



ESTIMATES

National Film Board

**2000-2001
Estimates**

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

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Available in Canada through your local bookseller or by mail from Canadian Government Publishing (PWGSC)
Ottawa, Canada K1A 0S9

Telephone: 1-800-635-7943
Internet site: <http://publications.pwgsc.gc.ca>

Catalogue No. BT31-2/2001-III-5

ISBN 0-660-61145-7

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**2000-2001
Estimates**

**Report on
Plans and Priorities**

Approved

Minister of Canadian Heritage

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SECTION I: MESSAGES

A. MINISTER'S MESSAGE

The overarching objective of the National Film Board is to produce and distribute audio-visual works which provoke discussion and debate on subjects of interest to Canadian audiences and foreign markets; which explore the creative potential of the audio-visual media; and which achieve recognition by Canadians and others for excellence, relevance and innovation.

Canada is comprised of people from all origins and cultures of the world, and they represent our wealth. Our values — respect for the individual and individual choices, for diversity and diversity in our experiences — need fertile ground to ensure that our diversity is a source of strength for Canadian unity and identity.

The Department, agencies and Crown corporations that make up the Canadian Heritage portfolio have the task of creating a favourable environment to encourage and promote the participation of each and every Canadian in the full national life of Canada.

The Canadian Heritage Portfolio, including the National Film Board, is proud of its role and its work with its many partners in contributing to Canada's prosperity.

Sheila Copps
Minister of Canadian Heritage

B. COMMISSIONER'S MESSAGE

The plans of the National Film Board for 2000–2001, in terms of those aspects of our work visible to the public, are characterized by a concentration on the opportunities offered by the Internet: as a medium for new forms of creativity; as an avenue of access by Canadians to the wealth and diversity of Canadian expression contained in our film collection; as a window for the rest of the world on Canadian stories, voices and images.

Internally, the Internet is also a focus as we position ourselves to take advantage of the opportunities the digital revolution presents to reduce the impediments of distance and cost in our production processes, to develop streamlined administrative tools, and to link our employees from coast to coast and in both official languages in ways which were never possible before.

In keeping with the goals expressed in the Speech from the Throne, the NFB intends to maintain its position as a leader in the adoption and use of new technology in the service, as always, of our mandate to interpret Canada to Canadians and the world.

Sandra Macdonald
Government Film Commissioner
and Chairperson of the National Film Board

SECTION II: OVERVIEW OF THE NATIONAL FILM BOARD

A. MANDATE, ROLES AND RESPONSIBILITIES

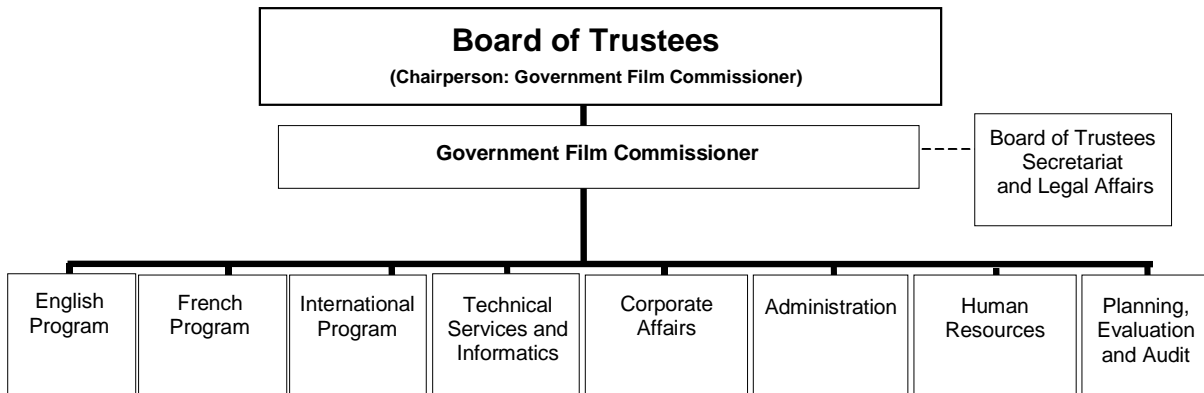
The National Film Board of Canada (NFB) reports to the Minister of Canadian Heritage, who is responsible for administering the *National Film Act* governing this public audiovisual production and distribution agency. Pursuant to the Act, the NFB is established to initiate and promote the production and distribution of films in the national interest and, in particular,

- to produce and distribute and to promote the production and distribution of films designed to interpret Canada to Canadians and to other nations;
- to engage in research in film activity and to make available the results thereof to persons engaged in the production of films;
- to advise the Governor in Council in connection with film activities; and
- to discharge such other duties relating to film activity as the Governor in Council may direct the Board to undertake.¹

In line with this mandate, the NFB has adopted the following mission for the coming years: “to produce and distribute audiovisual works which provoke discussion and debate on subjects of interest to Canadian audiences and foreign markets, which explore the creative potential of the audiovisual media, and which achieve recognition by Canadians and others for excellence, relevance and innovation.”

