money for our current production. They have been the biggest help.

C DIANE JANZEN: A couple of comments about that. Number one, it's quite difficult to see where the take-up is going to be, because what is going to happen in that scenario is not the same group of people are going to be going there. You're going to have a bunch of people who are going to be heading to development and a bunch of those will go through to production.

C RACHEL GRANTHAM: But even the development one requires if you want to do a script:

"Applicants must have confirmed funding in place from a third party source and a broadcaster's cash commitment of 20 percent of budget or a strong letter of interest from a distributor."

We're talking at a level that I don't think many people are getting there for documentaries. We're interested in drama. CBC North is not interested in dramas. We're in no-man's land.

C BOB HOPKINS: For drama, that's a target for broadcasting, and you can get 1.5 credits for drama. My budget this year is \$3,000 towards drama.

C DIANE JANZEN: It's a very good point. There are a number of things you can do. The allocations can be moved around. The issue here is when a board is put into place, they're going to have to measure what the take-up on each of these funds is; and I can venture to guess it's going to be quite different than what you see on paper. It's just going to develop differently. But if the sense is that there needs to be a switch in resources and a stronger allocation to those and if that's the consensus in the room, then I think we should look to doing that; because it does need to be accurate to represent where the community is at, rather than some kind of artificial level where things aren't at.

Are there any other comments about that?

C RICHARD LAWRENCE: Yes, just to elaborate on that. I think the best way we can deal with this issue is not to look at what maybe could happen in terms of a local broadcaster; in other words, to lobby CBC to do more in the Yukon and so on, which could take years; rather be more proactive about it. Look around for broadcasters in the south who have a genuine interest in the Yukon market, who can say, "Yes, we're willing to do co-pros with Yukon producers." We know that everybody is at a starting point level here. There are no experts. There are no producers who have a long line of credits up here. Everybody is starting. No wonder you're getting 18 applications for \$25,000 or \$12,000 while these other ones that have producers attached and distributors and so on are applying for the .00001 percent, the other people who happen to have a lucky break and know somebody in Toronto. In any case, we've got to be really proactive there and say, "This is a unique place. We're 1500 miles away from another place where there is a local broadcaster". We can't just walk down the street, have a meeting or have lunch with the executive producer of the CBC Edmonton or whatever and say, "I've got a great idea." We can't walk into the NFV office without buying a plane ticket and say, "Heh, I'm a local filmmaker here in Vancouver." We are very unique in that respect; and when it comes to marketing and selling and getting key money, getting seed money for productions, it's extremely difficult. Every time it's, "The Yukon is a nice, quaint, unique little place way up north. If you've got a great story, why don't we send a crew from down here to do it; or if you have a great story, prove it to us and fly down here and show us." That's great, we've spent our seed money on going down to pitch the project.

C DIANE JANZEN: Right, the travel.

C RICHARD LAWRENCE: This is the point Rachel is trying to make is that we're not only the people in the pool of mud like down south, everybody is in that business, trying to get a bit of money. We're a way up in Resolute, trying to do it, and that's the difference.

C DIANE JANZEN: I will look at enhancing resources in that area, then.

Action #2: Diane Janzen will look at enhancing resources in the filmmakers fund area.

C MARK HILL: There's another program that may be looked at that also fits into this. The National Film Board is particularly interested in the north with putting up half the funding for short documentaries and potentially short dramas, specifically for start-up producers and filmmakers to help them get that first couple even of credits

and experience in those kinds of things. They're willing to put up 50 percent of the total budget, --

Q RACHEL GRANTHAM: Give me their phone number, Mark.

C MARK HILL: -- provided that we can come up with the other half. They want to partner with the government or whatever here and say, "We'll put up half if you'll put up half." I think it's a key element in developing the industry here, and I think it's something that we should look at formalizing and including within our programs and funding structure.

Action #3: Mark Hill will provide the National Film Board's phone number to Rachel Grantham.

Q DIANE JANZEN: Does that address your concern, Rachel?

A RACHEL GRANTHAM: Yes, it does.

C DIANE JANZEN: Anybody else in terms of the general mix? As I mentioned, I think specific guideline development is really going to be the job a little later on, but there are some suggestions.

Develop partnerships to enhance aboriginal filmmaking: I had a very good discussion with George, and he noted some of the issues around potential partnerships with some dollars coming out of the land claims here and possibilities with the aboriginal filmmaker in the area. It's certainly something that has potential and needs to be looked at.

Q BOB HOPKINS: Excuse me, as part of your survey, did you survey any of the First Nation chiefs around the Yukon?

A DIANE JANZEN: I didn't, no.

Q BOB HOPKINS: Did you survey any other aboriginal groups?

A DIANE JANZEN: Just George on the Steering Committee.

Q BOB HOPKINS: George?

A DIANE JANZEN: Henry.

C BOB HOPKINS: Thank you.

A DIANE JANZEN: I was given a list of people.

- C MARK SMITH: And Ken Kane, also.
- A DIANE JANZEN: Yes, I certainly didn't go around --
- Q BOB HOPKINS: What was Ken's capacity on this?
- A DIANE JANZEN: He's a member of the Steering Committee.
- C BOB HOPKINS: Thank you.
- Q DIANE JANZEN: Do an economic survey at some point of the sound recording industry to benchmark it, and we've had a discussion about that, to make sure that the information is there but not holding up things and projecting out. I think that actually a lot of provincial governments have made the error of not projecting out and not maybe doing the homework they needed to at the front end. So, that's a good recommendation.

A question for those in sound recording, whether you generally support a demo recording program, sound recording production, music video and sound recording marketing and touring support as the four general areas of involvement.

- A MARK SMITH: That's fine. I would put a caveat on the music video. It must be made with Yukon filmmakers. It's not a question of providing 10 grand so they can go to Vancouver and shoot.
- A RICHARD LAWRENCE: Yes, the Steering Committee saw that as a good way of bridge-building between the sound and film communities; but also recognized, when we discussed it, that its role is quite unique in terms of when you do a music video what you're doing is you're marketing a product, which is, in fact, the musician or the CD. It's got a special role as opposed to, say, doing a trailer or a documentary. Now, the trailer is to promote the idea to carry the film further. The music video is to sell the artist ultimately and sell CDs. You're not selling the video. But it has a different role within the whole marketing scheme.

Also, \$10,000 for one; I know that money doesn't mean a lot, that in your report you're just suggesting figures. But \$10,000 one-time only per year is rather insignificant.

- C MARK SMITH: It will pay for one-third of one music video.

- C DAVID PETKOVICH: I would also like to see some label support. The biggest bottleneck I've had, we produce about 18 recordings, Caribou Records, and we've had some success for Juno nominations, a Juno award and numerous others. I'm having trouble moving us forward because I'm bottlenecked by financing. I'm financing Caribou Records on two credit cards at 18 percent interest. Every month I'm just trying to make that payment. It's frustrating. Because of our success, we've been recognized by Factor and have received direct Board approval. However, with Factor you have to spend the money, and then, get reimbursed. So, my financial position only allows me to leverage maybe 10 percent of what I could otherwise because of that. So, I haven't been able to take advantage -- most recently two years in a row we've had CDs nominated for Juno awards. I haven't been able to take full advantage of marketing those CDs in a much stronger fashion because I'm bottlenecked financially for resources.
- Q DIANE JANZEN: This is more company support that you're talking about, right, as opposed to project support?
- A DAVID PETKOVICH: Yes. Is that dealt with in another area?
- C DIANE JANZEN: Well, this is basically on a production basis, but Alberta, for example, has a label support program, and Manitoba has a PIE program. Maybe Carole can talk a little bit about "PIE". What does it stand for again?
- C CAROLE VIVIER: It's a Portfolio Investment Envelope, and we have it for film companies and sound recording. The idea on the sound recording side is we have spent a lot of time developing the artists, investing in CDs, touring, et cetera; but again, the labels, the managers, studios.
- C DAVID PETKOVICH: The agents, yes.
- C CAROLE VIVIER: Last year we realized we now have to focus on developing more of that infrastructure, and there were needs there, as well. So, we're working with the MARIA, the Manitoba Audio Recording Industry Association, who has had funding -- companies apply to do business planning and business development with the Business Development Bank of Canada. There was expertise brought from there, working with the companies to develop really solid business plans. That was Phase 1.

Then Phase 2 of it, they applied to the PIE program to access funding up to \$30,000 to the company and based on what their needs were and their plan, we funded \$30,000 to those companies. It might have been needing

to hire a person for the year to help with the marketing. There were various pieces that they required the money for. It's quite soft money. We've had to build in a bit of a recoupment potential in it, but it's based on a percentage of net profit, et cetera, over a long period of time.

- Q MARK HILL: Is it repayable or forgivable?
- A CAROLE VIVIER: It would be forgivable if they can't meet the objectives.
- Q MARK HILL: With a timeframe?
- A CAROLE VIVIER: Yes, with a timeframe. We had to build in some form of recoupment, should there be some way of recouping some of the money; but if not, it's forgivable. It's been a really terrific program, and we just finished doing the applications, and we funded six companies just recently, and we'll do another piece of it in the fall.
- C DAVID PETKOVICH: Yes, I think it is important to note that it's fine to support sound recording, independent recordings and independent productions, --
- C CAROLE VIVIER: Yes, the infrastructure is important, as well.
- C DAVID PETKOVICH: -- but ultimately successful musicians are usually attached to a label --
- C CAROLE VIVIER: Yes, absolutely.
- C DAVID PETKOVICH: -- and provide much more marketing and not just development support.
- C DIANE JANZEN: I'll look at adding an aspect there for that, then.
- C DAVID PETKOVICH: Thank you.

Action #4: Diane Jansen will re-examine funding aspect for label support and bridge financing.

- C MARK SMITH: I would like to just carry that one step further and possibly the same for film but certainly with the sound recording, bridge financing, --
- C CAROLE VIVIER: I was going to say that, yes.

- C MARK SMITH: -- some kind of structure for bridge financing so that if something is approved by Factor and you know it's going to take nine months to get the money out of them, if there's a standing trust fund that that money goes to the artist. It gets done, they do their accountability and Factor cuts a cheque straight back to the Government of Yukon.
- C BOB HOPKINS: There is already a mechanism in place to do that bridge financing. It's called a "bank".
- C CAROLE VIVIER: But banks have very expensive set-up fees.
- C DIANE JANZEN: There's another word called "collateral".
- C DAVID PETKOVICH: They laugh at me every time I come in. After eight years of development, they won't talk to me.
- C CAROLE VIVIER: Another thing we have just done and actually it's further to what you're talking about, the bridge financing, because on the film side, as well, for small projects, again it's a cash-flow issue. If you're waiting for the funding to come in from other broadcasters or banks now, not many of the banks are looking at small projects; and when they do, the set-up fees, the legal fees are almost the cost of -- it's outrageous. So, we've actually worked with the Industry, Trade and Mines Department in Manitoba and developed a loan guarantee program with them. So, it will be through government. We will provide the industry expertise from our side that, "Yes, those are real companies," that comfort level that they need, because they won't have it over on their side. But they are in the business of doing this. They do it now. So, they're going to partner with some financial institutions. A tax credit, for instance, banks would have interim financed it up to maybe 75 percent. There's still that 25 percent of the tax credit that's in the financial structure of the film that needs to be paid out, and it's coming out of producer fees and overheads on that side. So, by partnering up with Industry, Trade and Mines, they'll now partner with some of the financial institutions where they'll take it up to at least 95 percent guaranteed and cash-flow it. So, it's getting that extra money into the hands of the individuals who need it.
- Q MARK SMITH: Can I give you a call next week?
- A CAROLE VIVIER: Sure, I can show you the program. It's just going through Treasury Board, and I could actually pass on the information to you.

Action #5: Carole Vivier will pass on the information on the partnership with Industry, Trade and Mines for cash-flowing tax credits to Mark Smith.

C DAVID PETKOVICH: Our Department of Economic development years ago had a really good program for loaning money for start-up companies or to help companies to do bridge financing. It was an interest-free loan. That's how Caribou Records started. It started with a loan and paid it back.

Q DIANE JANZEN: What was the name of it?

A IRIS MERRITT: That was the Business Development Fund.

C CAROLE VIVIER: So, there should be models already in place for that.

C DAVID PETKOVICH: Those programs were disassembled in the last administration, but I think they were really, really good to help out.

C DIANE JANZEN: So, understand as well with film that we're going to look at bridge financing, as well as a label support mechanism built into that.

The human resources development strategy is basically inventorying what you've got here right now and where you see the gaps in both film and sound; so above the line and below the line. It's absolutely no mystery to anybody in the industry when somebody heads up to a location they're looking "Is there a full crew there and what are the gaps?"

One of the things I noted that many people who I interviewed said they felt that the skills were developing; but what was happening was as the work was going down, they felt they were getting rusty because you need to constantly be building on your expertise, that was a difficulty. And because in a lot of cases people are working part time, it is really important in terms of employment strategy to move that whole part-time strategy up and look at that area.

Very much as we were looking at the economic survey and benchmarking forward, this one identifies where the gaps are and what needs to be done so that when you take your professional development fund you're not just throwing it at any old area just because somebody happens to think it's a need, but you've actually figured out where that need is and what needs to be done with it. That is a recommendation on both film and sound. Any comments about that?

- C RACHEL GRANTHAM: Just a very brief comment about professional development, professional development works best when you've had some experience I think. What often happens here, and I think it's great, I think the Yukon has been great at educating and providing opportunities for people to be educated, because that's how we got started in this with our first Film Commissioner, Mark Hill. We had fantastic development opportunities and educational opportunities for which I'm grateful. Ultimately, though, professional development is for people who are professionals. For me applying for something like having a professional development person in Government who will show me how to get all this professional development Outside, that's fine; but what we need is experience and a product. Again I just think what resources we have need to go to helping people learn in the field. That's the best way to learn. Professional development is a nice icing on the cake as far as I'm concerned, it's something that enhances your learning. But if you haven't got the opportunities to do the films, it's a holiday down south.
- C DIANE JANZEN: And that should go through at your locations program, as well as the local financing; and it isn't a huge portion of the budget. It has some focus as an important aspect, but P.D. funds are not the driver of the whole process.
- C ROB TOOHEY: The way the Yukon Film Incentive Program works it asks very detailed questions about your spend in the Yukon. If people who are at that level of needing to know that information, if that information was more open and we were able to be in the Film Commission to look at those budgets, look at the spends, then that gives us a much better sense when we're answering questions as to what it's going to cost to make this movie here. Suddenly you start getting really quick answers to detailed questions, and that information needs to be shared with production managers and emerging producers, et cetera, so that you can actually see what it costs to shoot a film in Whitehorse versus Haines Junction.
- C CAROLE VIVIER: And we do some modelling like that. I think it's important.
- C ROB TOOHEY: As it stands now, we're not allowed to see that stuff.
- C CAROLE VIVIER: It's very important. We have those models at certain budget levels, this is what it will be. You take names of productions off. That's confidential, but we do provide those models, because we get asked the same question. That's very valuable for you to have.

