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*Note pour le sous-secrétaire d'État aux Affaires extérieures*  
*Memorandum to Under-Secretary of State for External Affairs*

[Ottawa], August 2, 1949

The Department's relations with the National Film Board, which have been difficult ever since we began to take a direct interest in the distribution of Government films abroad, have now reached a state bordering on that of conflict, characterized by a lack of essential co-operation. Over the past three months, a number of disagreeable incidents have illustrated this.

2. In the recent matter of European film festivals, for example, no advice was sought from us on the film entries to be submitted, despite the Department's requests of March 3 and June 18 for consultation. Once the films had been shipped, we learned through a routine notice that among the Canadian Government entries were two very doubtful productions: DRUG ADDICT, a film which has created serious difficulties with the United States, and THE PEOPLE BETWEEN which the Department has never approved. Enquiries by the Information Division into the matter led to a violent and threatening telephone call received by one of our officers from Mr. McLean, in which these enquiries were termed "intolerable interference in National Film Board affairs." Moreover, in connection with the festivals, the Film Board took upon itself to reply "on behalf of the Canadian Government" to invitations properly addressed through the Department.

3. You may recall also Mr. McLean's letter to you, in reply to our objections concerning the proposed "Human Rights Film", the tone and text of which clearly show that the Film Board does not regard itself as subject to direction in respect of Canadian information.

4. The Film Board's rejection of the Department's primary responsibility in this field, is based on Section 9 (g) of the National Film Act, which states the Commissioner "shall *advise* as to the distribution of Government films abroad". This attitude is strengthened by several years of unquestioned operations in the foreign field, and facilitated by the fact that all film handling is done at the Board and all films are supplied from the Film Board's budget.

5. It might be noted here that the National Film Act is not explicit on the subject of foreign distribution. This is understandable since neither the author, nor the legislator, could have intended to regulate in detail, in 1939, conditions which they could not foresee. These conditions, as you know, are an outgrowth of information activities undertaken by the Allies in World War II, and pursued thereafter with peace time objectives under the direction of their respective foreign affairs departments.

6. The Department's position is based, generally, on Order in Council P.C. 472 of February 5, 1947, authorizing the Department of External Affairs to "do such actions and things as may be considered necessary for distributing abroad information concerning Canada...". Specifically, it is also based on the following policy statements: