



ONTARIO
DEVELOPED
CORPORATION
AFTER TEN
YEARS OF
SUCCESS,
DOES IT
HAVE A
FUTURE?

Since it opened its doors in the Spring of 1986, the Ontario Film Development Corporation (OFDC) has been at the centre of a remarkable flowering of English-Canadian cinema. Building on an existing commercial sector (by the 1980s Ontario had already become the third largest centre in North America for commercials and serial television production), the OFDC has created a feature-film culture in Ontario where none had existed before. There were the (few) hits and (many) misses of the early years in the 1960s, and the individual success of David Cronenberg in the 1970s, but nothing resembling a thriving feature-film culture until the OFDC began investing in the director/writer-driven, low-budget films of Atom Egoyan, Patricia Rozema and Bruce McDonald. The 10-year nurturing of Egoyan's idiosyncratic vision has produced *Exotica*, a genuine box office success and a triumph for independent English-Canadian cinema. Now all that has been put in jeopardy by one of the most right-wing provincial governments in Canadian political history. Culture has gone on the chopping block along with so much else, and even the limited arts funding of the 1980s and early 1990s is now a thing of the past.



O FILM D E V E L O P M E N T A T I O N

A FEATURE INTERVIEW
WITH ALEXANDRA RAFFÉ
BY WYNDHAM WISE

In light of these events and in acknowledgement of the OFDC's 10th anniversary, *Take One* presents a feature interview with Alexandra Raffé, the residing CEO at the agency and independent producer, whose films (*I've Heard the Mermaids Singing*, *Zero Patience*) were such a large part of its remarkable success story.

1996 is the 10th anniversary of the Ontario Film Development Corporation. What do you think has been accomplished in those 10 years?

In the 10 years two dramatic things have happened, both of which the OFDC has been vigorously involved in. One is the growth of the commercial infrastructure, and the other is the fact there is a cultural cinema in the province. I am going to deal with the commercial sector first because in part (along with the OFDC and Telefilm Canada) it's what has enabled cultural cinema to happen. The commercial

Colm Feore in *THIRTY-TWO SHORT FILMS ABOUT GLENN GOULD*: "a huge success"



"THE COMMERCIAL SIDE IN THE PROVINCE HAS GONE FROM \$95-MILLION TO \$500-MILLION WORTH OF PRODUCTION ACTIVITY YEARLY. MOST IMPORTANTLY, IT'S GONE FROM BEING TWO-THIRDS AMERICAN TO TWO-THIRDS CANADIAN"

side in the province has gone from \$95-million to \$500-million worth of production activity. Most importantly, it's gone from being two-thirds American to two-thirds Canadian. It's not just the lower dollar. The dollar helps enormously, but it's not just the dollar. We are universally loathed by the American film commissions because of the aggressiveness and the success of Gail Thomson's work in bringing productions to the province. This has meant that crews, labs...everyone is working. The feature film crew, the fabulous crew that you get to work for half price, that we got for shirt buttons on *Mermaids*, makes a living doing commercials and union pictures. The thing that the OFDC set out to do when it started out was to create a cultural cinema, an English language cultural cinema, and it has been, I think, very successful in doing that.

The creation of the OFDC was a response by the Ontario government in 1986 to provide feature film funding, because the federal government was no longer providing this funding. The Canadian Film Development Corporation had ceased to exist. Telefilm Canada had

come on stream, but it wasn't funding low-budget feature films.

Absolutely true. But the political reality was that we were created under Ontario's Development Corporations Act in 1985. That was the quickest and easiest way. The Liberals knew we wanted to create a cultural cinema. That was why we were set up and that was the political motivation, but that was a long time ago.

The OFDC's mandate was for the low-to-medium-budget feature films and first-time filmmakers, was it not?

The OFDC's mandate, sadly, is 100 per cent economic. The OFDC adopted a mission, which was to seek out low-budget films. The OFDC has had huge successes with *I've Heard the Mermaids Singing*, *Speaking Parts*, *Highway 61*, and *Thirty-Two Short Films About Glenn Gould*. We had a large number of young filmmakers who felt that: "give me \$300,000, and leave me alone, and I'll go make a movie." And those movies had a lot of international success. I think that is interesting, because I think to some extent we are coming full circle on that. In Quebec, in Ontario, in B.C., it's get-

ting harder to get a movie made.