C RICHARD LAWRENCE: Diane, this is also probably a very good point to introduce what is currently in place, the cultural industry's training trust fund. I think it's important, because it has served a very valuable function in the past, and to get some recognition in the report is maybe a very good idea.

Q DAVID PETKOVICH: Has that been approved again?

A SPEAKER: Yes, it has.

Q DIANE JANZEN: Any other points on human resources development strategy?

I've talked about the professional development fund. The last one was talking about the establishment of a strategy, if the strategy is to develop a full crew or if there's above-the-line or specific positions in the community, this will provide some dollars for a wide variety of training that could be utilized. I think that's where you could use the model here. You've already got something that's fairly operational, and that's certainly something you can use there.

Industry association event and festival support, and I'm highlighting on "industry association" that I think the most crying need, although it's broad-based, the most crying need right now is the Sound Recording Association. I do not believe you get a yearly allocation support, do you?

C MARK SMITH: Yes, it's very little.

C SPEAKER: But there is a new fund that they are eligible for now. The Community Development Fund has been extended to equal consideration of industry associations.

C MARK SMITH: Yes, and the application is in; but at this point, since our inception we've had no specific administration--

C DIANE JANZEN: Core funding.

C MARK SMITH: -- kind of investment.

C DIANE JANZEN: And I know some people are going to say "That's operating funding, you shouldn't be doing that." The position that I would take on that is your industry associations are the heartbeat of the industry, and they need to be strong; and they've got to be able to do for the industry. It can't be this body that takes over the role of the industry. The industry itself is self governing, and it needs to be strong, and there's absolutely nothing wrong with providing some core funding to

assist it in doing that. I can't think of one jurisdiction where you don't have the need to have a strong core base in both film and sound. It will depend on how the money clears out, but things like conferences and festival support at a minor level, some kind of mechanism to support something.

Q MARK SMITH: Diane, can I ask you for specifics when you talk about "event and festival support"? You mentioned today "film festival," --

A DIANE JANZEN: Right.

Q MARK SMITH: -- but somebody just reading this is going to say, "Oh, good, Dawson City or Alsek would qualify," music festivals. It needs to be spelled out what you mean there.

Action #6: Diane Janzen will clarify definition of "event and festival support".

Q MARK SMITH: And "event," I don't know what you mean by "event".

A DIANE JANZEN: Usually conferences, that kind of thing; say, for example, you're able to bring a national kind of event up here, a film producer's event or you want to host a trade show or that kind of thing --

Q MARK SMITH: We're not talking about putting on a concert, though?

A DIANE JANZEN: No, nothing like that; and I will clarify that. But, yes, it's definitely for special kinds of industry initiatives that come up. The organization is going to have to be very picky about what it goes with there. The number one priority is industry association support. Everything else is secondary inside that budget. I can make that point, as well. Definitely I think there needs to be a little flexibility in the organization for whatever special might come up that's valuable, and we see it across the country, as well. Let me just note to clarify that.

C CAROLE VIVIER: Something we've done around festival support is because we've been getting a lot of application requests for funding of festivals in the province and we have been little money for that kind of sponsorship; so what we've focused on from all sectors is that we will only sponsor if there is an industry development component to it. So, it's not just to simply watch films. It's if they're bringing in guest speakers and that the industry itself, whatever sector they're from, is going to benefit from that undertaking, then it's something that we're interested in

sponsoring. If it's simply just to have a music concert or a film festivals, showing films, then we don't sponsor it; because we just can't do them all. We found pretty quickly we had to put some parameters around it; because you can get caught with giving some to one, and then, all of a sudden you've set a precedent, and the next thing you know you have 50 applications for more. So, that's just something to think about, because it's all about developing your industry. So, how do they all kind of link together.

C DIANE JANZEN: In the review, we talked about the advisability of including the media and publishing. It's not a big priority at this time. I'm suggesting that you leave the door open just to give yourselves some flexibility. There may be some opportunities there, but don't do it unless somebody gives you more money to do it. I think you're seeing a shift nationally that organizations are getting away from this stovepipe, and they're getting more integrated, and that's a smart thing to do. Any comments about that?

C RICHARD LAWRENCE: Just, Diane, that that may be more useful eventually to Mark's and Tina's suggestion about what the model should be for the CEO, that that person is actually fundraising, as well as being a position of "You are a bureaucratic." They are actually out raising funds to enhance what money they have to work with; and if that door is left open, it may be very useful to them in terms of that fundraising role, but it may have a very limited function to the rest of us.

Q DIANE JANZEN: Good suggestion, anybody else?

A COLIN MacKENZIE: Just added support for the second point there, we've got plenty of plans for events. It's just a tough time scraping the money up for that. So, it sounds good.

C DIANE JANZEN: No one has thrown any tomatoes yet today, but I gather this is the one that really got people going. So, I'm looking forward to an animated discussion today, because what we need to do today is to decide what aspects of this are good and acceptable and what things need to be changed and what needs to be added. So, I'm going to go through it in quite a bit of detail, because there's a rationale behind all of this, and then, we will throw it open for discussion and key decisions.

The meeting adjourned at 11:10 a.m.

The meeting resumed at 11:30 a.m.

C BOB SNYDER: I'll call the meeting back to order and carry on with Diane on the governance.

C DIANE JANZEN: As I mentioned, I know that there are a number of things here where you have some pretty big concerns. So, I think this is a very good time to work out what those concerns are and what we can do to fix them. I'll go through the recommendations first, and then, I'm sure that we will have quite a detailed discussion.

(Discussion, re: scheduling)

The recommendations on governance: External delivery by an arms-length body is recommended, because it is felt that inside government, it cannot be responsive enough, as well as the whole issue of creative assessment and decision-making being moved outside of the government in terms of content. If you look nationally, Alberta is the only example of internal delivery. Everybody else is external.

You have a couple of choices. A lot of Canadian models use Crown corporations or agency models. I was given some information that that may take a little bit more time than people were comfortable with here in the Yukon. It is still an option, though, to look at it that way, to look at a Crown corp or a nonprofit society model like B.C. Film. So, those two models are pretty reasonable to look at in terms of an organization.

The recommendation that it be an integrated operation with all elements, Film Commission, film and television support programs, sound recording, marketing and professional development; one of the things I looked at was should certain aspects be hived off, for example, sound recording delivered out of the Arts Branch or something delivered out of Economic Dev. What I looked at in the end was from an efficiency point of view and from an Integration point of view it's best to have a one-stop shopping kind of agency, running external from government; the establishment of a board of directors not directly associated with an industry but knowledgeable. I think we've talked a little bit about this, originally in the document I suggested nine members, and I think the reaction to that was it's too large. Certainly that can be moved down. Two things I would like you to consider in there is the mix, so to look at the kind of people who need to be on the Board and that you want non-government outweighing government significantly at the board level. I've put government at the table. In a lot of jurisdictions, they are non-voting, and I have put them voting on this Board of directors; because I think what ends up happening nationally is you're seeing a lot of organizations moving from having government voting to non-voting as things progress. But I think for the level of comfort and public dollars that are going in here, you're best to have them on your side at the board table and with legitimate seats there

but not representing the majority. We can have a bit of a discussion about how many and what kinds of people you need.

The issue about not directly associated with industry, universally it has been an issue for these kind of agencies to have industry directly on boards because of confidentiality and conflict of interest, especially if the Board is responsible for project approval. You may have an option here of putting the industry on the Board, because I'm not recommending that the Board have project approval powers; but I caution you that the conflict of interest issue was one that was faced by B.C., one that was faced by Manitoba, one that was faced by Saskatchewan. It's just everywhere. I had a very good discussion, I think Mark knows Saskatchewan, very recently they went through a process of changing that quite dramatically, because they felt that it actually placed the producer in a very difficult position when they had that kind of knowledge. It actually made them nervous. They were going to Board meetings where every second person was excusing themselves because they had some kind of conflict thing going on, and that is not a place you want to put people in the industry at all. So, that's a discussion on lessons learned.

It's a policy making board and responsible for overall governance. Use of industry advisory committees or industry associations for policy and program structure and advice. I had suggested two advisory committees, but you might want to just use the existing association to serve that function, and that function is very key. I would see that throughout the process, whether it's the selection of the CEO, whether it's the establishment of the guidelines or the programs, that the industry is keenly involved through development of that; but they are not involved in deciding who gets the money, that that is not a role for the industry, but the other stuff is very much a pivotal role.

The use of expert panels for project assessment, and we talked a little bit about that, it won't always apply in areas where you have a broadcast licence you automatically kick in; but other areas you look at expert panels for specific kinds of project categories or programs; and some organizations are starting to use people from outside their jurisdiction to give a national or international perspective; and they found that to be helpful.

The recommendation: Program committee comprised of staff and two members of the board to make program decisions. This is a little bit of an aberration. In a number of agencies, the staff make the decision, that's it. It doesn't go anywhere. The CEO, along with program staff, make the decision. The board gets informed as to who has received the money, and that's the end of it. I think in Manitoba --

- C CAROLE VIVIER: Yes.
- C DIANE JANZEN: B.C. is like that, too.
- C CAROLE VIVIER: Nova Scotia the board makes the decisions.
- C DIANE JANZEN: In other places the boards make the decisions. I'm suggesting a halfway point. I'm not suggesting the Board have a full project assessment or project decision role but that there be representation on the program committee.

You're going into a very important period of time for that kind of organization, and you may move eventually to the staff making the full decision; but you're likely to have a very small staff component, and I think you need a little bit more inclusiveness in that decision making until everybody is comfortable with it, and then, you can move on. So, I have suggested a medium intermediate middle of the ground kind of model.

Conflict of interest and confidentiality are the biggest issues facing the agencies and the reason for significant changes in governance in the last few years. We've talked quite extensively about this, there have been all over the place big changes in how the industry is represented, how decisions are made and how it's governed.

The governance recommendations: Professional staff functions, I'm with you on the "Let's not spend any more money on administration than we need to." What I'd ask you to do is look at function more than anything else. There has been a suggestion that two people could deliver the whole shooting shebang. I don't think so, and I cannot tell you that you can do all that with two people. If you look at the breadth of it, you're covering off local programs, you're covering off the Film Commissioner role, locations program, film development, sound recording and administering everything else. I think you're looking at a little bit larger than two people to do that whole thing. Whether it's three or whatever that is, the only thing and we can have an active discussion about that, is to make sure those functions, however you're dealing with them, are covered off some place in the organization.

As I mentioned, you have varying levels. The combination in British Columbia is about 19 people, in Manitoba it's 10, Saskatchewan it's nine. I can't off-the-cuff remember Nova Scotia or other jurisdictions, but you're looking at some organizations that are fairly sizeable in terms of delivery costs.

- C CAROLE VIVIER: Just to quantify that, all B.C. does is the film programs with that staff.
- C DIANE JANZEN: That's right, yes.
- C CAROLE VIVIER: We do locations and all the sound recording programs, all the film programs, investment programs. We have way more film investment programs than B.C., as well, and new media; and Saskatchewan would have just their film programs. They don't have the equity programs we have either. So, for staffing, you have to look at the programs they're delivering, as well.
- C DIANE JANZEN: Right. I think in B.C. the way it works is it's 12 people for the B.C. Film Commission and seven for B.C. Film; so, 19 in total I think are the two. I think that's how it works. Then look at contracting out where you can. So, for location functions, we're not talking about bringing everything inside but developing an orderly system for how to do that.

Hiring a CEO immediately, and that person is pivotal; and during the interviews, that issue of leadership is very much front and centre for just about everybody. That's a very important position and one which I am recommending that you hire immediately and you hire at an industry rate with those kind of skills: extensive knowledge of the industry, ability to work in a local, national and international environment and be the face of Yukon film worldwide really; program delivery skills, the ability to work with government so they've got one foot firmly in industry and the other one in government, and they're able to manage and balance off those two issues, and the ability to work with the media. I've had a discussion with a number of people that it's kind of a rare bird you're looking for and there aren't that many of them around, but there are some.

The issue of accountability. We've had a lot of discussion about accountability back to the industry, accountability to the public and accountability to government. Looking here at establishing a close relationship with the industry and industry associations, that organization needs to do that all the time and really be a partner with them. An annual management plan, so the whole notion of looking at what do you want to achieve on a yearly basis. A formal agreement with the Yukon Economic Development Department, assuming that they'd be the ones paying the freight, an annual report and guidelines and procedures developed with the industry; and that's a very important aspect. That bottom line there is going to be a lot of work to get all that going, a very, very important piece of information to get established pretty quickly.

So, those are the governance recommendations. Why don't we just go through them one-by-one and find out what you think, what changes you think need to be made and go on with it from there.

Response to the issue of moving it to external delivery by an arms-length body, comments from the room on that particular model, as opposed to keeping it inside the Yukon Government?

- A MARK HILL: The faster the better.
- A DAVID PETKOVICH: It's a good recommendation.
- C DIANE JANZEN: We've got agreement on one thing.
- C RICHARD LAWRENCE: However, Diane, it comes with a number of caveats associated with the other recommendations, and maybe I should wait until we get there.
- Q DIANE JANZEN: One thing I wanted to ask you, Bob, because I hadn't responded to a comment you had made about establishing it as a Crown corporation, in a lot of Canadian models it is an agency or a Crown corporation. Certainly that's an option for moving it out, but my understanding was that it was going to be fairly lengthy and complicated and, therefore, I looked at the B.C. Film model as a viable one, but I just wanted to get your sense on that.
- A BOB SNYDER: Yes, you're talking about a formal Crown corporation, and that requires legislation, and legislation requires time; so we're talking down the road. There are ways of achieving the arms-length situation short of a formal Crown corporation. We can be incorporated either as a society or as a corporation under the *Yukon Corporations Act*, and those two options are fairly easy to achieve. They're quick and they're not expensive, and it's just a matter of which one fits the bill. When you get legislation, it's also messy. It's more complicated. We can achieve the same thing through a different means, and it's cheaper and less complicated.
- C DIANE JANZEN: So, you've got a couple of options that don't move you as far as the legislation. Fair enough. Any other comments if there's general support for external delivery?

(No oral response)

- Q DIANE JANZEN: Looking at integrated operation with all elements, the Film Commission, film and television support programs, sound recording, marketing and professional development. So, all under

the rubric of this organization, as opposed to spinning off sound some place separately. Any comments about the integrated model?

