

National Film Board of Canada

For the year ended March 31, 2005

Performance Report

Liza Frulla
Minister of Canadian Heritage

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SECTION I—MESSAGES

Minister's Message

Minister of Canadian Heritage and
Minister responsible for Status of Women



Ottawa, Canada K1A

Ministre du Patrimoine canadien et
ministre responsable de la Condition féminine

As Minister of Canadian Heritage and Minister responsible for Status of Women, I am proud to present this Departmental Performance Report (2004-2005) for the National Film Board of Canada (NFB) to Parliament and to all Canadians. This report details how the NFB has worked toward its goals and objectives over the past year, and indicates how it has contributed to a more cohesive and creative Canada.



An essential part of the Canadian Heritage Portfolio, the NFB is a unique centre of creative excellence dedicated to increasing knowledge and understanding of Canada's social and cultural realities through distinctive, challenging Canadian audiovisual works. The NFB supports the development of emerging filmmakers, encouraging the participation of talent from Aboriginal and culturally diverse communities.

I am pleased to be able to count on the support and commitment of Crown corporations and Agencies, like the NFB, to help carry out the many responsibilities of this Portfolio, which include increasing the cultural vitality of our communities, preserving our multicultural heritage, promoting our official languages, ensuring equal opportunity, and strengthening and enriching Canada's cultural sovereignty.

Together, we ensure that citizens of all ages can make the most of their creativity, talent and skills, so that our entire society can benefit. Together, we work to make Canada a prosperous country, distinguished by its diversity, cultural vitality, and spirit of innovation.

Liza Frulla

Government Film Commissioner's Message

To Canadians, the National Film Board of Canada (NFB) is an essential component of our culture that bears witness to the distinctiveness of Canadian society by producing and distributing audiovisual works, and making them known here at home and around the world. I often have the opportunity to meet men and women from all over Canada who tell me about their NFB, what it has meant to them in the past and what it means to them now. Beyond such personal remembrances, the NFB has become part of the Canadian landscape by producing and distributing socially and culturally relevant films that reflect our richness and diversity, both past and present.

In my capacity as Government Film Commissioner and Chairperson of the NFB, I am extremely proud of the results we have achieved so far in implementing the 2002–2006 Strategic Plan. We are obtaining tangible results, thus assuring the NFB its rightful place in the industry, in the lives of Canadians and in its public role. In 2004–2005, we concentrated on the following activities: (1) the programming of strong, distinctive and innovative productions that tackle social issues important to Canadians, (2) breaking new ground in creative and technical excellence in animation, (3) expanding our reach into communities, (4) leveraging partnership opportunities and (5) nurturing new talent that expresses diverse Canadian voices and conveys Canadian values at home and abroad.

The shift to digital and high-definition technologies is now well underway. This new reality has not escaped the NFB, which has been preparing for this technological revolution for a long time, in part by establishing beneficial research partnerships with both the academic community and the private sector. In recent years, the NFB has fulfilled its role of spearheading innovation by conducting research on image quality, access and broadcasting in relation to this transition to digital technology.

While the NFB reaches Canadians via television, the Internet, schools and universities, libraries, community screenings, workshops, master classes, special events and storefront mediatheques, we plan to develop an even stronger connection with Canadians. To this end we have redoubled our efforts to make the NFB's films available to Canadians. Last year, we continued to work towards the development of e-cinema in order to put digital technology to the service of Canadians, by creating a new distribution network with diversified content, which can reach even the remotest regions of Canada, and at a lower cost. The NFB's collection of films, its strong digital assets management approach, its knowledge of the Canadian market and high-tech expertise will be a major asset as we, in partnership with the private sector, take a leading role in exploring ways of using this innovative medium to reach audiences across the country.

The NFB looks forward to continuing to build social capital in this country through the implementation of its vision to create and disseminate films made in the national interest. This ambitious course will continue to benefit Canadians by offering them films that better interpret Canada to them and the world. The plan emphasizes training and promoting a new generation of culturally diverse creative talent, contributing to the sustainability and stability of the Canadian film and television industry and further raising Canada's international cultural profile.

Jacques Bensimon
Government Film Commissioner
and Chair of the National Film Board of Canada

Management Representation Statement

I submit, for tabling in Parliament, the 2004–2005 Departmental Performance Report (DPR) for the National Film Board of Canada.

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the Preparation of 2004–2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements.
- It uses an approved Program Activity Architecture.
- It presents consistent, comprehensive, balanced and accurate information.
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it.
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Maryse Charbonneau
Director, Administration

SECTION II—OVERVIEW

Summary Information

NFB's Raison d'Être

Mandate—The National Film Board of Canada's mandate is “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;
- to discharge such other duties relating to film activity as the Governor in Council may direct the Board to undertake.”

Mission—The NFB's mission, as stated in the 2002–2006 Strategic Plan, is “to produce and distribute distinctive, culturally diverse, challenging and relevant audiovisual works that provide Canada and the world a unique Canadian perspective.”

The NFB is an integrated production and distribution organization with an extensive film collection, a conservation laboratory, and postproduction and R&D facilities located at its operational headquarters in Montreal. Its Government Relations Service operates from Ottawa, while its Communications and Outreach Development, Distribution, Business Affairs and Legal Services, Planning, Evaluation and Audit, Human Resources and Administration branches are principally located in Montreal.

The NFB is a unique centre for the creation of audiovisual works. NFB films are produced in both official languages. The NFB maintains production facilities in Vancouver, Edmonton, Winnipeg, Toronto, Montreal, Moncton and Halifax, a production office in Quebec City and two viewing centres, one in Montreal and the other in Toronto.

Benefits to Canadians and to the World

The NFB offers Canadians an innovative, socially committed look at Canadian and world realities. It helps bring individuals in our society together by offering a variety of perspectives that reflect our cultural diversity and richness. The NFB showcases this diversity of viewpoints all over Canada, in theatres, on television, on the World Wide Web, in public libraries and in classrooms. The National Film Board of Canada creates bonds that unite us and bring us together. It informs Canadians about the major social issues of our time.

The NFB encourages new voices by nurturing emerging talents and providing creators with new technological tools. Not only does the National Film Board of Canada foster the emergence and incubation of talents and diversity of content, it is also an essential partner in the Canadian film and television industry. Recognized for its expertise, the NFB provides guidance to its partners through its various activities: producing socially and culturally relevant audiovisual works, distributing its products as widely throughout Canada and the rest of the world as possible, providing access to audiovisual works and developing networks that encourage active citizenship

and life-long learning, conducting research and offering advisory services with the aim of advancing the art and science of filmmaking.

The NFB regularly co-produces films with international partners in order to benefit from new creative input and expand its audiences. It actively seeks partnerships and agreements that promote the pooling of knowledge and raise the NFB's profile. It also distributes its productions in a number of markets and territories. To optimize its business opportunities, the NFB develops partnerships with the holders of major archives. It acquires the distribution rights for many private productions, to the mutual benefit of the NFB and its outside partners. Finally, the NFB works with major international festivals to ensure that its productions are seen in the best showcases here and abroad.

NFB's Total Financial Resources in 2004–2005 (thousands of dollars)

Planned Spending	Authorities	Actual Spending
\$63,682	\$66,876	\$64,910

Note: The summary financial information includes three figures showing:

- Net spending planned for the fiscal year (Planned).
- Net spending planned for the fiscal year, plus additional funding that Parliament decided to grant the NFB in light of changing priorities and unexpected activities (Authorities). In 2004–2005, authorities included additional amounts received to cover special initiatives and programs such as online activities, the IPLOC program, the Canadian Memory Fund, the Spark program and funds carried forward from the previous year. Some funding was withdrawn as part of government-wide reallocation.
- Total net spending for the fiscal year (Actual).

NFB's Total Human Resources

Planned	Authority	Actual
510	510	507

NFB's Overall Performance

Summary of NFB Performance in Relation to Strategic Outcomes, Priorities and Commitments

Strategic Outcomes	2004–2005 Priorities/Commitments	Type	Planned Spending	Actual Spending	Expected Results and Current Status
1. Relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.	1. Make the NFB's overall program more relevant to Canadians today.	Ongoing	\$44,610	\$45,166	See Part III, pp. 22–35
	2. Place innovation at the forefront.	Ongoing			
	3. Champion cultural diversity and Aboriginal voices.	Ongoing			
2. Available, accessible audiovisual works and a brand that is recognized by Canadians and international audiences.	1. Strengthen the NFB to connect with Canadians.	Ongoing	\$12,000	\$12,945	See Part III, pp. 37–48
	2. Establish mechanisms for greater access and dialogue on NFB productions and closer contact with the public.	Ongoing			
	3. Ensure that the NFB's collection is accessible and preserved for future generations.	Ongoing			
	4. Increase revenue from the exploitation of the NFB's collection and optimize sales opportunities.	Ongoing			
3. An efficiently managed organization.	1. Manage resources efficiently and effectively.	Ongoing	\$7,072	\$6,799	See Part IV, pp. 49–55
	2. Enhance accountability, business practices and information systems.	Ongoing			

Note: In keeping with Treasury Board Secretariat guidelines, this table reflects the strategic outcome-based approach, not the new Program Activity Architecture.

Background of the National Film Board of Canada

1. Description of NFB Activities

The National Film Board is a government agency active in the cultural sphere that reports to Parliament through the Minister of Canadian Heritage. The Governor in Council appoints the NFB Chairperson and Government Film Commissioner, and the Board of Trustees.

The NFB is mandated to operate in a number of areas: production, distribution, access, outreach development, and research and advisory services.

In 2004–2005, the federal government, through the Treasury Board Secretariat, proposed that all federal departments and their agencies develop a Program Activity Architecture (PAA), listing their programs and activities. The NFB has therefore developed its own PAA.

The NFB's 2004–2005 performance report is written based on its PAA. The crosswalk and explanations below set out, clearly and concisely, the changes in the reporting structure with respect to commitments and outcomes stated in the 2004–2005 Report on Plans and Priorities.

2004–2005 RPP	2004–2005 DPR (according to PAA)
<u>Strategic Outcomes</u>	<u>Program Activities</u>
1. Relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.	1. Production of audiovisual works.
2. Available, accessible audiovisual works and a brand that is recognized by Canadians and international audiences.	2. Distribution of audiovisual works. 3. Access to audiovisual works and outreach development.
3. An efficiently managed organization.	This result is not reflected in the NFB's PAA; is an outcome that underlies all our activities.
	4. Research and advisory services.

NFB's Performance					
2004–2005					
(\$ thousands)	Activity 1 Production	Activity 2 Distribution	Activity 3 Accessibility	Activity 4 Research	Total Authorities
Planned spending	49 120	491	11 404	2 667	63 682
Total authorities	50 481	491	12 353	3 551	66 876
Actual spending	46 891	1 913	12 325	3 781	64 910

Program Activity 1. Production of audiovisual works (corresponds to Strategic Outcome 1 of 2004–2005 RPP)

Production: Build social capital by encouraging citizen involvement

The NFB's chief mandate is to conceptualize, develop, produce and distribute relevant, distinctive audiovisual works that document major social issues at home and abroad, and reflect the diversity and wealth of Canada's communities for the benefit of Canadians of all ages. Documentary and animated films produced by the National Film Board of Canada use innovative technologies and a variety of production formats. They are tools for furthering knowledge, education, social innovation and citizen involvement. The NFB also plays an important role in discovering, training and guiding creative talents.

Marketing: Motivating Canadians to get involved

To complement its outreach activities, through the marketing of its productions and through its partnerships, the NFB wishes to play a key role in promoting the involvement of citizens in their communities. Marketing means reaching Canadian communities and inviting them to attend openings where they can view and discuss films.

Filmmaker support: Nurture existing and promising talent

By implementing and development programs and projects, the NFB discovers and nurtures talent, consolidates the Canadian film industry and promotes experimentation. Its support for Canadian filmmakers translates into a full range of activities offered across the country.

Technique and innovation: Recognized know-how and a constant striving for excellence

Since its inception, the NFB has been helping develop new audiovisual technologies. The know-how of its technical staff is widely recognized and is the envy of our partners in Canada and elsewhere. Our excellence in this sector enables us to work with many collaborators doing film research, whether in production, distribution or the accessibility of our collection. It also enables us to help new talents acquire the long-lasting expertise essential to their development. We also work with research agencies to advance the art and science of filmmaking.

