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Article abstract
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DAVID G. MURPHY

Research into an industrial sector reflecting principles of the emergent "network" model of production indicates that organized labour can play a positive role in post-Fordist systems of industrial governance. Within the dynamic motion picture industry of British Columbia (B.C.), organized labour was the key organizational factor in the birth and rapid expansion of the agglomeration of small, specialized film production firms which has become a competitor for the coveted title of second largest film centre, after Los Angeles, in North America. In this process, B.C. film unions have become the dominant "actors" in forging collaborative relations between local production companies, between the sector and the state, and between the district and other film centers, so critical to the success of the network model.

The eclipse of the once dominant Fordist system of economic organization, and the accelerated efforts among Western elites to dismantle the Keynesian foundations on which it stood, has stimulated considerable analysis of emergent post-Fordist models of production. Of particular interest have been the Marshallian Industrial Districts of the Third Italy popularized by Piore and Sabel in their seminal 1984 work.1 Subsequent analysis of these and other clusters of complementary, collaborative firms, as well as of the international networks of interdependent enterprises being formed in the wake of the dis-integration of large corporations, has inspired the identification of a distinctive "network" model of industrial organization. Its positioning

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1. More recent studies include Pyke et al. (1990) and Pyke and Sengenberger (1992).
alongside both the classic dichotomous model of market and hierarchy (Williamson 1975, 1985), as well as the alternative Fordian inspired state, community and institutional models, has prompted analysts to investigate the nature of the relations among actors in these networks. The primary focus of these empirical studies into network governance has been upon intra-firm labour relations, inter-firm employer relations and — owing to the local state's essential role in providing an organizational "exoskeleton" (Kern and Sabel 1992: 224) — sector-state relations. However, little attention has been paid to the role of extra-firm labour organizations whether in traditional activities such as collective bargaining or in expanded roles fostered by the unique nature of networked industries. This research seeks to redress this deficiency.

The timing of its emergence, its function in the international motion picture industry, the organization of the production process and the character of association in it make the British Columbia Motion Picture Industry (BCMPI) an ideal candidate for an analysis of the role of organized labour in the network system of industrial governance. More importantly, the sector is unique in North America in that organized labour dominates the structure of production and internal governance. Like its Hollywood progenitor and partner, the B.C. district is organized on the basis of the post-Fordist network model (Christopherson 1992; Storper and Christopherson 1987; Storper 1989). However, in contrast to the Los Angeles film district, where the reconfiguration from Fordist to network organization was managed by the studios as employers, B.C.-based film unions have been the key figures in the birth, development and ongoing governance of their industry. Considering the dire predictions about the prospects for organized labour in the wake of the erosion of the "negotiated compromise" underpinning the post-war Fordist model of industrial relations, a dynamic industrial sector manifesting idealized post-Fordist organizational traits with unions at its core merits attention.

Under labour's tutelage, in collaboration with supportive government agencies, the BCMPI has risen in less than twenty years from relative obscurity to become one of the four most important North American centres of commercial cinema production. As an important node in the highly competitive international film industry, the sector is at the heart of the knowledge-communication-entertainment based economy of the new "post-industrial"

2. Theories of these systems of ordering industrial organizations are in a state of flux, as is to be expected in this era of paradigm change. Hollingsworth, Schmitter and Streeck (1994), is one of the most recent formulations. Hollingsworth and Lindberg (1985), Campbell, Hollingsworth and Lindberg (1991), and Scharpf (1993) are of equal importance.
economy.\textsuperscript{3} As such, a study of the industry should provide clues as to the nature of governance in the emerging economy. As well, it should serve as a model for other industries seeking to emulate its economic and labour relations success.

Using a case-historical method, this paper describes the critical role of B.C. film unions in the BCMPI’s birth and subsequent rapid development into a globally competitive film production centre. We will explore how labour’s dominant role in governing relations within the sector, as well as in the sector’s external relations, created a foundation for the dynamic interplay of competition and cooperation that is at the core of the dynamism of the network model (Sabel in Pyke and Sengerberger 1992). By way of illustration, we will trace the role of film technicians in the launching of motion picture production in British Columbia, in the industry’s development and diversification, and in its contemporary governance system. We will see how the film unions’ strategic response to periodic crises allowed the region to evolve from an exotic locale for avant garde foreign producers to an internationally recognized, integrated film production center. It will be argued that the key to success was the unions’ management of relations with other organized actors\textsuperscript{4} within the district — production firms, public and private service providers and various branches and levels of the state, — as well as with external actors — the other motion picture production districts with which it is associated.