(No oral response)

- C DIANE JANZEN: Okay, the Board of directors, the recommendation that the Board of directors be named, not directly associated with the industry but knowledgeable. Many of them have, for example, people from a financial background, an accounting background, broadcasters, media educators, those kind of people on the Board. I had initially recommended nine. That number is not set at all; but looking at two-to-three government representatives on the Board, and I'm not trying to overload the Board with government people; but one of the things that Alberta does well, for example, is that they've tied their film programs to their trade programs internally. So, sometimes you say one part of government doesn't know what the other part is doing. This is an effort to say, "Okay, you've got trade elements, you've got tourism elements, you've got economic developments, you might have arts interests"; get those to start playing ball together, as opposed to having them kind of all over the place. So, that's why I recommended a number of government representatives on that Board. I would imagine that point would be one for active discussion, so why don't we open that one up for discussion.
- A RICHARD LAWRENCE: Just the first comment, I was involved with the college in its early days when it set up a Board of directors, and the president of the college reported to that Board of directors. We went through countless college presidents in the time that that Board of directors learned what its responsibilities were and times when it kept swaying. Sometimes the college should be there for vocational, sometimes it should be there for academics, sometimes it should be there for First Nations, et cetera. We kept on, "Oh, you're president this week," and then, another president next week and so on. My biggest concern is that the CEO is going to have the same difficulty here; and as we're well aware this Board of directors is going to be at a training level, too. To find experts who are not involved in the industry is pretty difficult in a small jurisdiction like the Yukon. My biggest concern is we're going to go through CEOs rapidly while the Board of directors tries to get its feet firmly planted.
- C MARK SMITH: My suggestion on that is if it's going to be a board structure, it should be on something like the Carver Model, which doesn't hamstring the CEO but it sets out executive limitations none of which you have to do but what you cannot do. That's it, everything else is fair game; and that's been successful now with the college and the Arts Centre.

- C DIANE JANZEN: Absolutely!
- C MARK SMITH: The other thing, and I'll defer if checked; but I think we were pretty happy after our meeting last week of saying it should be not more than four or five people, with a suggesting that the Chair of the Board be non-voting government of something like a DM level so that there's direct continuity with the Government in terms of reporting.
- Q DIANE JANZEN: Being the Chair?
- A MARK SMITH: Yes. That was right, wasn't it, Tina?
- A TINA SEBERT: Or it could be the CEO, I believe we were saying, too, that could also be the Chair.
- A MARK SMITH: Yes, a non-voting Chair.
- A TINA SEBERT: Yes, or only if there's a tie, to break the tie. I think sometimes that is a caveat, as well, only voting if there's a tie.
- Q DIANE JANZEN: I haven't ever seen a model with the CEO as the Chair. I think that would be a conflict. I think you'd run into vast problems with that one. You're thinking of a DM as Chair?
- A MARK SMITH: Someone at or near a DM level, ADM maybe; so there's a high-level bureaucratic and quasi-political connection.
- Q DIANE JANZEN: But they're non-voting?
- A MARK SMITH: Yes.
- C DIANE JANZEN: Four-to-five, okay, good enough.
- C COLIN MacKENZIE: And we had a meeting a couple of nights ago, NFVIA, and there was general disappointment for the lack of industry personnel within this process. I understand the conflict of interest, but just to get this whole ball rolling, it seems like there would be a little more injection of industry personnel. I can't see, with lawyers and bankers and so on and so forth, providing the most efficient process.
- C DIANE JANZEN: Well, the other thing you could do, but I put a big caveat on it because it's an important consideration, this board is not a project approval board, which is a good thing. You don't want them in there. You could place industry on this board, because it's a policy board. I had a very detailed discussion with Valerie Craten (phonetic) from Saskatchewan who just went through this whole thing, and

what she said what landed up happening with Saskatchewan was that the industry people were actually compromised from a policy perspective, and they themselves admitted it because it's natural, "How can I develop these guidelines so they suit me?" She said they admitted that themselves. It's a natural self-interest. So, she said she felt they were compromised not on projects but actually on policy making; but you could directly, if you wanted to at this juncture, you could put industry on there, because they're not project approval, as long as you have some very, very strict confidentiality and conflict of interest guidelines in there. They should not have any access to corporate information from any competing interests ever or anything. So, that would be a pretty close relationship. You could do it if that's important to you at this juncture to do that and we could put that up there; but I will leave some strong onus with you to manage that, because this has just caused so much difficulty, and it's a real killer. So, I will open that up as an option for you certainly.

C ROB TOOHEY: Further to Richard's comment, finding the greatest CEO that we could possibly get to bring up here, we certainly want this person's first six months to be smooth and enjoyable; because the film industry has very different parameters and very different aspects that not many people understand. I worry with no industry expertise on the Board, we would be educating the Board, and the CEO would throw up his or her hands and say, "These people don't get it." I think that's a real concern.

Q DIANE JANZEN: Let me throw it open, then, and let's design something that you think will work. Knowing what you know about responsibility and conflict of interest and the dangers inherent, how would you like to see a board structured? Let me throw that question out to you.

A MARK HILL: From my perspective, it's a given that you have to educate the Board and that it's going to have to be done in a very intensive way, that it's going to have to get into a lot of the nitty-gritty to talk about financing, market levels. It's going to have to talk about where the industry has come from, where it is now, where it's going; not only locally but actually internationally, and that has to happen at the board level. Even if you draw from industry here, there are not that many people tuned into the big picture to be able to bring that amount of understanding to it. So, regardless of who we have sitting on the board, there is going to be a very intensive period of education. Rather than doing it the hard way, meeting-by-meeting, it would seem to me that you would start off with a three-day seminar on talking about things; and you have David Petkovich from sound, and they talk about what it's like, their experiences and so on, bring in people from the industry here and grab somebody on side and educate the Board and get them up-to-speed in a very determined and intensive way. And the potential Board members

now just going, “Yes, this is part of their commitment. You don't know enough.” There's a fear factor of letting go to somebody who doesn't work in this industry, because their job doesn't depend on it, but our job does. I understand that, and I feel that, too; but especially with how small our population is, I think anybody who is on that board from industry will be a major target. I think that if we take the educative route to begin with, choose very carefully and do that intensive training period right at the beginning, that we can address that.

C CAROLE VIVIER: And using the industry association is really valid.

C MARK SMITH: And pay the Board.

C RICHARD LAWRENCE: An honorarium at least.

C MARK SMITH: Honorariums, yes.

Q DIANE JANZEN: This is an important issue. My question to you is: You don't like the nine-member model. I'm throwing it right back at you and saying, “Okay, you don't like that model. What do you want,” because this thing has got to work. Veronica Gamery (phonetic), who you probably know from Saskatchewan, she said one of the issues was she got hit up by film people all the time, her colleagues. Initially they were project approving, so she was in a really bad position; but even with policy, she was constantly on the phone, “This and that and the other thing,” putting her in a tough position even on a policy level. I appreciate where you're coming from, but I'm quite determined today that what we're going to do is come up with a board model that works for you. By the time this thing gets up through hopefully to Treasury Board, it needs to have the buy-in of everybody in this room in order to make it go. Otherwise it's not going to fly. So, what is it?

A TINA SEBERT: I just want to add a general comment before we launch into that. I do have a little bit of experience with boards. I've worked with Workers' Compensation Boards before, and boards fail, not just film boards, but boards fail quite regularly for a variety of reasons. I think that they can probably be divided into two key ones. One of them is apathy, the board isn't really all that interested in what it's doing. So, what ends up happening is that maybe one person or two people on the board run the whole show, and then, the whole thing falls out of proportion and out of whack.

The second reason is because maybe they're not based on the Carver Model, and the Carver Model is somehow eroded, and they start being involved in the day-to-day functioning of the office, and that completely

demoralizes the staff that's working there, and it does lead to problems with conflict of interest and confidentiality. I think somehow we've got to find a balance there between those. I think it's very challenging, but one of the keys is also training. For any board I think that runs really well, they will bring in somebody to educate them on whatever model they're using, and confidentiality and conflict of interest are policies that right from the beginning they work on as a board, and they don't do anything until they have that hammered out, and then, they know what they're up against.

On the other hand, if you have people lobbying you personally and you're on the Board, I think that's part of your communications function when you sit on the Board, and you just have to be comfortable with that and be a person of integrity and someone who's respected in the community. If that's the case and you have people lobbying you, you have a very good response, and you have the policies that will back you up in that response. So, I don't think that they're unmanageable.

C DIANE JANZEN: Well, I think in that situation the difficulty was she was in a situation where she was working with colleagues. It's a little bit different than if an entertainment lawyer had somebody knocking on the door to say, "Look, I know you want your project to go; but sorry, there's a process that we go through. It's an orderly process, and I'm not advocating it for the Board." What that did was just put her in a really difficult position, because she was in the industry. It's a little bit different.

C CAROLE VIVIER: For us it's really critical using and working very closely with the industry associations, the film industry, the sound recording industry and the new media industry. Our board doesn't make program decisions, and I think that initially starting out we were without a board up until 1999 was when we first had a board put in. It was a very unusual situation in Manitoba, and it's not one I recommend, but it just kind of worked for that period of time, touch wood. What we did initially when the board was appointed is we did intense industry informational meetings for the board with industry. So, we did an evening with the sound recording industry and the board, very informal for dinner around a table; and the industry was able to talk to the board and explain where they came from, what their issues were. So, the board was really getting informed, because they were not from the industry, but they cared about the industry, they were very interested in it. And we did the same on the film side. What we do every year now is we do strategic planning sessions as an agency with our board with all the industry. So, we will do an evening with sound and film, and it's again always sort of evaluating where are we today, where do we want to go and what do we need to get there; and I think that's an important piece to put in here. You're recommending two board members be on the program committee, so you are, in fact, having board members make decisions. I think you have to be

extremely cautious of conflict of interest, particularly because it's a small community. Manitoba is a small community. We do have some industry on our board now, but our board makes no program decisions. We don't have people from the board making decisions, so there is a different. If the board was making decisions, there would be no industry on the board. I think you really put people in a precarious situation, because there is a lot of confidential information that ends up being discussed; but the key to that is really working closely with the industry associations whenever there are guideline changes, recommendations, when you're moving forward. It's that relationship that's really important so the industry feels that they're part of it, not excluded from it; and the board can then move forward.

And as a CEO, I don't want the industry calling board members and lobbying board members. That's a nightmare. So, board members should not be doing that. They should be directed to the agency, to your CEO to address their concerns. If they feel issues are not getting addressed and they feel in a big way as an industry, then obviously the board has to be brought into it. I think the governance issue around the board and the industry and what the relationship is to who is really critical to have it very clear upfront; because you won't keep a CEO if people are coming around behind them all the time.

- Q DIANE JANZEN: Colin.
- C COLIN MacKENZIE: My question has been answered.
- Q RICHARD LAWRENCE: So, at least two levels of training, then, training as a Board, just functioning as any old board, --
- A CAROLE VIVIER: Absolutely.
- Q RICHARD LAWRENCE: -- and training so that they are aware of and knowledgeable about the industry. I think they are two different kinds of training.
- A CAROLE VIVIER: Yes. When our board was first set up, actually our Minister, we're funded through Culture, the Minister actually met with the board. I was there, as well, and she was great. She said, "This is what your job is. This is what we want you as a board to do. This is what is not your job. This is what the job of the CEO is." That was really great, and I think that's important, as well so it's very clear. I think if you're looking at board members, it's important to bring people on the board that have been on boards, that understand board relationships to management, as well.
- Q RICHARD LAWRENCE: And who appoints your board?

A CAROLE VIVIER: The government.

C MARK SMITH: As a note, Diane, maybe you can include ongoing board development and strategic planning in your operating section of your proposed budget just so it's identified, and then it has to stay there.

Action #7: Diane Janzen will include ongoing board development and strategic planning in the operating section of her budget.

C CAROLE VIVIER: Another thing the Government of Manitoba does when they're going to appoint new board members, the Minister will send a letter to the sound recording industry association and to the film industry association, asking them for recommendations of board members, as well. So, they are quite consulted when they do it, and I also have a big part to do with that, as well. I'm consulted, too. It's really important. And I would say the chair of your board is critical. That's the big position.

Q DIANE JANZEN: So, the rubber is hitting the road. What do you want this structure to look like?

A ROB TOOHEY: Diane, if I could make a comment, informally we were discussing that in order to get an effective board, they would definitely have to be paid; and the nine-member board would take a big chunk if we were going to pay these people well for these meetings. So, maybe nine is way more than we need and would be cutting into our operating costs too much.

Q DIANE JANZEN: So, you're talking about five? Is that the number I heard?

A MARK SMITH: Maximum five.

C CAROLE VIVIER: We don't pay our board. Our board is not paid.

Q SPEAKER: Does that still include a member from the industry?

A RICHARD LAWRENCE: I think that largely depends on the program function, and that's a hot issue, whether it does project assessment. If any board member does any project assessment, then I think we've got to look very closely at that one. I don't know if we have

- time today, but definitely that's something that a red flag should be put up on.
- Q DIANE JANZEN: So, you're obviously looking at a chair. Is the issue of the DM still on the table? It's a little unusual.
- A MARK SMITH: That's just a suggestion.
- Q COLIN MacKENZIE: What's a jurisdiction size that you've consulted that came closest to the Yukon if that's possible?
- Q DIANE JANZEN: In terms of size?
- A COLIN MacKENZIE: Yes, in terms of size and in terms of business. I can't figure out how five-to-nine people on a regular board that's nonpaid is going to work that well.
- C DIANE JANZEN: Well, Saskatchewan actually is 12-to-13 members, plus non-voting government.
- Q COLIN MacKENZIE: Is that effective?
- A DIANE JANZEN: Well, they've just put it in now. They moved from an industry board to this structure. I looked at it, and I thought, "That's complete overkill" as far as I was concerned; and your industry isn't like any other industry. It is really different.
- C COLIN MacKENZIE: Yes.
- Q DIANE JANZEN: I think that more than the numbers look at the function. Yes, they tend to be a little larger actually. What is Manitoba's?
- A CAROLE VIVIER: Nine, but you need a certain number, because not everybody can make meetings; and then, if you have it too small, you don't have a quorum, which means they can't make any decisions. So, there's that challenge, as well.
- C DIANE JANZEN: And the other issue, and it's an issue for every community, here as well, is the whole issue of inclusivity. If people sense that there are a few people making decisions about something, you're going to start getting people saying, "Oh, well, you know, they're sort of dictating the industry." So, while there's the efficiency of a small board, I wouldn't make it too small, because then it won't be representative. You won't have the skill set on there. You will have problems with a quorum. You'll have people start saying, "Four people

are running the whole darn thing, and this isn't fair." I'm just saying in terms of a balance, sure, move back from the nine. I think it is important today to decide if it's five you're wanting to look at.

C MARK HILL: Just throwing out a different option of where we look at seven, one of whom is a non-voting chair, the chair being elected by the board; but the government seat on the board, I don't know if we can formalize it or just request that it be a government person of some seniority, an ADM or a DM. They don't necessarily need to be the chair, but we do need to have somebody, I agree, who is at decision-making tables, who has easy access to the top ranks. We need that kind of participation.

Q DIANE JANZEN: Are you talking about voting or non-voting?

A MARK HILL: I have no problem with a voting person being on it.

Q DIANE JANZEN: What does that look like to people, seven members, one government voting? An elected chair?

A MARK HILL: Elected, non-voting chair except in cases where there's a tie.

Q DIANE JANZEN: Industry on the board, not on the board?

A RICHARD LAWRENCE: I would pull the whole project assessment right out of the picture right now. It's going to be tough enough to get a board that people are going to have confidence in, where the CEO is going to work well with them; getting all this training and so on, and then, to have project assessment in there, as well, and then, a potential conflict of interest of not having industry and so on, I think is too difficult. I think industry is definitely valuable. My suggestion would be let's pull project assessment right off the table there and allow us to discuss the industry's role.