International market: Opening up to the world

To make the most of international creativity and know-how, the NFB regularly produces films with foreign partners. These co-productions allow us to expand our audiences. The National Film Board of Canada also distributes its productions and acquisitions in many markets and territories. To optimize its business opportunities, the NFB develops mutually beneficial partnerships, including some with holders of major archives. The NFB works with big international film festivals to ensure that its productions enjoy the best showcases both at home and elsewhere.

Program Activity 2. Distribution of audiovisual works (corresponds to Strategic Outcome 2 of 2004–2005 RPP)

Distribution: A growing collection accessible to all Canadians

With more than 10,000 titles, the NFB film collection is distributed through every appropriate distribution channel to reach various clienteles here and elsewhere. Distribution activities include direct sales of the collection through sales agents in Canada, the U.S. and Europe, online stores and a call centre. They also include the acquisition of complementary productions. The NFB sells stock shots and film clips to its film and television industry partners. Its distribution activities help it develop strategic co-operative relationships.

Program Activity 3. Access to audiovisual works and outreach development (corresponds to Strategic Outcome 2 of 2004–2005 RPP)

Communications and outreach: Increased influence, a recognized brand and a collection that will last through time

Communications and outreach activities seek to make relevant media resources available to Canadians, fostering citizen involvement and life-long learning. Some of these activities also involve providing permanent access to the NFB collection and making it more accessible to future generations. Similarly, the NFB is taking the necessary steps to preserve its collection. This access is being provided through its Web site, its screening centres in Montreal and Toronto and its online film library. The NFB is thus promoting access to relevant media knowledge and skills for Canadians. These activities serve to create and maintain deep, lasting relationships within Canadian communities.

These relationships also involve the educational community. The NFB invests considerable time and effort in the form of training workshops or study aids. The National Film Board of Canada also offers master classes in documentary and animation filmmaking to industry professionals, university students and interested members of the general public.

Program Activity 4. Research and advisory services (does not correspond to a strategic outcome of the 2004–2005 RPP)

Under the heading of research, the NFB undertakes and commissions studies, advises the government, offers consulting services, shares knowledge and prototyping, and helps beta test creative outputs and technologies. The aim of these activities is to advance the art and science of filmmaking.

2. Canadian and world audiovisual industry

The audiovisual industry, both in Canada and elsewhere in the world, is facing major challenges.

A changing environment for documentaries

In Canada, as elsewhere in the world, the production, and especially funding and distribution, of documentary films are under significant pressure, despite the resurgence in popularity of the genre, especially in theatrical release. According to *Profile 2005*,¹ documentary films accounted for 14% of CAVCO-certified productions (247 million), a drop of 8% from the year before.

Point-of-view documentaries address crucial social issues. Unfortunately, the genre does not receive the attention it deserves from television broadcasters. Increasingly, producers are turning to public funding, especially for documentaries, so that the average amount of public funding is now close to 35%.²

Given the difficulty of funding such projects, private producers are either giving up on them or entering into partnerships with the National Film Board of Canada so that “creativity, diversity and social conscience are not sacrificed to economics.”³ In this kind of business environment, the NFB plays an important stabilizing role. Indeed, the Government of Canada’s second response to the report of the Standing Committee on Canadian Heritage states: “The NFB has been a key agency for the production and distribution of films and other audio-visual works that reflect the cultural and social realities of Canada.”⁴

The NFB has made point-of-view documentaries a priority because Canadians want to see films that contribute to a greater understanding of issues and varied perspectives.⁵

Reaching audiences in their preferred format: A constant challenge

Ever-increasing choices for our different audiences are making the NFB’s job more difficult than ever. We compete directly with a huge variety of cultural and educational products. This is especially true in the Canadian television market. For some years, we have been seeing audience fragmentation and a crowded market offering an extensive, appealing supply to broadcasters eager to boost their audience share.

Despite this fragmentation and competition, documentaries continue to attract TV audiences, with exceptional documentaries garnering over one million viewers.⁶ These figures clearly show

¹ Nordicity Group, *Profile 2005: An Economic Report on the Canadian Film and Television Production Industry* (Ottawa: February 2005), p. 19.

² Nordicity Group, *Profile 2005: An Economic Report on the Canadian Film and Television Production Industry* (Ottawa: February 2005), p. 20. Funding from public broadcasters not included. When it is included, direct and indirect public funding amounts to 45% of the production budget of documentaries in 2003–2004.

³ Kirwan Cox, Documentary Research Network, *The Filmmakers’ Point of View on Documentary* (November 2002), p. 43.

⁴ Canadian Heritage, *Reinforcing Our Cultural Sovereignty—Setting Priorities for the Canadian Broadcasting System* (Ottawa: 2005), p. 18.

⁵ Canadian Media Research Inc., *TV Audiences and the NFB*.

that the NFB should continue to produce documentaries that resonate with Canadians. The number of unduplicated viewers of NFB productions broadcast on Canadian TV channels in 2004–2005 was over 8.5 million, a slight decline from the previous year. In a strongly competitive business environment, our productions and co-productions have carved out an enviable niche in the midst of the Canadian broadcasting landscape.

To fulfil its mandate, the NFB must also offer its audiences products in a diversity of formats. Digitizing our collection and new productions, which is both a source of infinite possibilities and significant logistical challenges, was a priority for the NFB in 2004–2005. Furthermore, although the NFB is firmly on the path to digital production, converting the Canadian television broadcasting system to this format remains a challenge.

In this context, the NFB takes note of the Government of Canada's statement that the Department of Canadian Heritage will undertake work in collaboration with other federal departments, agencies and stakeholders to clarify policy and objectives, identify gaps and help develop a plan for the digital transition.⁷ Over the planning period, the NFB looks forward to working with the government to examine these issues.

3. Main Partners

Partnerships on all levels: Leveraging, enriching creativity and optimizing

We will continue to form strategic partnerships with Canadian private-sector production and distribution companies and public broadcasters to co-produce, broadcast and distribute our films. On the international level, the NFB will continue to form alliances to maximize potential synergies and increase sales and revenue.

We were involved in 57 co-productions in 2004–2005. Projects like the Oscar®-winning *Ryan*, the feature-length high-definition documentary *The Peacekeepers*, or *Duhamel (Duhamel—Adrenaline Rush)*, are all examples of co-productions that have benefited from the pooling of our financial resources, technical expertise and creative know-how.

Our work with foreign partners continued in 2004–2005. We focused on our work with a number of broadcasters, including Japan's NHK and France 2. The World Documentary Fund, with the BBC and the UK Film Council, is continuing with the co-production of *Diameter of the Bomb* and the theatrical release of *Game Over: Kasparov and the Machine*. Other projects will be added when worthwhile opportunities arise.

The NFB also takes part in many festivals, not only by submitting films, but by working to ensure the success of the events. For instance, the NFB spearheaded the first Documentary Policy Summit at Hot Docs in Toronto, in May 2004. The summit will be held again in coming

⁶ Nordicity Group, *Getting Real: Economic Profile of the Canadian Documentary Production Industry* (March 2003), p. 1.

⁷ See the recent Government Response to the Standing Committee on Canadian Heritage's Report on Broadcasting, *Our Cultural Sovereignty: The Second Century of Canadian Broadcasting* (Ottawa: 2003), p. 13.

years. In 2005, the NFB, in collaboration with the Cannes Film Festival, will launch the Norman McLaren Prize for the winner of the Palme d'or for best short.

To ensure the best possible distribution of our audiovisual assets in all our markets and territories, we have also pursued and developed partnerships with National Geographic and Gaumont Pathé to market our stock shots and film clips.

Educational partners

The NFB fosters close ties with educational broadcasters, educators, teaching and research institutions and libraries. A special effort has been put into forging closer relationships with school systems. The NFB has formed partnerships with many libraries all over Canada. We are providing teaching materials, organizing workshops at numerous regional and provincial teachers' conferences and offering teacher-training events in universities. We have recently taken part in a digital closed-circuit TV pilot project with Alberta's ministry of education.

Working with the Government of Canada

The NFB relies on the Department of Canadian Heritage and its agencies to co-ordinate heritage activities and respect pan-governmental priorities. With other agencies and Crown corporations within the same portfolio, the NFB sits on a number of committees and task forces, such as the Canadian Heritage Portfolio Shadow Committee, which discusses common issues.

The NFB often works with federal government cultural agencies to align its policies with those of Telefilm Canada and the Canada Council for the Arts, while seeking production and broadcasting opportunities with the CBC/Radio Canada. Another project is e-cinema; with Telefilm Canada, SODEC and Daniel Langlois's company DigiScreen, we are exploring the use of digital projectors in theatres.

The Spark initiative, under which internships and training are offered to filmmakers and craftspersons from various cultural or Aboriginal communities, is another example of collaboration between the NFB and other federal cultural agencies. The program, a three-year partnership with the Department of Canadian Heritage being run in parallel with Telefilm Canada and the Canada Council for the Arts, is an NFB initiative that will continue in 2005-2006.

The NFB is also a party to the Interdepartmental Partnership with the Official-Language Communities (IPLOC). The aim of this initiative of the Department of Canadian Heritage, launched in June 2000, is to help official-language minority communities flourish by strengthening the support of federal cultural agencies. The NFB and its regional partners have managed to provide structural assistance to minority communities by promoting new opportunities for creation and collaboration, such as training for groups of French-speaking filmmakers from Canada, offered from time to time in target communities. For English-minority filmmakers in Quebec, the NFB helped set up Doc Shop 2004–2005, a program that aims to identify new talents and give them a first positive experience in making and distributing documentaries.

http://www.canadianheritage.gc.ca/progs/lo-ol/ci-ic/ipolc_e.cfm

The NFB is also taking part in the Canadian Memory Fund, the primary objective of which is to connect all Canadians with the riches of Canada's heritage by making key Canadian cultural collections held by federal institutions available free of charge via the Internet in both official languages. This involvement has enabled the NFB to digitize a large part of its collection and make it available online by means of CineRoute and the part of its Web site devoted to educational materials. The online projects supported by the Memory Fund are Documentary Lens/Objectif Documentaire, the online film library and *Images of a Forgotten War*, which provides access to footage shot in the First World War.

http://www.pch.gc.ca/progs/pcee-ccop/progs/mem_e.cfm and www.nfb.ca

4. Internal and external factors

As the NFB moves into the last phase of its 2002–2006 Strategic Plan, it will continue to consolidate the many changes brought about in the past three years. Our objectives are still to:

- Define and position the NFB in its essential role in the Canadian audiovisual landscape in the context of a new global reality
- Connect Canadians with the NFB of today and their audiovisual legacy
- Make the NFB a better and more relevant reflection of Canadian society
- Confirm the NFB's role as an incubator of creative excellence and innovation
- Maintain and nurture the NFB's human capital
- Demonstrably increase the NFB's return on investment

The risks, challenges and opportunities associated with these factors and how they affect the NFB

Risks

External risks include insufficient distinctive access to channels for the distribution, broadcasting and promotion of NFB films. Due to limited access to broadcast outlets, unsatisfactory time slots in programming schedules and lack of on-screen identification, Canadians cannot view, or have a hard time viewing, NFB films, and are seldom, if ever, aware that they are watching NFB films. The NFB has other, sometimes more expansive but in the long run more effective, means of engaging Canadians in a dialogue on issues that matter to them, and being recognized for doing so.

Challenges

Funding

In this period, one of the major challenges facing the NFB continued to be a decline in financial resources. The NFB could do better if it had the resources commensurate with its responsibilities. It must be able to count on a more substantial injection of funds if it is to continue to play its many essential roles in preserving, producing and distributing films

Maximizing revenue in a rapidly changing industry

The NFB has one of the world's largest audiovisual catalogues and a stock shot library. Broadcasting licences, repackaging for specific markets and customized products for the educational system are among the means we can use to increase revenues. However, we are operating in an industry that is undergoing dramatic changes, making it very difficult to establish precise forecasts. It bears repeating that the core values of the NFB cannot be compromised and that the goal of maximizing revenues must be balanced against cultural and outreach goals, which are not primarily commercial in nature.

Rights

In addition, the NFB cannot buy short-term rights for a single use the way a TV broadcaster does. It must also buy rights to historically significant films to ensure that they remain accessible to Canadians. This is an NFB responsibility as a public producer. The rising cost of acquiring rights directly affects the cost of productions and does represent a growing challenge.

Restructuring

The NFB has chosen to restructure some of its activities to better reach the objectives of its strategic plan. In the past, marketing activities were dispersed across several branches of the Board. To ensure a more concerted effort and a greater impact of its approach to marketing and distributing its productions, the NFB will set up a Marketing Branch. Also, to better serve its production, distribution and accessibility functions, the Innovation and Technical Resources Branch will be granted basic funding, instead of being funded on an internal cost-recovery basis. This should help us to optimize the use of our human and physical resources. Finally, international co-production activities will be folded into the NFB's French and English Programs. We believe that our international co-productions are now an integral part of our production activities.