You say that the mandate of the OFDC was economic, yet it has produced this extraordinary growth in English-Canadian cinema.

This was intentional. I think there was a genuine desire in the mid-1980s that somehow we could create a viable cultural cinema, an economically viable cultural cinema. One looks at Quebec, especially during the mid-1980s, one looks at the enthusiasm with which francophone audiences turned out for francophone stars, francophone films, francophone directors, and francophone product. And I think there was a genuine belief that maybe we could light the same fires in Ontario. And to a certain extent we have, absolutely.

Cannot this success be levered into the 1990s?

Let's be honest, Canadian cinema is not an economic success in Canada, period. I think it is a cultural triumph. You look around the world. How many people in Canada, 30 million? And about 7 mil-

lion in Quebec. So 23 million in English Canada. Compare ourselves with any other small country around the world and look at the cinema we have created in English Canada, from a standing start. And I don't disregard some of the brilliant players in the early days, the Dons (Don Shebib and Don Owen), but essentially from a standing start from the mid-1980s to the mid-1990s we have created an international profile for cultural cinema and brilliant young directors. I mean, it has been phenomenal.

In retrospect, should the OFDC have been legislated differently, come under a different operating mandate?

I don't think it would have made a blind bit of difference. The winds of change that are taking place in Ontario are so absolute that there is no legislative shield one could hold up. There isn't an entity in the province that won't have to deal with this, and I think this change in government is only the outward manifestation that the world has changed completely in the last 10 years. The environment in which we make films, the international market, the chances for a film to get out, the chances for distribution, the

chances for a film to make a dime at the box office, the whole kit and caboodle has changed beyond recognition since we started 10 years ago. There are only 400 screens in the U.S. which play art cinema. They get about five per cent of the box office. The market is a nightmare. We have a domestic market that doesn't support cultural cinema, or any other kind of cinema when it comes to that, except for American cinema. But it is the same problem they have everywhere in the world. Asia is the great new market for American film. We have film costs that have gone through the roof, because people are tired of starving to death making movies. The chances of your film being showcased at a festival and picked up for sales around the world, as did *Mermaids* and *Highway 61* even five years ago, has gone from one in 1,000 to one in 20,000. I heard someone at the Trade Forum in Vancouver last week say: "The problem with filmmakers is they're like junkies. They remember that one great high." That's absolutely true! I spent years on the high from *Mermaids*. The little engine that could. We could do it. We played that game beautifully in the 1980s when there was so much more money, when the arts pendulum was so much further over to the left, when investing money in our cultural expression was not a controversial thing to assume. The pendulum has shifted. The world has changed. I'm sorry, the world changed

Okay, let's talk about the cuts. You have been frozen.

Which basically means that whatever we have not spent we have given back.

Can you give us some numbers?

Basically the government gave us \$25-million a year, divided \$14-million into OFIP [the Ontario Film Investment Program, which is a tax break for investing in Ontario-based productions], and the rest into everything else, which we supplement with interest earnings, recoupment and de-commits. We have multi-year commitments and we never commit out of another year's funds. We were spending \$28- or \$29-million in a good year. What the government did was say: okay from the \$14-million to OFIP, you haven't committed \$1.7 of it, so we want that back. There was \$6.5 uncommitted in what they call business programs (all the rest of the basket of programs we offer) and they took that back too.

So it's not a freeze, but a

claw-back.

A mid-term claw-back, yes.

Does this effectively mean there will be no more productions out of the OFDC this year?

There are no new productions out of the OFDC this year. However, there are productions that had been green-lighted and committed to, prior to the freeze, that have not yet been shot. *Lilies* started to shoot in Montreal long after the July announcement, and *Boys Club* started about that time. *Joe's So Mean to Josephine* has yet to shoot. I think that's expected to shoot in three weeks' time.

What does this hold for the future of the OFDC? Does it have a future?

