Rejuvenating Canadian Series Drama Production

A Position Paper Prepared by The Coalition of Canadian Audiovisual Unions (CCAU)

The current situation:

Canadian series drama production is facing a crisis. English-language series production levels have fallen by more than 50% since 1999, and the situation is getting worse. With only five indigenous hour drama series on air in English Canada, compared with 12 just three years ago, Canadians have fewer opportunities to see stories about their own experience on their television screens. And the decline is not confined to English-Canada, production of French language episodic series has also fallen off in the past three years.

Why has Canadian drama production declined?

The decline in Canadian drama production can be directly tied to the CRTC's introduction of its 1999 Television Policy. Although the policy did not officially go into effect until 2000, development work on creating new series fell off immediately after the policy was announced, and production levels dropped off soon after.

The 1999 Policy contributed to the decline in Canadian drama in a number of ways:

- It removed expenditure requirements for Canadian broadcasters. Without these, broadcasters were free to meet their Canadian content obligations by resorting to the cheapest possible genres of programming.
- It adopted a definition of 'priority programming' that de-emphasized first-run Canadian drama. Drama was lumped in with much cheaper genres of programming, such as entertainment magazine shows and regional programming. Moreover, a loose definition of 'long-form documentaries'—opened the door to having cheap 'reality'-style programming such as *Pop Stars* qualify as a documentary.
- The new policy maintained a 150% time credit incentive for 10-out-of-10 drama. But it eroded this incentive by introducing a new 125% incentive for six-out-of-10 drama—'industrial' or generic drama driven by sales to the U.S. market. With license fees from U.S. cable channels in their financing structure, these series can be offered to Canadian broadcasters much more cheaply than an indigenous drama (\$100,000 an hour compared with \$250,000 an hour).

Canadian Coalition of Audiovisual Unions (CCAU)—July 2002—Page 2

Why is Canadian series drama important?

Being located next to the largest producer of audiovisual works in the world, Canada faces unique challenges in ensuring that its people can see stories about their own experience.

Canadians take pride in being able to choose from the very best in programming from around the world, including the United States. But to maintain our identity as a nation it is essential that a diverse range of Canadian stories be part of that range of viewing choices.

No other genre of programming has shown itself to have the sustained ability to capture the public imagination in the way that series drama does. It remains the most popular and compelling genre for conveying themes and experiences that resonate with all Canadians. And by expressing universal themes in stories reflecting daily life from all regions of the country, drama has the further ability to strengthen bonds among Canada's diverse peoples.

While other genres—game shows and so called 'reality programming'—have experienced recent surges in popularity, none has proven itself over the long run in the way that drama has. Dramatic series (including situation comedies) continue to dominate the Top 10 ratings lists in both Canada and the United States. At their most successful, series dramas have a sustained cultural impact as viewers grow accustomed to tuning into their favourite shows—a phenomenon known as 'appointment television'.

Drama series are also the most efficient genre of production for supporting a creative and production infrastructure capable of telling the full range of Canadian stories. They generate work opportunities for Canadians in all areas of the production community—and they are an important training ground for the next generation of creative talent.

If Canadians do not have the opportunity to watch Canadian drama series, they will continue to watch American series. And without opportunities at home, Canadian creative talent will increasingly heed the pressure to relocate south of the border.

Canadian Coalition of Audiovisual Unions (CCAU)—July 2002—Page 3

Rejuvenating Canadian drama:

Canada's public policy approach to encouraging Canadian television production has been to forge a public-private partnership. In exchange for a regulated market, one that allows Canadian private broadcasters to generate profits from the use of a public resource (the airwaves) and to further boost their revenues by substituting their signal for American networks when carrying U.S. programming, broadcasters assume specific responsibilities with respect to supporting Canadian programming.

The government supports these efforts through instruments such as tax credits, and above all the Canadian Television Fund. But these government programs were never intended to excuse private broadcasters from their responsibilities to support Canadian programming.

It is time to restore the public-private balance. And the clearest route for achieving this is to revisit the CRTC's 1999 Television Policy to mandate Canadian broadcasters to concentrate their Canadian content efforts on Canadian drama. Specifically:

- Restore expenditure requirements for the larger conventional broadcasters, not just CTV and Global, but CHUM and Craig Broadcasting as well. Base the spending requirement on a percentage of a broadcaster's revenues, so as their revenues grow so do their expenditures on Canadian priority programming.
- Establish a dedicated hour requirement for first-run Canadian drama of five hours a week within the overall priority programming target.
- Revise the definition of priority programming to focus on culturally significant genres of programming—drama but also variety/arts entertainment, and genuine long-form point of view documentaries. Genres of programming that are culturally important but are also the most difficult to finance.
- Re-establish the incentive value of the 150% time credit for 10-out-of-10 drama by eliminating the 125% time credit for six out of 10 drama.

Other steps:

- Raise the CRTC and CAVCO Canadian content points benchmark to ensure that programs certified as Canadian are produced, written, directed and performed by Canadians.
- Adjust the Canadian Television Fund Essential Requirements to place the focus squarely on creation: if the program is created, produced, directed and performed by Canadians, it is Canadian.

Canadian Coalition of Audiovisual Unions (CCAU)—July 2002—Page 4

About the Canadian Coalition of Audiovisual Unions (CCAU)

The Canadian Coalition of Audiovisual Unions (CCUA) brings together more than 50,000 Canadians working in creative and technical roles within our film and television industry. Our members include actors, directors, writers and the skilled technical personnel who make the creation and production of original Canadian stories possible. Our members are drawn from across the country, as well as from both English- and French-language production communities.

Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)
American Federation of Musicians (AFM)
Association des Réalisateurs et Réalisatrices du Québec (ARRQ)
Société des Auteurs de Radio, Télévision et Cinéma (SARTEC)
Communications, Energy and Paperworkers Union of Canada (CEP)
Directors Guild of Canada (DGC)
Syndicat des techniciens du cinéma et de la vidéo du Québec (STCVQ)
NABET
Union des Artistes (Uda)
Writers Guild of Canada (WGC)

August 2002