Opportunities

Distribution of documentaries

A few private-sector companies remain key distributors of documentaries, but most often these players concentrate on series or documentaries that primarily *entertain*. Given this context, the NFB plays a unique and essential role in the distribution of documentaries. It is also worth noting that this is a highly competitive sector, as the disappearance of a number of private distributors, including Cinéma Libre in Quebec and Magic Lantern from the Canadian institutional market, shows. The distribution of documentaries proves labour intensive and costly. Unfortunately, as is often the case, licensing fees are not commensurate to the level of activity and cost necessary to promote and distribute documentaries with commercial success. This leads to tremendous pressure to operate.

New digital distribution technologies

The pace of technological change and Canadians' demand for a greater diversity of films provide interesting opportunities not just for the NFB, but for Canadian films in general. E-cinema has been examined as an alternative exhibition network and deemed viable. The NFB and Telefilm Canada commissioned a study in 2004–2005 to examine an e-cinema network. The study demonstrated that even in a conventional approach modelled on the existing exhibition system, there are strong public-policy imperatives to join the ranks of other countries that are encouraging private industry to roll out, or adapt existing exhibition infrastructures to accommodate digital projection. The advantages for Canada in supporting e-cinema are immense. It would (1) increase the range and diversity of films offered to the country's viewers, including Canadian films, feature docs and first features, (2) give smaller, more remote communities access to first-run features, (3) permit interactivity and (4) be a lower-cost distribution and exhibition system, after the initial installation.

5. The NFB's contribution to federal government priorities

The NFB contributes directly to the achievement of the federal government's priorities through the Department of Canadian Heritage. These priorities, identified in the Speech from the Throne in October 2004 and the Budget Speech in February 2005, are of strategic importance to the NFB.

- a. Communities: The government is committed to connecting and helping communities become more vibrant, heighten their cultural influence, achieve greater cohesion and become partners in strengthening Canada's social foundations. The NFB produces Canadian audiovisual works, in both official languages, that address social issues of concern to communities across the country. Our productions give expression to diverse voices, communicate a sense of pride in Canada's history, diversity, traditions and accomplishments, and promote Canadian values and cultural interests, not only here but around the world. NFB films and projects help to encourage citizen engagement, by bringing people together for dialogue, which ultimately leads to stronger communities. The significant social impact of NFB films is the result of integrated communications and marketing, outreach and distribution strategies and activities.
- b. Cultural diversity and Aboriginal points of view: In keeping with the government's commitment to Aboriginal and culturally diverse communities, the NFB plays a unique role in the production and distribution of audiovisual works by members of these communities. A good example of this would be the Reel Diversity initiative.
- c. Environmental management: The government has promised to make the environment a priority. The NFB helps achieve this objective by producing audiovisual works that offer food for thought and stimulate discussion on the subject. It helps make Canadians aware of environmental issues. The series *Arctic Mission* represents a stellar example of how the NFB fosters reflection and engagement among Canadian citizens.
- d. Plan for learning and child care. The NFB contributes to this plan through its activities in the educational sector. The NFB distributes educational productions particularly well

suited to our school clientele, which includes early childhood centres and preschools. The NFB has also developed materials for teachers of all levels. NFB films are shown in schools throughout the country, contributing to creating a common bond among young Canadians. The NFB also welcomes thousands of children and teens to creative workshops and summer day-camps in Toronto and Montreal.

- e. International affairs: The government has identified culture as a valuable export. The NFB has a strong international reputation as an organization that embodies Canadian values, interprets Canada to the world and opens doors for Canadian artists and film enterprises abroad. The NFB is forging international alliances, seeking new revenue opportunities, broadening its audience base and examining issues of concern to Canadians and to global audiences.
- f. Technology: The government seeks to modernize federal cultural institutions, with the new technological possibilities of the digital age. The NFB can play an active role, especially through our Innovation and Technical Resources Branch, whose services involve pre- and postproduction assistance, training and access to equipment. Experimenting with new media technologies is also a hallmark of the National Film Board. For example, several of our animation films have used Sandde®, a revolutionary 3-D animation tool. The NFB is a recognized leader and Oscar® winner in film and digital imagery.

6. Canada's performance in 2004

Canada's Performance: Annual Report to Parliament 2004 states that the NFB contributes to the pursuit of "a world where Canada has a positive influence and profile." It also says that the National Film Board of Canada contributes to "a vibrant Canadian culture and heritage." We feel that the NFB's activities also contribute to:

- Canadian identity and social cohesion
- An informed and involved Canadian public
- A strong, culturally diverse film and television industry recognized for the quality of its productions

**SECTION III—ANALYSIS OF PERFORMANCE BY
STRATEGIC OUTCOME**

Strategic Outcome

The NFB’s strategic outcome is to produce and make available relevant, ambitious and innovative audiovisual works that offer Canadians a deeper understanding of Canada and the world.

Program Activity 1. Production of audiovisual works (corresponds to Strategic Outcome 1 of 2004–2005 RPP)

The NFB’s main mandate is to produce relevant and distinctive audiovisual works that address major social issues at home and abroad, and to encourage the diversity and richness of our country’s communities, for the greater benefit of Canadians. Documentary and animated films produced by the National Film Board use innovative technologies and a variety of production formats. These films help foster knowledge, education, social innovation and citizen involvement.

2004–2005 RPP		2004–2005 DPR (according to PAA)	
Strategic Outcomes	Priorities	Activities	Priorities
Relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.	<ol style="list-style-type: none"> 1. Make the NFB's overall program more relevant to Canadians today. 2. Place innovation at the forefront. 3. Champion cultural diversity and Aboriginal voices. 	<p>Production: Overall programming slate of distinctive, challenging and relevant audiovisual productions.</p> <p>A working environment that fosters partnerships with established or emerging filmmakers of various ethnic backgrounds as well as joint ventures with private producers.</p>	<ol style="list-style-type: none"> 1. Maintain an overall programming slate of distinctive, challenging and relevant audiovisual productions. 2. Strengthen the NFB’s ability to identify and to work with leading talent—championing emerging, culturally diverse and Aboriginal talent. 3. Encourage partnerships through co-productions. 4. Strengthen innovation in content, form and technology. 5. Maintain the development of international co-productions.

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
49,120	50,481	46,891

Note: The summary financial information includes three figures showing:

- Net spending planned for the fiscal year (Planned).
- Net spending planned for the fiscal year, plus additional funding that Parliament decided to grant the NFB in light of changing priorities and unexpected activities (Authorities). In 2004–2005, authorities included additional amounts received to cover special initiatives and programs such as online activities, the IPLOC program, the Canadian Memory Fund, the Spark program and funds carried forward from the previous year. Some funding was withdrawn as part of government-wide reallocation.
- Total net spending for the fiscal year (Actual). The difference between actual spending and total authorities is attributable to, among other factors, lower expenses and higher presales than anticipated. The planned revenues were set at \$1,006,000, while the results attained \$2,467,000.

Human Resources

Planned	Authorities	Actual
284	284	281

Expected results for this program activity:

- Understanding and awareness by Canadians of diverse issues that are relevant to them
- Stable industry employment levels
- A new generation of documentary and animation filmmakers
- The NFB as an international reference in documentary filmmaking
- At least 85% of programming treats social issues
- Programming focuses on point-of-view documentaries, animation, alternative fiction and new media
- Innovative and experimental projects
- A significant number of co-productions
- Development and upgrading of new talent

Indicators used for this program activity

The NFB's performance with respect to these program activities will be measured using these indicators:

- Diversity of genres and subject matter in NFB productions
- Level of audience reach and interest in films (television, non-television audience and Web site traffic and viewers at community screenings)
- Recognition in the form of awards won at home and at foreign festivals
- Number of innovative applications
- Engagement of Canadians
- Diversity on screen and off
- Change in number of co-productions

Priorities

1. **Maintain an overall programming slate of distinctive, challenging and relevant audiovisual works**

Indicators

- **Diversity of genres and subject matter in NFB productions**

In 2004, the NFB's production varied greatly in genre and in content. Close to 85% of the films dealt with various social issues. The Board made 135 films, videos and multimedia works, including 57 co-productions with the private sector.

One of the NFB films that has fostered social commitment on the part of Canadians is Diana Watson and Leanne Allison's *Being Caribou*, which explores the development of natural resources in the Far North and its impact on animal populations such as caribou.

No Place Called Home by Craig Chivers takes a close look at the day-to-day problems faced by a poor, homeless family in Canada. The film captures, in striking fashion, what it means to be poor in Canada in the 21st century.

In *ScaredSacred*, Velcrow Ripper raises questions about the human experience in its darkest moments—Auschwitz, Hiroshima, Wounded Knee—and challenges the audience to think about how we can transcend these experiences and turn them into a source of hope and inspiration.

Health care is a constant concern for Canadians. Our life styles and the demographic trends raise some important questions. In *Édith et Michel (Édith and Michel)*, Jocelyne Clarke explores the daily lives of a couple in which one member suffers from Alzheimer's. Glynis Whiting's film *The Weight of the World* focuses on obesity and examines how Western societies have made themselves sick. Also worth noting is the media attention prompted by the broadcasting of Lina Moreco's *Médecine sous influence (Medicine Under the Influence)*, which deals with the extreme use of advanced medical technology on newborns and the impact on their families. John Ritchie's film *The Ties That Bind* was seen by a huge number of people, perhaps in part as a result of a Web site set up a year before the film came out, which soon mobilized a whole

community of people living with disabilities and of the helpers who share their daily lives. This experience was quite revealing of the way in which we can help create bonds between isolated interest groups.

Having a sizeable collection of films by Aboriginal Canadians, the NFB organized a retrospective of 13 flagship productions that have marked First Nations filmmaking in Canada. This joint project with broadcaster APTN explored the main themes of Canadian Aboriginal history, identity and heritage.

Major international issues are also the subject of many NFB productions. Co-produced with Barna Alper of Toronto, Avi Lewis's and Naomi Klein's *The Take* examines globalization, using the example of Argentina, where laid-off factory workers occupy their former workplace and breathe new life into it. *Ce qu'il reste de nous (What Remains of Us)*, co-produced with Nomadik Films and directed by François Prévost and Hugo Latulippe, raises questions about the survival of the Tibetan people and offers them hope in the form of a prerecorded message from the Dalai Lama, who has been in exile for over 50 years. Paul Cowan's film *The Peacekeepers* presents a portrait of the UN peacekeeping mission in the Democratic Republic of Congo, as it seeks to re-establish a semblance of order and prevent another Rwanda. In the Middle East, *Soraida, une femme de Palestine (Soraida, a Woman of Palestine)* by Tahani Rached explores the daily life of a courageous Palestinian woman who lives in the occupied territories. It takes the form of a diary of small victories and resistance to conflict.

Web sites such as CitizenShift <<http://citizen.nfb.ca>> and Parole citoyenne <<http://citoyen.onf.ca>> are dedicated to creating an aware citizenry and dialogue among Canada's citizens and disparate communities. These are public electronic spaces that tackle social issues such as citizenship, poverty, health and democracy. They invite real participation and full partnerships, via the Internet.

The series *My Brand New Life (Je vis ta vie)*, co-produced by Les Productions La Fête, is devised by young people, for young people. Consisting of documentary shorts, the series gives young people an opportunity to broaden their cultural horizons by immersing themselves in a day-to-day existence that is completely different from their own. In *A Border Story (Histoire de frontières)*, a girl from Washington visits a boy in Ottawa on July 1, and then the two of them meet again in the U.S. capital on July 4. In *School's Out (Enfin la récré)*, three students trade places with the principal, the janitor and a teacher.

In 2004–2005, the NFB produced videos and Web sites on school and family life, science and the interactions between young people from different backgrounds. Complementing the production *Teaching Peace in a Time of War*, by Teresa MacInnes, the multimedia toolkit *Peace@School* provides practical tools to elementary and secondary schools on ending violence and creating a culture of peace. The documentary *It's a Girl's World (Une affaire de filles)*, directed by Lynn Glazier, tackles the problem of bullying at school from a girl's viewpoint. On its Web site, the NFB provides a range of resources that help teachers use our collections in the classroom. With two NFB microsites - as Documentary Lens/Objectif Documentaire and Images of a Forgotten War - the NFB offers real alternatives to the commercial products that young people are constantly bombarded with, as well as providing material for teachers.