¹ R.S.C. 1985, c. N-8, s. 9. The Act also empowers the NFB to “represent the Government of Canada in its relations with persons engaged in commercial motion picture film activity in connection with motion picture films for the Government or any department thereof.” However, this responsibility was transferred to the Minister of Supply and Services by Order in Council P.C. 1984-6/2565.

Organizational Structure



B. AGENCY/PROGRAM OBJECTIVE

The objective of the agency, and of the program, is to produce audiovisual works that reflect Canadian realities and perspectives while innovating in various aspects of filmmaking, and to distribute and provide access to these audiovisual works.

C. EXTERNAL FACTORS

Public policies – The NFB is directly affected by various aspects of public policy, which have an impact on the management of its resources and activities. Decisions regarding the production, broadcasting and telecommunications industries all affect the NFB, as do decisions related to the government's fiscal objectives, labour relations practices, language policy, accountability regimes, and so on.

Changing markets – The development of cable networks and deployment of new communication satellites favour the growth of specialty television services, thus creating new outlets for NFB films. On the other hand, the resulting audience fragmentation pushes down the licence fees the NFB receives from broadcasters.

It is harder for the type of films the NFB produces to fit into conventional broadcasters' schedules or even to find a place with specialty services since they tend to prefer series, dramas or custom-made programming. However, the development of the Internet provides the NFB with a new means of promoting and selling its films to consumers, institutions and businesses.

Lastly, new consumption methods with regard to audiovisual products, the focus on ratings, competing programming schedules, changing trends in the supply of audiovisual products, and the extent to which different countries are open to foreign productions are all factors that could influence the NFB's distribution activities and revenues.

Technological environment – By converting from film-based technology to electronic production and distribution, the NFB is able to reach more diverse audiences through a variety of more widely accessible means such as videocassette, DVD, CD-ROM and the Internet. At the same time, broadcasters are preparing for the shift to digital television, which will require many changes in the industry's technological infrastructure in the coming years. The NFB has primarily aired its productions on conventional networks and specialty services but must now ensure that its productions are compatible with the technologies, formats and content of tomorrow's digital television.

In switching from film as its production and distribution medium to a rapidly evolving technology, the NFB will have to constantly adapt its human, technical and financial resources to the changing technologies and audiovisual production and distribution methods of this new environment.

Partnerships – Although its role as a public producer and distributor makes it different from private businesses, the NFB is nevertheless a specific and essential part of the film industry. To carry out its mandate, the NFB relies on in-house creative, operational and administrative resources as well as hiring freelancers and working in conjunction with public- and private-sector production and distribution partners. It sometimes joins with private-sector co-producers in Canada and other countries to make its films. It may also work with private and public broadcasters in Canada and abroad to produce and/or broadcast its films and, on various occasions, with partners in the public sector (public and school libraries) and private sector (distributors, cataloguers, exhibitors, video retail outlets, etc.) to distribute its films in Canada and internationally.

D. PLANNED SPENDING

Table 2.1: Agency Planned Spending

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Budgetary Main Estimates**	68,445	68,518	68,518	68,518
Less: Respendable revenue	8,900	8,900	8,900	8,900
Total Main Estimates	59,545	59,618	59,618	59,618
Adjustments	2,430			
Net Planned Spending*	61,975	59,618	59,618	59,618
Plus: Cost of services received without charge	25	18	17	17
Net cost of Program	62,000	59,636	59,635	59,635
Full-time equivalents	490	490	490	490

* Reflects the best forecast of total planned spending to the end of the fiscal year.

** Includes statutory appropriation of \$375,000.

SECTION III: PLANS, RESULTS AND RESOURCES

The NFB comprises a single program, whereby it produces audiovisual works that reflect Canadian realities and perspectives to Canadian and foreign audiences. The planned spending, full-time equivalents and objective of this program are presented in Section II above.

