



## Canadian Television Fund

The Canadian Television fund (CTF) is a public/private partnership with an annual budget of approximately \$265 million supported by Government of Canada, and cable companies and direct-to-home satellite service providers (Broadcast Distribution Undertakings (BDUs)). Of this, around \$100 million comes from government, and \$150 million from BDUs. Return on earlier investments accounts for the balance of CTF resources. Over time, costs related to TV program development and production have increased while the real value of federal support has decreased.

The CTF contributed \$287 million to Canadian production, triggering \$880 million in total production budgets in 2006-07. In the past 11 years, the CTF has contributed \$2.5 billion in support of 4,900 productions, totaling 25,000 hours of high quality television for Canadians, triggering more than \$8.2 billion in production volume across Canada.

In 2006-07, the CTF supported 509 productions and more than 2,200 hours of new Canadian television programming in the essential categories of drama, variety, children's shows, documentaries, and performing arts in English, French and Aboriginal languages.

Over the years, the CTF has funded hit shows such as *ReGenesis*, *Da Vinci's Inquest*, *Degrassi: The Next Generation*, *This Hour Has 22 Minutes* and *Little Mosque on the Prairie* and French-language successes such as *Annie et ses Hommes* and *Les Lavigreur*.

The CTF supports more than 40% of the English language priority programs and more than 50% of French language shows that broadcasters are required, by the CRTC, to make available to Canadian audiences.

BDUs are required to contribute 5% of their gross revenues to fund independent Canadian productions, with 80% of these contributions directed to the CTF. They can spend 2% of these contributions on their own community channels.

The CTF is essential for the production of quality, distinctively Canadian TV programs, yet artists, producers and broadcasters are forced to direct energy and resources each year to make the case for support and ensure the CTF is adequately funded by the government. Under the previous Liberal government, contributions to CTF were reduced and scheduled to be eliminated, however, an industry campaign forced the government to back down. The CTF board does not include representation from the creative unions.

In 2007, the CTF was thrown into yet another crisis when cable companies Shaw and Vidéotron withheld their monthly payments to the fund, creating a cash flow challenge for CTF. This prompted emergency sessions of the House of Commons Heritage Committee, a Senate Committee study and a CRTC Task Force on the CTF.

Fortunately for now, the cable companies' CTF contributions have resumed, though the crisis made the fund vulnerable, which affects the jobs and livelihoods of many, from actors, writers and directors to producers, crew and the businesses and suppliers that benefit from television production in their community. This CTF debacle was unnecessary, yet illustrates perfectly the precariousness of many of our publicly funded institutions.

ACTRA has long supported increased, stable funding for the CTF. Working with coalitions such as the Canadian Film and Television Industry Council, we have asked the government to allocate new resources to the CTF, indexed to inflation for a minimum of five years. This will encourage a more predictable financing environment over several years and allow the industry to at least keep pace with economic growth.

## **CTF Timeline**

- 1986** Cable companies successfully lobby CRTC to approve a temporary capital expenditure (CAPEX) increase on all cable subscribers to finance building of broadband infrastructure for high-speed internet and telephone services.
- 1991** CRTC considers phasing out CAPEX, which would have reduced cable subscriber fees. Cable lobby successfully argues to keep charging subscribers CAPEX, and to keep ½ of these fees in exchange for providing the other ½ to a Cable Production Fund (later the CTF).
- 1994** The Cable Production Fund (CPF) is created as a new initiative to support Canadian programming. Two-thirds of the funding was designated for English productions, 1/3 French. The CPF was designed to support Canadian programs in under-represented program categories including drama, variety, children's shows, documentaries, and performing arts in English, French and Aboriginal languages.
- 1995** The CRTC under direction from the government, mandated direct-to-home (DTH) BDUs to contribute 5% of their gross annual revenues to the production of Canadian programming through an independent production fund.
- An equity investment component, Telefilm Canada's Broadcast Development Fund, was added.
- 1996** The Heritage Minister merged the CPF and Telefilm's Broadcast Development Fund into a new fund (Canadian Television and Cable Production Fund, CTCPF) including additional funding from the federal government. Oversight of the fund turned over to Department of Canadian Heritage.
- 1998** The CTCPF was changed to the Canadian Television Fund. Regulations are changed to allow cable companies to make 20% of their contributions to independent production funds for Canadian programming, with 80% of contributions directed to the CTF. Cable companies can spend up to 2% of their 5% contributions on community channels.
- 2000** CTF replaces a previous "bonus" for distinctively Canadian programs with four requirements for entry to the fund: the project speaks to Canadians about Canadian themes and subject matter, the project has 10 out of 10 points, underlying rights are owned and developed by Canadians and the project is shot and set primarily in Canada.
- 2005** Department of Canadian Heritage restructures Telefilm and CTF to harmonize the administration of both organizations.
- 2006** CTF drama funding moves to the Broadcaster Performance Envelope (BPE) system, where funds are allocated to broadcasters based on the broadcasters' track record of support for CTF programs and audience success. CBC receives a guaranteed 37% envelope of the BPE stream.
- 2007** Cable companies Shaw and Vidéotron withhold monthly contributions throwing the CTF into turmoil and prompting committee hearings and a CRTC Task Force process.