I'll tell you what we have been doing and I'll tell you what we are hoping for. All the government agencies are in the same boat. We make the assumption that having \$8.2-million removed from the \$25-million they gave us, we would be fools or on drugs to assume that we will ever see that again. Every single entity in Ontario is going to get less money. If it were only a question of the \$8-million gone by next year, quite frankly I would be very relieved. Because I think one can do enough fine-tuning. This government does not believe in providing industrial assistance. It doesn't, however, disagree with the notion of industrial development, the distinction being corporate welfarism and industrial development. We have attempted to explain our programs, we have worked closely with the CFTPA [Canadian Film and Television Production Association] as they have gone and explained their programs to the ministry. We have said: "If you're not interested in the cultural discussion, here are the economic merits of the industry. Do you know what this sector does for you? Do you know the whole mass of it, from the art movie to the very large star-driven movies?" So you can

go forward with the economic argument that celebrates the high-end jobs and the big machine and which also includes the soup-to-nuts of the very low-budget film. It's all part of the growth cycle. We've had some success doing that. It's a Tory government. It's not NDP politics. It's not stand up and rally in the streets time. It's counterproductive.

During a time of very little production in the 1970s, there was a coming together of the community and industry into organizations such as the Council of Canadian Filmmakers. I see none of that today. I see single-interest groups like the Caucus or TWIFT making a point or two. You, yourself, have been quoted in the Toronto Star as being "diplomatically mum."

Yes, well anyone who knows me knows I am never diplomatic. This is a government which believes it has consulted when it was out in the wilderness. It developed these economic statements, *The Blueprint for Economic Renewal and Prosperity in Ontario*, *New Directions*, and



Sheila McCarthy in *I'VE HEARD THE MERMAIDS SINGING*: "the little engine that could"

Michael McManus and Arsinée Khanjian in *SPEAKING PARTS*: "There was a genuine desire to create a viable cultural cinema"

of course, our all-time favourite, *The Common Sense Revolution*. It got elected on the mandate of the Common Sense Revolution and it doesn't need to talk to anybody. It also knows it has the ability to make these kind of Draconian and giant changes to the role of government in the economy. In this government's mind, public demonstrations prove that they are doing something right. My credibility depends on my being able to sit down and be listened to and say: "I know how you feel about business grants, but did you know we are not part of the problem, we're part of the solution. Do you know what this sector does for the economy?" Information technology and the communications sector are our biggest growth sectors. This is a 21st-century industry. It's growing and still needs support. It needs a constant stream of talent being trained at an entry level, to be brought in. You need a level of activity to sustain the infrastructure. We create phenomenal jobs. It's a knowledge-based industry. It's a good news story, all around. I would feel emotionally better if I could stamp my feet and have a tantrum, but my effectiveness would be reduced. I also have a real moral problem here. Am I going to stand up and campaign in public for a restoration of monies for the cultural sector when Wheel-Trans

people are getting screwed and welfare mothers are getting screwed? It's questionable if it's even moral. Everybody is going to get less.

People are being more conservative, more temperate in what they say because they have more to lose. It's a sign of the success of the industry over the past 10 years.

Believe me, this is not the job I thought I was taking when I came in here. However, we have done a great deal of analysis in the past three months to try and pick a strategy for the future. We were doing this anyway because of our 10th anniversary, but I'm the new broom rushing around to see what can be done. We had been looking at our programs to see what is really working and what is not, and what would we do differently if we were opening our doors afresh. We have done a restructuring to get rid of the processing problems that had resulted from government regulations and paper work. What is the really important thing

to do? Develop talent. I think what we do is offer fewer programs. Clearly, if there are major cuts, we will have to downsize staff; you can't operate 16 programs with fewer people. So fewer programs and more targeted programs. If OFIP can serve the economic sector, then the most important programs are the development of talent and entry-level film funding. And if we don't have \$5- or \$6-million to play with for the production fund, and we only have \$2-million, then we will go back to doing what we have been doing better than anyone else—develop talent and very low-budget, edgy new cinema.

There is a fear that you will return to the situation prior to the OFDC, when the province was just providing location services for American productions.

That, unfortunately, is one of the possible scenarios, and certainly that scenario has been considered by the civil servants in the ministry. I think we have made a lot of progress since then. I think this

government does accept and acknowledge the importance of the role of the industry. I think there is acceptance of the economic argument, so I am much more optimistic sitting here in October.

Is there another way to approach this financial instability?

