



National Film Board of Canada

**1998-1999
Estimates**

**Report on
Plans and Priorities**

Approved

Minister of Canadian Heritage

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SECTION I - MESSAGES

A. COMMISSIONER'S MESSAGE

The plans of the National Film Board for 1998-1999 are characterized by consolidation and renewal. The restructuring which was required as a consequence of Program Review has now been implemented. The permanent workforce has been reduced by 50%; administrative costs have been reduced by 50%; revenues have held steady; the number of films being produced has held steady; Canadian viewership of those films has increased. Our goal for 1998-1999, our 60th anniversary year, is to settle into our new direction, and return all our energy and commitment to the fulfilment of our mandate to make films which interpret Canada to Canadians and the world.

While looking back over 60 years of service to Canadians through the powerful medium of film, we will also be looking forward. As a millennium project, we will complete the transfer of our collection of some 10,000 titles to laser disc, and begin the delivery of these titles - a large part of the audiovisual heritage of Canadians - via the information highway. Many of our new productions will be in new media, interactive and Internet-delivered. Our service to Canadians is, as always, evolving with our society and our environment.

B. MANAGEMENT REPRESENTATION STATEMENT

I submit, for tabling in Parliament, the 1998-1999 Report on Plans and Priorities (RPP) for the National Film Board.

To the best of my knowledge (and subject to the qualifications outlined below), the information:

- accurately portrays the institution's mandate, plans, priorities, strategies and expected key results;
- is consistent with the disclosure principles contained in the *Guidelines for Preparing a Report on Plans and Priorities*;
- is comprehensive and accurate;
- is based on sound underlying information and management systems;

I am satisfied as to the quality assurance processes and procedures used for the RPP's production.

The planning and reporting structure on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Maryse Charbonneau
Director, Administration

Date: February 6, 1998

SECTION II - OVERVIEW OF THE NATIONAL FILM BOARD

A. MANDATE, ROLES AND RESPONSIBILITIES

The National Film Board reports to the Minister of Canadian Heritage, who has the authority to administer the *National Film Act* establishing and governing this public audiovisual production and distribution agency. Pursuant to section 9 of the Act, the NFB "is established to initiate and promote the production and distribution of films in the national interest and, in particular,

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

B. OBJECTIVE

To produce and distribute audiovisual works which provoke discussion and debate on subjects of interest to Canadian audiences and foreign markets; which explore the creative potential of the audiovisual media; and which achieve recognition by Canadians and others for excellence, relevance and innovation.

¹ These powers were transferred to the Minister of Supply and Services by Order in Council P.C. 1984-6/2565.

C. ORGANIZATIONAL STRUCTURE

1. NFB Program and Sub-activities

Under its existing Operational Planning Framework², the NFB has only one activity, which is synonymous with its Program and consists of the following sub-activities:

Programming - the main component of the NFB Program; comprises *production* and *marketing* of audiovisual works;

Distribution and collection management - comprises archives, conservation, information and access to the collection, as well as distribution support for all films in the collection;

Research and development - comprises experimental and technological development projects conducted to advance the production and distribution of audiovisual works;

Training - mainly limited to training and development of the NFB's own employees;

Administration - comprises strategic planning and orientation, corporate communications, program evaluation and accounting, administrative management and human resources.

2. Areas of Responsibility

The Program is directed by the Commissioner and NFB Board of Trustees, and is divided into six major areas of responsibility:

English Program, which manages English-language production and marketing activities in Canada;

French Program, which manages French-language production and marketing activities in Canada;

International Program, which is responsible for international marketing and sales activities and manages the NFB's participation in Canadian and foreign festivals;

Services and Technological Development, which comprises Technical Services and Informatics, and Research and Technological Development;

Communications, Corporate Affairs and Services to the Public, which comprises Communications, Corporate Affairs, Collection Management and Information, Customer Services, the Stock Shot Library and various distribution support services;

Administration, which comprises the Commissioner's Office, the Planning, Program Evaluation and Audit Branch, the Administration Branch and the Human Resources Branch.

² *The NFB will table a Planning, Reporting and Accountability Structure (PRAS) with Treasury Board this year to ensure that its structure better reflects the changes resulting from its re-engineering exercise.*

3. Infrastructure

The NFB's head office is located in Ottawa and its operational headquarters in Montreal. It also maintains production centres in Vancouver, Edmonton, Winnipeg, Toronto, Moncton and Halifax. This decentralized production infrastructure promotes the development of filmmaking talent in all regions of the country. These centres, along with the film and video distribution network operated in association with institutional and public-sector partners, ensure an NFB presence in all provinces and territories of Canada. International sales and distribution of NFB films and videos are managed from the NFB's operational headquarters in Montreal and through its offices in New York, Paris and London.

