

dates, such as the Christmas season.⁵⁴

According to Pendakur, the idea of mandatory screen quotas for Canadian films was considered in the 1970s. The idea was for "a flexible exhibition quota to be tied to film production capacity and the earning power of the exhibitor." In 1973, "the Secretary of State reached an informal agreement with Famous Players and Odeon to make two weeks of screen time available for English Canadian films" in Montreal, Toronto and Vancouver.⁵⁵ These quotas never became part of legislation and therefore never resulted in an effective permanent method of enduring Canadian films access to distribution. These demand side measures have not figured prominently in Canadian policy. Quotas assume that there is a pent up demand in Canada for Canadian films that is not being met. The success of quotas seems questionable. First, it is not clear that Canadians are demanding home-grown products that have already been produced and that is not distributed. Second, the GATT prohibits raising screen time quotas that were already in place. It is almost certain that new quotas would be challenged by Canada's trading partners.

v) *Canadian Policy Direction in light of International Obligations*

Canadian support measures constitute a direct aid to industry. These measures have industrial and cultural components. On the domestic level, industrial policy (and for that matter cultural policy) raises the questions of who such policies are intended to help and whether the support measures provide the desired result. The film policy review emphasizes the cultural reasons for support measures. It also states:

In addition to its cultural significance, the Canadian film and video industry is an important economic force. It accounts for almost 30,000 Canadian jobs and contributes \$2.8 billion to Canada's Gross Domestic Production.⁵⁶

Does support for production or ownership restrictions help only those who receive support, or is there some greater benefit to Canadians? If industrial policy does not provide more general benefits it is misplaced. At the international level, questions about industrial policy are even more complex. It impacts on each country's trade and investment relations with other countries because industrial policy often constitutes veiled protectionism.⁵⁷

Economist Steven Globerman notes that the commercial feature film business is highly competitive. He states:

⁵⁴ Magder, 149.

⁵⁵ Pendakur, 159.

⁵⁶ Film Policy Review

⁵⁷ Goldfarb, 99-100.