

Frequently asked questions

Context

All government organizations, including federal departments, agencies and Crown Corporations, took part in the Government's Deficit Reduction Action Plan in order to achieve \$5.2 billion of total cost savings by 2014-2015.

1. What is the process for Telefilm Canada in deciding how it can fulfill its Deficit Reduction Action Plan mandate?

Our final decisions will be made based on two criteria: 1) to focus on our core services; and 2) to decrease administrative expenses where possible.

As part of the Government's Deficit Reduction Action Plan, we reviewed program costs and administrative expenses linked to our initiatives. While this review was underway, we were also assessing the effectiveness and efficiency of our entire portfolio of programs as part of a broader and extensive Program Redesign initiative, which has been underway for the last year.

Telefilm will continue to develop and promote the Canadian audiovisual industry. We are also actively seeking out new partnerships in order to supplement our own financial resources—a strategic objective that Telefilm had already identified in its latest corporate plan.

2. Will Telefilm's core mandate be affected by the Deficit Reduction Action Plan?

Despite the 10% reduction requested under the Government's Deficit Reduction Action Plan, we will continue to play an essential role in the development and promotion of Canada's audiovisual industry.

As part of our Program Redesign process, we are consolidating our programs and greatly simplifying how these programs are managed. Above and beyond these efforts, however, we will have to do things differently to achieve a 10% savings.

Telefilm will do everything in its power to mitigate these effects by introducing changes that take into account clients' production cycles, by proposing other kinds of funding whenever possible and by developing transition plans in consultation with stakeholders.

The measures that we intend to take over the next three years will be set out in greater detail for our employees and the clients we serve as soon as possible.

3. What is your position in terms of support for Canadian culture?

We are pleased to see that the Government is continuing to support Canadian culture while at the same time looking to reduce the federal deficit. It is important to note that all federal government organizations, including federal departments, agencies and Crown corporations, took part in the Government's Deficit Reduction Action Plan in the aim of achieving \$5.2 billion in annual savings by 2014-2015.

It should also be noted that for the previous government strategic review in 2009 Telefilm Canada was fortunate to not have been asked to make any cuts.

4. Telefilm states that it is currently looking for other funding sources for the industry. Can you provide further details?

We recently announced the creation of a private donation fund, to which companies and individuals will contribute. This fund is intended for promising emerging filmmakers, to help them shoot their first feature film, as well as to established filmmakers, to help them reach their full potential on the international scene.

This summer, we are also launching a pilot program for micro-budget productions targeted at accomplished short film professionals.

The resources managed by Telefilm under these two programs will serve to leverage other funding sources.

5. What do the next five years hold in store for Telefilm?

As stated in our corporate plan, Telefilm's strategic priorities now aim to stimulate audience demand for Canadian content, at home and abroad; at the same time, the overall goal of these priorities is to ensure the long-term viability and success of Canada's audiovisual industry.

We are fulfilling a commitment we made at our 2010 Annual Public Meeting by launching three major projects this year:

- The implementation of a new success index providing a broader measure of feature film performance;
- The redesign of our programs to reinforce organizational excellence, to simplify our service to clients, and to focus our financing on projects with large audience potential ; and
- The development of new national and international strategies with a stronger focus on the promotion of Canadian talent and content.

6. What has been the overall reaction from your clients to the Deficit Reduction Action Plan?

Telefilm has a close relationship with the industry and a well-established and regular consultation and information-sharing process. We will continue to fund a range of highly diverse film-related activities by Canadian filmmakers. We are also looking for new partnerships in order to supplement our own financial resources – a strategic objective that Telefilm had already identified in its latest corporate plan. In making any change, Telefilm will draw on the industry consultations we have been holding over the past year.

7. How much does Telefilm recoup annually from its investments?

On average, Telefilm recoups \$10 million annually from its investments, which is reinvested in Canadian productions.

8. How do Telefilm's investments contribute to the Canadian economy?

We most notably invest in Canadian feature film production and distribution companies that are small and medium-sized enterprises. And these SMEs drive 90% of our national economy.

The entire Canadian audiovisual industry created 128,000 jobs and contributed 7.46 billion to Canada's GDP in 2011, which is more than traditional industries such as fishing and forestry.

9. What are the objectives of the Program Redesign?

In 2011, Telefilm Canada started work on a major redesign of its programs to address one of the main objectives of its corporate plan: organizational excellence. This initiative is distinct from the Deficit Reduction Action Plan.

Under this redesign, we are putting in place a simpler and more flexible approach focused on client needs. We are automating processes and, as much as possible, regrouping client requests. We are also regrouping the number of programs, simplifying guidelines and clarifying eligibility criteria. As we announced recently, Telefilm introduced these changes first to its development programs.

The changes made to the programs are based on results of a major consultation process conducted both internally and externally. The consultations allowed us to conclude that Telefilm and the industry's stakeholders agree on what needs to be done to ensure the long-term viability of Canada's audiovisual industry.

10. When will you be announcing changes to other programs subject to the redesign?

We will shortly be making an announcement regarding our redesigned Event Support/Promotion programs. Changes tied to the redesign of Production and Marketing programs will be announced later in 2012.

11. What impact will the budget reductions have on Telefilm employees?

As much as possible, Telefilm will minimize the impact of budgetary reductions on its employees through, among other measures, workplace attrition wherever possible, and by focusing as much as possible on cost savings that are not tied to salaries.

We are adopting a balanced approach in terms of where reductions will be made (i.e., programs and administrative expenses), in order to maintain our capacity to deliver on our corporate plan.