A. NATIONAL FILM BOARD PROGRAM DESCRIPTION

The NFB is a cultural agency reporting to the Minister of Canadian Heritage. It is administered by a Board of Trustees appointed by the Governor General in Council and chaired by the Government Film Commissioner.

The NFB is an integrated producer-distributor which develops, writes, shoots, finishes, promotes, markets, sells and distributes film and multimedia products. Its main production and distribution centre is located in Montreal but it also has offices in Halifax, Moncton, Toronto, Winnipeg, Edmonton and Vancouver and maintains offices in Paris, London and New York for the international marketing of its products. To deliver its Program, it uses in-house staff and freelancers and also works with public- and private-sector production and distribution partners when necessary.

Although it is autonomous and traditionally has an arm's length relationship with the government, this public film institution contributes in various ways to Canadian cultural policy objectives by producing socially and culturally relevant films, providing Canadian audiovisual materials for the educational sector, directly supporting various Canadian government initiatives at home and abroad, conserving and promoting access to Canada's rich audiovisual heritage, supporting new filmmaking talent, promoting the development of regional and diversity cinema, forging strategic alliances with the private and public sectors, promoting Canadian culture abroad and encouraging research and experimentation in communication technologies.

As a public producer, the NFB ensures that Canadian realities and imagination are interpreted through films that are of high quality from a cinematographic point of view, that permit innovation and artistic and technological advancement, and that address both major social issues and different aspects of daily life.

As a public distributor, the NFB ensures that the films it produces reach general-interest and niche audiences through distribution circuits and networks best suited to its mission and that its heritage audiovisual collection is preserved and made accessible by means of advanced technologies.

As a public agency, the NFB ensures good governance of its activities and resources by providing conditions that encourage creativity, productivity and accountability in its staff.

B. KEY RESULTS COMMITMENTS, PLANNED RESULTS, RELATED ACTIVITIES AND RESOURCES

First Key Results Commitment

To produce relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.

Planned Results

- Programming reflects Canada's linguistic duality and cultural diversity;
- Programming consists of films and other audiovisual works on relevant subjects of interest to the general public and/or niche audiences;
- Innovative and experimental projects are developed in new media and interactivity;
- The NFB exploits the rich audiovisual heritage it conserves and provides access to.

Related Activities

- Consolidate and intensify programs to support audiovisual works by first-time filmmakers;
- Continue the Aboriginal film programs in the English and French production units;
- Assign certain studios specific responsibilities and objectives for the production of works by diversity filmmakers;
- Produce a body of films on major social issues, such as work and the workplace, the world of science, the environment, health and bioethics;

- Develop and produce films and other audiovisual works on a variety subjects, including social issues, cultural diversity, popular culture, Canadian lifestyles, nature, arts, history and portraits of Canadians;
- Develop a body of educational works for children and young people in the form of documentaries, dramatic shorts, animation, interactive productions, play books and other multimedia productions;
- Implement a major bilingual website on the history of Canada;
- Incorporate Internet and interactive tools (DVD, CD-ROM) into film production;
- Continue the transition to digital technology in all areas of film activity;
- Develop new projects in the *Mémoire* collection in order to provide tools to help people learn about their film heritage;
- Develop new products, sets and thematic compilations from the collection.

Resources

Table 3.1: Actual and Planned Spending for this Commitment

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Production	41,663	39,518	39,518	39,518

Second Key Results Commitment

To optimize general-interest and niche audiences.

Planned Results

- NFB films are broadcast on national television networks and specialty services;
- Canadian and international customers have access to e-commerce for purchasing NFB films via the Internet;
- Markets are further developed and diversified.

Related Activities

- Focus on television as a means of reaching general-interest and niche audiences, by concluding agreements, partnerships, pre-sales, co-productions and direct sales with television networks;
- Make a special effort to develop new products, sets and compilations from the existing collection for broadcast on existing and future television strands;
- Develop a strategy and website architecture to facilitate e-commerce and delivery of NFB productions;
- Develop communication and promotion strategies suited to the NFB's educational, institutional and consumer markets in order to optimize film sales;
- Continue research on archiving and conservation of the collection, and transfer the collection to a digital medium to make it more accessible;
- Continue research and development on the CineRoute project, which will enable the NFB to offer Canada's first cinema-on-demand service via the Internet;
- Take advantage of the worldwide proliferation of specialty services;
- Develop the educational television market, by:
 - concluding contracts with different American school boards, colleges and universities granting them the right to make closed-circuit broadcasts within the state for educational purposes and to duplicate videocassettes for distribution in schools;
 - making similar arrangements with Brazil and France;
- Develop the in-flight entertainment market, by:
 - working directly with airlines (e.g. Air Canada, Air France) and also with distributors specializing in this field in order to distribute NFB productions to over 80 carriers around the world;
- Develop new territories, by:
 - taking advantage of China's opening up to NFB productions and the NFB's expanding business relations with Brazil and Mexico to significantly increase in sales in these countries.

