

Quebec English-language Production Council

Canada Media Fund Recommendations for 2014-15

1) Introduction

English-Quebec faces unique challenges unlike other regional industries. We are the only regional industry in either language to have seen its production decrease in the last ten years- from \$300 million to about \$150 million. Every other region, in English or French, has seen an increase during this period.

To reverse this negative trend, we look to the Official Languages Act (OLA) at the federal level. The OLA applies to CMF through its Contribution Agreement with the Department of Canadian Heritage. Therefore, the English and French OLMCs have a unique legal framework compared to other regions.

In 2010, the QEPC filed a complaint¹ to the Commissioner of Official Languages (OCOL) about CMF's unequal treatment of the English official language minority (OLMC). Our complaint was based, among other things, on our specific needs as an OLMC whose production is in serious decline. In fact, with a 50% decline that shows no sign of stopping, our industry is in danger of collapse. We were also concerned about the lack of equity between the CMF treatment of the French and English OLMCs.

In 2013, the Commissioner of Official Languages issued a report² which said he had been concerned about these issues since 2009. This report said:

"The Commissioner [of Official Languages] reiterated his concern regarding the lack of a guaranteed funding stream for English-language production in Quebec, as reported in the [OCOL] Shadows study, and that the [Canada Media] Fund's allocation process must ensure equitable funding for the country's English and French OLMCs." (emphasis added)

The report also said:

"The Office of the Commissioner of Official Languages is of the view that Canadian Heritage's obligation under Part VII of the Act to take positive measures to enhance the vitality of OLMCs and to support and assist their development goes beyond a per capita funding analysis comparison between the two minority communities. Each OLMC has its own particular set of challenges that must be identified in order to develop programs or policies that respond to the specific needs of that community." (emphasis added)

The Commissioner agreed with our complaint. We await his final review. In the meantime, the CMF decided to establish an Anglophone Minority Fund (AMF). We congratulate CMF on taking this positive initiative. Unfortunately, with only \$3 million in funding, the AMF was oversubscribed in 3 days. A \$3 million fund for the English OLMC is not equitable and does not meet the specific needs of our community.

As we indicate below, we need a significant increase in the AMF, and other measures designed to meet our specific needs. Meeting our needs is difficult because in some CMF policy areas, such as the AMF,

¹ QEPC, "Complaint to the Commissioner of Official Languages by the Quebec English-language Production Committee concerning the failure of the Canada Media Fund to fulfill its obligations under the Official Languages Act", August 31, 2010

² Commissioner of Official Languages, "Final Investigation Report on the Canada Media Fund Guidelines", January 17, 2013

we are considered to be an OLMC. In other areas, such as regional development funding or the regional factor weight, we are considered to be a region.

Until CMF has an OLMC production category that applies to all of its programs and policies, English Quebec is sometimes a region and sometimes an official language minority. This may result in confusion, and inappropriate policies. In any event, the total support available to both OLMCs should be equitable and should meet the specific needs of each community. That is not the current case in Quebec.

2) Establish an OLMC production category

We request that CMF establish an OLMC production category. This would allow consistent application of the OLA to all its programs and incentives, e.g., an OLMC factor weight to replace the regional factor weight, and an OLMC development incentive to replace the regional incentive.

We request that CMF establish an appropriate OLMC consultation process. This would mean an OLMC working group meeting that includes both English and French OLMCs.

3) Maintain Quebec regional benefits until there is an equivalent OLMC program

Until there is an equivalent OLMC program, English-Quebec should be eligible for regional programs such as the 25% regional bonus for development funding, or the 20% regional factor weight.

Whether we are defined as a region or OLMC or both, we request that the total support available to English-Quebec not be less than is available to other regions.

4) Increase the Anglophone Minority Fund

In its first year, the Quebec Anglophone Minority Fund (AMF) was set up with \$3 million. This amount was picked by CMF based on an average of Quebec EPI funding. This amount is clearly inadequate and was gone in three days. Many projects were unable to access this fund.

We would point out that \$3 million is 1.4% of the total English convergent budget while the French OLMC fund receives 10% of the French convergent budget (as a result of the PCH Contribution Agreement). We believe this discrepancy between these funds is too large. They should be equitable.

We believe the AMF should receive 10% of the English convergent budget. For the year 2014-15, we request that we receive at least an equivalent dollar amount, or \$10 million. This is about 5% of the English convergent envelope.

5) Increase other dedicated funds

In addition, we request a general increase in other dedicated or selective funds.

Specifically, we request a significant increase in the POV Fund for English documentaries, an increase in the Aboriginal Fund, and an increase in the EPI regional fund.

We will leave it to the appropriate associations to make the precise request they wish for these funds.

6) Re-allocate undersubscribed regional and OLMC funds

Right now, the EPI (\$11.5 million) is undersubscribed by 50%. The Anglophone Minority Fund (\$3 million) was oversubscribed in 3 days.

We have been informed that current CMF policy offers the EPI funds to all eligible English regions until November 26. If the full amount is not spent by that deadline, then the balance will be put into the CMF reserve. None of this regional fund will be offered to other regions or English-Quebec.

We do not believe the EPI, which was established as a regional fund, should be put into the CMF reserve, if regional producers can make use of it. Re-allocating these Funds if they are undersubscribed will help maintain regional money in the regions (including Quebec).

We request that after EPI regional funding has been re-allocated to eligible regions, and if it remains undersubscribed on November 26th, 2013, the balance should be made available to other regions including English-Quebec before being re-allocated to other purposes.

The same process should apply to the Anglophone Minority Fund if it is undersubscribed.

7) Establish a minimum 40% regional/OLMC floor

We request that at least 40% of the English broadcast performance envelopes should be spent in the regions, including Quebec.

8) Re-balance the Factor Weights

We want our programs to be as popular with audiences as anyone, but we believe the factor weight system is out of balance in favour of repeat broadcasts or total hours tuned. English audience success factor weights are now 55% (40% total hours tuned and 15% original first run); historic performance 15%; regional production 20%; and digital media investment 10%. Above-threshold licences have been reduced to 0%.

Therefore, we request the total-hours-tuned factor weight should be set at 25% and not 40%.

We request the 15 points freed up should then be applied to increasing the regional factor weight, and/or creating an OLMC factor weight. An OLMC factor weight would replace the regional factor weight for English-Quebec.

Some of these points could also be used to re-establish the above-threshold factor weight.

9) Summary of recommendations

We respectfully request that CMF:

- a) establish an OLMC production category;
- b) establish an appropriate OLMC consultation process, including an OLMC working group meeting;
- c) create OLMC policies for English-Quebec that do not provide less support than equivalent regional policies;
- d) increase the Anglophone Minority Fund for 2014-15 by at least \$7 million or 5% of the English convergent envelope;

e) increase other dedicated funding, especially the POV Fund, the Aboriginal Fund, and the EPI regional fund;

f) make English-Quebec eligible for EPI regional funding after it has been re-allocated to eligible regions, and if it remains undersubscribed on November 26th, 2013. The undersubscribed balance should be made available to all English regions before being re-allocated to the CMF reserve for other purposes. Likewise, the Anglophone Minority Fund should be re-allocated to other English regions if it is undersubscribed;

g) allocate at least 40% of the English broadcast performance envelopes to regional production, including Quebec;

h) replace the regional factor weight with an OLMC factor weight for English-Quebec;

i) reduce the total-hours-tuned factor weight from 40% to 25%, and the 15 points freed up should then be applied to increasing the regional factor weight, and/or creating an OLMC factor weight; and

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