We will also explore the contemporary crisis of representation in the district and its possible effect on the film unions themselves, as well as on the district as a whole. This crisis illustrates the fundamental contradiction between the old model of industrial development and organization and the new model represented by the BCMPI. A successful resolution to the crisis will not only allow further development of the local industry but will affect the national motion picture industry and government policy toward it. Beyond this, the continuing dynamism of the B.C. film industry should have some impact on policy makers and actors in the broader political economy of the region.

\textsuperscript{3} Since Michel Aglietta’s (1979) seminal work on the crisis in American-centred Fordist economic organization, a flood of works have sought to elaborate, criticize and prognosticate on the vision of post-Fordism. Inspired by this work, Storper and Harrison (1990) have studied the variable structures of industrial governance forming in the wake of Fordism’s eclipse. I refer those interested to their work as they have included the international motion picture industry in their organizational diagrams.

\textsuperscript{4} The term actors will be used here in reference to social actors; motion picture actors are referred to as performers.
UNIONS AS ENTREPRENEURS: THE EMERGENCE OF THE B.C. MOTION PICTURE INDUSTRY

British Columbia's initial use as a location for motion picture production and its subsequent development around 1970 into a service centre, primarily for Hollywood producers, was the result of a fortuitous combination of events and conditions beyond its borders and influence. However, the evolution of the region to the position of contender for the hotly contested title of second largest motion picture production centre in North America, and its diversification into other facets of the industry and into other markets, is largely attributable to the strategic response of local actors to the ensuing opportunity (see Tables 1 and 2 for growth in output and diversification of the district). Like other contemporary networked industrial districts, this response was a collaborative effort involving local entrepreneurs, state and quasi-state agencies, and film unions. However, in this case it was organized labour's efforts which were key to transforming the tentative foray north of a few Hollywood producers into a regular, inter-regional exchange relationship. The unions took the lead in the diversification of the output of the region while simultaneously adapting their organizational structure and contracts to market exigencies. We will see that this strategic response to changes in the market environment, as well as to developments within the international motion picture industry, allowed the district to emerge from downturns in the economy and changes in the industry ahead of potential competitors in other long established as well as nascent film districts. This prevented an exodus of highly mobile film capital and, following close behind, production talent.

The dismantling of the integrated Hollywood "studio system" of motion picture production and the ensuing search for new locales laid the foundations for the emergence of new centres of production. Vancouver was able to capitalize on this restructuring. In anticipation of Hollywood's shift from studio back lots to the "world as its back lot" (Christopherson and Storper 1986), local free lance technicians chartered a branch of the American film technicians' union (IATSE, Local 891) in 1962 to service these run-away productions. A few of the foot-loose, "new wave" independent producers spawned by the organizational revolution in Hollywood did venture