Resources

Table 3.2: Actual and Planned Spending for this Commitment

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Distribution	13,896	13,800	13,800	13,800

Third Key Results Commitment

To ensure efficient and responsible management of resources.

Planned Results

- Operational and administrative infrastructure is efficient and effective;
- Management focuses on results;
- The NFB is accessible and connected to Canadians.

Related Activities

- Continue with the implementation and integration of computer systems, software, applications and databases for information management;
- Develop performance indicators to measure the extent to which the NFB's creativity, productivity and accountability objectives have been met in its activities and operations;
- Review the NFB's role in the context of the World Wide Web with a view to becoming an interactive centre of creativity and excellence;
- Raise the NFB's public visibility and increase its involvement with the film community.

Resources

Table 3.3: Actual and Planned Spending for this Commitment

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Administration	6,416	6,300	6,300	6,300

SECTION IV: FINANCIAL INFORMATION

Table 4.1: Net Cost of Program for the Estimates Year

(\$ thousands)	
Planned spending	68,518
<i>Plus: Services received without charge</i>	
Workmen's compensation coverage provided by Human Resources Development Canada	18
<i>Less: Respendable revenue</i>	8,900
2000-2001 Net Program Cost (Total Planned Spending)	59,636

Table 4.2: Transfer Payments

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Grants				
Grants in support of significant film events held in Canada, which are of national or international interest as determined by the Board of Trustees	10	12	12	12
Contributions				
To support non-profit organizations working in the film sector and to help promote Canadian cinematography	309	307	307	307
Total grants and contributions	319	319	319	319

Table 4.3: Respendable Revenue

(\$ thousands)	Forecast Revenue 1999-2000	Planned Revenue 2000-2001	Planned Revenue 2001-2002	Planned Revenue 2002-2003
Respendable revenue				
Film production services	900	1,500	1,500	1,500
Print sales	2,200	2,500	2,500	2,500
Rentals, royalties and miscellaneous	4,900	4,900	4,900	4,900
Total respendable	8,000	8,900	8,900	8,900

Table 4.4: Revolving Fund – Projected Use of Authority

(\$ thousands)	Forecast 1999-2000	Planned 2000-2001	Planned 2001-2002	Planned 2002-2003
Assets				
Cash	300	300	300	300
Accounts receivable	4,000	4,000	4,000	4,000
Inventories	700	700	700	700
Prepaid expenses	1,000	1,500	1,500	1,500
Equipment (net value)	14,525	14,275	14,650	15,025
	20,525	20,775	21,150	21,525
Liabilities				
Accounts payable	3,125	3,000	3,000	3,000
Equity of Canada	17,400	17,775	18,150	18,525

Table 4.5: Revolving Fund – Statement of Changes in Financial Position

Appropriation (\$ thousands)				
Authority as at April 1, 2000				25,000
Drawdown:				
Projected balance as at April 1, 2000		17,400		
Total Estimates (net cash requirement)				
Operations		59,243		
Appropriation authority in these Estimates		(59,243)		
Changes in working capital		850		
Decrease in net book value of fixed assets		(475)		
Projected balance as at March 31, 2001				17,775
Unused authority as at March 31, 2001				7,225

SECTION V: OTHER INFORMATION

The Report on Plans and Priorities document is available on the NFB's website:
www.nfb.ca/plans_and_priorities.

LEGISLATION ADMINISTERED

National Film Act, R.S.C. 1985, c. N-8
(most recently amended November 1, 1995)

NATIONAL FILM BOARD OFFICES

Head Office: Ottawa

Operational Headquarters: Montreal

Canadian distribution:

- CineRobotheque – Montreal
- Call Centre (1 800 267-7710)
- Website (<http://www.nfb.ca>)

International distribution:

- London
- New York
- Paris

English production centres:

- Edmonton
- Halifax
- Montreal
- Toronto
- Vancouver
- Winnipeg

French production centres:

- Moncton
- Montreal
- Toronto

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