

# **Films Co-production Agreement Between the Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland**

The Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland;

Considering that the films industries of their two countries will benefit from closer mutual co-operation in the production of films; and

Considering that films capable of enhancing the prestige of the films industries and of the two countries, should benefit from the provisions of this Agreement;

Have agreed as follows:

## **Article 1**

For the purposes of this Agreement:

1. a "co-production film" shall be a film made by one or more Canadian makers (hereinafter referred to as "the Canadian co-producer") in conjunction with one or more United Kingdom makers (hereinafter referred to as "the United Kingdom co-producer") and made in accordance with the terms of an approval given by the competent authorities of each Contracting Party acting jointly;
2. "nationals" means:
  - a. in relation to the United Kingdom of Great Britain and Northern Ireland, citizens of the United Kingdom and Colonies;
  - b. in relation to Canada, Canadian citizens;
3. "residents" means:
  - a. in relation to the United Kingdom of Great Britain and Northern Ireland, persons ordinarily resident in the United Kingdom;
  - b. in relation to Canada, landed immigrants;
4. "Great Britain" means England, Wales and Scotland;
5. "competent authorities" means the authorities designated by the Government of Canada and of the Government of the United Kingdom of Great Britain and Northern Ireland respectively.

## **Article 2**

A co-production film shall be entitled to the full enjoyment of all the benefits which are or may be accorded in Canada and Great Britain respectively to national films.

## **Article 3**

In approving projects for co-production films for the purpose of this Agreement, the competent authorities of each Contracting Party acting jointly shall apply the rules set out in the Annex, which forms an integral part of this Agreement.

## **Article 4**

Each of the Contracting Parties shall provide, in Canada or the United Kingdom as the case may be, in accordance with national legislation, temporary admission, free of import duties and taxes, of cinematographic equipment necessary for the making of co-production films.

## **Article 5**

Each of the Contracting Parties shall permit the nationals or residents of the other Contracting Party to enter and reside in Canada or Great Britain as the case may be for the purpose of making or exploiting a co-production film, subject only to the requirement that they comply with the laws and regulations relating to entry and residence.

## **Article 6**

There shall be a Mixed Commission composed of representatives of the Contracting Parties to supervise and review the working of the Agreement and, where necessary, to make proposals to the Contracting Parties for its modification. The Mixed Commission shall meet within one month of a request being made by either Contracting Party. Its meetings shall be held alternately in Great Britain and Canada.

## **Article 7**

Each of the Contracting Parties shall notify the other of the completion of any procedure required by its constitutional law for giving effect to this Agreement, which shall enter into force from the date of receipt of the later of these notifications.

## **Article 8**

This Agreement shall remain in force for a period of three years from the date of its entry into force. Either Contracting Party wishing to terminate it shall give written notice of termination to the other three months before the end of that period and the Agreement shall then terminate at the end of the three years. If no such notice is given the Agreement shall automatically remain in force for successive periods each of three years unless it is terminated in writing by either Contracting Party three months before the end of any period of three years when it will terminate at the end of that period.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at London this 12th day of September 1975, in the English and French languages, both texts being equally authoritative.