Put \$12-million in an arts bank and let it sit there for a year. Then run cultural cinema, not economic, but cultural cinema out of the interest and revenue. This government understands recoupment, and if you look to a 25 per cent return you could keep the fund going a long time. Make it a one-time thing.

Do you think this would fly?

I don't know. It's a proposal, it's on the table.

I would like to move to another area of concern for the Canadian filmmaker, and that is distribution. There have been noises from Ottawa recently that the feds are ready to revisit the problem of American domination of our distribution sector.



"FROM A STANDING START, FROM THE MID-1980S TO THE MID-1990S, WE HAVE CREATED AN INTERNATIONAL PROFILE FOR CULTURAL CINEMA AND BRILLIANT YOUNG DIRECTORS. I MEAN, IT HAS BEEN PHENOMENAL"



Canadian film to make \$2-million dollars domestically, but the films that do aren't independent films from anywhere. They are big American pictures with stars. The demographic that supports specialty cinema—which Canadian films are by definition because they don't have stars, car chases, or special effects—is very small. It's a specialty cinema that has to compete with *The Piano*, *The Snapper* or *Once Were Warriors*. We have a phenomenal audience for Canadian cinema, there's just not enough of them. Having our own distribution? I think Alliance, Malo and Norstar would be happy puppies, but would they have an increased appetite for Canadian films? I'm not so sure.

How about the third leg of the film business, exhibition? Is there any way more Canadian films can be shown outside the major markets?

That's been a huge problem for a great deal of time. The cost of launching a film is several thousand dollars.

Even in Toronto, where a good amount of attention has been put into Canadian films, they can open and do less than \$2,500 at the box office in a week. If you spend \$5,000 opening a film in Thunder Bay, and you do less than \$2,500 at the box office, of which the distributor is going to get about 45 per cent, you have just taken a huge bath. And if you did this in 20 cities across the province? These places don't have an audience for Canadian films. They don't have an audience for independent film. We don't, yet, have a cable station devoted to Canadian and independent cinema

like they do in Europe. CITY-TV is trying hard, but at the moment they only have limited reach. But if you look at the success of movies on television—if you look at actually how many people watch movies on television—it's the after-market that feeds the primary market.

I would like to end here by asking you if you are going to stay on. You said earlier this is not the job you were hired to do.

I'm making notes about what not to ask my successor at the interview. Forget about this film policy garbage, let's talk about government. Of course I'll stay. The worst thing, whether people think I'm doing the right thing or not doing the right thing, would be nobody at the head of the agency. I am a government CEO and an independent producer, which gives me an odd ability to be credible. I'm not just a civil servant fighting for my job. I'll be leaving in a year and a half anyway. I signed on for three years. The best-case scenario is that we will be allowed to continue. We'll have reduced money, we'll be told to change the ideology of our programs, and we'll spend the time from now until the next fiscal year consulting and changing our programs. I don't think a single program will survive as it is. It would not be helpful if the OFDC was going through a job search for a CEO during this time. It would also mean being a bit of a quitter, which I have never been. I can be a whiner and a sulker and stamp-my-little-footer, but never a quitter. I am not, however, going to preside over the dismantling of the OFDC as we know it ●

Valerie Buhagiar and Don McKellar in *HIGHWAY 61*: "low-budget, edgy new cinema"

What do you think?

I think the argument is 10 years too old. I don't think [federal Heritage Minister Michel] Dupuy is going anywhere with it. You'd have to be nuts to think that the Americans for a nanosecond would tolerate a restriction on their distribution practices. They would shoot Free Trade down first. It's never going to happen. Also I think it is too late. When the argument was really important was in the 1960s, 1970s and early 1980s, when the ability of our distribution sector to grow and prosper was so massively curtailed. I think the distribution sector would like more favourable legislation and would profit from it enormously. The assumption that somehow this will trickle down into more Canadian screen time or putting more money into marketing and promotion of Canadian film I think is a leap of faith. I think that in fairness you have to look at what Cineplex has done for *Rude* and *Dance Me Outside* with no success at the box office. Alliance and Malo also make a big effort. However, it's too easy to say that they would make a difference. They will play those films as long as they are making money, and they'll drop them when they don't make money. Simple as that. I think the question is, "Is it possible to make that much more money than we currently are in the domestic marketplace?" I know we want an English-