D. FINANCIAL SPENDING PLAN

Table 2.1: Agency Overview

Credits (thousands of dollars)	Main Estimates 1997-1998	Main Estimates 1998-1999	Planned 1999-2000	Planned 2000-2001
Gross Estimates	66,590	64,785	65,021	65,021
Revue credited to the vote	(8,900)	(8,900)	(8,900)	(8,900)
Total Main Estimates	57,690	55,885	56,121	56,121
Estimated cost of services provided by other departments	30	26	26	26
Net cost of the agency	57,720	55,911	56,147	56,147

SECTION III - PLANS, PRIORITIES AND STRATEGIES

A. SUMMARY OF KEY PLANS, PRIORITIES AND STRATEGIES

In the period from 1998-1999 to 2000-2001, the NFB will complete its five-year plan undertaken in 1996-1997. Several strategies have already been implemented and major changes have been made to the institution, its activities and resources, as reported in our performance reports for previous years. The operational infrastructure for production and marketing has been rationalized; activities not central to the NFB's production and distribution mandate have been eliminated; technical and production services that are no longer essential or cost effective have been closed down; and the administrative infrastructure has been reduced to a strict minimum. The workforce adjustment programs will have resulted in a 50% reduction in the number of continuous employees by the end of 1997-1998. New financial and production management information systems have been implemented and cost-recovery programs have been undertaken in Marketing, Technical Services and the Stock Shot Library.

During the next three years, the NFB's main strategies and initiatives will focus on consolidating these organizational changes and particularly on mobilizing our resources around common goals and delivering a program of audiovisual works whose relevance, excellence and innovation will enable the NFB to better fulfil its mandate to interpret Canada to Canadians and to other nations.

The main elements of this strategic planning can be summarized as follows:

Plans	Strategies
To maintain and improve the relevance, excellence and innovation of our audiovisual productions	<ul style="list-style-type: none"> • Develop programming based on a closer relationship between creator-driven projects and institutional programming objectives • Make use of creative resources from all across Canada, and strengthen programs and measures to give a voice to emerging filmmakers and diversity groups • Develop new forms of educational and entertaining content for children by exploring the various interactive media
To build and serve Canadian audiences and foreign markets efficiently and effectively	<ul style="list-style-type: none"> • Maximize the audience for NFB production via conventional television and specialty services • Continue efforts to reduce expenses and boost revenues in Canada and abroad so as to recover the costs of our marketing operations • Use private-sector and public-sector partners to reach target audiences and clientele • Take all necessary measures to preserve and facilitate access to the collection, which constitutes a unique audiovisual heritage
To make the production and distribution process modern and efficient	<ul style="list-style-type: none"> • Complete the transition to digital and electronic filmmaking capacity • Undertake a new development phase for the CineRobotheque to permit remote access to the collection for research and viewing purposes • Offer the NFB's production and post-production services on a cost-recovery basis
To ensure efficient and responsible administrative management	<ul style="list-style-type: none"> • Consolidate the operational and administrative changes made since 1996 • Consolidate the implementation of the new information systems • Develop performance indicators appropriate to the management of a cultural organization

B. DETAILS OF THE NFB PROGRAM

Under its existing Operational Planning Framework, the NFB represents only one Program, which corresponds to a single activity. Our detailed plan thus indicates how the different sub-activities or components of this Program contribute to achieving the NFB's long-term plan and shorter-term priority strategies.

Table 3.1 below shows spending by each sub-activity as defined in this Operational Planning Framework.

Table 3.1: Appropriated Planned Spending by Sub-activity

(thousands of dollars)	Main Estimates 1997-1998	Main Estimates 1998-1999	Planned 1999-2000	Planned 2000-2001
Programming	44,366	45,160	45,396	45,396
Distribution/Collection	4,988	3,300	3,300	3,300
Research and Development	813	800	800	800
Training	250	250	250	250
Administration	6,898	6,000	6,000	6,000
Total	57,315	55,510	55,746	55,746

Further to the Government Program Review, a number of changes have been made in the structure and organization of the NFB's operations. These will be reflected in our new Planning, Reporting and Accountability Structure once it has received Treasury Board approval. Therefore, in reading the detailed plan that follows, it is necessary to keep in mind the following differences.

First, the two sectors making up Programming -- production and marketing of audiovisual works -- are presented separately to better reflect the dynamics specific to each. Second, Distribution includes collection management and distribution support services. Lastly, Training represents only development activities for our own employees; other assistance and support activities for emerging filmmakers or diversity groups are included under Programming since they are offered within actual production programs.

1. PRODUCTION

Objective

The objective of the NFB's production sector is to ensure the development and creation of audiovisual works that are genuinely Canadian but open to the wider world and that serve a cultural function by helping to forge a Canadian identity. In other words, the NFB aims to produce works that will improve the knowledge of Canadian realities, encourage dialogue on important issues and promote mutual understanding and tolerance.

External Factors Influencing Production

Economic context - With the loss of a third of its Parliamentary appropriation, the NFB has had to refocus on its primary mission of film production, streamline its production infrastructure and adopt a new organizational model. At this level of funding, it has opted to stop making dramas, which are very expensive and which receive significant financial support from other government programs, and concentrate its resources on documentary and artistic animation, its two traditional areas of excellence, and program types which receive much less support from other sources. During its rationalization exercise, the NFB tried to protect its production capacity and volume as much as possible in order to maintain the impact of its programming. Even at that, it must depend increasingly on partnerships to carry out its Program.

Technological development - With the rapid evolution of production technology, the NFB is the ideal place in Canada where experimentation, innovation, research and development can take place in an actual production environment. The NFB is currently completing the transformation of its production chain to make it digital and networked. It is also experimenting in the field of new media. The development of these technologies offers immense potential but puts a very strong pressure on human and financial resources. The rapid pace of changes in work methods means that employees must engage in ongoing training and development at the same time as they have to cope with a heavier workload owing to the downsizing.

Canada's evolving ethnic and cultural composition - Canadians expect the NFB to reflect, interpret and witness all aspects of Canada. The change in the ethnic and cultural composition of the Canadian population requires the NFB not only to express these diverse realities but to do so with the help of artists and filmmakers from these groups who have all the necessary knowledge and sensitivity to these realities.

Plans and Priorities

Reorganizing the programming process - The NFB has already undertaken to review its film programming process and will introduce certain changes to better reconcile creators' interests with audience interests. Some of the main changes the NFB plans to implement are:

- increasing peer review of film projects;
- establishing more specific criteria, objectives and programming frameworks;
- improving production information and feedback systems;
- allocating more resources to the research and development phase of programs and film projects.

Being more active in the film community - The active participation of NFB producers in their local film communities is essential for spotting new talents and ensuring the visibility and

accessibility of the NFB. Since the NFB has greatly reduced its in-house creative personnel, increased local involvement will allow them to discover new filmmakers and forge new links with craftspersons, artists and creators.

Consolidating the new programs and new activities implemented to reflect diversity and promote the development of new talents - The NFB will continue to help emerging filmmakers by offering them programs and activities to meet specific or one-time needs. It will also maintain the assistance programs for independent filmmakers -- the Filmmaker Assistance Program and the Programme d'aide au cinéma indépendant (Canada) -- which are designed to encourage experimentation, favour the development of emerging filmmakers and offer supplementary technical assistance for projects which otherwise could not be completed. Documentary internships, training sessions and on-the-job training for aboriginal filmmakers and members of diversity groups, and the competition for a first professional animated film will also continue this year.

In *English Program*, a special mandate team for cultural diversity has been created and projects in development will go into production this year. In *French Program*, a cinema of diversity has been designated as a priority and a study has been undertaken to recommend the most appropriate procedure, structure and activities for the expression of this cinema within French-language productions.

English Program's Aboriginal Filmmaking Program, by which production funds are earmarked and allocated annually to this sector, is starting its second year and new productions will be undertaken in addition to the films currently in production. In *French Program*, the *Cinéastes autochtones* program will continue this year.

Expected Results

Production of documentary films on themes that reflect different aspects of Canadian reality and the Canadian imagination

Films in production or development in *English Program* can be grouped under the following themes:

- films on Canadians, some not known to the general public but whose lives and work illustrate important aspects of recent Canadian and world history;
- a group of films to help viewers understand international situations that affect Canadians;
- films about popular culture and life styles in Canada;
- films illustrating the richness of Canada's cultural diversity;
- a film series or collection developed in association with a national broadcaster to mark the beginning of the new millennium.