The NFB launched or continued several Internet projects in 2004–2005. One example is Silence, on court!, which gives online visitors an opportunity to view short films made by dynamic young filmmakers from Canada and elsewhere. As part of the Hothouse project, emerging filmmakers can show their latest animated films online, made and edited in less than 12 weeks!

On the basis of this performance indicator, we have achieved the results we set ourselves in the 2004–2005 RPP, as well as in the PAA for this program activity. NFB-produced films have made a highly successful contribution to the achievement of our priorities and commitments.

- **Level of audience reach and interest in films (television, non-television audience and Web site traffic)**

The television audience share of NFB productions indicates to what degree we are reaching TV viewers. In 2004–2005, the available data suggest that NFB productions are being broadcast more often but that audience share is declining.

Television audience

NFB films are a major source of distinctive, relevant Canadian content for the Canadian broadcasting system and are viewed on a wide variety of television stations, general and specialty, analogue and digital. The NFB has been a partner, with the CBC and Corus, in the digital Documentary Channel since it was launched in 2001. Moreover, the large number of co-productions made with the NFB enhances the value of its brand image and that of its partners.

As Tables 1 and 2 below show, NFB productions were broadcast on TV a total of 2,063 times, in French and English, in 2004–2005, an increase of around 10% over the previous year; the total number of television viewers reached declined slightly, however, to 8,539,000 people (9,341,000 in 2003–2004).

Table 1

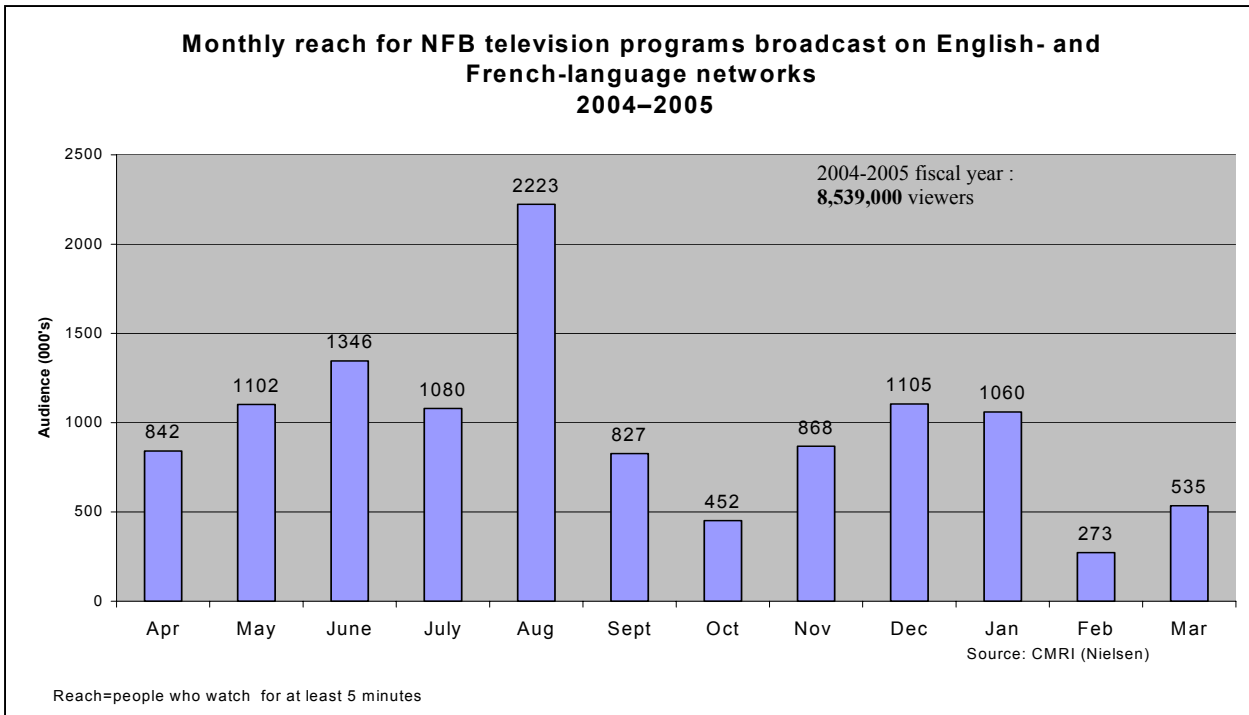
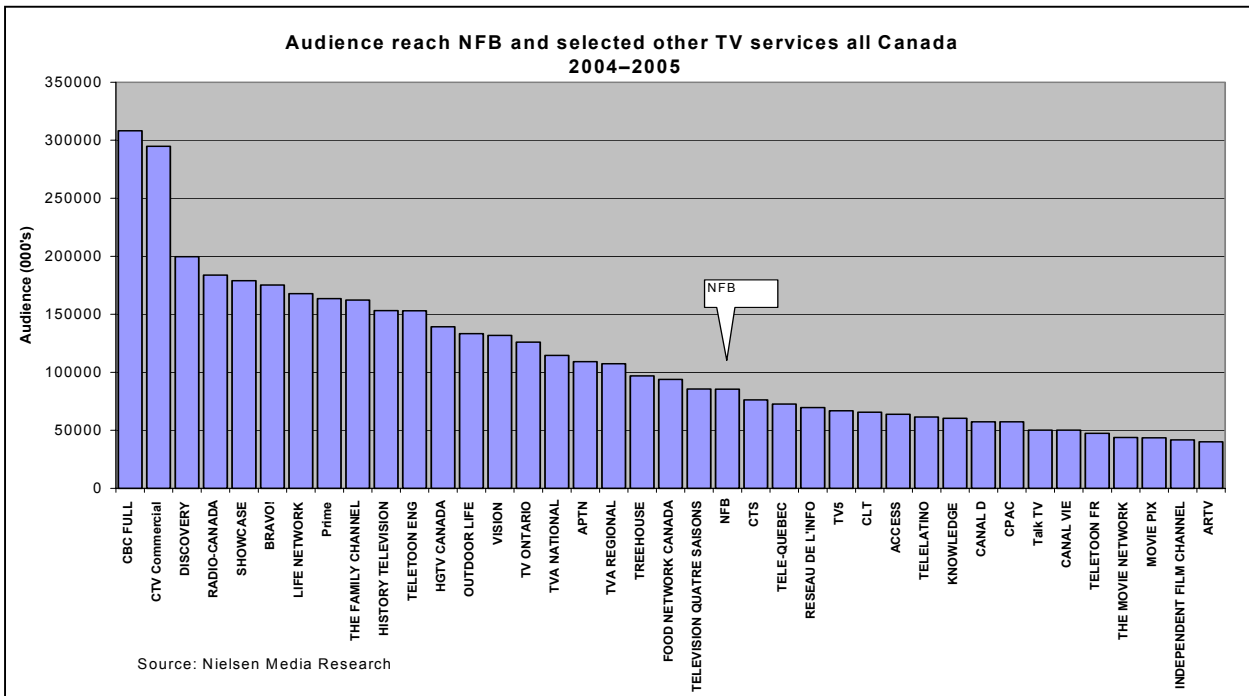


Table 2



In Canada, NFB films have chiefly been shown on Bravo, CBC, APTN, CBC Newsworld, the Documentary Channel, Radio-Canada, History Television, Access Learning, Canal D and Télé-Québec.

Some films have captured huge audiences. *The Take* garnered some of the best results in March 2005, attracting 519,000 viewers to CBC. *Turbulent Waters (Les navires de la honte)* drew over 215,000 viewers on Télé-Québec. The series *The Nature of Things*, on CBC, shows a number of NFB documentaries each month, and attracts a good share of the viewing audience.

Web site development and traffic

Over the years, the NFB’s Web site has become the main way that people, both in Canada and other countries, use to find out about National Film Board of Canada. There was an increase of close to 25% in the number of page impressions. This year again, the number of visitors increased over the preceding year, from 40,507,512 user sessions in 2003-2004 to 44,045,864 in 2004-2005. Furthermore, the length of the average sessions rose from 13 to close to 19 minutes, probably reflecting an increase in the number of online viewing sessions. During the year, the NFB began redesigning the site and the new version was online in early 2005.

On the basis of this performance indicator, we partially achieved the goals we set ourselves in the 2004–2005 RPP, as well as in the PAA, for this program activity. The films produced by the NFB made a satisfactory contribution to the achievement of our priorities and commitments. While still large, our television audiences declined in 2004–2005. Several factors are involved in this decline. According to our data, the number of hours in which NFB productions were broadcast increased, but the channels, especially the specialty channels, that broadcast them attracted fewer viewers. We are, nevertheless, managing to reach a large number of Canadians, and our results for the beginning of the 2005–2006 fiscal year are extremely promising.

- **Recognition in the form of awards won at home and at foreign festivals**

Recognition by the Canadian and foreign industry of the excellence of NFB films is a measure of the competitiveness—that is, the quality, relevance and innovation—of its productions. The number of awards garnered by the NFB at various festivals over the year, in comparison with the year before, is shown in the table below.

Awards Won

	2003–2004	2004–2005
Canada	38	76
International	79	128
Total	117	204

In 2004–2005, the NFB’s productions and craftspeople garnered an impressive 204 awards and distinctions for works produced in Canada, but also at prestigious international events. Some awards were given in recognition of the memorable contribution that our filmmakers have made to Canadian cinematography. Alanis Obomsawin received the International Documentary Association’s Pioneer Award for her outstanding contribution to the advancement of documentary filmmaking. The tribute, by the Rendez-vous du cinéma québécois, to Anne Claire Poirier for her film work as a whole and by the International Women’s Film Festival in Créteil, France, should also be noted.

At the top of the list this year is the co-production *Ryan*, which recounts the life of Ryan Larkin, a celebrated NFB animator who now panhandles on the street. To tell this story, director Chris Landreth used an innovative technology that breaks new ground in animation. In 2004-2005, this film alone has garnered over 41 awards throughout the world, including the National Film Board of Canada’s 11th Oscar®. The film also received awards in Cannes, Annecy, Hiroshima and Ottawa.

The co-production *Ce qu’il reste de nous (What Remains of Us)* was invited to the Times London Film Festival and to the International Documentary Film Festival in Amsterdam, was screened during the Critics’ Week at Cannes, and received awards at the Atlantic Film Festival, the Vancouver International Film Festival and the Hollywood Film Festival. This film was also honoured at the 7th Jutra Awards. At the gala, filmmaker Michel Brault, who spent a large part of his career at the NFB, was also presented with a Jutra for his overall contribution to Quebec cinema

We should also note the Toronto International Film Festival’s recognition of the relevance and quality of NFB films when it rated three NFB productions among the ten best Canadian films of 2004. Canada’s Top Ten celebrates and promotes contemporary Canadian cinema with a view to raising public awareness of Canadian achievements. This recognition is particularly significant.

The NFB came away from the Géméaux 2004 gala with a number of prizes: the award for best documentary on culture went to *Le cabinet du docteur Ferron (The Cabinet of Doctor Ferron)*, which is part personal portrait and part literary meditation on the great Quebec author Jacques Ferron. Another NFB production, *Noël Noël*, was awarded the prize for best animated program or series. This story that reinvents Christmas with colourful, original characters was directed by Nicola Lemay. With a remarkable audience share even on its initial broadcast, *Marché Jean-Talon* garnered the multiculturalism award and the award for best documentary series. Directed by Jean-Philippe Duval and Hélène Choquette, this six-episode series featuring some captivating characters from Montreal’s Jean Talon Market was produced by Francine Allaire and Sylvia Wilson of Productions Galafilm, in co-production with Monique Létourneau of the NFB. Also, the *Arctic Mission* documentary series, and also its Web site, have garnered awards this year, including at the Géméaux gala, where this co-production won for best Web site, best editing and best sound recording.