Q DIANE JANZEN: So, the program committee, then, will basically be abandoned or it will just be staffed. What you're saying there is that the expert panels or the programs that require it will provide recommendations to the staff; and the staff, along with the CEO, will approve projects? That's the implication of that. Is that what you're looking at?

A RICHARD LAWRENCE: Yes, that's the consequence of having it that way, yes.

Q DIANE JANZEN: And that runs effectively in B.C., and it runs effectively in Manitoba; fair comment. Is that a general “yes”?

Q SPEAKER: Can you just clarify that again for me, please?

Q DIANE JANZEN: What the recommendation was originally was that there be a program committee that had on it two board members and members of staff and that they would receive advice from external review panels that would recommend or not recommend, and the decision-making would be done there at the program committee. So, while the entire board didn't have a say on projects, you would have some board representation there. That was an option.

What is being suggested today is that there is a feeling that, and I hope I'm getting this right, industry should be represented at the board level; but in order to do that, it should be removed from any project assessment responsibility to deal with the issues of conflict of interest and confidentiality. So, you have them in one place, and you remove them in another in order to deal with those issues; is that fair?

A RICHARD LAWRENCE: That's exactly it, and it's more a function of how small the Yukon is and how difficult it is to get knowledgeable people on boards.

Q DIANE JANZEN: So, let's talk about the rest of the seven, an elected non-voting chair, government rep at a significant decision-making level as voting. You've got five others are being suggested, or do you want to make it even narrower?

A MARK HILL: If we're going to look at having some industry involvement with the board, then I would suggest it should be an allocational position, so the executive director of RAIYA or the president of the NFVIA, as opposed to trying to select somebody from industry for example.

C RICHARD LAWRENCE: What happens with CITTF, Mark, is if these two people are not available, they will go to their association and recommend that somebody sit in their place.

C MARK HILL: Like the chair.

Q DIANE JANZEN: So, each industry association would be asked to nominate a person from their association?

- A MARK HILL: And there is already a model for that in the cultural training council (unintelligible) has that.
- C DIANE JANZEN: Fair enough, so we've got three.
- Q SPEAKER: Doesn't that create a major conflict, like you were saying, that we would have NFVIA on that board, as well?
- A DIANE JANZEN: They don't decide on projects.
- A RICHARD LAWRENCE: They're not deciding on funding and programming. Yes, CITTF is going to have some difficulties, but that's another reason why I think it would be a good idea not to have that problem here.
- Q DIANE JANZEN: Is everybody agreed that the film association and the sound association gets one voting representative that's appointed by the respective industry associations?
- The remaining positions.
- C TINA SEBERT: I like the idea of having some kind of legal expertise on there, --
- C CAROLE VIVIER: And a CA.
- C TINA SEBERT: -- because that always comes in handy.
- C DIANE JANZEN: And a CA, I think those are both very good positions to have on there.
- C CAROLE VIVIER: Boards have to do sharing of responsibilities, and having a CA on the board gives you that kind of free expertise, --
- C DIANE JANZEN: A treasurer.
- C CAROLE VIVIER: -- rather than having to go out and pay for it all the time.
- Q SPEAKER: How about a banker?
- C CAROLE VIVIER: I think a bank, as well; because look at who do you want to educate within your community about your industries. So, kind of target some areas. Maybe it's somebody from advertising or marketing or banks or whatever, people who maybe aren't as aware of

- what you do that you would like to make more aware. So, bring them on to the boards, and then, they become an advocate for you out into the broader community, as well.
- C DIANE JANZEN: So, legal, chartered accountant, bank.
- C MARK HILL: Sorry, is the bank the right way to go? There is a potential advantage in that it's a little easier to walk to the bank and talk about bridge financing. At least they will be polite before they throw you out. I wonder if we're wanting them to be an advocate to the community at large, I wonder about somebody from the Chamber of Commerce.
- C CAROLE VIVIER: The Chamber of Commerce, sure, absolutely.
- C TINA SEBERT: The Chamber would be good.
- C DIANE JANZEN: And then, the chair ...
- C CAROLE VIVIER: It's usually government-appointed.
- C DIANE JANZEN: So, it would be government-appointed, so you would want a community leader kind of person.
- Q MARK HILL: Is there a disadvantage to having the chair elected by the board, as opposed to being appointed?
- A CAROLE VIVIER: Well, this is a government-funded agency, and so the government is very much a part of appointing that board; and it's quite normal for the Minister or the Premier's office to appoint the chair. That's a good thing, because they're putting somebody in there that they have a comfort level with, which bridges your relationship to them. So, I think running the risk of having a chair who maybe isn't in that linkage is a disadvantage. Sometimes it's better to have that as an appointed person from your elected officials, and you know that you're okay with it.
- C MARK HILL: In that case, if that's what we're going to look at, yes, if we've got a chair appointed by government and we're asking for somebody with seniority in that position, maybe going back to I think it was Tina's suggestion, of having the chair as the ADM or DM. Then we can free up that other seat for a banker or somebody else in the private sector.

- C DIANE JANZEN: Well, I think if you have government-appointed, it doesn't necessarily mean they come from government. It usually winds up being somebody of significant economic stature in the community.
- Q MARK SMITH: Shall we set that, then, that it is a government-appointed non-government chair?
- C TINA SEBERT: One of the things is a chair position is usually the communications role of the board, as well. So, it is important to have those skills, to be the spokesperson.
- Q DIANE JANZEN: And when you say "DM" there, I'm a little concerned about it, because that might actually put that person in a conflict of interest, because that organization will not always agree with the Yukon Government, I'm sorry to say; but that should be okay, because they should be advocating on behalf of the industry to government. So, they're going to go after them for funds or programming or legislation or whatever it is. So, you don't want them to sort of feel conflicted about doing it. They need to be in the game, right, and really pushing. So, that would be one limitation. You might have your DM right here. I think actually Saskatchewan has their DM as a non-voting member on the board; but you can certainly have that person there, non-Government, appointed by the Yukon Government; industry representative, legal, CA, Chamber of Commerce. So, you have yourself a pretty good board.
- Q SPEAKER: Should you have someone from marketing on the board, as well?
- Q MARK HILL: Sorry, can I just ask for the rationale on that, given that we're not getting involved in the marketing?
- A CAROLE VIVIER: Well, when you have boards, you draw on expertise from your boards. If I had a senior marketing person on a board, I would utilize them in developing a marketing campaign, kind of free advice.
- C MARK HILL: Free is good.
- C CAROLE VIVIER: Yes, free is very good.
- C MARK SMITH: Tina suggested someone from TIA, Tourism Industry Association.
- C CAROLE VIVIER: Yes, that's an important link.

- C MARK SMITH: It would be a clip between that and the Chamber of Commerce.
- C TINA SEBERT: The Chamber, yes, sort of the same kind of attitude.
- Q DIANE JANZEN: Is that looking more like something you could support?
- A MARK SMITH: If there's going to be a DM on the board, I don't think it necessarily has to be the DM of Economic Development. It's not a straight departmental channel. It worked very well for us with Anniversaries having Ray Hayes as our Chair. He was head of the Liquor Corp, but he's an effective DM, and the channel of communication was clearly there to government; and he had nothing to do with what we were doing with Anniversaries, except to bottle us some wine.
- Q RACHEL GRANTHAM: So, maybe just the phrase "very senior official" would suffice, because you want someone who can provide continuity. You don't want someone who's so busy that it's going to be impossible to have them there.
- C CAROLE VIVIER: Will never be there, yes.
- C DIANE JANZEN: Somebody who can pick up the phone and call the Minister; the advantage to having it in Economic Development is that's where you're getting your money. I'll leave that open to you to decide how you want to do that, but certainly a senior level person from the Yukon Government.
- C MARK HILL: One of the traditional challenges that the film industry and Film Commissioner has faced here is the information getting buried long before it gets to the decision-making level; and the only way to be able to be effective is if we can move it right up the chain.

4.0 Introduction – Eugene Lysy, DM Economic Development

DIANE JANZEN: Do we have a guest, Bob?

BOB SNYDER: Yes, I was just waiting until you were basically finished with this section.

I am pleased to introduce our new Economic Development Deputy Minister, Eugene Lysy. He just arrived yesterday, and he was listening with interest.

DIANE JANZEN: As we go through the most interesting part, excellent!

EUGENE LYSY: I came just in time.

DIANE JANZEN: Welcome, and we would certainly appreciate if you wanted to say a few words, please feel free. I'll put you on the spot.

EUGENE LYSY: I'll just take a couple of minutes. I don't really want to interfere with the process here. It sounds very constructive, and it sounds like you're making some good progress here. Being the second day on the job, I really don't have a lot to offer.

4.1 Questions/Comments - Eugene Lysy, DM Economic Development

Q DAVID PETKOVICH: What's your background, and where do you come from?

A EUGENE LYSY: It is a very diverse background, but it is 90 percent related to investment development, corporate development and economic development. I've spent a number of years across the north. Recently I just spent about four years in Nunavut, and I spent time in the Northwest Territories. It was all involved with development corporations and economic development. I'll just share with you a little story. I was in Iqaluit, the capital of Nunavut. Just northwest there's a small community called "Pangnirtung". I thought that Pangnirtung was such a nice little community at the entranceway to a national park. This national park was famous I guess because if you're a James Bond fan, you'll recall the movie where he's skiing down the mountain then parachutes down. That was shot there in Nunavut. So, the park officials thought this was really great. "We'll use that as a promotion to attract people to visit the park, James Bond skiing down the hill and all this adventure." Of course, it wasn't really James Bond who was doing the stunt. Nevertheless all of a sudden they found all these adventurers coming from everywhere, Germany, Europe, Asia and South America, wanting to ski down the mountain and parachute. So, after this happened a few times they decided to stop the promotion, because they were concerned someone was going to get killed! Nevertheless it was a good drawing card, and when you go there and visit, they show you a video, if you go into the park, showing this scene, their "claim to fame" beyond the beauty of the park and the glaciers and everything else that they have to offer. I guess in that instance, the film industry, be it from Hollywood, did serve a purpose of promoting and bringing tourism into Nunavut.

So, I am just going to be here for a few minutes. I think when you're dealing with government, especially in this day and age, it doesn't matter which government you're dealing with in this country, financial resources are scarce. So, in making your case to government, you have to show the return that comes from, in essence, both the government investment and however it comes into the industry and what impact that would have on the local economy. Those things all have to be taken into consideration. I certainly enjoyed listening to the discussion here with great interest. I can see that there's a lot of wisdom in this room being shared, and I look forward to reading the final report that comes out of this. So, thank you very much.

DIANE JANZEN: Thank you.

3.1 Questions/Comments - Janzen Presentation (Con't.)

Q DIANE JANZEN: So, we've got a number of other key decisions to make on governance. We've really established this as a governance board. The Carver Model has been mentioned, a very popular and effective tool. You're looking at a seven-member board with a chair appointed by the Yukon Government, a government representative, a film association and sound association representative, legal, CA; and I'll leave that other one up to you, but a choice between looking at marketing, Tourism Industry Association and Chamber of Commerce. So, you guys can work that last position out. I don't think you want to move it up to nine. So, we'll move ahead with that.

The recommendation had been to look at the establishment of advisory committees or industry association policy and program structuring. Because of the board representation, that's kind of worked itself out of a job. You could say that the links to the industry associations need to be strong and scratch the need for those committees at all, reducing the structure. I will open that up for discussion. The idea there was a sound advisory committee and a film advisory committee to provide advice on policy and program development, not on projects. Let's open that up for discussion.

Q BOB SNYDER: Diane, when I was explaining it, I was using your use of the expert panels or the advisory as comparing it with jury panels.

A DIANE JANZEN: Not this, no; originally what we were trying to do with that board, and since we've made a key decision here that industry will be involved in the board, it is probably going to have a trickle effect down. The idea was to make sure that industry had advice through these advisory committees; but now that you've placed them on

- the board, you may not need them, right? That's maybe just another structure you just want to ditch and get rid of.
- C RICHARD LAWRENCE: One of the things that the Steering Committee brought up at the last meeting was that once you've got a board, some of these details can be sorted out by the board to some extent, provided the board knows what its mandate is.
- C TINA SEBERT: I've used advisory committees before, and they're fabulous for communications purposes, to have them there in order to spread the word on any new program or to test the ground and so on; but once again, those are something that you can put in place once you see a need and you start actually working on some initiatives or doing strategic planning where you really do want to make sure that everyone has been consulted.
- C DIANE JANZEN: Yes. I think however you do it, it is very critical that the industries be involved at the front end. It's a load of work to do guideline development. I would see them very intimately involved in that, the whole program structure. That would be where these people would be very important. So, however you do it, you can just leave a general report that the board should decide on what that structure needs to be; but there should be some mechanism where it's broader than just the NFVIA representative or the sound recording industry association representative, saying, "Well, this is okay in terms of program structure." It needs to be broader. You can just make that point, and the board can decide the structure that it wants underneath that if you want to leave it that general.
- C TINA SEBERT: For NFVIA, TIA is very interested in everything that NFVIA does; and yet they're separate organizations. So, there would be a role for them in some form as an advisory committee if they were established.
- C DIANE JANZEN: So, we're saying that the board will need to decide on the structure of advisory committees to be used strategically. Is that acceptable to everybody?
- C SPEAKER: Again, I guess, as long as there is no conflict of interest. These boards are often stacked. It's like you said, at times you can't help it if you're sitting on the board and you're in the industry, too.
- C DIANE JANZEN: Right, and they don't have project approval capacity at the advisory committee level. It's on programming and policy.

- C CAROLE VIVIER: You also might want to think about using the industry associations as your main contact, and then, including other organizations and people in when it's warranted. I think it helps to strengthen your industry associations in making sure they're strong and healthy and represent your industry. They'll then feel they're much more consulted. Otherwise you kind of get into trouble there.
- Q DIANE JANZEN: Utilize expert panels for project assessment, and as I had mentioned, it wouldn't be in every single program. Sometimes if you have a broadcast licence, it's an automatic trigger; but in other panels, in some jurisdictions they utilize local members, as well as people from Outside who have a specific expertise in an area. They provide recommendations, and in this case, the program committee is scratched. So, they would be providing advice to the CEO and the staff, who would be making decisions on projects. That's how it would work in this new model. How does that look?
- A TINA SEBERT: One of the concerns I just heard from a couple of people about the expert panels was the cost of flying in Outside experts. I did hear that as a concern.
- Q DIANE JANZEN: In a lot of cases, they are now doing it by teleconferencing. Occasionally you will, but you're not going to fly somebody in from Toronto for one panel. I think teleconferencing is pretty common.
- C CAROLE VIVIER: We do lots of teleconferencing.
- C DIANE JANZEN: You can keep the costs down.
- Q SPEAKER: I'm just wondering do you still run into the problem with conflict if you have staff who are occasionally moving out of the association, say a contract in the field? Didn't we talk about that earlier, that you'd be in and sometimes out.
- A DIANE JANZEN: Not for programs, no.
- A CAROLE VIVIER: Aren't those more for location?
- A DIANE JANZEN: You would never hire the film producer to be the film officer, never, like never. I think you're talking about film location work?
- Q SPEAKER: Yes, you were talking about having them in and out, and then, you were talking about staff. So, I'm thinking

there are some staff who are going to be in and out, right, in order to work sometimes with contracting out?