Films in production or development in *French Program* can be grouped under the following dominant themes:

- science and society - films for the general public and young people to encourage an interest in science and the scientific world in these days of rapidly advancing scientific research and development;

- arts, culture and experimental films- dynamic cinematographic works reflecting and exploring the interpenetration of cultures and the resulting social values and artistic expression;
- economy and the workplace - films exploring the challenges facing individuals and society as a result of globalization and the related social changes;
- the North American Francophonie - a new film collection, in collaboration with a public broadcaster, focussing on contemporary Francophone society in North America and its different cultures and people;
- *Documentaire enquête* - a new film collection, for general-interest television, about human beings and their activities, supported by prior basic research and analyses conducted by researchers and professionals along with interested filmmakers.

Production of experimental, artistic and educational animated films

English Program will continue with the production of two major series undertaken last year in addition to a wide range of films based on the personal visions of artists and animators:

- the *ShowPeace* series consisting of six short films for children about conflict resolution;
- a children's series illustrating short tales from different cultures.

French Program will continue with the production of artistic and personal films with an educational or social message, in the French animation tradition, and will complete production of Part 3 of the *Rights from the Heart* collection for children.

Production of educational films and multimedia documents for children and young people

English Program has a number of educational videos in production or development, including:

- a series of films on Canada's economic and social geography that can be used in teaching Canadian Social Studies;
- *The 20th Century in Canada*, a series of videos using stock shots and archival footage to teach 13- to 16-year-olds about 20th century history;
- *How Do They...?* and *What is...?*, two existing series of films designed to stimulate the curiosity and imagination of children at the elementary level, which will be extended;
- several CD-ROM projects consisting of interactive productions on different cultures, citizenship and history for children aged 9 to 12.

French Program will undertake production of projects focussing mainly on science and history:

- scientific clips that could be incorporated into a television show for 11- to 14-year-olds;
- a new collection of works consisting of animated films and original children's books designed to stimulate a love of reading;

- a CD-ROM project, in coproduction with *English Program*, to permit the virtual exploration of Canadian historical sites.

English Programs and *French Program* will also collaborate on developing an NFB Website on history. Designed for students, teachers and history buffs, the site will present research and NFB productions on Canadian history and will contain links to other reference sources, including CBC/SRC and the National Archives.

2. MARKETING

Objective

The purpose of this sector is to ensure that NFB productions are seen by as many Canadians as possible and that they reach their target audiences. It is also responsible for promoting the sale of our products in the different foreign territories and markets.

External Factors Influencing Marketing

The arrival of numerous specialty television services in Canada and abroad creates interesting new windows not only for new productions to be launched in the coming years but also for certain productions from our catalogue that remain relevant and topical and suit specific strands on these specialty services. The audience and market fragmentation caused by this proliferation of channels have pushed licence fees down, making it necessary to sell more products in order to maintain the same revenue level.

Plans and Priorities

Achieving cost-recovery for marketing activities - The NFB's five-year plan provides for the cost of marketing activities and operations to be covered by generated revenues. During the first two years of the plan, during which great progress was made toward cost-recovery, the Canadian and international marketing structures were rationalized and reorganized. Certain activities were eliminated, staff was downsized and markets were prioritized, all with a view to reducing expenses. Over the next few years, the NFB will now focus most of its marketing strategies and initiatives on increasing revenues.

Focussing on television as the main means of distribution - The NFB will step up its television marketing, both to the major networks and to the specialty channels. It will continue its efforts with the national networks to have its documentaries shown in dedicated time slots that would develop a loyal audience for this type of film. It will take advantage of the proliferation of specialty channels to distribute its new productions targeting niche audiences. It will also take advantage of its rich collection of films to offer these channels compilations, series, collections and thematic groupings suited to the different specialty services. Efforts will be made to significantly increase the number of television presales, which generally ensure prime-time broadcast and higher revenues.

Increasing NFB partnerships with public-sector organizations and private firms for the sale and distribution of its products - The NFB has reorganized its own promotion, marketing, sales and distribution structures and operations to reflect Canadian Anglophone and Francophone markets and foreign markets. It is also wants to consolidate and extend its network of partners to cover all institutional, educational and consumer markets as fully as possible. Efforts will thus be made to consolidate its network of partner libraries and include school libraries as well. The NFB will make greater use of wholesalers, distribution agents and companies, cataloguers and other intermediaries to broaden its network of partners in Canadian and foreign markets.