J. Hugh Faulkner  
FOR THE GOVERNMENT OF CANADA

## ANNEX

1. The competent authorities shall consult on procedures necessary to enable them to ensure that a project conforms with the provisions of this Agreement. When approving a project for a co-production film, they may stipulate conditions of approval framed in order to achieve the general aims and objects of the Agreement.
2. A co-production film shall be made within the terms of approval prescribed by the competent authorities. If the completed film conforms in all respects with these terms, the Contracting Parties shall ensure that the film receives in Canada and Great Britain respectively the benefits set out in Article 2 of this Agreement. These benefits shall be the sole property of the Canadian and United Kingdom co-producers respectively and the contract or contracts governing the making of the co-production film shall provide that such benefits shall not be assigned in whole or in part by the co-producer from one country to the co-producer from the other.
3. The competent authorities shall satisfy themselves that conditions of work in the making of co-production films under this Agreement in each of the two countries are in broad terms comparable. Conditions of work in the making of co-production films, including location shooting in a third country, shall be not less favourable than those prevailing in Canada or the United Kingdom.
4.
  - a. The United Kingdom co-producer shall fulfil all the conditions relating to his status which he would be required to fulfil, if he were the only maker, in order to be entitled to payments from the British Film Fund Agency.
  - b. The Canadian co-producer shall be a Canadian citizen or an eligible corporation as defined in the directives of the Canadian Radio-Television Commission.
  - c. The Canadian co-producer and the United Kingdom co-producer shall not be linked by common management or control, save to the extent that is inherent in the making of the co-production film itself.
5. The total production costs of a co-production film shall not be less than \$ (Cdn) 350,000 or £150,000 whichever is the greater at the prevailing rate of exchange, and the share of such costs borne by the co-producer from one country shall not be less than 30 per cent.
6. Co-production films shall be made, processed, and dubbed in Canada and/or the United Kingdom. The competent authorities shall have the power to approve location filming in a third country. Dubbing into languages other than English and French may be carried out in third countries. These versions may contain passages of dialogue in other languages if this is required by the script. The majority of the work of making, processing and dubbing shall normally be carried out in the country which has the major financial participation.
7. Individuals taking part in the making of a co-production film shall be nationals or residents of Canada or of the United Kingdom. As an exception, nationals or residents of third countries may take part as leading performers in leading roles in a co-production film, subject to the approval of the competent authorities. Where, under the provisions of paragraph (6) of this Annex approval has been given to location filming in a third country, nationals or residents of that country may be employed as crowd artists or as additional employees whose services are necessary for the location work to be undertaken.
8. The performing, technical and craft contributions of the Canadian and British co-producers to a co-production film shall be in reasonable proportion to their financial participation. Where the co-producer from one country provides less than one half of

- the total production costs, not less than one leading performer, one feature performer, six technical, craft or studio employees plus, if required, one writer, all of whom are nationals or residents of that country, shall be employed in the making of the film.
9. Any music specially composed for a film covered by this Agreement shall be composed by nationals or residents of either country. Any departure from this rule shall be approved by the competent authorities.
  10. At least 90 per cent of the photographs included in a co-production film shall be specially shot for that film.
  11. The contracts between the co-producers shall:
    - a. provide that every co-production film shall have two negatives or at least one negative and one duplicate negative, and that each co-producer shall be the proprietor of a negative or duplicate negative and shall have the right to use it for taking a duplicate negative or prints in accordance with the conditions set forth in the contract;
    - b. set out the financial liability of each co-producer for the costs incurred:
      - i. in preparing a project which is refused conditional approval as a co-production film by the competent authorities;
      - ii. in making a film which has been given such conditional approval and fails to comply with the conditions of such approval; or
      - iii. in making an approved co-production film, permission for whose public exhibition is withheld in either country;
    - c. set out the arrangements regarding the division between the co-producers of the receipts from the exploitation of the film, including those from export markets; these arrangements shall be subject to the approval of the competent authorities;
    - d. specify the dates by which their respective contributions to the production of that film shall have been completed.
  12. Each co-production film shall include a separate credit title indicating that the film is either a "Canada-United Kingdom" co-production film or a "United Kingdom-Canada" co-production film.
  13. Films made in accordance with an approved co-production project but completed after the termination of this Agreement shall be entitled to all the benefits conferred by Article 2 of this Agreement.
  14. Over each period of three years, an overall balance shall be achieved as regards the contribution of each country to the production costs of all films made under this Agreement, and as regards the usage of studios and laboratories, and the employment of all creative, craft and technical personnel. In the case of creative, craft and technical personnel the balance shall be measured on a per capita basis.
  15. The approval of a project for a co-production film by the competent authorities shall not bind the authorities in either country to permit the public exhibition of the resulting film.
  16. Payments and financial transfers in connection with films made under this Agreement shall be effected within the framework of existing agreements and regulations.
  17. The provisions of paragraphs (4)(c), (5), (7), (8), (10) and (14) of this Annex may from time to time be amended by the competent authorities, after consultation with the Mixed Commission, and any such provisions shall take effect as so amended when the amendment has been published both in Canada in the Canada Gazette and in the United Kingdom in Trade and Industry.