A DIANE JANZEN: There are sort of two aspects. You're talking about the locations aspect where you would be contracting, however that's designed, with local people who will be providing locations and production services, but the programs are separate. Program delivery is delivered by a staff person who would never be a program administrator. In fact, in your confidentiality and conflict of interest guidelines that you would have staff sign, they would agree not to do that, to be actively out there, putting themselves into conflict.

So, in this model, the program committee is scratched, and staff are making the decisions, based on strong advice from expert panels.

Comments?

C RACHEL GRANTHAM: Another potential conflict of interest, and I cannot give a specific example of this, but is sometimes what has happened in the Yukon with juries or whatever, is everybody sort of doubles up. "Well, so-and-so is coming in to give a workshop on such-and-such. Well, let's get them on a jury for this thing." Sometimes there is a conflict of interest, because that particular person is there to work with an organization that might be connected to something in these applications. Again, I'm just saying --

A DIANE JANZEN: Yes, the size of the community.

C RACHEL GRANTHAM: -- these are potential conflicts. I like the idea of videoconferencing and having people who are just there to do the job of being a juror.

C CAROLE VIVIER: But you might have a combination of programs that are juried and some that are not juried, --

C RACHEL GRANTHAM: Yes, yes.

C CAROLE VIVIER: -- and we have a combination of that. Like out television, our funding for TV or documentaries, it's triggered by there are pieces you need to have in place in order to trigger the other money. So, it's an automatic, and the staff can do that. You have this piece, this piece, this piece; and now they're asking for this piece, and they're all there, so we fund it. Or you develop an evaluation criteria. Initially when we first started, the demand did not exceed the money we had. So, it was a first come-first served, and we did that for a long time; and now the demand way exceeds our money. So, we've had to develop

much more evaluation criteria of ranking of projects, but it's not creative on the TV side, because it's based on broadcast licence, et cetera.

Where we do jury is we have a low-budget development program that we fund 100 percent for the development of feature film, and that is juried. We have a juror from Manitoba, but we also use a couple of jurors from outside the province who work in the industry; and people are actually quite giving of their time. We also jury our new media program. Now on the feature film main program, all the scripts are sent out to readers; because we do not do creative assessments at all inside the agency, and I think that's something you really want to think about, because it's very hard. It's very subjective. You're a very small staff. So, one person is now responsible for picking scripts. It's very difficult. People have different interests and different genres, so it's hard. So, we never, ever make a creative decision internally, other than, you know, non-pornographic sort of standard things; but now with feature, because feature films are so hard, and the competition is fierce to get it out to the marketplace, we now go out to readers with the scripts, to really good people in the country who read and give us back very detailed notes. So, you might want to look at a combination of your programming.

Q RICHARD LAWRENCE: How do you ensure confidentiality when you do that? Like how do you ensure that --

A CAROLE VIVIER: We don't send their names, so the name of the filmmaker. When people are jurying them, they I don't have the company name or the person; and they also sign confidentiality agreements.

Q RICHARD LAWRENCE: So, they have to do that?

A CAROLE VIVIER: Yes, and I go to people that I know, as well.

Q RICHARD LAWRENCE: Because some of those juried projects and so on can be -- the last thing that the producer would want is for the entire country to know that this is something that's being considered right now in this place.

A CAROLE VIVIER: People are aware, people know they go out to juries. People know, when they apply on the feature film side, it's going out to readers. It's not a jury; that's different. On the feature it's just a reader's report. So, we're getting feedback from people in the industry on the script itself. That's the first stage. They don't make the decision to fund. That still comes back to us. So, we have had the creative evaluation done, and then, we look at the other pieces. So, we make the

decision ourselves to fund. It's not a jury process. The only thing that we actually use for the jury is the low-budget feature, because we 100 percent fund that, and new media, because new media is a really tough area.

C RACHEL GRANTHAM: I guess I would say juror/evaluator is what I'm talking about.

C CAROLE VIVIER: Yes, you can use different names. That's for film; and on the sound recording side all the music is juried. So, everything we fund for music for demo or album or CD, they have to now go through a minimum of two juries unanimously. So, it is first evaluated or juried by peers.

C DIANE JANZEN: Moving on to professional staff functions, and I know there was a lot of concern about the amount, the numbers. Another issue was whether the Film Commissioner should be separated from the CEO. I think the most important thing here is to look at the fact that we need to deliver the function, however many people that is going to take. So, the key position is chief executive officer; and I have recommended that the Film Commissioner be together, because I think you need that Integration. With the size of the community, that's a strong recommendation for the Yukon, and you have to decide whether you want to go with that. Locations delivery, whether contracted services, but there are certain day-to-day functions internally that have to be done, film development programs. So, we've got five or six new programs recommended here. Somebody has to deliver them. Sound recording the same thing, and then, administrative and financial assistant.

One of the things that's interesting about moving an organization outside of government is all of a sudden you're costing the paperclips; because what ends up happening is when you're inside government there's a whole other finance and administrative guys are doing various things for you. All of a sudden you're it! You're doing all of it right to the bottom; and I think sometimes what lands up happening is underestimating in terms of the demand that that takes. I'm not suggesting this structure at all. The great fear that I would have is if you're going too lowball, your CEO is going to come in; and in six months they'll be back at the government, saying, "I don't have enough," and you don't want to be in that position. So, I very much listened to the concerns about the number of positions, and we can have a good discussion about it. What I want you to do is to get the kind of infrastructure you need to do a good job, and that's sort of the minimum. I will open that up for discussion.

Q RICHARD LAWRENCE: Can we also tie in that last point with the first point? In other words, we, as the Steering Committee, discussed, as well, the number of positions. We also discussed the roles and

- responsibilities of those positions. What I would like to see discussed is whether they should be government positions, in other words, handled through the PSC, or whether they should be contracted out.
- A DIANE JANZEN: They should all be contracted out. None of these positions should be government-classified, not a single one.
- C CAROLE VIVIER: It's a private corporation you're setting up.
- A DIANE JANZEN: It's all private, yes, it's completely private. They're not civil bureaucrats at all, not a single one of them is. In fact, one of the limitations you have with the CEO, and I saw this internally, is that unfortunately for you and fortunately for them, they come at a premium; and you've got to pay what you've got to pay to get a good CEO, you just do, and they don't come cheap. What ends up happening is sometimes the government classifications will say, "It has to manage 'x' pieces, and it has to have these functions that will fit into that classification", and it's kind of like a round hole in a square peg, and it doesn't work. This gives you the freedom, because none of these people are government, none, to go out there and get the right kind of people at the industry standard.
- C TINA SEBERT: I just think that it's really important, having worked within government, trying to do that. I know the challenge of trying to get the right salary if you want certain roles. So, that's very important.
- Q DIANE JANZEN: Comments on staffing.
- A ROB TOOHEY: Not knowing the internal workings of the Yukon Film Commission as it stands now, there are a whole bunch of days when the phone doesn't ring on the locations end of it, and there are a bunch of days where it rings once. That as a stand-alone person, I just don't see that as being necessary. If that position was combined with another position there, one would hope that that person would become overworked and would be contracting out to locations professionals, and we would share in the wealth.
- C DIANE JANZEN: You could nominate these two.
- C CAROLE VIVIER: And your admin person, too.
- C DIANE JANZEN: Yes, although you need to talk about --

- C MARK HILL: No, you can't, no. you could mix sound recording and admin potentially, although as I understand RAIYA wants the sound person to be the fundraiser, which might come back to the CEO.
- C TINA SEBERT: My understanding of what Mark Smith said in the meeting, and I hesitate to speak for him, --
- C DIANE JANZEN: Mark's back, let's go and get him.
- C TINA SEBERT: -- he was quite clear. He said that he did not want a sound recording person. What he wanted was the CEO to deal with the funding allocations for sound. Maybe we can get him back in here, and he can clarify that.
- C DIANE JANZEN: I will be very honest about some of the things I've heard. Be careful about how thin you put that CEO, because that person is the face of this whole organization internationally; and they are going to be travelling, there's no doubt about it. I'm not sure you want that person in program administration. You want them in management, because they're dealing internationally and nationally. They're dealing with government. They're dealing with the board. I know it is a smaller industry; but when I started to write down some of the potential things that were being thought of as being attributed to the CEO, and I saw them burned out in six months. I'm not sure they can do all that stuff, because they've got a big job, and you want them doing the right stuff. I'm not sure you want them there, doing project assessment type of stuff. I open that up just as a caution, knowing that certainly we would like to reduce the number of positions there. I'll open that discussion up. We're talking about sound recording, how you see that shaking out in terms of staff.
- C MARK SMITH: I'm sort of sitting in the middle of the road now, and it's going to be resolved when Carole speaks, I suppose. My initial reaction was that it was ludicrous to have a sound/programming person hired at 40/50,000 a year to administer \$100,000 of programming. That doesn't cut anybody's mustard. My suggestion was that was the reason for the suggestion that the CEO and the Film Commissioner be separate, inasmuch as all these little things, plus growth; what a CEO would be doing with the sound programming, administering the money, administering the film money, (not the film programs necessarily, the Film Commissioner would do that), looking after print and media, doing the communications and the government linkages.

Now, this is the CEO: Going out and finding and identifying the qualified jurors, (your expert panels, including recruitment and replacement), human resource investment strategy, professional development, all those

things would be under the purview of the CEO. The Film Commissioner would take their 900,000 and run with the same kind of executive limitations. The Film Commissioner doesn't have to go back to the CEO every time he wants to spend \$12,000; and at the end of the year, the Film Commissioner is accountable for his or her program back to the CEO, who then fits it into the overall picture and does his annual report.

Now, Carole, I think, tends to disagree with me, because she is a CEO and a Film Commissioner. So, I have asked her to address that when it's her crack at the cat.

C DIANE JANZEN: This would be the time, Carole.

5.0 Presentation - The Manitoba Journey and Experience: Lessons Learned Along the Way by Carole Vivier, CEO of Manitoba Film and Sound

C CAROLE VIVIER: Well, being a CEO, I'm ultimately the accountable person to my board and to the government. My job is to hire the staff, but the board hires me, and the board is accountable to Government. So, it's an accountability thing.

What Diane said, for developing and delivering programs, there is a base need of staff you require. Once you have it, you can't look at "It's only a \$100,000 program", because it could be a \$300,000 program, and you might be expanding that.

C MARK SMITH: Well, let's work on that.

C CAROLE VIVIER: I can only speak for Manitoba, and I'm not trying to say, "What you have to do is what we do," because you're a unique community. We were a unique community in Manitoba. It's all relevant to where you're coming from. We are down south, but we have Ontario to one side. We have B.C. We have Quebec. We have the Maritimes. So, we're competing in that whole environment the same way.

We started in 1985/'86. We were set up under a provincial/federal agreement initially for the cultural industries, which is the only one of its kind ever in the country, it was quite ahead of its time, film, publishing and sound recording.

In '87 the agency moved out as a not-for-profit corporation. So, it became its own entity as not-for-profit. It worked with a management committee then. It was a very different kind of structure for about three years. The publishing chose to stay inside, and I think it was a big mistake. The publishing programs became a much smaller image of themselves over

the year, because being in government you can get lost within that; and also, they should have come out with the agency, I think. I think the publishing industry would have really benefited from that.

I took over in 1990 as the CEO. I was running the film programs, but I had no board. There was supposed to be a board put in place, but we had no board up until 1999. So, I operated for nine years without a board, which is really a weird thing to do; but I worked very closely with the Deputy Minister of Culture. We had a very good relationship. So, that was the comfort level for government and for us. It was sort of a unique situation.

In 1999, the agency became a statutory corporation of government, and it's now a nine-member appointed board by government. The chair is appointed by Government, and it's really great working with this board. I really like the board a lot. We also work very closely with the industry association. So, both the film and the sound recording industry associations are critical and now the new media sector, as well.

Being the Film Commissioner, there is an economy of scale. We have a very small budget, as well, for administration. We try to keep it, I say, "We're one-person departments" in our agency, because you try to keep the overhead down so the money is going into the programs. Being the Film Commissioner and the CEO is a real advantage in that when I travel on behalf of the film industry, I can speak to opportunities in co-production for filmmakers. If they're there I attend meetings with them, but I can also speak to people about the Film Commission side when it's just strictly locations as a separate thing. So, wearing the two hats is a value economically. If I had a Film Commissioner and I was a CEO then both people need to travel. It's an extra cost. So, there's a big saving when it's one individual travelling like that. We do marketing trips to Los Angeles every three months. We've evolved with our locations department. Initially it was myself and our receptionist did locations at the very beginning, because it was small. The phones weren't ringing off the hook. We were getting the odd request here and there. So, we worked together on it. Scripts would come in, she would read them and put the package together. We worked developing our library; but at the same time, we worked closely with the industry. So, if people came in, we hired location managers or location scouts to take the person around or go out and shoot the pictures that we needed, helping us develop our library. We've worked very closely with the industry always all the way along, and we continue to do that.

When our tax credit came in in 1997, in 1997 our industry was worth about 17 million a year. After the tax credit it's just started going up, up, up; and as of last March we are at 85 million for the last year, and now we're already at over 100 million this year, and it's only July. The need within

the agency for locations has certainly increased. Now I have a manager of locations, and it's a person from the industry who was a locations manager who has worked big films and is excellent. She actually went on a leave of absence to work on the big Miramax movie in town, because all the locations managers were busy and they couldn't hire somebody locally. So, they asked if they could hire her, and she's gone on a leave of absence. She runs and manages the locations program now. I still work very closely with her, but I can't do that day-to-day. It's an enormous amount of work. There's an assistant working with her, as well. That's how busy we are. We're getting scripts in all the time. So, it's been an evolution to where we are; but initially we did it very small office, and you need to hire people who are multi-tasking who don't go "This is just my job, and I'm not doing that." The agency operates very much as a community if you want. I fax, I answer the phone. That's how we have to operate, because we're extremely busy. So, you kind of want that environment here, as well.

The sound recording program has its own person, because it's really important for the industry to have somebody they can call who is working with them. As the CEO, I couldn't be doing all of that. There's no way. Now it's extremely demanding on my time. I've always had somebody managing the sound recording program even when it was a smaller program without as much money as it has in it today; because it's very hands-on. You're doing a lot of artist development. You're working with them and helping them learn the process. You're working with the industry associations. I need them to be recommending to me, because they need to be speaking with the industry, what's working with the programs, what's not, what do we need to change. And the industry knows they have their person inside the agency who is on their behalf. We do the same on the film side. We have people running the film program now. We've always had a film program person, too. Initially we had one. Now we have a couple of people, but they work film, and they work sound, and they help with the tax credit. So, you kind of have them fitting in all over the place.