Expected Results

In 1998-1999, the NFB will launch many new releases and undertake new activities, such as:

Canadian marketing -- Anglophone market:

- premiering new releases on the CBC and specialty channels, and airing films, series and compilations from the NFB catalogue primarily on the History Channel, Vision TV, Teletoon and TVOntario;
- increasing the number of direct mail campaigns and better targeting potential clients thanks to the new information systems on institutional and educational clients;
- increasing the participation of NFB representatives in film events, markets and fairs at the national level and in each region of the country;
- developing new partnerships with intermediaries to enable the NFB to extend and diversify its presence in the consumer market;
- concluding new agreements with Famous Players and private distributors for pairing animated shorts with popular feature films and screening certain high-profile films in commercial theatres.

Canadian marketing -- Francophone market:

- programming a new series of NFB films in the *Filière D* slot on Canal D;
- preparing *L'ONF : témoin de notre temps* in collaboration with a public broadcaster;
- preparing *Souvenirs Souvenirs* in collaboration with Télé-Québec;
- preparing *Image par image +* for broadcast on Teletoon;
- marketing educational versions of science films;
- holding theatrical screenings during special NFB Weekends in Montreal and the different regions of Canada.

International marketing:

- *United States*

Negotiations are being conducted with Turner Broadcasting for a second 13-episode series of animated films and with the Comedy Central speciality channel for a large number of animated films. Also, following their success on the festival circuit, the documentary features *Chile: Obstinate Memory* and *Stolen Moments* will both have a rare theatrical run in American commercial theatres.

As regards new technologies, we will seek to continue discussions with DVD distributors who want to exploit the NFB's four IMAX productions and certain animated films for children.

- *Europe*

This year again, the arrival of new specialty channels for documentary and animation will boost revenues for the NFB. Spain and Italy, which used to be considered minor markets, have become major partners in the home video market and television.

In France, Planète Cable remains the NFB's best client/broadcaster, averaging sales of over 25 hours of documentary a year.

Since 1996, International Program has emphasized the promotion and marketing of its films in several Eastern European countries. Based on recent positive results in countries such as Poland, the Czech Republic, Serbia and Slovenia, we anticipate even greater interest in NFB productions during the coming year.

- *Asia/Pacific*

Japan, Taiwan and Hong Kong remain priority markets to be exploited in 1998-1999. Based on some recent successes, we expect to increase our sales of documentaries to NHK (satellite).

The NFB has also concluded an agreement with a major distributor in India.

The institutional market in Australia and New Zealand continues to grow and we also hope to finalize an agreement for a theatrical release for *Stolen Moments*.

All these strategies and activities will enable the NFB to achieve its marketing objectives, including:

- to increase and retain its general-interest audiences on the national networks;
- to better serve the specialty channels' niche audiences with original films and other audiovisual products developed specifically for them;
- to increase the number of productions shown by the different broadcasters, both recent releases and films from its collection for which it holds all necessary rights;
- to increase its net revenues from presales, sponsored productions and distribution activities;
- to develop new markets for interactive multimedia products;
- to extend the distribution network to newly developing territorial markets, such as South-East Asia, Eastern Europe and Latin America;
- to increase the visibility of the institution and its audiovisual works;
- to ensure the presence of its films in festivals, film markets, retrospectives and cultural events in Canada and abroad.

3. DISTRIBUTION AND COLLECTION MANAGEMENT

Objective

The purpose of this component is to preserve, conserve and ensure the accessibility of the NFB's audiovisual collection.

External Factors Influencing Distribution and Collection Management

The preservation and conservation of audiovisual documents is becoming increasingly expensive, if only due to the ever-growing volume of documents and the variety of media on which they are produced. On the technological front, research is continuing on the optimum conditions for conserving the different audiovisual media, and the NFB is very actively involved in this. Furthermore, the development of digital video, laser discs and computer tools now enables the NFB to make its entire collection of films and stock shots accessible to the public. The timetable for implementing remote delivery systems for products from the collection depends on the availability of the necessary technologies, the development of high-performance systems and the costs of acquiring and operating of these systems.

Plans and Priorities

Evaluating and transferring the collection - Most of the collection has been evaluated and transferred to Betacam master tapes, which are then transferred to laser discs at the CineRobotheque in Montreal. Since this now involves increasingly older films, the work involved in their evaluation, initial restoration and transfer is more demanding and the deadlines for completing this work depend more on the condition of the archival material. However, the goal is to complete the evaluation and transfer of the collection within the next two years.