On the English side, the NFB garnered 7 Gemini Awards. Anand Ramayya’s film *Cosmic Current* carried off the prestigious Canada Award. This prize honours excellence in mainstream

television programming that best reflects the racial and cultural diversity of Canada. *Cosmic Current* follows Ramayya's modern-day spiritual pilgrimage to India after he discovers that a life-threatening illness has struck a member of his family. This win marks the third time the NFB has garnered the Canada Award. Other awards included John Walker's *Men of the Deeps*, a portrait of a group of former miners gathered together by their love of song, which garnered a total of 3 awards, including Best Photography in a Documentary Program; Best Sound in a Comedy, Variety, or Performing Arts Program and Best Performing Arts Program or Arts Documentary Program. *The Arctic Mission* series captured two awards including Best Direction in a Documentary Series for *Lords of the Arctic* of Caroline Underwood. In this episode, wildlife specialist Caroline Underwood focuses on northern wildlife and its close and tragic relationship to climate change. The series also won Best Sound in an Information/Documentary Program or Series for Hubert Macé de Gastines and Marie-Claude Gagné for their episode entitled *The Great Adventure*. *The Arctic Mission* series is a co-production of Glacialis Productions, the National Film Board of Canada and Gedeon Programmes. Award-winning filmmaker Peter Raymont garnered a Gemini for Best Direction in a Documentary Program for the film *The World Stopped Watching*. The film follows Raymont and Harold Crooks as they revisit Nicaragua in 2002 to discover what became of a nation no longer in the glare of the world's media.

We should also note that our Web site Perpetual Motions (Engrenage), which showcases the work of emerging artists, won the 2004 Boomerang award for best interactive multimedia creation in Quebec.

NFB films have been nominated for many others awards as well. The co-production *Hardwood*, director Hubert Davis's first film, was nominated for an Oscar®. It tells how his father, Mel Davis, who was a member of the Harlem Globetrotters, influenced his own life. Also nominated was *Accordion/Accordéon*, by Michèle Cournoyer, the only Canadian film in competition at the Cannes Film Festival in 2004. In short, 2004-2005 was an exceptional year, with four NFB films representing Canada at Cannes and two at the Oscars®.

All these nominations are a clear indication of the quality of NFB productions and of the recognition that the Board enjoys among its partners in the film and television industry, in Canada and elsewhere in the world.

This performance indicator clearly demonstrates the excellence and critical success achieved by the NFB in winning recognition for its activities through the awards and prizes it has garnered at festivals and galas. We are very satisfied with the results obtained in 2004–2005, and especially with the Oscar® given to the co-production *Ryan*. We firmly believe that these activities fit into our plans and priorities and helped us achieve our strategic outcome contained in the Program Activity Architecture.

2. Strengthen the NFB's ability to identify and to work with leading talent—championing emerging, culturally diverse and Aboriginal talent

Indicator

▪ Diversity on screen and off

It is essential for the NFB to provide Canadians with audiovisual productions that reflect our country's cultural diversity, both on screen and behind the camera.

For instance, Indo-Canadian filmmaker Anand Ramayya's documentary *Cosmic Current* is a reflection on ethnicity, personal identity and family.

A number of films made in 2004–2005 focus on cultural diversity or were made by directors from a diverse range of cultural backgrounds. Here are just a few examples:

- *Mr Mergler's Gift*, directed by Beverly Shaffer, is a magnificent ode to the power of music that transcends generations and ethnic origins.
- *Mon fils sera arménien (My Son Shall Be Armenian)*, by Hagop Goudsouzian, follows six Canadians of Armenian origin as they return to their ancestral homeland.
- *Two Worlds Colliding*, Tasha Hubbard's first film, tells the tragic story of Aboriginal Canadians left by police officers in an empty field on the outskirts of Saskatoon in mid-winter, the results of the investigation conducted by the RCMP, and the deep divisions that mark relations between Native and non-Native Canadians in the city.
- *El Contrato*, by Min Sook Lee, follows the annual trip to Ontario made by a Mexican father in the hope of earning a little money to meet the needs of his family. The documentary examines the working conditions of migrant workers who perform difficult, poorly paid jobs that the people who live in the area refuse to do.
- *Inuuvunga—I Am Inuk, I Am Alive*. This documentary is the outcome of an NFB project to teach filmmaking to eight young Inuit from Nunavik, under the supervision of prize-winning independent filmmakers Daniel Cross and Mila Aung-Thwin.

Another project that deserves mention is the Wapikoni Mobile. The result of a collaborative effort by federal, provincial and First Nations organizations, this travelling production studio, training and filmmaking project provided young people in six Aboriginal communities in Quebec with an opportunity to learn by doing. These young filmmakers have produced a number of shorts. Upon completion, their films are shown online in the hopes of sparking debate and exchanges between people on the Net. This project had only just begun to take shape when an urban version, Video Paradiso, giving young street people in Montreal and Quebec City a chance to make their own films, was launched.

One of the ways the NFB gauges the relevance of its audiovisual content is to examine the diversity of the filmmakers. In 2004–2005, 8% of French Program productions and 17% of those

of the English Program were made by filmmakers from Aboriginal, ethnic or cultural minority communities.

The Spark initiative and the IPLOC program have had a significant impact on the skills of various cultural communities and official-language minority communities.

With an initial term of three years, the IPLOC program is intended to create production and distribution opportunities for members of minority-language communities by providing them with training and upgrading, improving access to Canadian films and promoting these films. This initiative enabled the production of these films, among others:

- *Des maux à l'action (A Call to Action)*, by Carl Thériault. This documentary examines the anger of activist Gaétan Héroux as he fights against the social and economic injustices suffered by Toronto's poorest residents. With words no longer enough, he decides to go into action, and to get things to change, he adopts new tactics—those used by the Ontario Coalition Against Poverty (OCAP). This short was chosen for the Doxa festival in May 2005.
- In her documentary *Une école sans frontières (A School Without Borders)*, director Nadine Valcin, with her Steadicam, explores the reality and touching stories of seven young French-speaking immigrants who are students at a French high school in Toronto. In spite of what are often inadequate resources, the teaching and support staff at the school devote themselves to welcoming young immigrants and helping them to integrate into society.

In addition, IPLOC funds a series of training and cultural event workshops in Canada. Here is a sampling:

- FormAction Winnipeg 2004–2005
- FormAction Vancouver 2004–2005
- FormAction Bravo-Sud 2004–2005
- Festival des vidéastes du Manitoba (FVM) 2004–2005
- Producer development 2004–2005
- Doc Shop 2004–2005

This year, following on from work done last year, the Spark (Déclis) initiative, which is the result of a partnership with the Department of Canadian Heritage that involves Telefilm Canada, the NFB and the Canada Council for the Arts, enabled several dozen young filmmakers and craftspersons, including many from minority groups, to develop their film projects or to work as assistants in a number of fields (sound recording, film editing, new media production, etc.).

A high proportion of independent filmmakers who have benefited from the Filmmaker Assistance Program (FAP) or the Aide au cinéma indépendant—Canada (ACIC) program, which are managed respectively by the NFB's English Program and the French Program, were emerging filmmakers. All in all, the FAP provided support for 195 projects, and the ACIC for 96 projects. The success of films such as Helen Doyle's *Soupirs d'âme*, which won the Émile Nelligan Foundation award for best essay when it premiered at the International Festival

of Films on Art in March, is a convincing example of the relevance of these programs without which, innovating, stimulating works could not be made.

Hothouse and Momentum are two other programs for nurturing young talent that continue to help emerging filmmakers produce quality, low-budget, short documentaries (in the case of Momentum) or to provide young animators with intensive training that teaches them all the ins and outs of making an animated film, from creation to final mix and video mastering (in the case of Hothouse).

In 2004–2005, the Momentum program was in its second year, and the scope was broadened, so that for the first time in Toronto, 23 French-speaking participants were welcomed, in addition to 103 English-speaking participants. In early January, they all took part in an intensive week of training workshops and at the end were invited to submit a proposal for a short on the theme “Democracy (Citizen Engagement).” The films of the four finalists whose proposals were selected—*Citizen Z* by Cavan Young, *Good Forum* by Peter Janes, *Life Lessons at the Lula Lounge* by Kyle Stone and *Soldiers for the Street* by Ngardy Conteh—were premiered at the Lafontaine-Baldwin Symposium in March in Toronto. Momentum 2005 also made possible the production and distribution of four documentaries: *Smudge* by Gail Maurice, *Selwyn* by Bryan Friedman, *Sanctuary* by Jamie Escallon-Buraglia and *Glove Story* by Sarah Lazarovic.

Reel Diversity is part of the overall commitment by Canada’s public producer of audiovisual works to provide a more accurate reflection of the diversity of our country on screen and off. This was the fourth year that the Reel Diversity competition was open on a national scale. So far, Reel Diversity has enabled the programming of 20 films, including *Cosmic Current* from director Anand Ramayya and *Film Club* from Toronto director Cyrus Sundar Singh; both won the Academy of Canadian Cinema and Television’s prestigious Canada award. This year, *In the Shadow of Gold Mountain* by Karen Cho, the winner of the Reel Diversity competition, looks at the injustices suffered by Canada’s Chinese community who were subjected to the Chinese Head Tax and Exclusion Act between 1885 and 1947.

To ensure Canadian diversity in front of and behind the camera, the NFB’s activities have helped achieve the expected results set out in our Program Activity Architecture. We are very satisfied with the work done by the National Film Board and its many partners, and we believe we have made a significant contribution to the achievement of the Board’s plans and priorities. We are recognized, at home and abroad, as an essential vehicle of the diversity of Canada’s cultural communities.

3. Encourage partnerships through co-productions

Indicator

- **Increase in number of co-productions**

The NFB regularly co-produces films with domestic and foreign partners in order to take advantage of Canadian and international creativity and know-how. These partnerships also help us to increase our business opportunities for the mutual benefit of both the NFB and its partners. Program Activity 2, Distribution, addresses these benefits in greater detail.

4. Strengthen innovation in content, form and technology

Indicator

- **Number of innovative applications**

The NFB continues to focus on creativity, innovation and experimentation in form and content. To this end, it has made research and development a top priority. The 2004–2005 fiscal year was marked by consolidation and further development of digital technology. The arrival on the market of affordable high-definition (HD) cameras and increased opportunities for HD television broadcasting are generating growing demand for HD content, and this trend is bound to continue. Three HD films produced or co-produced by the NFB were completed this year: *The Peacekeepers* by Paul Cowan, *War Hospital* by Damien Lewis and David Christensen, and *Mission Baleines: Les gardiens de la mémoire (Whale Mission: Keepers of Memory)*, the new *Sedna IV* sailboat expedition, directed by Jean Lemire.

Chris Landreth's film *Ryan* has not only won many awards, it also combines a variety of new and conventional animation techniques. Some of these techniques were developed with the assistance of the Natural Sciences and Engineering Research Council of Canada (NSERC) and the University of Toronto. This outstanding work garnered the jury prize at the last SIGGRAPH computer animation festival. SIGGRAPH is the largest professional association of computer graphics specialists in the world. Every year it organizes a conference that is regarded as the best forum on digital imaging and interactive communication technology. The computer animation festival held as part of the conference is recognized worldwide as stimulating and inspiring for both artists and technology experts.

The NFB has also devoted considerable effort to mentoring projects and to master classes, which serve to promote filmmaking and the transfer of knowledge and skills. While these activities strengthen innovation, they also help achieve objectives designed to support Canadian filmmakers and make the NFB a model for documentary and animated filmmaking.

Innovation is not easy to measure accurately. The development of knowledge generally occurs over a long period of time. In many cases, small improvements in long-standing techniques or conventional ways of doing things are all contributions that drive innovation. Nevertheless, the

NFB, through its activities, does contribute to the technological development of film and television. It also makes sure that this knowledge benefits the film industry, in Canada and elsewhere.

Despite all our efforts, however, we do not always manage to go as far as we would like: this is the case, in particular, in the area of technological innovation. While we have begun to set up an electronic cinema (e-cinema) network that will allow Canada to take its first steps on a path already taken by countries such as the United Kingdom, China and Brazil, the establishment of this network of movie theatres equipped with digital projectors for showing films at affordable prices is progressing at a slower rate than we would like. Still, at a juncture when distribution is increasingly dominated by major U.S. corporations, we have a duty to assert ourselves culturally and become the driving force behind this distribution network.

5. Maintain the development of international co-productions

Indicator

▪ Increase in number of international co-productions

At the Banff Television Festival in June 2004, the NFB and Japanese broadcaster NHK announced the start-up of the co-production *Pole to Pole*. The two institutions are joining forces using new technology to explore global climate change at the Earth's poles and to encourage a greater awareness and global understanding of what this means for our future. This international joint venture combines the resources of NHK's Antarctic research with the award-winning NFB co-produced HD series Arctic Mission.

The France-Canada co-production *Le dernier trappeur* has been a big hit in France. According to the most recent figures, it has sold over 2,200,000 tickets. An exit poll conducted outside movie theatres by the French magazine *Écran Total* reported a satisfaction rate of 95%. Shot in the Yukon under extreme conditions, this is a docudrama on the daily life of one of the last traditional trappers, living disconnected from the needs created by modern society. Along with his Nahanni wife, Nebaska, trapper Norman Winter shows us what has become an endangered way of life, against the breathtaking landscape of the Rocky Mountains. The film also prompts us to think about the future of our planet, under threat from global warming and deforestation.