Initially, I agree, don't make it too thin; because you'd be surprised how labour-intensive it is to deliver programs, and if you want to have programs that are transparent and fair and accountable and this agency has fiduciary responsibilities, it's government money, you have to make sure you have the right people and the right process in place and guidelines in order to do that. It's a lot of work. Just getting the juries together for the music is a lot of work. Kevin, we have one person, and Walter is in our office, he's extremely busy all the time. So, we kind of share the sound. Kevin goes to a lot of the music industry events, and I do travel to some of them. We can't afford again to have everybody going everywhere, and film takes up an enormous amount of my time, as just

being the CEO does. As a CEO, on the film level, you're working with the other provincial agencies in Canada. We have the Association of Provincial Funding Agencies, and we help to lobby government, the Canadian Television Fund, Telethon Canada, the CRTC; there are a lot of issues facing the industry in the country that you want to always be aware of and participating in. So, you have your CEO hat on there. Then there are times when you're working the film side. So, you need somebody who can be flexible and work different pieces of it.

I think having your CEO/Film Commissioner, locations and film could be together to start with. You can let it evolve and see how it grows, but at least somebody internally answering the phone. It's the continuity that's really important. Sound recording and the administrative person could work with the sound with the film, with locations. It's a small office, and you all have to work together. It will evolve itself as the workload becomes apparent; but I would be very careful in not being too thin.

5.1 Questions/Comments - Carole Vivier

C RICHARD LAWRENCE: I don't think the Steering Committee was so much concerned about the number of bodies. Getting back to Mark's point, it's the proportion of money spent on administrative staff versus the amount of money that goes out to the people they are supposed to be servicing or the programs they are supposed to be servicing.

C CAROLE VIVIER: Yes, but you know, you have to pay people to do jobs. That's just the way it is with anything.

C DAVID PETKOVICH: I have a solution to that. First of all, I would like to see a sound recording position, somebody who's dedicated to sound recording; because otherwise you have someone --

C CAROLE VIVIER: It gets lost.

C DAVID PETKOVICH: -- like a CEO whose primary task will be film, and then, he's do sound when he gets a chance.

C CAROLE VIVIER: Or just being a CEO.

C DAVID PETKOVICH: We risk that, or being a CEO. We risk that problem. Also, in sound recording there is more than enough for someone to do. If it isn't directly administering programs, they could be working on helping artists develop, --

C CAROLE VIVIER: Yes, working with the industry association.

- C DAVID PETKOVICH: -- working with Mark. Mark, you know your workload is never done at the end of the day. There are always a hundred million things you could still be doing.
- Q MARK SMITH: Is there an end to the day?
- A DAVID PETKOVICH: There isn't. So, the simple solution with this inequity is first of all, I feel that \$100,000 is far too shy of what I'd like to see contributed to the sound recording development. We need to increase that. Proportionately that's well less than 10 percent of that overall budget that you've developed. So, I'd like to see that brought up to at least 10-to-15 percent for sound recording.
- Q MARK SMITH: Carole, what's yours?
- A DAVID PETKOVICH: That would increase the administrative importance of that position relative to their salary.
- Q MARK SMITH: What's your ratio in Manitoba?
- A CAROLE VIVIER: It's about the same, because film programs, the budgets are much larger; and they require more money. Sound recording is its own thing. It's not comparing apples to apples. It's apples to oranges. Right now the sound recording program just got a new million dollars from the government. So, the sound recording program now is worth half a million a year in Manitoba. It's a variety of programs. And on the film side, it's now worth about 1.8-to-2 million for film.
- Q DAVID PETKOVICH: About 25 percent, one-quarter.
- A CAROLE VIVIER: Yes.
- C DAVID PETKOVICH: That would seem like a better balance, too, up here, considering the maturity of the sound recording industry relative to the film industry. I think they're running fairly parallel to each other in some respects.
- C CAROLE VIVIER: Yes, I can't comment on how you allocate the budget, because you'll know better what your demand is.
- C DAVID PETKOVICH: We're putting out about 15 recordings a year, and a lot of our artists or quite a few are becoming well known nationally and internationally, as well. So, they need to move up to that next level to move forward, the same as label development. On that note I would have to leave, but I thank you very much.

- C CAROLE VIVIER: That's a really valuable comment. So, I think that you need to have somebody running the sound. I think you need a dedicated person, because they're the advocate then inside for that industry. Film can be very big, and it can really easily suck up all the resources in an agency, because it is huge. It's really important to have the sound, but I think it's really great having the two together; and there's a really great synergy that happens between that. It's spun off now into the industry where both the film industry and the sound recording industry actually share space. Together I help them within the province actually apply to the Western Economic Diversification under the partnership agreement with the province, and we got 1.2 million for the two industry associations over three years that they share for industry development, and each of them develop their own programs within that. I think the Feds have something for the north, as well.
- C EVERYONE: No, they don't.
- C CAROLE VIVIER: Don't they have something north?
- C SPEAKER: No, we're orphans.
- C SPEAKER: That's in Ontario. It's called "Fed North."
- Q CAROLE VIVIER: For Nunavut?
- C DAVID PETKOVICH: We keep talking about the possibility of having one.
- C CAROLE VIVIER: What I found out was as an agency that a co-op in eastern Canada, Atlantic Canada, the provincial funding agencies there were given a million dollars a year between the four to share, and they were going to market some stuff. You know, I'm this little agency trying to go to the same markets out of our own little budget, and they were getting Federally-funded. So, I thought, "Okay, I want to get that out here." So, I went and started talking to Western Economic Diversification for the region, actually western Canada at that time; but I realized that's a really long process. So, I pitched WED provincially on a pilot for the film and sound program agencies; and also, WED can't fund agencies but they can fund associations. I just wanted the money to get to the industry. We were able to get this money for both the film and the sound recording sectors, and they share space now, and they share a person. It's really been terrific. That's strengthening, and government looks to strengthen the industry and strengthen the industry associations. So, for me it's really important that the industry associations are healthy and strong. Initially we funded from the agency both the industry

associations out of our own budget, some money to help them, when government wasn't keen on funding associations. That has since changed. The government about four or five years ago now started funding the industry directly themselves. They both get 50,000 a year from the government, just so you know, to operate. They started out with 10,000 a year, and it's how it evolves. They both now are funded. We don't fund them any more. It's done through the department. They're clients of the Department of Culture, which is better for us; because if we're funding them, we don't want to be the one funding their members and also funding that association. It kind of gives you that bit of a distance.

Q DAVID PETKOVICH: On the budget here you have a grand total of 1.5 million. Currently the Yukon spends 500,000. Is that 500,000 just for the Film Commission?

A DIANE JANZEN: Yes.

Q DAVID PETKOVICH: So, what you're recommending for sound recording, that won't affect -- because right now I apply for artist touring and that through another program called the "Yukon Arts Fund".

A DIANE JANZEN: No, it won't affect it. It's new money.

Q DAVID PETKOVICH: This is brand new money on top of it. Possibly that Yukon Arts Fund could look at splitting out their portion and putting it under to top up what you're recommending here. Instead of going to different agencies, maybe put it under one umbrella. I don't know if that's a good idea or not.

A DIANE JANZEN: I'm not sure.

A BOB SNYDER: Well, it's a good idea. I like it, but --

Q DAVID PETKOVICH: But whether they'll do it.

A BOB SNYDER: Yes.

C DAVID PETKOVICH: We don't want the Yukon Arts Fund now saying, "Oh, well, you've got a touring program under the film industry and the sound recording development program, so we're not accepting applications from artists touring to the Yukon Arts Fund, because you already have a separate fund."

C MARK SMITH: The difficulty with the Yukon Arts Fund is they don't say that "Twenty-five percent of this is designated for sound

- recording.” So, they wouldn’t know how much -- you know, we win and we lose from year-to-year in terms of what percentage of Arts Fund money goes to sound recording.
- C CAROLE VIVIER: You should also be careful with double-dipping, though. Governments don’t like that. We’re very careful. They have different mandates for different things; because if we’re doing the same thing as another government-funded agency, they’re going to go, “Well, that’s a duplication and why are we doing that?”
- C DAVID PETKOVICH: That's right. But I don't want the Arts Fund saying, “Musicians can no longer apply to the Arts Fund, because there is already a program under this to apply for tour funding,” which as a result then this isn’t new funding. This actually becomes less funding, because there’s more money available under the Yukon Arts Fund for touring than there would be in this program.
- C DIANE JANZEN: And sometimes what they do is they have stacking limitations, right? They’ll say, “Sure you can access any number of government sources, but it can’t be over a certain percentage overall.”
- C CAROLE VIVIER: A percentage.
- C DAVID PETKOVICH: That's fine; but just as a recommendation say, “This should be new program funding, not --
- C CAROLE VIVIER: Not taking away from what you already have.
- C DAVID PETKOVICH: Yes.
- C CAROLE VIVIER: Another thing on going back and learning as you went along and what would you have done if you had known different, it’s the training piece right away; above-the-line and below-the-line. We have Film Training Manitoba in Manitoba now that trains a film crew, and they have some above-the-line programs that they have now, as well; and on the sound recording side, they just did a needs assessment within the industry, and they’re starting to get funding to address training needs there. It would have been great to have had these programs much earlier on. So, every film that we have going on now, we have training going on. Since the training program started, we struggled for years with not quite one crew. We just couldn’t get that other crew developed, because you need the film to train the people, and how do you get the film if you don’t have -- like this “chicken-and-egg” we kept being faced with; but having the film program now, having the deeming provision

under the tax credit, it's made the difference now. So, every film that happens we are training, and now we're finishing developing a fourth crew. It happened quite fast. It's also bringing the post-secondary, looking at the post-secondary in high schools. We now have high schools developing film programs, making films within the classroom, doing writing within the classrooms. Post-secondary is now doing things, as well. So, I think bring them into this at the beginning, not later on; like, bring in the education side of things.

C DAVID PETKOVICH: We've been doing that for three years under a cultural industry training trust fund, --

C CAROLE VIVIER: Yes, which is great!

C DAVID PETKOVICH: -- and that's working. Hopefully that remains in place, because that works really well for film.

C CAROLE VIVIER: On the film side; just really focus on that and make sure you're getting that happening at the same time, because again it's a challenge, how do you grow the industry; not being so concerned initially with the offshore production. That's great and you want that to come in obviously and co-productions, but really focus on developing talent here, the production companies, producers, writers, directors so you have these people living here, developing projects; and they'll start hiring because now they're producing. So, the rest of that infrastructure is getting used all the time, as well.

C DAVID PETKOVICH: We have that in the sound recording industry. Locally there are producers, engineers, musicians hired, photographers, layout design; everybody is pretty well local.

C CAROLE VIVIER: Just to give you a snapshot of our activity on the film side, because Mark, you commented about co-productions, but it's not all just co-production. Last year there were 21 projects produced in Manitoba. Eight of those were offshore. Of the balance, nine were actually independent Manitoba-owned projects, and four were co-productions.

This year to date there have been six offshore already; and locally, we have seven independent and seven that are co-production. So, it's an interesting kind of mix. Co-productions are really important.

C MARK HILL: It's interesting, I did a swing through western Canada at the end of April, and of the projects that were a potential for the Yukon, there were eight significant projects that were possibilities as co-productions.

- C CAROLE VIVIER: Absolutely.
- C MARK HILL: There were zero potential projects as independent location projects.
- C CAROLE VIVIER: On that side for sure; and co-production is really important. On the bigger dramas, they're probably all co-productions with somebody from somewhere. It's a really big piece of it.

We've always had a Manitoba policy. So, again develop what works for you here. When we developed our film programs, people in the rest of Canada were really shocked that we had no Canadian content requirement, for instance, with Canadian broadcasters. I said, "Well, why do we care? We care about Manitoba content." So, we developed Manitoba content. So, every time we invested money in a film, they had to meet a certain number of points accruing, and that has changed over the years; because you can't expect them to hire people if you don't have them. What you do know you have, you make sure they are being hired; and then, you build training in. If you do that kind of a swap, you go, "What do we have/what we don't have and where do we need to focus our training efforts?" So, when they get our equity money, Manitobans have to be working, and a high percentage have to be part of that project in order for us to fund it. The same on the music side, and we're very strict with that.

- Q RICHARD LAWRENCE: Can I just ask you a question? What have you done, Carole, through Manitoba Film and Sound to get that number of independent productions up like that? This is sad if Mark can go around saying, "Almost all the productions I'm seeing are co-pro," what's happened to the independents? Maybe there is just no opportunity, right? So, what have you guys done to ensure that there are?

- A CAROLE VIVIER: Well, these are still independent productions. Some of them are co-productions, an independent Manitoba producer co-produces with another company somewhere else; but then, there are companies doing their own projects. It's the strength again of the funding to your independent film industry. It's building the capacity of independent production or sound recording on both sectors in your own community. So, it's not just about the offshore, because offshore goes where it goes for a million different reasons; and people thought, "Oh, you know, you have a 35 percent tax credit. Of course they're going to come." Well, if you don't have a crew base, 35 percent of zero is still zero. With offshore, it's changed a lot over the last few years. There are less MOWs being done. The broadcasters in the U.S. are paying less, so producers now have to deficit-finance way more than they did in the past. So, they

are looking for incentives in the jurisdictions they're going into, and they have the whole world to go to now. The competition is unbelievable. They're only an airplane away from wherever they may want to go.

So, you want to have a very healthy base of independent production of people who live in the Yukon and work here, whether it's co-productions or their own projects; but if we invest in a co-production with a Manitoban and a person from Saskatchewan or the Yukon, we look for the production to take place in Manitoba if we're investing. We need principal photography. The post can go out. Like, we can share it that way, but we've always insisted on principal photography; because that's where you get your economic benefit from and multiplier and the crew working and government sees the activity going on in the community, and you're using your own resources, whether it's grip and light or cars or hotels or whatever it may be. So, we've always had that requirement. We do not invest in a drama co-production as equity that shoots somewhere else. We never have done that.

Q MARK SMITH: Do you ever slide across the line? Let's say there was a location in northern British Columbia or there was a segment that needed to be shot in Skagway --

A CAROLE VIVIER: Oh, they could do it second unit.

Q MARK SMITH: -- and with an all-Yukon crew.

A CAROLE VIVIER: We can do second unit, yes.

Q MARK SMITH: And how about for sound recording, let's say we have Matthew recording at a Brian Adams studio in Vancouver with the Vancouver Symphony; you can't do that here. Would that kind of special recording project by Yukon artists qualify for any kind of --

A CAROLE VIVIER: If they're shooting it in Manitoba or producing it in Manitoba?

Q MARK SMITH: I'm sort of doing the Yukon-Manitoba thing. In your mould if somebody from Winnipeg had to do a session in Saskatchewan, would that not be --

A CAROLE VIVIER: it depends on what they were doing in Saskatchewan. Again on the music side, we're there to develop our Manitoba infrastructure. So, if we're investing money in the recording of that project, we want it recorded in Manitoba. We're not paying for it, because we're there for the broader industry. I guess that's the thing you have to think about, we're not there just for that recording artist. We're

there for the recording artist, the sound recording studio, the managers, the labels, the bigger industry development; and the same on the film side, we're not just there for the director or the producer. We're there for the crew base. We're there for the P.F., the William F. Whites now the Perry Production Centre. We're there to ensure that we have a broader industry being developed, not just an individual themselves.