Renovating the conservation vaults - The renovation of the refrigerated vaults will be completed this year, giving the NFB superior preservation conditions.

Reorganizing the Rights Section - The permanent collection can be fully exploited only if the NFB owns the rights to its works. The Rights Section will be reorganized in order to improve the performance of its rights management, verification and reacquisition services. A new policy will be developed and information systems will be implemented.

Developing a multimedia catalogue - The NFB is enhancing its 8,000-page Website catalogue by creating a dynamic multimedia catalogue that will permit access via the Internet to information on the films in the collection, stills and film excerpts. Developing such a catalogue will improve the quality and accessibility of information on the collection and the effectiveness and efficiency of internal systems for filling client requests via the Internet or the 1-800 Call Centre.

Exploiting the stock shot collection - The Stock Shot Library has become a profit centre since last year as a result of marketing efforts and the reorganization of its operations. It expects to increase its revenues thanks to the current interest in archival collections and growing number of specialty channels. To this end, it plans to give its clients on-line access to its ONF Images NFB database and to launch an information and marketing campaign.

Expected Results

The efforts to preserve our original printing elements will give future generations access to an audiovisual heritage reflecting different aspects of Canadian life over the past 60 years.

The implementation of information systems on the collection will enable a growing number of Canadians and others to learn more about the products in the collection via the Internet and should result in more titles being sold to more clients in Canada and abroad, in line with the NFB's objectives of increasing its visibility and revenues.

The strategies and initiatives undertaken by its Stock Shot Library should boost the demand from the NFB's in-house production and, most importantly, from the Canadian and international audiovisual production industry, thus helping to achieve the NFB's objective of increasing its revenues.

4. RESEARCH AND DEVELOPMENT

Objective

The purpose of this component is to experiment with and apply advanced technologies in the areas of production, distribution and conservation of films and other audiovisual media in order to enable the NFB to remain at the leading edge of filmmaking.

External Factors Influencing Research and Development

The development and availability of technologies, the negotiation of strategic alliances and the capacity for funding research projects and new operational systems are the most decisive factors influencing this component.

Plans and Priorities

Completing the shift to digital technologies - The coming introduction of digital television in North America and the introduction of DVD are both signs that we should speed up the migration of all our production and post-production tools to digital formats suited to our type of audiovisual production. The shift is almost completed for post-production and distribution. Efforts will focus on digital picture recording in accordance with DV standards.

Continuing development of the CineRoute project to extend it across Canada: CineRoute Internet - Having successfully established a remote link between the CineRobotheque and three universities via cable (CineRoute), the NFB now wants to extend access to all Canadians via the Internet. It will accordingly undertake a pilot project with 50 educational institutions across Canada and, if the results are conclusive, a national CineRoute service could be launched.

Continuing the research projects in the area of conservation - In addition to pursuing his own research in film preservation, the Assistant Director, Technological Development will continue to chair three international scientific committees mandated to establish standards, develop renewable digital video media and determine automated archiving requirements.

Expected Results

The NFB will have a fully digital and networked production chain that will improve its efficiency and offer wider creative potential to its productions.

The CineRoute Internet network should make an entirely Canadian cultural content available in both official languages, stimulate development of Canada's information highway and position the NFB as a leader in cinema-on-demand.

Research regarding preservation will help develop the best conditions for conserving the NFB's audiovisual heritage not only for the NFB but for the entire Canadian film and television industry.

5. ADMINISTRATION

Objective

The purpose of this component is to ensure efficient and responsible management of the institution's business and resources.

Administrative management context

The NFB is replacing its various outdated in-house information systems with commercial software which will enable it to reduce its administrative costs, upgrade at modest cost, and optimize the performance of its administrative support operations.

The choice of these computer tools must take into account the special requirements of administrative management of a film production and distribution entity, while fulfilling the administrative requirements, controls and reports inherent in managing a government agency.

The success this transition depends on the speed with which these new computer systems are implemented, the training of employees and the availability of the necessary expertise and support services.

Plans and Priorities

Consolidating the organizational and administrative changes - The streamlining of infrastructures and downsizing of human and financial resources related to the introduction of new information management systems have necessitated the reorganization of processes and administrative duties. A recent study of the impact of these changes on the workload of administrative staff has identified targeted adjustments which will be made during the coming year.

