

February 5, 2004

The Honourable Ralph Goodale
Minister of Finance
140 O'Connor St.
21st Floor, East Tower
Ottawa, ON
K1A 0G5

Re: CTF Renewal

Dear Minister Ralph Goodale:

As representatives of Canada's television industry, we would like to congratulate you on your appointment as Finance Minister. The government's Speech From the Throne outlines an ambitious and exciting agenda. We are encouraged that the government believes "social and economic goals are inseparable." With a new budget expected in the coming weeks our industry has formed a coalition to underscore one of the most urgent fiscal priorities facing the industry. Our focus is the government's ongoing support of the Canadian Television Fund (CTF). Despite differences on other issues, the industry has united to support this crucial keystone that fulfills many of the government's cultural and economic objectives, and ultimate social goals. The CTF is crucial for the health of the Canadian television production sector.

Prime Minister Martin has been steadfast on the need for Canada to assert its place in the world, to adopt a revitalized character and identity suited to the new challenges and opportunities of the 21st century. Our home-grown industry plays a vital role in meeting those goals.

The CTF Renewal Coalition represents the memberships of the Alliance of Canadian Cinema, Television and Radio Artists (ACTRA), the Canadian Association of Broadcasters (CAB), the Canadian Broadcasting Corporation (CBC), the Canadian Cable Television Association (CCTA), the Canadian Film and Television Production Association (CFTPA), the Documentary Organization of Canada (DOC), the Writers Guild of Canada (WGC), the Directors Guild of Canada (DGC) and the Association des producteurs de films et de television du Québec (APFTQ), as well our counterparts in Quebec who have recently written to you calling for the restoration of the CTF. As writers, performers, producers, directors, distributors and broadcasters of Canadian content, we understand and embrace the government's vision and feel strongly that we

play an essential part in that vision. We are proud of what we have built together -- a Canadian industry that draws talent and accolades from around the world. As the Throne Speech recognized, a strong identity helps contribute to economic, as well as cultural growth. We know the Prime Minister understands this, and we thank him for his support in his previous portfolio. We have also heard from your colleague the Honourable H el ene Chalifour Scherrer, who signalled her support for the Fund last week at an industry conference.

The CTF has been a tremendous success, surpassing the objectives set out in 1996 to increase the quality of distinctively Canadian television programming, and to ensure growth and employment in the television industry.

The decision in last spring's federal budget to reduce the government's direct support to Canada's producers threatens our Canadian identity, and Canada's place in the world. In 2003-04 the Fund will be facing a \$37.5 million shortfall from traditional levels. This is expected to result in a loss of 277 hours of Canadian programs, 2,400 jobs, and \$88 million in production activity. We need the government to reinstate its historical support of \$100 million a year to the CTF on a long-term, stable basis. We also need the government to work with us to develop an action plan that will sustain this vital industry.

We believe the government is committed to a healthy economic environment and a strong cultural sector. It is our understanding that with the government's November 14, 2003 announcement on the simplification of the Canadian Film or Video Production Tax Credit (CPTC) that it would implement an actual rate increase in budget 2004. This is an important incentive to the production industry. Canadian content market realities require incentives (like the CPTC) *and* commitments from the government to make it work, commitments like the CTF.

As Canada seeks to find its own audience on the world stage of the 21st century, it cannot afford to be the only western country that does not have a healthy film and television production and broadcasting industry. We are too rich a nation in talent and stories to let that happen.

Sincerely,



Stephen Waddell
National Executive Director
ACTRA


Claire Samson
Présidente-directrice générale
Association des producteurs de films et de télévision du Québec (APFTQ)

Glenn O'Farrell
President and CEO
Canadian Association of Broadcasters (CAB)

Harold Redekopp
Executive Vice-president
English Television, CBC

Michael Hennessy
Acting President
Canadian Cable Television Association (CCTA)

Guy Mayson
President & CEO
Canadian Film & Television Production Association (CFTPA)



Pamela Brand
National Executive Director
Directors Guild of Canada



Sandy Crawley
Executive Director
Documentary Organization of Canada



Maureen Parker
Executive Director
Writers Guild of Canada

cc . The Honourable H el ene Chalifour Scherrer, Minister of Canadian Heritage
Kevin G. Lynch, Deputy Minister, Department of Finance
Paul Corriveau, Deputy Chief of Staff (Policy), Office of the Prime Minister