The Peacekeepers is a feature-length film providing an insider's look at how political, military and financial decisions affect the future of one failed state, this time in the Democratic Republic of Congo (DRC). With unprecedented access to the UN Department of Peacekeeping Operations, the documentary pivots between New York and the DRC, showing the complexity of putting together a rescue mission in a dangerous, dysfunctional country that most nations want to avoid.

Results for Program Activity 1. Production of audiovisual works

Through its productions and its co-productions with private-sector producers in Canada and abroad, the NFB has achieved its objectives satisfactorily. NFB productions are diversified with respect to both form and content. We would certainly like to reach more Canadians through television broadcasting, as it remains a powerful communications medium. Unfortunately, we are dependent on the broadcasters. To us, it appears increasingly important for the NFB to have its own TV broadcasting channel.

We are extremely proud of the many awards garnered by NFB productions and co-productions. They bear witness not only to the critical success of our productions, but also to their quality. We are recognized throughout Canada as well as at the major foreign festivals and markets. We contribute to Canada's influence internationally.

The quality and originality of our productions are the result of constant innovation. The technology used to make the co-production *Ryan* is a wonderful example.

Program Activity 2. Distribution of audiovisual works (corresponds to Strategic Outcome 2 of 2004–2005 RPP)

The NFB film collection, impressive in size and diversity, is distributed through all distribution channels deemed appropriate to reach various clienteles in Canada and outside the country. Distribution activities include the direct sale of its collection through sales agents in Canada, the United States and Europe, through Web stores and through a call centre. They also include the acquisition of complementary productions. Furthermore, the National Film Board of Canada sells stock shots and film clips to its partners in the film and television industry. Through its distribution activities, the NFB develops strategic co-operative relationships.

2004–2005 RPP		2004–2005 DPR (according to PAA)	
Strategic Outcomes	Priorities	Program Activity 2	Priorities
Available, accessible audiovisual works and a brand that is recognized by Canadians and international audiences.	<ol style="list-style-type: none"> 1. Strengthen the NFB to connect with Canadians. 2. Establish mechanisms for greater access and dialogue on NFB productions and closer contact with the public. 3. Ensure that the NFB's collection is accessible and preserved for future generations. 4. Increase revenue from the exploitation of the NFB's collection and optimize sales opportunities.. 	Distribution activities include commercializing audiovisual catalogues and stock shot library; developing and diversifying markets for NFB products in Canada and abroad; repackaging for specific markets; expanding its holdings of audiovisual works through acquisitions or partnership agreements.	<ol style="list-style-type: none"> 1. Increase revenue from the NFB's collection and optimize presales and sales. 2. Offer of expert knowledge and NFB distribution networks to private and public sectors.

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
491	491	1,913

Note: The summary financial information includes three figures showing:

- Net spending planned for the fiscal year (Planned)
- Net spending planned for the fiscal year, plus additional funding that Parliament decided to grant the NFB in light of changing priorities and unexpected activities (Authorities)
- Total net spending for the fiscal year (Actual). The difference between actual spending and total authorities is attributable to a shift in the revenue stream. The planned revenues

(reducing the planned spending) has been forecasted at \$7,519,000, while results reached \$5,260,000. The shift is explained by stronger presales (see production revenues p.22) and lower sales of completed productions.

Human Resources

Planned	Authorities	Actual
46	46	46

Expected results for these program activities:

- Diversified markets and strong revenue
- E-commerce offered through online stores
- Frequent sales, representing significant amounts, to broadcasters
- Strong presence of NFB productions in the various distribution networks

Indicators used for this program activity

To assess this program activity, the NFB will track the following indicators:

- Market development and diversification (Canadian and foreign markets)
- Revenue and sales

Priorities

1. Increase revenue from the NFB's collection and optimize presales and sales

Indicators

- Market development and diversification (Canadian and foreign markets)
- Revenue and sales

Through its distribution activities in Canada and abroad, the NFB helps raise its own profile, besides earning significant revenue. The NFB makes optimum use of its national and international distribution networks to ensure that its productions, co-productions and acquisitions are seen by as many people as possible and reach our different client groups. In 2004–2005, distribution of NFB products generated total sales of \$6.945 million. This represents a slight increase over last year, when gross sales reached \$6.842 million. Revenue retained by the NFB was \$5.260 million.

Sales in the Canadian institutional market rose 12 per cent, to \$1,495,000, while consumer sales climbed 15 per cent at the same time that the clientele increased by 17 per cent. Sales in the institutional and consumer markets in the USA were outstanding. Two years of effort to penetrate the extremely competitive Asia-Pacific market also bore fruit: sales there rose 46 per

cent in relation to the previous year. We are also very happy with the results of our presales.⁸ Productions such as *Breaking In*, *Diameter of the Bomb* and *ScaredSacred* contributed to our success.

In some markets and territories, however, including the English Canadian television market, sales declined. Increased presales of co-productions produced with Canadian partners reduce the demand for future sales of these same titles in Canada, as the rights are no longer available. Sales also declined in Europe as a result of the extended absence of key staff.

In an effort to boost sales, the NFB has entered into a new partnership agreement with Gaumont Pathé Archives. The agreement gives the two internationally recognized organizations the cross-representation rights to their respective stock shot libraries. The NFB is the exclusive distributor in Canada of the stock shots of the prestigious Actualités Gaumont and Pathé Journal collections, produced between 1896 and 1980. In return, Gaumont Pathé Archives will distribute the NFB's historical and contemporary stock shots in France, Belgium, Switzerland, Italy and Spain.

2. Offer of expert knowledge and NFB distribution networks to private and public sectors

Indicator

- Market development and diversification (Canadian and foreign markets)

Two years ago, the NFB implemented a number of policies to offer its expertise in distribution and marketing to the public and private sectors in Canada and other countries. In this regard, it is important to note the efforts the NFB has made to round out its collection with films that are more commercial in nature. Over the course of the year, the NFB acquired 29 productions by other producers for distribution. These acquisitions and commissions generated total gross sales of \$632,000 in 2004-2005. The NFB also acted as a sales agent for some 200 titles.

This major contribution to the industry by the NFB went hand in hand, however, with a drop in distribution revenue in 2004–2005. With its sales expected to rise over the next few years, the NFB will benefit from higher revenue.

All in all, the NFB's Distribution Branch, through acquisitions or as a result of co-production agreements, returned to its private-sector partners over \$725,000 in 2004-2005.

⁸ Presale means the sale of the rights to a production that has not yet been completed.

Results for Program Activity 2. Distribution of audiovisual works

In 2004–2005, the NFB achieved, in part, the desired results for Program Activity 2. We diversified our sources of revenue and we also increased our sales, in particular through our online stores. Our sales in the television market levelled off following strong growth in 2003–2004, especially in the United States. Our acquisition policy helped us to increase our presence in the various distribution networks in Canada and abroad. Although sales have increased, revenues to the Board have slightly diminished. The transition to a more diversified catalogue will necessitate some adjustment on the part of our sale personnel. We will continue to share our expertise in this area with the film and television industry, both domestically and internationally. We shall continue to do so and to improve our results.

Program Activity 3. Access to audiovisual works and outreach development (corresponds to Strategic Outcome 2 of 2004-2005 RPP)

Access and outreach activities connect Canadians with relevant media resources to foster citizen engagement and lifelong learning. Access and outreach activities ensure greater access to the NFB collection, especially for future generations. The NFB is also taking steps to preserve its collection. Access is provided through the NFB Web site, its viewing centres in Montreal and Toronto, its agreement with partner libraries, its membership program, its online film library and its screenings in Canada. The NFB thus promotes access to knowledge and the development of media literacy by all Canadians. These activities help to build and sustain deep and long-lasting relationships in communities across Canada.

These relationships also concern the educational community. The NFB invests a lot of time and effort in access to teaching resources in the form of training workshops and study aids. In the interests of sharing its recognized expertise, the NFB organizes master classes in documentary and animated filmmaking for film professionals, university students and interested members of the public.

2004–2005 RPP		2004–2005 DPR (according to PAA)	
Strategic Outcomes	Priorities	Program Activity 3	Priorities
Available, accessible audiovisual works and a brand that is recognized by Canadians and international audiences.	<ol style="list-style-type: none"> 1. Strengthen the NFB to connect with Canadians. 2. Establish mechanisms for greater access and dialogue on NFB productions, and closer relations with the public. 3. Ensure that the NFB’s collection is accessible and is preserved for future generations. 4. Increase revenue from the NFB’s collection and optimize sales opportunities. 	Provide relevant media resources to foster citizen engagement through lifelong learning; provide Canadians with a better understanding of their country and its place in the world; give the NFB and its productions quality exposure in the main media and within the film and television industry at targeted events or festivals.	<ol style="list-style-type: none"> 1. Enhance and increase equitable access to the NFB collection—screenings, retrospectives, etc. 2. Achieve greater reach across Canada and into communities. 3. Further enhance collection management in a digital universe (conservation, digital evolution, rights). 4. Increase NFB visibility in communities, on television and in learning channels. 5. Increase branding opportunities in Canada and abroad.

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
11,404	12,353	12,325

This program activity generated revenue of \$321,000.

Human Resources

Planned	Authorities	Actual
111	111	111

Expected results for this program activity

- Growth in access to the collection, resulting in increased ownership by Canadians of the NFB, its collection, the Mediatheque, CineRobotheque and other offerings
- A solid program of citizen participation through public screenings, workshops, master classes, etc.
- Quality visibility for the NFB and its productions on television, in festivals, schools, industry events and with the federal government
- Better branding on television broadcasts and recognition by co-producers of the NFB's role
- A valued and highly recognized brand
- Further digitization of the NFB collection
- Strong presence of NFB productions in the various distribution networks
- Positive and increased media coverage

Indicators used for this program activity

To assess this program activity, the NFB will track the following indicators:

- Access to the NFB's audiovisual holdings (film loans by partner libraries, utilization of the collection)
- Social impact
- Membership
- Attendance at screenings of NFB films and retrospectives

Priorities

1. Enhance and increase equitable access to the NFB collection—screenings, retrospectives, etc.

The NFB makes its collection as accessible as possible to Canadians and to future generations. To achieve this goal, the NFB is counting on new partnerships and technologies such as online film libraries, online learning centres for schools and digital viewing centres.

CineRoute, the NFB's online film library, is accessible free of charge as part of a pilot project to

all Film Club members who have a high-speed Internet connection and who apply for a subscription. In its first year of operation, CineRoute added 200 documentary, animated and dramatic films (100 in English and 100 in French) to the 250 titles available since April 2005. A total of 8,852 members of the Film Club visited the site and used CineRoute to watch online, in MPEG-4 format, a total of 17,908 screenings, including classics such as Norman McLaren's *Neighbours/Voisins* or Claude Jutra's *Mon oncle Antoine*, as well as new releases such as Chris Landreth's *Ryan*, to which they would not otherwise have had access.

In 2004–2005, the NFB continued to focus its efforts on the accessibility of its collection. In one important initiative, the NFB joined forces with Daniel Langlois's firm DigiScreen, Telefilm Canada and SODEC (the Quebec government's cultural enterprise development corporation) to create an independent digital movie theatre network. A network of this kind is now a possibility owing to new digital screening technologies, the network availability of digital content, the increase in the number of participating sites and the potential pool of viewers. The NFB's prime role in the network will be to offer access to its collection of classic dramatic films and its award-winning documentaries and animated films. Thanks to digital technology, these films will be accessible to all Canadian communities that have the required computer connections. The NFB's secondary role will be to act as an expert partner in the conversion of films to digital format.

2. Achieve greater reach across Canada and into communities

The NFB undertook outreach activities in a number of communities across Canada. On November 14, NFB Montreal received its one millionth visitor, 11-year-old Eve MacGregor. It was a red-letter day in the very lively history of the CineRobotheque. In 11 years, over 500,000 NFB films have been watched at the viewing stations. This year, the CineRobotheque began its switch to digital format, a significant step that has notably added 1,200 digital titles to the 7,800 analogue ones already available. Some new workshops have also been designed for various target groups, providing an opportunity to review the collection: Second-language learning (beginner, intermediate and advanced levels), Postcards from Montreal (Canada) and Science, Please! Some 15,000 people took part in these learning activities, a sharp increase of 15% over last year.