Developing appropriate performance indicators for administrative and operational management - These indicators will be developed to ensure the relevance and reliability of the data and the computer systems' capacity to gather and process it on an ongoing basis.

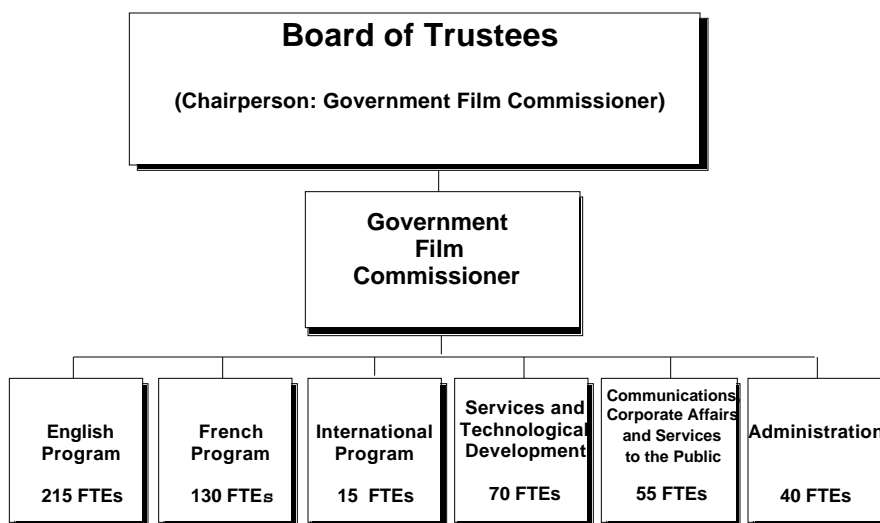
Expected Results

Implementing these strategies will help keep the costs of the NFB's administrative infrastructure as low as possible, provide efficient administrative support to its operational sectors and put the necessary measures in place to ensure continuous evaluation of its performance.

SECTION IV - SUPPLEMENTARY INFORMATION

Table 4.1: Spending Authority, Part II of the Estimates

Credits (t thousands of dollars)	Main Estimates 1998-1999	Main Estimates 1997-1998
National Film Board		
105 National Film Board Revolving Fund - Operating loss	55,510	57,315
(S) National Film Board Revolving Fund	375	375
Total Agency	55,885	57,690



							Total by Sub-Activity
Programming 409 FTEs	26,124	15,666	(930)	4,300			45,160
Distribution/Collection 50 FTEs					3,300		3,300
Research and Development 4 FTEs				800			800
Training - FTEs	170	80					250
Administration 62 FTEs				2,000	850	3,150	6,000
525 FTEs	26,294	15,746	(930)	7,100	4,150	3,150	57,315

Table 4.2(a):1998-1999 Resources by Sub-activity and Area of Responsibility

Table 4.2 (b): Details of FTE Requirements

	Actual 1995-1996	Actual 1996-1997	Estimates 1997-1998	Planned 1998-1999	Planned 1999-2000	Planned 2000-2001
Senior levels	1	1	1	1	1	1
Management	24	22	16	15	15	15
Administration and foreign service	160	125	96	116	116	116
Scientific and professional	12	5	8	6	6	6
Administrative support	169	141	125	136	136	136
Operational	17	10	12	10	10	10
Technical	315	259	307	231	231	231
Locally engaged	7	9	5	10	10	10
Total	705	582	570	525	525	525

Table 4.3: Standard Objects of Expenditure

(thousands of dollars)	Actual 1995-1996	Actual 1996-1997	Estimates 1997-1998	Estimates 1998-1999	Planned 1999-2000	Planned 2000-2001
Personnel						
Salaries and wages	34,143	35,469	29,071	25,508	25,697	25,697
Contributions to employee benefit plans	4,691	4,856	4,676	6,531	6,578	6,578
Other personnel costs	4,945	669	-	-	-	-
Total personnel	43,779	40,994	33,747	32,039	32,275	32,275
Goods and services						
Transportation and communications	4,053	4,063	4,000	4,000	4,000	4,000
Information	12,193	14,752	10,524	10,927	10,927	10,927
Professional and special services	2,244	4,099	2,500	2,500	2,500	2,500
Rentals	10,085	7,950	8,000	8,000	8,000	8,000
Purchased repairs and maintenance	1,201	1,111	1,000	1,000	1,000	1,000
Utilities, materials and supplies	5,418	4,322	6,500	6,000	6,000	6,000
Other subsidies and payments	754	2,387	-	-	-	-
Total goods and services	35,948	38,684	32,524	32,427	32,427	32,427
Capital						
Minor capital	5,143	2,027	-	-	-	-
Total operating	84,870	81,705	66,271	64,466	64,702	64,702
Transfer payments	494	281	319	319	319	319
Total spending	85,364	81,986	66,590	64,785	65,021	65,021
Less: revenue credited to the vote	9,954	9,292	8,900	8,900	8,900	8,900
Net spending charged to appropriation authorities	75,410	72,694	57,690	55,885	56,121	56,121