TABLE 1
Annual Change in BCMPI Output, 1981-1994

<table>
<thead>
<tr>
<th>Year</th>
<th>Projects</th>
<th>Budget in Canadian Dollars (millions)</th>
<th>Expenditure in B.C.: Amount in Dollars (millions)</th>
<th>Expenditure in B.C.: Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>8</td>
<td>25.</td>
<td>14.</td>
<td>.56</td>
</tr>
<tr>
<td>1982</td>
<td>6</td>
<td>48.</td>
<td>26.</td>
<td>.54</td>
</tr>
<tr>
<td>1983</td>
<td>5</td>
<td>12.</td>
<td>7.</td>
<td>.58</td>
</tr>
<tr>
<td>1984</td>
<td>12</td>
<td>60.</td>
<td>36.</td>
<td>.55</td>
</tr>
<tr>
<td>1985</td>
<td>23</td>
<td>150.</td>
<td>70.</td>
<td>.47</td>
</tr>
<tr>
<td>1986</td>
<td>23</td>
<td>156.</td>
<td>89.5</td>
<td>.53</td>
</tr>
<tr>
<td>1987</td>
<td>27</td>
<td>282.</td>
<td>152.</td>
<td>.54</td>
</tr>
<tr>
<td>1988</td>
<td>46</td>
<td>219.</td>
<td>130.</td>
<td>.59</td>
</tr>
<tr>
<td>1989</td>
<td>37</td>
<td>351.</td>
<td>201.</td>
<td>.58</td>
</tr>
<tr>
<td>1990</td>
<td>50</td>
<td>322.</td>
<td>188.</td>
<td>.58</td>
</tr>
<tr>
<td>1991</td>
<td>53</td>
<td>286.</td>
<td>176.</td>
<td>.62</td>
</tr>
<tr>
<td>1992</td>
<td>61</td>
<td>368.</td>
<td>211.</td>
<td>.57</td>
</tr>
<tr>
<td>1993</td>
<td>73</td>
<td>508.</td>
<td>286.</td>
<td>.56</td>
</tr>
<tr>
<td>1994</td>
<td>85</td>
<td>649.</td>
<td>401.</td>
<td>.62</td>
</tr>
</tbody>
</table>

Source: B.C. Film Commission; IATSE Local 891.

TABLE 2
Project Breakdown by Number and Local Expenditure BCMPI, 1985–1994

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Features</th>
<th>Number of MTV</th>
<th>Number of Series</th>
<th>Expenditure in B.C. Features (C $ millions)</th>
<th>Expenditure in B.C. MTV (C $ millions)</th>
<th>Expenditure in B.C. Series (C $ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>9</td>
<td>14</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>8</td>
<td>12</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1987</td>
<td>5</td>
<td>14</td>
<td>9</td>
<td></td>
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<tr>
<td>1988</td>
<td>9</td>
<td>9</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>16</td>
<td>18</td>
<td>16</td>
<td>60.</td>
<td>31.</td>
<td>96.</td>
</tr>
<tr>
<td>1991</td>
<td>12</td>
<td>25</td>
<td>16</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1992</td>
<td>16</td>
<td>34</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>26</td>
<td>36</td>
<td>11</td>
<td>137.</td>
<td>71.</td>
<td>78.</td>
</tr>
<tr>
<td>1994</td>
<td>32</td>
<td>38</td>
<td>15</td>
<td>152.</td>
<td>82.</td>
<td>167.</td>
</tr>
</tbody>
</table>

Source: B.C. Film Commission.
north to British Columbia in the late 1960s and early 1970s (Robert Altman with "McCabe and Mrs. Miller" and "That Cold Day in the Park", and Mike Nichol with "Carnal Knowledge"). However, following this promising beginning there was a hiatus during which they and their peers stayed away.

Paralleling the promotional efforts directed south, local film technicians, producers and service providers saw potential in the burgeoning contract film work originating from central Canada. In 1964, they formed an industry association (the British Columbia Film Industry Association, now called the British Columbia Motion Picture Association-BCMPA) to lobby government officials for Canadian production quotas and tax levies to finance indigenous production, as well as to cajole federal film agencies and private corporations to direct some film work west. Despite the promise of the federal government's new feature film policy of the mid-1960s (Magder 1993: 121–128), only a trickle of work came west. In response, in 1975 Local 891 sent their business agent to Hollywood to promote the region as a film locale. The promise of organized production crews offering greater flexibility than their Hollywood counterparts combined with a favourable exchange rate, relative proximity to Los Angeles (2 1/2 hours flying time), the logistical benefit of a shared time zone, and no language or cultural barriers, proved advantageous. Local production jumped from two in 1974 to six in 1975. However, production subsequently fell off when the small local (40 members at that time) was unable to mount regular promotional trips south. They turned to the state for marketing assistance.

Taking their cue from the success of the Alberta film commission and appealing to the instincts of local politicians (Reel West Magazine, December, 1994), the unions (IATSE joined by the local branch of the Canadian performers union, ACTRA, and local members of the newly organized national directors guild, DGC) and the industry association persuaded the B.C. government to establish a film agency in 1978. Building on its immediate success in reversing the decline in production, the newly named and expanded British Columbia Film Commission (BCFC) has since mounted — in partnership with the technicians union, joined later by the other film unions and, still later, by local production service firms — annual promotion-marketing pilgrimages to Los Angeles. The Commission's local role as interlocutor between visiting producers and local service providers, providing facilitators and space for preliminary budgetary discussions with local production unions and guilds,7 provided at least part of the impetus for subsequent formalization of inter-union collaboration.8

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7. The unions which use (or once used) seniority systems for dispatching crew members are usually referred to as "unions", while those who allow producers to pick who they prefer are "guilds".