The NFB's Montreal Centre and the Mediatheque in Toronto have become the physical anchors of a significant number of the NFB's various networks. The Montreal Centre received 104,252 visitors and almost as many, 101,396 people, made their way to the Mediatheque in Toronto, even though it was in only its second complete year of operation.

The NFB has established partnerships with 50 public and university libraries across Canada, whereby the libraries can buy our films at reduced rates and receive a free copy of our new releases; in return, they keep a good number of our films in stock, in both official languages, which their patrons can borrow or rent.

Number of Films Borrowed through Partner Libraries

2001–2002	2002–2003	2003–2004	2004–2005
217,964	222,827	207,246	197,248

Outreach development managers also organized more public screenings of NFB films across the country. In 2004–2005, the NFB held 1,041 public screenings, with total attendance of 55,116 people, which represents an increase of over 100% in screenings, but a drop of 27% in the audience in relation to last year. In addition to these community screenings, the NFB showed films in schools across Canada. In total, we held 594 school screenings for over 43,000 students.

As of March 31, 2005, the NFB Film Club had 23,890 very active members with whom the NFB communicates on a regular basis: it is worth noting that while the number of messages sent to Film Club members remained stable, the number of comments received increased almost fivefold, and the vast majority of them were very positive. The evaluation of the printed version of the *Focus* newsletter, 7,000 copies of which are distributed, showed that half the respondents posted it (health care and educational institutions), that a high proportion of them would like to receive more information about films being shown in their area and that 77% of them wanted to continue receiving the printed version even though they sometimes consulted the online version. An evaluation of the online edition of *Focus* has begun, and of the 1,433 completed questionnaires returned to the NFB within seven days of being sent out, 1,100 were received within 24 hours of the sending of the e-mail message.

3. Further enhance collection management in a digital universe (conservation, digital evolution, rights)

This priority centres on enhancing collection management—conservation, indexing, cataloguing and restoration. The NFB’s ongoing objective is to create an electronic vault (e-vault) for its 10,000-strong collection in order to increase accessibility to its films. The NFB is fortunate, as it owns the rights to most of its collection, and, since 1978, its holdings have been fully catalogued and indexed. Funding through the Memory Fund, an initiative of the Department of Canadian Heritage’s Canadian Cultures Online Program, has helped the NFB pursue the goal of creating an e-vault. It is important to note that the NFB is a world leader in the metatagging, treatment and enhancement of films in the digital transfer and encoding process.

This year again, the NFB has benefited from \$1.7 million in funding from Canadian Heritage, through the Memory Fund, under the Canadian Cultures Online Program. This funding was used to help enrich the catalogue of the NFB’s CineRoutefilm library (250 titles), mentioned earlier. The money was also used to build the new educational Web site, *Documentary Lens/Objectif Documentaire*, a bilingual resource that provides audiovisual learning projects for upper elementary and secondary schools. Developed by 7th Floor Media, a non-profit multimedia research and development centre in the Faculty of Education at Simon Fraser University, this project has benefited from the input of many professors, including the Association québécoise des utilisateurs de l’ordinateur au primaire et au secondaire (AQUOPS), the Educational Computing Organization of Ontario (ECOO) and the Réseau pour le développement des compétences par l’utilisation des technologies (RÉCIT), through the members of the Commission scolaire de Montréal.

- Intended for the educational community, *Documentary Lens/Objectif Documentaire* seeks to show how, over the NFB’s 65-year history, NFB documentaries have portrayed Canada and the world.
- *Images of a Forgotten War: Films of the Canadian Expeditionary Force in the Great*

War: 60 titles were added to the original 20 on the Web site, which is the result of close co-operation between the NFB, the Imperial War Museum in London, the National Archives of Canada and the Canadian War Museum. The titles are grouped under three headings: Building a Force, Wartime, and the Postwar Period. Many historical resources (letters, maps and Internet links) have also been indexed to enhance the educational material and facilitate its use. Educational resources were also put together so that teachers can make immediate use of site content in the classroom.

4. Increase NFB visibility in communities, on television and in learning channels

The NFB continues to seek out more television slots to reach more audiences. It is also continuing its partnership with the Documentary Channel, which broadcasts approximately 50 hours of NFB films a year, chiefly in two NFB branded slots.

The NFB is working to increase access and dialogue on NFB productions so that Canadians re-establish a lasting connection with their National Film Board of Canada. While the NFB continues to expand its presence on television, with NFB films being broadcast nearly every day, it continues to be limited in its access to programming and scheduling on public television. The NFB continues to consider the need to have its own television channel, which would connect NFB productions directly to Canadians.

We were able to strengthen relationships with learning channels, such as educational broadcasters, teachers, learning and research institutions, and libraries, and so provide Canadians with easier access to the NFB's collection. A particular emphasis was networking in schools, increasing our sales of educational materials, and organizing workshops at regional and provincial teachers' conferences to foster the use of Canadian audiovisual materials.

The Documentary Lens/Objectif Documentaire Web site seeks to show how, over the NFB's 65-year history, NFB films have portrayed Canada and the world. For teachers, the site provides tools for:

- Identifying themes representing Canadian society
- Showing how filmmakers have dealt with these themes
- Using film clips as historical documents to show aspects of Canada in the past

Another example of supporting the educational community in innovative and constructive ways is the NFB's assistance, at a Calgary teachers' conference, in showing the film *Teaching Peace in a Time of War*. This title is the third in a trilogy that also includes *Waging Peace* and *Learning Peace*. In conjunction with Triad Film Productions, the NFB has devised an educational kit called *Peace@School (Paix@L'École)* which provides teachers with tools for creating a culture of peace.

To strengthen its alliances with school systems, the NFB is enriching its teaching resources, giving workshops at regional and provincial teachers' conferences and organizing teacher training activities in universities, in co-operation with educational specialists and learning centres.

Furthermore, the NFB invites young filmmakers, film industry professionals and university students (as well as interested members of the general public) to master classes on documentary and animated films. In 2003–2004, the NFB held eight master classes, in Vancouver, Winnipeg, Toronto, Montreal and Chicoutimi, given by well-known filmmakers and NFB staff. Among the masters giving the workshops were Sylvie Groulx, Michel La Veaux, Michael Dowse, Jacques Drouin, Anne Claire Poirier and Francine Desbiens, Don McWilliams, Christine Welsh, Marcel Jean and Nicolas Brault. The purpose of the workshops is to share technical skills and creative know-how.

5. Increase branding opportunities in Canada and abroad

The NFB continued to strengthen the NFB brand by ensuring that:

- The contracts it signs include clauses to ensure that its share of the rights in co-productions are attributed to it more clearly. We reviewed all our co-production and distribution contracts, in co-operation with our public partners, including Telefilm Canada and SODEC, to make sure that they reflect our strategic aims more accurately, as well as standard industry practice.
- A greater number of time slots should be made available to the NFB on Canadian television networks. On specific projects, the NFB worked with broadcasters such as APTN and TV5 to produce thematic series using its collection. One such project was the series *L'Office national du film: Un survol*, presented by Jacques Bensimon, a contemporary look at the films that defined their times, landmark films that led the way to modern Quebec society. We have also worked with the Documentary Channel to co-produce a series devoted to NFB pioneers.
- Our Web site features previews of upcoming NFB releases. The redesign of the NFB site provided an opportunity to highlight new productions in an innovative, dynamic fashion. We have also developed technology for adding previews for upcoming NFB titles to all DVDs sold by the NFB. This technology has yet to be implemented.
- The public is getting more information about the NFB's new films. The Oscar® nominations of the co-productions *Ryan* and *Hardwood* and our four films at the Cannes Film Festival helped raise Canadians' awareness of NFB activities and productions. As a result of a partnership between the NFB and the *Globe and Mail*, visitors to the newspaper's Web site were able to view Chris Landreth's extraordinary film online.

Here are a few examples of the ways in which the NFB has increased its presence in the various distribution networks. Rather than promote every film, the NFB is pursuing its strategy of promoting its overall brand, since it has a high level of recognition with Canadians. To this end, the NFB reviewed its brand image at international trade fairs.

The NFB established partnerships with international festivals to reinforce the NFB brand and place in the audiovisual landscape. The NFB expanded its participation in Sunny Side of the Doc, the international documentary market held annually in Marseilles. In addition, we are proud to announce that the 2005–2006 Cannes Film Festival will, along with the NFB, be creating the new Norman McLaren Prize for the winner of the Palme d'or for best short film.

Results for Program Activity 3. Access to audiovisual works and outreach development

In 2004–2005, the NFB achieved many of its desired results for Program Activity 3. We have ensured greater access to the NFB’s collection through our traditional platforms, but also by making use of the huge potential of the Internet, with, for instance, our online Film Club and CineRoute project. Results were similar for citizen participation. We encouraged dialogue with Canadians at public screenings of our productions. We believe there is still a great deal to do in this respect, however. We have a solid presence in the educational community and contribute to lifelong learning. This presence has been established in conjunction with many other public and private partners. We must continue our efforts to ensure that NFB productions are more easily recognized by the general public when they are broadcast here, but outside Canada too. NFB productions benefit from a high profile and significant media coverage. Over the next year we must seize every opportunity to raise our visibility. The establishment of a marketing branch will help us achieve this objective.

Digitizing our entire collection of 10,000 titles is a major challenge but we have made an excellent start, thanks in part to our co-operation with the Memory Fund. So far, we have digitized more than 2,000 titles. There is still a significant amount of work to be done, if we are to make our entire collection accessible in digital format. While we are making headways, our progress is restricted by the NFB’s limited technical and human resources needed to complete the digitization process.

Program Activity 4. Research and advisory services (corresponds, in part, to Strategic Outcome 1 of 2004–2005 RPP)

Under the heading of research, the NFB undertakes and commissions studies, advises the government, offers consulting services, shares knowledge and prototyping, and helps beta test creative outputs and technologies. The aim of these activities is to advance the art and science of filmmaking.

2004–2005 RPP		2004–2005 DPR (according to PAA)	
Strategic Outcomes	Priorities	Program Activity 4	Priorities
Relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.	<ol style="list-style-type: none"> 1. Make the NFB's overall program more relevant to Canadians today. 2. Place innovation at the forefront. 3. Champion cultural diversity and Aboriginal voices. 	This research and advisory activity applies to research connected to filmmaking and the film industry and conducting technical and development projects to advance the art and science of filmmaking. The NFB seeks to create an environment dedicated to excellence and innovation that is conducive to incubation and prototyping.	<ol style="list-style-type: none"> 1. Conduct and participate in research projects such as electronic cinema, social repercussions of documentary film and review of policies governing documentary film. 2. Collaborate further with the government and other organizations.

Financial Resources (in thousands of dollars)

Planned Spending	Authorities	Actual Spending
2,667	3,551	3,781

Note: The summary financial information includes three figures showing:

- Net spending planned for the fiscal year (Planned)
- Net spending planned for the fiscal year, plus additional funding that Parliament decided to grant the NFB in light of changing priorities and unexpected activities (Authorities)
- Total net spending for the fiscal year (Actual)

This program activity generated revenue of approximately \$189,000.

Human Resources

Planned	Authorities	Actual
69	69	69

Expected results for this program activity

- Significant research and development in technical and technological audiovisual field
- The NFB as a reference in filmmaking

Indicators used for this program activity

1. Development and implementation of a research plan
2. Dissemination and use of its research findings
3. Type and impact of the NFB's R&D efforts
4. Type and significance of requests to work with the NFB as a test site and R&D incubator
5. Type and impact of joint ventures (e.g., with Canadian Heritage portfolio organizations, public-private partnerships)

Priorities

1. Conduct and participate in research projects such as e-cinema, social repercussions of documentary film, review of policies governing documentary film

The far-reaching, extremely rapid pace of technological change, as well as the increase in the number of partnerships with Canadian and foreign producers and broadcasters, have been the source this year of many challenges that NFB staff, and especially those in the Innovation and Technological Resources Branch, have met superbly.

The R&D testbed project on content-based indexing and searching of audiovisual materials using the MPEG-7 standard was conducted successfully in partnership with the CRIM (Centre de recherche informatique de Montréal) and McGill University, with funding from CANARIE. The indexing of audiovisual materials combined with the potential for intelligent research capabilities is critical for the efficient management of large quantities of audiovisual materials. A presentation on the project experiments and results was given at the Internet Imaging V International Conference of the International Society for Optical Engineering (SPIE) in January 2004 in San Jose, California, and a technical paper entitled "MPEG-7 Audio-visual Indexing Testbed for Video Retrieval" was published through the SPIE.

In partnership with Algorith, and within the framework of the Programme de soutien aux vitrines technologiques of the Ministère du Développement économique et régional et de la Recherche du Québec, the NFB has been testing and using algorithms developed by our partner to optimize and resize video images, preserve image quality and reduce bandwidth. Testing will be done on video material from various sources and in different formats, using the real-time techniques developed by the NFB.

In another example of innovation, as part of a partnership with the Victoria legislature, the TVA Group and the CRIM, the NFB has also set up an unprecedented project in Canada, a closed-captioning computing grid, or C3 Grid, which draws on the unused capacity of many computers networked together, usually over the Internet.

In addition, Phase 1 of DVD on demand, an automated film production and duplicating service, is now up and running and accessible online. For example, in the three months from January to April 2005 alone, the technical team was able to produce no fewer than 7,500 DVDs, 80% of them in response to requests for single units.

The NFB team has also developed a centralized system for integrating NFB user data and establishing an application to ensure effective user relations management. This helps to improve our knowledge of user profiles, do a better job of targeting communications with them, centralizing data, and standardizing and improving the quality of information.

Throughout the year, management has also made an effort to work more closely with postproduction suppliers, with the dual aim of creating a climate of co-operation, by following best industry practices, and ensuring that the high quality and standards on which the NFB's reputation are based are maintained.

At the 2004–2005 Doc Summit in Toronto, the NFB, along with Telefilm Canada and the Canadian Television Fund, revealed the results of a research program on documentary film that came out of the first Doc Summit, held in 2004. The NFB also sponsored a research project on the social impact of documentary film. At the event, we made public an analysis of the revenue from a dozen documentaries produced or co-produced by the NFB in 1999–2000, compared with the revenue from films funded by the Canadian Television Fund (CTF). The analysis shows that these films earned equivalent amounts of revenue. However, all the revenue from the films funded through the CTF is generated by their sales to broadcasters, whereas in the case of documentaries produced or co-produced by the NFB, 65% of the revenue comes from institutional sales, purchases by communities or individuals, and from our sales to foreign markets.

To meet the growing demand for digital format, the NFB has acquired the necessary technological means and legal agreements for the distribution and broadcasting of our productions through emerging channels. A growing number of clients want to show our films using the Internet as a broadcast medium. We should be able to accommodate them.

These activities have meant that we have had to strengthen our working relationships with private-sector representatives and public research agencies that are creating innovative projects. One such example is the development of special agreements with rights holders' associations in order to allow the showing of our works using new broadcast technologies.

2. Collaborate further with the government and other organizations

As we mentioned in our overview of NFB activities, the Board has maintained a close working relationship with other agencies that come under the purview of Canadian Heritage:

- CBC/Radio-Canada. The NFB joined forces with the Crown corporation to develop the educational DVD *It's a Girl's World (Une affaire de filles)* and, more importantly, the two agencies launched a project based on the film *The Weight of the World (Le poids du monde)* by Glynis Whiting, a co-production with the CBC, that is a challenge to high-school and elementary-school teachers and students. With the help of an instructional kit and a dedicated Web site, and after formally registering to take part in the challenge, 40,000 young people set off to discover the world of food through hands-on activities; the project produced some surprising results.
- Telefilm Canada. The Government Film Commissioner and the executive director of Telefilm Canada will continue to sit on the boards of each other's agency. The two organizations worked together to hold the 2004–2005 Doc Summit at Hot Docs in Toronto. The Doc Summit advisory group includes the Canadian Independent Film and Video Fund (CIFVF), Canadian Radio-television and Telecommunications Council (CRTC), CBC/Radio-Canada, Canada Council for the Arts, Canadian Association of Broadcasters (CAB), Department of Canadian Heritage (DCH), Association des producteurs de films et de television du Québec (APFTQ) and Canadian Film and Television Producers Association (CFTPA). The digital film initiative also fostered partnerships between the two agencies.

Results for Program Activity 4. Research and advisory services

Through its R&D held in conjunction with a number of film industry and other partners, the NFB has helped to advance knowledge in filmmaking. Research and development of new technologies is an ongoing activity that fosters the renewal of knowledge and its practical applications. While we aid in this advance through our activities, there will always be work to be done, and the NFB fully intends to make a contribution.

SECTION IV—OTHER ITEMS OF INTEREST

Strategic Outcome 3 of 2004-2005 RPP

This outcome does not correspond to a program activity under the new 2005–2006 Program Activity Architecture, as it underlies all our activities. We are, nonetheless, presenting the results for this strategic outcome, as it was mentioned in our 2004–2005 RPP and it contributed to the effectiveness and good management of the NFB and the public funds allocated to it.

2004–2005 RPP		2004–2005 DPR (according to PAA)	
Strategic Outcomes	Priorities	Program Activity	Priorities
An efficiently managed organization.	<ol style="list-style-type: none"> 1. Manage resources efficiently and effectively. 2. Enhance accountability, business practices and information systems. 	No correspondence to PAA.	

Achievements and performance with respect to Strategic Outcome 3

Expected results for this program activity

- Get maximum value for public money in serving production, innovation, experimentation, distribution and access.

Indicators used for this program activity

- Improvements to internal and external systems for better resource management and control
- Prudent management of public funds and maintenance of administrative costs

Priorities

1. Manage resources efficiently and effectively
2. Enhance accountability, business practices and information systems

The NFB is committed to improving its management methods to reflect the new business environment of Canadian public organizations. We have implemented a modern business culture and we believe that transparency and accountability throughout the NFB are essential to effective, efficient management.

Development and consolidation of the Electronic Rights Management System (ERMS) continued over the last 12 months. Functions were added, a number of modules, including Contract, were enhanced, and various data input activities (2003–2004 contracts, public domain titles for 1954,

co-production contracts for 2002, 2003, 2004) were completed. The addition of a Royalties module was planned and development of a Royalties AR module was completed on time.

We have also improved the production, distribution and administration systems to meet NFB objectives, which are to produce high-quality audiovisual works and reach audiences as effectively as possible. For example:

- The NFB is constantly improving its integrated information and knowledge management system, Synchrone. The revamped intranet was rolled out in May 2004 and the use of standardized templates has made it possible to speed up input and posting.
- To measure performance for all its activities, the NFB has developed new performance indicators. They will be implemented in order of institutional priority over the next year and will enable us to assess the achievement of our strategic objectives.
- Beyond its work as a producer and distributor, the NFB has also given more thought to the important issue of social responsibility, as a result of the questions prompted by the launch and distribution of the film *Ce qu'il reste de nous (What Remains of Us)*. Discussions have begun with partners in Canada and abroad. We also have begun a review of our own practices to clarify the ethical principles it intends to promote.
- The NFB has developed a new internal audit plan as well as a framework for the integrated management of risk and personal information. We have also reviewed the procedures related to the delegation of authority, especially for distribution.

By allocating most of its resources to film production, the NFB is ensuring that there is a link between resources used and results obtained. In 2004–2005, the NFB spent \$46.9 million (72% of its budget) on film production, \$1.9 million (3%) on distribution, \$12.3 million (19%) on marketing and outreach, and \$3.8 million (6%) on research and advisory services.

The NFB makes every effort to keep administrative costs as low as possible. In recent years, it has managed to keep them down to between 9 and 10% of its budget.

Results for Strategic Outcome 3 of the 2004–2005 RPP

We believe that the NFB has used public funds diligently and has obtained maximum value out of these funds in conducting its activities for the benefit of Canadians.

SECTION V—SUPPLEMENTARY INFORMATION

Table 1: Comparison of Planned Spending to Actual Spending (incl. FTE)

Table 1: Comparison of Planned Spending to Actual Spending (inc. Full-Time Equivalents)					
(\$ thousands)	2002–2003 Actual	2003–2004 Actual	2004-2005		
			Planned	Total	Actual
			Spending	Authorities	Spending
1. Production	46 482	50 048	49 120	50 481	46 891
2. Distribution	3 827	1 705	491	491	1 913
3. Accessibility	12 029	11 691	11 404	12 353	12 325
4. Research	3 925	3 869	2 667	3 551	3 781
Total	66 263	67 313	63 682	66 876	64 910
Total	66 263	67 313	63 682	66 876	64 910
Less: Non-respendable revenue	-	-	-	-	-
Plus: Cost of services rec'd without charge	18	-	-	-	-
Net cost of NFB	66 281	67 313	63 682	66 876	64 910
Full-time equivalents	481	498	510	510	507

Table 2: Use of Resources by Business Lines (Program Activities)

2004–2005				
(\$ thousands)	Operating	Grants and Contributions	Less: Respendable Revenue	Total
1. Production				
Planned Spending	49 974	152	- 1 006	49 120
Total Authorities	51 335	152	- 1 006	50 481
Actual Spending	49 213	145	- 2 467	46 891
2. Distribution				
Planned Spending	8 010	0	- 7 519	491
Total Authorities	8 010	0	- 7 519	491
Actual Spending	7 173	0	- 5 260	1 913
3. Accessibility				
Planned Spending	11 581	98	- 275	11 404
Total Authorities	12 530	98	- 275	12 353
Actual Spending	12 496	149	- 321	12 325
4. Research				
Planned Spending	2 767	0	- 100	2 667
Total Authorities	3 651	0	- 100	3 551
Actual Spending	3 969	1	- 189	3 781
Total				
Planned Spending	72 332	250	- 8 900	63 682
Total Authorities	75 526	250	- 8 900	66 876
Actual Spending	72 852	295	- 8 237	64 910

Table 3: Votes and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Item	2004–2005		
		Planned Spending	Authorities	Actual Spending
75	NFB Revolving Fund—Operating expenditures	63 672	66 866	66 502
(L)	NFB Revolving Fund	10	10	- 1 592
	Total	63 682	66 876	64 910

Table 7: Sources of Responsible Revenue

(\$ millions)	2002–2003	2003–2004	2004–2005		
	Actual Spending	Actual Spending	Planned Spending	Total Authorities	Actual Spending
NFB Operations					
1. Production	1 547	1 540	1 006	1 006	2 467
2. Distribution	5 083	6 278	7 519	7 519	5 260
3. Accessibility	246	675	275	275	321
4. Research	301	248	100	100	189
Total responsible revenue	7 177	8 741	8 900	8 900	8 237

Table 8: Revolving Fund

(\$ millions)	2002–2003	2003–2004	2004–2005		
	Actual Spending	Actual Spending	Planned Spending	Total Authorities	Actual Spending
Revenue	66 263	67 313	63 682	66 876	64 910
Operating expenses	- 66 263	- 67 313	- 63 682	- 66 876	- 64 910
Surplus (deficit)	-	-	-	-	-
Depreciation/Amortization	- 3 847	- 3 576	- 2 000	- 2 000	- 3 448
Investing activities					
Acquisition of depreciable assets	3 794	1 593	2 000	2 000	1 856
Cash surplus (deficit)	- 53	- 1 983	10	10	- 1 592
Authority: Cumulative (drawdown)	13 622	11 639	13 800	13 800	10 047

Table 10A : User Fees Act

User Fee	Fee Type	Fee-Setting Authority	Date Last Modified	2004-2005		
				Forecast Revenue	Actual Revenue	Full Cost
Request fees	Regulation	Access to Information Act	N/A	0	\$30	\$5 000

Note: Other NFB revenue is not from user fees.

Table 14: Details on Transfer Payments Programs

(\$ millions)	2002-2003	2003-2004	2004-2005			
	Actual Spending	Actual Spending	Planned Spending	Total Authorities	Actual Spending	Variance, Planned vs. Actual
Total Grants and Contributions						
1. Production	204	176	152	152	145	7
2. Distribution	0	0	0	0	0	- 0
3. Accessibility	70	118	98	98	149	- 51
4. Research	1	1	0	0	1	- 1
Total	275	295	250	250	295	- 45

Table 16: Financial Statements of Departmental Corporations and Agents of Parliament

The financial statements of departmental corporations (listed in [Schedule II of the Financial Administration Act](#)) and Agents of Parliament are to be included in the DPR since fiscal year 2003–2004.

The NFB prepares an annual report that includes its financial statements. It is available electronically.

SECTION VI—APPENDICES

APPENDIX I

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
- Mediatheque—Toronto
- Call Centre (1 800 267-7710)
- Web site <www.nfb.ca>

International Distribution

- U.S.A. (New York)
- European Office (Paris)

English Production Centres

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

French Production Centres

- Moncton
- Montreal
- Toronto

APPENDIX II

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