Table 4.4: Transfer Payments

(thousands of dollars)	Actual 1995-1996	Actual 1996-1997	Estimates 1997-1998	Estimates 1998-1999	Planned 1999-2000	Planned 2000-2001
Grants						
Grants in support of significant film events of national or international interest held in Canada, as determined by the Board of Trustees	7	8	15	11	11	11
Contributions						
To support non-profit organizations working in the film sector and to participants in the promotion of Canadian cinematography	377	353	304	308	308	308
	384	361	319	319	319	319

Table 4.5: Revenue by Class

(thousands of dollars)	Actual 1995-1996	Actual 1996-1997	Estimates 1997-1998	Estimates 1998-1999	Planned 1999-2000	Planned 2000-2001
Revenue credited to the vote						
Film production services	2,157	1,676	1,650	1,650	1,650	1,650
Print sales	2,637	2,490	2,500	2,500	2,500	2,500
Rentals, royalties and miscellaneous	5,160	5,126	4,750	4,750	4,750	4,750
Total	9,954	9,292	8,900	8,900	8,900	8,900

Table 4.6: Net Cost of Program by Sub-activity

(thousands of dollars)	1998-1999 Main Estimates				
	Operating	Grants and Contributions	Gross Total	Less: Revenue Credited to the Vote	Total Main Estimates
Programming	52,841	319	53,160	8,000	45,160
Distribution / Collection	4,200		4,200	900	3,300
Research and Development	800		800	-	800
Training	250		250	-	250
Administration	6,000		6,000	-	6,000
	64,091	319	64,410	8,900	55,510
Estimated cost of services provided by other departments					26
Net cost of the Program by sub-activity					55,536

Table 4.7: Statement of Revolving Fund Position

(thousands of dollars)	Actual 1995-1996	Actual 1996-1997	Main Estimates 1997-1998	Planned 1998-1999	Planned 1999-2000	Planned 2000-2001
Assets						
Cash	286	41	100	100	100	100
Accounts receivable	2,495	2,947	2,500	2,500	2,500	2,500
Inventories	1,332	683	2,200	2,200	2,200	2,200
Prepaid expenses	840	855	600	600	600	600
Equipment (net value)	17,193	13,774	15,000	15,000	15,000	15,375
	22,146	18,300	20,400	20,400	20,400	20,777
Liabilities						
Accounts payable	1,418	1,088	3,750	3,375	3,000	3,000
Equity of Canada	20,728	17,212	16,650	17,025	17,400	17,775
Equity of Canada consisting of: appropriation authority used from Treasury Board	20,728	17,212	16,650	17,025	17,400	17,775

Table 4.8: Projected Use of Revolving Fund in 1998-1999

Credits (t thousands of dollars)	
Authority as at April 1, 1998	25,000
Drawdown:	
Projected balance as at April 1, 1998	16,650
Total Estimates (net cash required)	
Operations	55,510
Appropriation authority in these Estimates	(55,510)
Working capital changes	375
Increase in net book value of fixed assets	-
Projected balance as at March 31, 1999	<u>17,025</u>
Unused authority as at March 31, 1999	7,975

OTHER INFORMATION

Legislation Administered

- *National Film Act*, R.S.C. 1985, ch. N-8
(The latest amendment came into effect on November 1, 1995.)

REFERENCES

National Film Board Offices

HEAD OFFICE

- Ottawa

OPERATIONAL HEADQUARTERS

- Montreal

CANADIAN DISTRIBUTION

- CinéRobothèque - Montreal
- Call Centre
1 800 267-7710
- Website
<http://www.nfb.ca>

INTERNATIONAL DISTRIBUTION

- London
- New York
- Paris

ENGLISH PRODUCTION CENTRES

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

FRENCH PRODUCTION CENTRES

- Moncton
- Montreal
- Toronto

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