On the music side because now we have a lot of managers and labels developing there, we are looking at having a pilot program that a Manitoba label producer may have an artist from the Yukon who's under their label that they bring to Manitoba to record. We may invest in that project, even though it's not a Manitoba recording artist, to help develop the portfolio of the Manitoba label or studio. So, we are looking at doing that now.

We have the PIE Program, which is a really great program. I spoke to you about it earlier, with a Portfolio Investment Envelope; and that's to develop the infrastructure. It's money going into the companies now, rather than just the artists, because we do spend a lot of money that way.

Q SPEAKER: I'm just curious how you guys approach the hiring practices. Like you say with training, you train first one crew, and then, a second crew. How is that policed or implemented?

A CAROLE VIVIER: We don't police that, because we have unions and guilds in Manitoba. So, the IFC covers all the film crew, and the DGC covers the other. It's production managers who do the hiring. People always want to hire Manitobans. So, we've never really had an issue with that.

C SPEAKER: Up here, we're predominantly non-union mostly.

C CAROLE VIVIER: And we were for a long time, too. We were non-union initially, as well.

Q SPEAKER: As far as the training goes, because we're so infant right now, so part time, I'm just curious how you kept people involved, as opposed to having them --

A CAROLE VIVIER: They left. We faced that for years. People were home, working; and then, when we were quiet -- because we had lots of times when we weren't busy. We're at 85 million now, but that was over a 15-year period to get there. Even now, as you get bigger, now we have four crews, well that's a lot more production that you need to keep all those people busy; and there are times when it's kind of quiet, and they go off to work wherever in the world, but they do come back. It's

hard. You try to keep enough production so they're not leaving, but it's not always possible to do that.

C SPEAKER: Then your training dollars are going to certain individuals, and then, you're not using them. Say if you just train eight people, and then, you're not hiring out that crew. You're hiring different people.

C CAROLE VIVIER: Well, we've never really had a problem with that. I think people hire from expertise, and the people who have been trained and going through the training are working; and the training is done really very methodically. It's run by Film Training Manitoba. They do evaluations. They really do it properly so there's real training going on.

C SPEAKER: Industry-recognized.

C CAROLE VIVIER: Very, yes, and it's also ability to weed out people who aren't suited to the industry, because it's not for everybody; and also, to then identify those who are working and helping them move on. But the production managers themselves are very good at working together and making sure they keep the crews sort of integrated. You've got to get away from "You have the A Crew and I've got the B Crew." We had that for a long time where we were going from the first crew to the second crew. I'd say, "There's no A or B Crew. They're all a great crew." And we'd talk to them themselves and say, "Break up so you train more people and so people are all getting a great experience, not just one and the other one is not as great. You know, move the strengths around so that you have some people who are learning under people who are really experienced so that you don't have all the experienced here and all the learning over here." You want to make sure that you force that to happen, which is really important.

It's all evolved. We started out non-union. Then it was ACFC, and now it's IFC.

Q ROB TOOHEY: Carole, you said that you had nine independent films commissioned.

A CAROLE VIVIER: Right.

Q ROB TOOHEY: How many companies does that represent?

A CAROLE VIVIER: That represents this year, nine, let me see; eight, and it is a direct result of us having development programs. We've gotten stricter with our programs over the years. Initially it was you

have to understand we were in development, and we were trying to develop the industry to try to move it up. So, you're a bit more flexible with your guidelines initially. Then as it starts to develop more, you start then to tighten it up more. I'm a very big believer in if somebody is a producer and they want a lot of money from you, they need to do the other pieces. We don't fund anything for television if they don't have a broadcaster; because we may as well light a match to the money if it's not going somewhere. We're not the Arts Council. This is a cultural industries development office. It's about entertainment, it's about business and it's about making projects for people to watch, even if that's a small broadcaster or a big broadcaster. So, we fund tiny little projects. We fund really big projects. We haven't gone, "Okay, we're just funding the A companies." We fund everybody who fits into the criteria and does what they need to do to access the funding. There are lots of broadcasters out there now. There are lots of specialty channels, there's e-mail. I think people need to be strategic about what they do, and this might be something under the marketing funds, ideas of being at Banff. The Banff Television Festivals where all the broadcasters across Canada, the specialty channels, they're there, being strategic about being there. Maybe take a group of Yukon filmmakers to use some of the money, set up meetings, letting them pitch; or doing a reverse mission, bringing in broadcasters, if it's for film, broadcasters or distributors if you're looking at feature, into this community, setting up opportunities for filmmakers to meet them, pitch them on their ideas, developing the relationship, because that's what a lot of it is about, and then you develop on from there. But you have to have criteria, and you have to have guidelines, and you have to live by those; because if they're fair and transparent and everybody is treated the same, then it operates well. That's one of the things I'm staunch about. We operate a very fair and transparent process for both the sound recording sector and the film and now new media; because you're only as good as your own integrity, and if people don't trust your system or trust what's going on, it's not going to be of any value. We're not there to just be there. We're there because of the industry. So, it has to work for industry, as well. Again, it's that communication with the associations. We don't make any changes to our guidelines that are fundamental without a lot of consultation ever; because again, why. It's just dumb. We just went through a whole big sound recording review of our programs and we got the new money, and now we're re-developing our sound recording programs but with a lot of consultation with the industry, as well.

Q RICHARD LAWRENCE: How many broadcasters do you have in Winnipeg who --

A CAROLE VIVIER: Licensed?

- Q RICHARD LAWRENCE: No, who decide on their scheduling and programming right there in Winnipeg; in other words, they don't have to defer to Toronto or Montreal?
- A CAROLE VIVIER: One, APTN.
- Q RICHARD LAWRENCE: APTN; not CBC?
- A DIANE JANZEN: Are you kidding!
- A CAROLE VIVIER: Do you know what, let me tell you, we don't walk down the street and have a coffee with anybody either. Everybody in Manitoba, producers, they have to deal with Toronto, as well. All the networks are there, all the decision makers are there.
- Q RICHARD LAWRENCE: So, you don't have any local programming?
- A CAROLE VIVIER: Very little, very, very little; but it's all directed still by national, CBC. We have some tiny, little programs, but not of consequence to anything of any value of money. All these people used to always say to us, "Oh, you've got headquarters of Canwest in Winnipeg." We had Craig's. We had Moffit. They weren't funding locally. They may have given some money for a couple little projects, but it's not going to develop an industry. People had to go out elsewhere. They have to deal with the networks, and now the specialties do a lot. We have a lot of licenses coming now from Showcase or Bravo. There is Lifetime History Channel, Discovery Canada, but they've been hustling that. They've had to go, as well. That's a frustration.
- Q RICHARD LAWRENCE: I don't want to dominate your time on this, --
- A CAROLE VIVIER: That's okay.
- Q RICHARD LAWRENCE: -- but the whole business of talking about productions that are not attached to broadcasters or distributors or licensees of some sort being pretty much a waste of money I think has to be looked at again.
- A CAROLE VIVIER: But where do they go, though?
- C RICHARD LAWRENCE: I know, but the whole point is that distribution and broadcasting in Canada is so stigmatised; and your example of in Winnipeg you have one person you can go to who actually says how the scheduling and programming is going to work here is

disastrous in a city the size of Winnipeg. My point is this is something, too, that could be looked at more carefully in Diane's report. Maybe the model is not exactly as clear as that, that what we have to do is adopt -- because we're even worse off than you are. If you think it's bad in Winnipeg, imagine being here; and you're not even --

- C CAROLE VIVIER: But it's not bad; you don't have the access to the broadcasters locally, but there were 13 projects made by independents and 14 already this year. It's because they have to look outside of the province it forces them to go beyond the province to get the money. I'm going to be really blunt, as an agency responsible for government money and investing it into an industry; we're not the Manitoba Arts Council, we're not funding projects just for somebody to make it and I don't know where it ends up going; government expects us to be investing money that travels. They want to see it on some broadcast or somewhere. We're not saying it has to be the national, primetime CBC always. There are a lot of little projects. It can be SCN. There are a lot of educational broadcasters out there licensing as well. There are lots of other options.

For us to invest money in a project that has no market at all attached to it for production, I don't understand the point of it. Where is it going to go?

- C RICHARD LAWRENCE: I agree with you, but maybe the whole broadcast model ...

- C RACHEL GRANTHAM: What I want to know is how do those people get there. If I phone up WTN and say, "Hi, I want to do an hour-long ..." We've tried to look at children's short -- I've talked to broadcasters. There's no such thing as a half-hour drama, forget it; and this is not even a half-hour. He says, "You've got to be doing something that fits into at least an hour program." Well, if I have very little experience -- as far as I know in the whole Yukon at this point, only four dramas have been made by people who want to be in that career; and they're all short. I can't just say, "Well, we're capable, Richard and I are capable of doing an hour-long drama" without building towards it.

- C CAROLE VIVIER: A lot of times people have co-produced. So, somebody who hasn't got a track record yet, but they have an interesting project, they'll find a producer that has an end to a broadcaster and partner up with them to co-produce it with them in Manitoba. Again it's just getting out. I know it's hard because you're farther away, but looking at opportunities. The Vancouver Festival, looking at who is registered to be there. If there are people who you want to meet with, then maybe it's worth the trip to go and meet with them; or again, looking at the community, bringing people in here so it's not travelling a bunch of

people out, but you're bringing people in so it's to the broader good of the industry. You have an opportunity to meet them and pitch them and run ideas by them; and if you're pitching broadcasters, and they're saying, "Well, I'm not really interested in that," then you need to let that go and find out from them what they are interested in and try to develop something towards that. It really is about building on relationships. It's the face-to-faces, and it takes a long time. I'm not saying it's simple. I know it's challenging; but if you want to be in that industry and you want government to fund projects that are for market, it is an industry, then there has to be some end user to it, whatever that may be. There are educational broadcasters, there are lots of educational broadcasters and distributors; and we have filmmakers making small projects with small licenses, but they still have the market. Maybe it's only 6,000 coming from that broadcaster or five, whatever. At least there's a market for it. We can't fund it if there's no market for it. I mean, I don't know how you evaluate those projects.

- C RACHEL GRANTHAM: Well, it would seem normal that a drama for children, from a child's point of view, a short drama, could be broadcast somewhere in this country. Out of a million-channel universe perhaps --
- C CAROLE VIVIER: There's Tree House, there's YTV. There are children's' broadcasters.
- C RACHEL GRANTHAM: But I checked them. I checked what they require. I phoned them and "No, no, no."
- C CAROLE VIVIER: But if they're not doing them, then you need to look at what are they doing, and then, pitch them on a project that does fit within what they're doing.
- C RICHARD LAWRENCE: I don't want to belabour this, --
- C CAROLE VIVIER: No, it's challenging.
- C RICHARD LAWRENCE: -- but we've been talking about a film industry and a recording industry that is made in the Yukon. Why don't we just say an industry that's made in the broadcast universe out there in a thousand or a million-channel universe? This is where the recording industry has such an advantage over us. A guy can cut a recording, he can go down to CBC and say "Will you play it for me, please," and they'll go "Sure." Or he can go to whoever, there are a few broadcasters here who will broadcast it.

What do we do? We go, "Well, I've got this", it cost a hell of a lot more to produce, and I've got to go the million-channel universe, grovel in front of

them; even Banff is a waste of time these days, because everything is pre-pitched. And you're from where? "Whitehorse, where is that? Is that in Yellowknife?" We have nobody here. In fact, even with CBC North, we have major events that happen. "I'm sorry, we won't have time to cover that. We've got a Yellowknife thing happening" or "We have part-time people. We can't afford to have people working on weekends." It's a disaster. It is really a disaster, and all I can say is if we're serious about independent productions, and I'm not talking about co-productions or bringing in big production money from Outside, I'm talking about local productions; it's almost impossible to do it without special consideration for who we are and the unique situation we're in really.

C CAROLE VIVIER: Again, though, it's very challenging for an agency to try to decide, because you could have 10 projects that want to be funded that don't have any market attached to them at all. How do you ever demonstrate at the end of the day that that was a good investment by them if it's at least not being shown on broadcast somewhere?

C RICHARD LAWRENCE: Career-building is one way of doing it.

C CAROLE VIVIER: But how long do you do that for? Maybe you say out of the funds you have this little piece, but again those are jury projects, and I would say then it's a jury process, picking the projects to fund a couple a year if it's career-building. If people are in the business, they have to be in the business, and the business is what it is. To ask government for this level of money to be doing it, then they want to see that you're working in the industry. I'm not saying you have to have the \$100,000 licenses on everything, but there should be at least some licence demonstrated. We couldn't fund it without it; because to us, then, those are sponsored projects or somebody is getting money from the Arts Council or the Canada Council to make a film because it's a creative expression, but that's not what we were set up to be. We were set up to be an industrial model, and that means it's for broadcast, and we are producing those now. We didn't always have those at the beginning either. It was very challenging for filmmakers initially to get out there, but that's something your CEO should be able to help with, too. They're going to get out there, meeting with broadcasters and trying to stir up some interest in the film community here and get people up here to meet with filmmakers and let them pitch their ideas, maybe think out of the box, work with some of the post-secondary and so some competitions for great scripts or get CBC North to participate with some money from the Yukon and do a competition for great scripts that they co-fund together. There are lots of things you can do to kind of get things stirred up. We did that initially with local CKND, we did competitions for scripts that we got them to partner with us on, and it was just a little half-hour, made in Winnipeg,

but somebody got experience, and it just keeps building from there. So, there are things you can do, but that's something you would use your CEO to help you do, as well.

On the sound recording side, our investment is related to the amount of market that's attached again. We do fund independent projects, based on their ability to market and sell, and it is a different industry, and you can't compare them the same way. Our experience with film is if a film is made without any broadcaster at all attached to it, it's very hard to sell it.

We invest, so we do recoup some of our money back. It's not a huge amount, but we recoup around 10 percent, which goes back to fund other projects; but we start with the idea of recoupment at least. So, projects need to be seen and travelling. I realize it's not the easiest thing in the world to do. Any other questions?

3.1 Questions/Comments - Janzen Presentation (Con't.)

C DIANE JANZEN: Why don't we take the last 10 minutes and look what kind of professional staff structure you would like to see. Maybe Bob, I'll leave you and the Steering Committee to talk about the money aspect. It's sort of the last piece, but I think we're running out of time here.

So, given what your meeting resulted in with the Steering Committee and what you've heard today, I think there are some key decisions that need to be made about the staff functions. I know there were quite a few concerns about the model that was suggested. I think it would be good today to come to some kind of agreement in terms of what you see that model looking like. I think the first big decision is Chief Executive Officer and Film Commissioner together or not. Maybe I'll just open that up in terms of where people are thinking right now.

C MARK SMITH: I would like to open it up out there and hear what's to be said out there.

