

# Of tax dodges and junk in Hollywood N.

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It's no secret that Canada's film industry is afflicted with too much quantity and not much quality.

Fuelled by the inviting cushion of a tax write-off system which made domestic films a most attractive investment, production of movies in this country exploded after 1978.

But money-making, rather than a desire to make films reflecting either some fresh artistry or some sense of Canada, was mostly the motive.

The legislation spawned a horde of producers peddling shares in their movies through a new generation of brokers, and gave dentists, oilmen and real estate speculators some way to ease their tax burden.

Veteran Canadian film-maker Budge Crawley puts it succinctly: "The main problem with movies in this country is that capital cost allowance, which is just encouraging bad films."

**'Let's face it . . . anyone can be a film producer'**  
— Pierre David, producer

Lots of bad films: the past two years have been the busiest ever in the business, with 68 features churned out in 1979 and another 50 shot in 1980. Total production investment for the two years topped \$350 million, 35 times the money spent a decade ago.

## Mostly, they're junk

But there is no question most of those films are junk.

One Canadian producer who has taken advantage of the government's generous tax write-off scheme, and who has put together a few good films among the bad, is Pierre David of Filmplan International.

Among the recent successes from the production company he heads, along with Victor Solnicki and Claude Héroux, is *Scanners*.

"In the past, Canadian film producers have fallen into three categories — the

wheeler-dealer, the honest incompetent and the solid group. It's only the solid group that ultimately stands a chance of making it," says David.

"Let's face it, anyone can be a film producer — a doctor, lawyer, a journalist. If they've got the money they can make a film if they are determined enough. But how good will the film be?"

But David says the days of free-wheeling film-making for investment are ending: "The investor isn't too interested in a fly-by-night producer working out of a run-down office with an overworked secretary. He's interested now in someone who's going to be more permanent.

"Obviously, making good films is important, but a good film will not be successful without good marketing. You need solid contacts in the United States because that's where 70 per cent of the revenues come from.

David's Filmplan operates in the same major league as Astral Bellevue-Pathé, Robert Cooper Films, Simcom and the team of Joel Michaels and Garth Drabinsky — companies with that track record which may survive the inevitable shaking-down process facing the industry.

That process will leave just a few producers scrambling to make far fewer mass-market movies, and a few committed directors continuing, as they did before tax shelters, to create quality work independent of the Hollywood-clone mentality.

## Increasing demand

That's the prediction of Bob Verrall of the Council of Canadian Film-makers, expressed last week in Peterborough at a Canadian Images think-tank session on the future of Canadian films.

Predictions are hazardous, however, as long as the 100 per cent tax deduction for investment in Canadian films remains.

And with Canadian pay-TV just a few years off, the demand for Canadian feature film production will certainly increase.

That new era might change the other pitiable fact of the Canadian film industry, which is that few films made these days are being seen by anybody.

• Some, like *Surfacing*, based on the

**Made in Canada: clockwise from top, Tribute, Middle Age Crazy, Scanners and Fantastica**



Margaret Atwood novel, ran out of funds and still require some post-production work — and have surfaced nowhere.

• Others, like *The Kidnapping of the President*, *Bear Island*, *Klondike Fever*, *Running, Agency*, and *Pinball Summer*, were seen in just a few cities for a few days before being dumped onto late-night TV.

• Still others, like *Mr. Patman*, never received theatrical release; that one was sold directly to American pay-TV.

• And others yet, like *Tulip* or the *Meatballs*-style *Crunch*, have never been released because they were made to cash in on a film craze which passed before they were completed. Some horror films like *Incubus*, *The Fright* and *Curtains* might also suffer that fate.

So, of the 50 features reported produced in Canada in 1980, only seven opened in Halifax, only 13 opened in Winnipeg, only 19 opened in Ottawa, according to figures reported at Canadian Images.

## Quality ignored too

But even fine films — and there have been a dozen or more made in the past two years, such as *Cordelia*, *Fantastica*, *The*

*Lucky Star*, *Skip Tracer*, *L'homme à tout faire* — aren't finding their way into neighborhood theatres as readily as are the drive-in fodder.

Edmonton-based producer Fil Fraser, one of the few doggedly responsible movie-makers in the country, blames American-controlled distributors who control access to 80 per cent of the movie theatre screens in Canada.

**'The main problem with movies in this country is the capital cost allowance'**  
— Budge Crawley, filmmaker

"That leaves Canadian films fighting for a small slice of the pie," he said, following a showing of his as-yet unreleased *The Hounds of Notre Dame* at Canadian Images.

Fraser, whose productions include *Hounds*, *Why Shoot the Teacher* and *Marie Anne*, attacks the present Canadian si-

tuation from a different perspective than producer David: he suggests limiting access of foreign films to Canada, perhaps through a quota system or some sort of import tax, so domestic pictures get a break on playdates; David opts for aggressively forcing his films into the American market.

The foreign stranglehold on Canadian screens which Fraser resents explains why the most successful Canadian films to date — the likes of *Scanners*, *Prom Night*, *Terror Train*, *My Bloody Valentine*, *Meatballs*, *Tribute* — are Hollywood replicates, filmed here but skilfully scripted and shot so as not to suggest a Canadian setting.

The question raised by such artists as Québécois director Micheline Lanctôt is whether, in Lanctôt's words, "Canadians can ever be successful at making feature films we can be proud of, low-budget but high-quality films which are unashamedly about us."

The question beyond artistic nationalism, and the concern of producers like David, is whether the industry can survive another couple of years of making movies without markets and the eventual removal of the tax incentives which sparked the industry in the first place.