C MARK HILL: I see problems with splitting them. If your CEO is the person that is representing the organization on policy bodies nationally and internationally, I see big problems with splitting them in terms of the function of a CEO. I think there is a reasonable amount to be gained. I know Carole's track record. We've attended many functions in the same places, and it has worked well there. I think the CEO's position becomes quite fuzzy or the Film Commissioner's function becomes fuzzy if they are not together. I think economies can be gained elsewhere through that function.

C DIANE JANZEN: Anybody else? Is there consensus on that?

C SPEAKER: I agree with staying together. I can see the positives outweigh the negatives there.

C TINA SEBERT: The only thing I'm wondering is let's say when new media goes in there, when publishing goes in there, what percentage of your time would you really be a Film Commissioner?

C CAROLE VIVIER: Oh, lots even now; you need to hire somebody with a high energy level, because it is very demanding. Yes, I do a lot on the Film Commission side, and I spend a lot of time with sound and with film and now developing the new media. Different days you get pulled different ways, but you have to be very focused and making sure you give attention to everything. I manage it, and we're at a fairly high level now with doing all of it. So, I think here you wouldn't have that problem. That person should definitely not have a very difficult time, especially starting out.

Q DIANE JANZEN: So, going with integrated. Going, going, gone.

So, in terms of handling functions: film, sound and locations, administration, I think there was some thought that either some of them are part-time or they're amalgamated, some kind of sharing to look at reducing those down as much as you can to ensure your dollars make it out to the industry. So, film, in terms of handling that, how do people see that shaking out?

A MARK HILL: I would like to see that locations position not be there. Some locations work can be taken on by the Film Commissioner, but as much as possible, it gets contract out.

C CAROLE VIVIER: Yes, for sure.

A MARK HILL: Not as an in-house person either; because in my view, there is not enough here. I think, in my view, we can make better use and be supportive of industry in contracting it out.

Q DIANE JANZEN: Basically now looking at the film development officer delivering these programs, doing some locations stuff, a lot of contracting out; and then, obviously the Film Commissioner role is situated at the above level. What does everybody think about that?

- Q SPEAKER: Would you recommend that there be training for the locations level so we would have a better product as far as locations?
- A MARK HILL: I don't want to go there as part of this, but that is something we can look at. There's a big question around that.
- Q DIANE JANZEN: You guys, yes?
- A MARK SMITH: Yes.
- A TINA SEBERT: Yes.
- A ROB TOOHEY: I agree with that structure.
- Q DIANE JANZEN: Sound recording?
- A MARK SMITH: Well, now there has to be sound recording. Bob is going to put 300,000 in there instead of 100,000. That's certainly justified now.
- C DIANE JANZEN: There was a recommendation for administrative and financial assistance. You're going to have to have some.
- C CAROLE VIVIER: Somebody has to track the money, which is really important.
- C MARK HILL: And a lot of the work related to the board.
- C DIANE JANZEN: Support.
- C CAROLE VIVIER: Another thing with locations when you hire people, I found by doing that, it actually helps you track things better; because when you work with people who work in the industry who do locations all the time, they can help sell it, as well. So, I think it's a great relationship working with them on that, too; and it gives work back out to the community.
- C DIANE JANZEN: How does that look to everybody, CEO integrated, film development, handling indigenous program, plus some locations work; the rest is contracted out, sound recording, admin and finance?
- Q LUKE SMITH: Who's going to answer the phones?

- A DIANE JANZEN: Admin.
- A MANY SPEAKERS: Everybody.
- C DIANE JANZEN: I proposed a five-person structure. This is moving it down to four. If you go anywhere, you're moving it up to five again if there's an appetite for that.
- C LUKE SMITH: I thought this was supposed to be about jobs. If you don't have the same value about sound recording and getting Outside money to come and impact on Outside jobs.
- C DIANE JANZEN: When I did some local assessment here, I think that your sound recording is per capita stronger than many other provincial jurisdictions.
- C MARK SMITH: It's stronger than anywhere else in Canada.
- C DIANE JANZEN: Because you've got such possibility on the sound end; the singer/songwriter, traditions, you have people here --
- C CAROLE VIVIER: Labels.
- C DIANE JANZEN: Labels.
- C SPEAKER: Two labels.
- C DIANE JANZEN: Actually the sound recording industry here is ahead of its time, and I think it has great potential. Sure you can drop it off if you want, but I think it's got really big potential, and it would be a real shame to miss it.
- C LUKE SMITH: That's terrific. I don't know where we are in our group. This is new for film. If we left the sound out of it, we would be working towards what we're after here, building the film industry. If we eliminate sound, we will eliminate a person and we won't have to pay for their duties. There are already too many, a five-person structure. Perhaps it's just timing.
- C DIANE JANZEN: I think one of the things that happened at the beginning of the process, and I really hope that fear has been allayed, is the addition of sound recording does not dilute from the film end. It strengthens it. It's a huge advantage moving the two together. I think one of the biggest shames nationally is really a fairly pathetic

approach by most provinces to the sound recording area. The ones like Manitoba -- well, Alberta does label support, as well, and Ontario does a number of different approaches, those are the provincial levels to look at. These other approaches where the sound recording industry is managed off the side of somebody's desk in the Arts Branch someplace is not capturing it. If you take a look at some of the stuff coming out of Canada, Canada has a stronger sound recording industry actually than it does a television industry. Look at the strength of the industry and some of the people who are coming out of Canada. You could decide to do it and save yourself a few bucks, but I think you're giving up a great potential here.

C LUKE SMITH: Maybe we can't afford to do it at this time. I'm just asking whether or not we are going to have to give more dollars. Anything that goes away will not help our film industry. We could lose somebody off that board. We could lose the time and responsibilities of other people who aren't involved to drive our industry. I'm asking is it worth it.

C CAROLE VIVIER: I would say it is absolutely worth it, because I think it strengthens -- first of all for government I think, you know, it's really interesting for them to look at the two sectors together. The sound recording industry, you have musicians who are recording CDs. They're going to go on to make music videos. They're going to hire filmmakers from here to make those videos for them, hopefully hire directors to direct them for them. You can do a really integrated approach to those two pieces. You have an opportunity for scoring for film on the music side; and by having an industry here that is really developed the way your sound recording sector is here, there's also leveraging. The government looks at leveraging other dollars, as well. So, if you have two labels here, that will have direct board approval to Factor, which is a Federal funding body for sound recording as Telethon is for film. So, they're accessing those Federal dollars to come back into the Yukon when they're producing records. Governments look at their money and how they lever other dollars, as well, from private sector and Federal money.

C LUKE SMITH: Well, it's happening now, it's just not happening to the film industry.

C CAROLE VIVIER: What's happening on the sound recording side is a good-news thing. By them investing more money into the sound recording stuff, they may leverage even more money; and then, hopefully on the film side, with their commitment to investing this money into projects, you're going to lever some of that money, as well, back in; and sound recording actually does create jobs, and they do have an

- economic impact on the industry. It's just not measured in the same way as you see film, but they certainly do.
- C SPEAKER: Just to backtrack here, if we're going to invest time and energy into sound, I would say locations then, too. That is a big job. I feel locations should be reworked, as well.
- C DIANE JANZEN: Yes, and the CEO will be very actively involved in that.
- C SPEAKER: I thought we agreed to strike locations.
- C CAROLE VIVIER: That's covered off with your CEO and your administrative person, as well.
- Q SPEAKER: They would be able to do that without too much work for the CEO?
- A CAROLE VIVIER: You have other staff there that are going to help the film person. They are going to also do programs but also lend some support to locations. The Film Commissioner is going to be the one who is selling, and then, you're also going to utilize the locations resources you have in the community to top that up, so building on the strength, what you have in the community already working on locations.
- C SPEAKER: I misunderstood. I thought it was simply contracting it out.
- C DIANE JANZEN: Oh, no.
- C LUKE SMITH: I think what I am recommending for structure is if the sound recording industry could be somewhere else in government, the same dollars; but would look at structure. They would still be able to achieve some of the goals, have a three-person board, a three-person structure.
- C MARK SMITH: I think you're going to end up with an overall smaller structure. One of the things is the cross-over that Carole talks about. We also have lots of our artists or RAIYA members who are working in the film industry as sound technicians and what have you. We've got an artist doing a co-pro with Andrew. So, there are those cross-over things. If you segregate them, you stop presenting some of those opportunities; and if you just take the 100,000 proposed for sound recording out of this structure and that proposed job position for someone to administer it, then that little separate pot sits there, and I can guarantee you that I'll chase the ass off any film money that happens to be hanging

- around. I'd much rather work with the industry than have to fight with people for development of people who are really like brothers and sisters here, and it's not a union thing.
- C LUKE SMITH: That's how I make my money. If you are successful and if you go after film money and get film money, I want to work for you. The more success that you have and Richard has and anybody in this room would have in the film industry, I get to work more often. I get to show up for more days.
- C MARK SMITH: That's right. So, we have a common goal. I want to increase the amount of music videos made by Yukon filmmakers with Yukon artists. That's work for people in this room, not just our artists. So, I don't think we're at odds here. I say strongly I don't think we're diluting the focus.
- C ROB TOOHEY: I agree with you, Mark. Several weeks ago we came out and said we're in favour of sound recording. I don't see anything wrong with it. I think it's kind of exciting.
- C MARK HILL: Yes, we're clearly not competing for staff time, and I don't think we're competing for dollars either.
- C DIANE JANZEN: No, when I looked at developing dollars, it's not like I said, "Here, the pie is this big, so let's chop it up." What I did is I went through it program-by-program and looked at what I could put in there and added it to the bottom. There will be some changes as a result of this. So, I purposely didn't look at it as competing, because that's not a healthy way of approaching the industry at all. I just think it's an advantage. As I mentioned, many provinces are very weak in this area, extremely weak; and you have an opportunity to actually lead in this area.
- Q SPEAKER: One thing on there I don't see any avenues for technicians, the lighting guys, et cetera, the carpenters. Where would they fall under the representation there?
- A DIANE JANZEN: In terms of getting work?
- Q SPEAKER: No, like with sound recording, you were talking about having a member on the board and hearing their concerns, is that correct?
- A DIANE JANZEN: Right.
- Q SPEAKER: Is there any place for technicians there, or is this the wrong place to have this brought up?

- Q DIANE JANZEN: Are you part of the industry association?
- A SPEAKER: Yes, I am.
- C DIANE JANZEN: Because it should be represented by the association, right?
- Q SPEAKER: Maybe I'm off there. I thought this was paid positions here that we're looking at.
- C MARK HILL: This is the staff within the organization. This isn't the Board. This is staff.
- C SPEAKER: Sorry, I thought it was the board.
- C DIANE JANZEN: No, the board --
- C SPEAKER: It's okay. That's fine. I'll ask questions later and find out.
- C DIANE JANZEN: I'm going to leave any final comments, because we need to cover off the financing side if we could. The Steering Committee can look at some recommendations for shifting monies. The point on the financing is that while I think it's important to come up with a bottom line in general allocations to, say, film or sound; that the board should really retain the ability to move money in between programs depending on take-up, because you really don't know.
- C SPEAKER: Yes, and we do that.
- C DIANE JANZEN: It's a real flyer to figure out where is the uptake going to be and attach it to one of the programs. I would keep the commitments to the sectors, but the ability for the board to reallocate between programs, that needs to be within their purview.
- C MARK HILL: Can I just make one more comment for the record, and that is the allocation of 175,000 that currently exists in the Film Incentive Program was never designed or intended to be a be-all and end-all in terms of the amount of annual funding. It was, "Here is a starting amount so you have some money", and if you exceed this, the expectation and the understanding always was that if they exceed that but had success, they were able to come back to management board for money, not speculative, saying "Here's another project, but we can't cover it off. Here's what it's going to bring to the Yukon." So, I would just like to ensure that however this is budgeted out, when it comes to looking at the

dollars for the Film Incentive and Co-production Programs that that is recognized in some way. Otherwise we're going to handicap ourselves, turning away series and all kinds of other things. I just would like to ensure that that gets grandfathered in.

C DIANE JANZEN: Yes, it's built into the recommendation in terms of the ability to go back. I think what you would want to see over a longer period of time is a consistent level of funding that you get that's reasonable so that you're not operating and are very unsure of the context. That is built in. I think it sort of fell by the wayside not, but it should be reinstated.

6.0 Closing Remarks and Next Steps by the Yukon Government and the Yukon Film Commission Review Steering Committee

C BOB SNYDER: I wouldn't mind reconvening another meeting with whoever can attend just to do with the financial. There are a lot of things that we have to consider that are out there that would impact on exactly how we set it up. If we move it out, the new corporation has to rent space, pay utilities, all those things that are not in the budget. How we actually set it up will impact on the budget, as well, and I think at some point in time, that would be my offer, that we organize a group, look at the programming and changes and look at the numbers a lot closer and come up with something. We're not going to be able to do that today.

C DIANE JANZEN: I did build in some money for operating, for O & M.

C BOB SNYDER: Well, you need O & M. You need some start-up.

C MARK SMITH: I would like to see, though, that given the directions you have today, when you go now to the last stage of your final report, that you take another look at your budget; and then, we react to the changes in structure and format and that Diane shift her budget around to reflect the changes as suggested.

C BOB SNYDER: Well, we'll feed into her with some numbers maybe and stuff like that.

C MARK SMITH: Yes, sure, and then, we sit down.

C BOB SNYDER: Good.

C DIANE JANZEN: Thank you very much for your active participation. The next steps here are that I will be taking this advice away

and adjusting the report accordingly and sending it out to the Steering Committee, and then, what you have to do is decide how you're going to take that back out to your industries. I think the strong sense is there needs to be a buy-in at the industry level so that this goes up to Government, that they see it as reasonable and supported and be able to sell it up the line so we've got a true partnership developing here.

Thank you for your time and for your participation.

- C BOB SNYDER: If we could do our budget feed-in to her before we get this redrafted report, then you've got something more final to consider, as well. Maybe next week sometime.
- C DIANE JANZEN: I've got some sense on sound and stuff, and we'll put something in and go back and forth.
- C MARK SMITH: Maybe we can run this through the e-mail mill.
- C BOB SNYDER: Actually, we could.
- C ROB TOOHEY: Diane, I would just like to thank you and Carole for a wonderful presentation today.

Action #8: Bob Snyder will work with the group via e-mail for feedback on the budget.

(Applause for presentation & Bob's apology for lack of lunch)

The meeting concluded at 1:55 p.m.

Action Items Summary

No.	Description	Page
1	Rob Toohey will provide Dan Campbell's comments to Diane Janzen.	25
2	Diane Janzen will look at enhancing resources in the filmmakers fund area.	34
3	Mark Hill will provide the National Film Board's phone number to Rachel Grantham.	35
4	Diane Jansen will re-examine funding aspect for label support and bridge financing.	38
5	Carole Vivier will pass on the information on the partnership with Industry, Trade and Mines for cash-flowing tax credits to Mark Smith.	40
6	Diane Janzen will clarify definition of "event and festival support".	43
7	Diane Janzen will include ongoing board development and strategic planning in the operating section of her budget.	57
8	Bob Snyder will work with the group via e-mail for feedback on the budget.	100

* * * * *