8. Since the formation of the BCFC, other municipalities and regional districts have formed film commissions. The unions have worked with several to market the benefits of film location work in their communities.
The ability to provide complete "below-the-line" film crews at competitive rates for Hollywood contractors was key to the B.C. industry's comparative success in the face of increasing competition from other regions hungry for the high-pay, high-skill, high-technology and "clean" jobs Hollywood had on offer. In contrast to Los Angeles, where the dismantling of the studio system created a void in organization and, consequently, an unforeseen cost to producers in crew assembly (see Christopherson and Storper 1989; Paul and Kleingartner 1994), B.C. film unions took on this task, organizing its members into departments with gradations of skill from apprentice (assistant) to lead (key). Since then they have also assumed the tasks of auditioning, training and credentialing film personnel. They accommodated the flexibility desired by Hollywood producers by signing project-based, one-off agreements. Responsibility for ensuring employment, status and career advancement for film personnel was taken on by the guilds as they reabsorbed crew members between shoots.

As the rewards in skill enhancement and production returns garnered from this reciprocal relationship between the local service guilds and Hollywood producers became widely known in the industry, the studios began to look to B.C. for savings "above-the-line" as well. The establishment of autonomous unions for performers (UBCP), photographers (IATSE 669), writers (WGC) and logistical support (Teamsters 155) in the late 1980s and early 1990s, rounded out the organizational infrastructure. Complete crews working under locally negotiated contracts could now be supplied. However, the ensuing growth of a production centre on the west coast of Canada linked with Los Angeles brought the region into competition with the industry based in Toronto and, more critically, with organizations spawned by the competing national industrial policy.

At the same time that Hollywood was making its initial foray north to B.C., the Canadian federal government was embarking on an ambitious program to create a profitable national motion picture industry. This was a mixed blessing for the nascent B.C. industry: on the one hand, it offered a potential alternative source of investment; on the other hand, due to the centralist bias of the policy and the ensuing concentration of investment in

9. "Below-the-line" is a film budget reference to the salary and per diem payment to the technical and camera crews, logistical and non-star performers, plus equipment and facilities costs; as opposed to that portion of the budget expended "above-the-line" on the so-called creative talent: stars, writers, directors and producers.

10. The collapse of the studio system severed the long-term contracts between stars and studios. As agents filled the void, the remunerative returns to "hot" actors, writers, directors and producers shot up dramatically. This had the incidental effect of squeezing the below-the-line budget.
the two designated production centres of Montreal and Toronto, it threatened to perpetuate dependence. The regions, including B.C., were given the role of supplying services, locales and captive markets for the core, integrated corporations. Taking their lead from this hierarchical model, national film industry associations attempted to spread their control of the industry to B.C. The intrusion of central Canadian organizational actors into the local industry had a corrosive affect on the local community and its policy-making autonomy which had been critical in fostering the emergence and growth of the district.

The dramatic increase in funding of domestic film production from the Canadian Film Development Corporation; the protection offered by the Canadian Radio Television Commission to Canadian broadcasters through regulation, licensing and cable programme funds; and generous tax write-offs for Canadian investors provided by such programs as the Capital Cost Allowance, had succeeded in establishing a core of integrated "mini-major" motion picture companies in Toronto and Montreal. In this national policy, the B.C. film industry was expected to adhere to contracts negotiated by "national" unions with the "national" producers association(s), dominated by the Ontario industry. However, there was a contradiction between a national industrial policy aimed at promoting and protecting integrated national champions, and a regional policy of union-led state-industry collaboration aimed at building an open, flexible district with links to other international film centres.

Joint promotional efforts by the state and industry in B.C. and the innovative, flexible behaviour of the film unions coincided with growth in production expenditure in B.C. averaging 40% per annum between 1978 and 1988. The region became the second largest centre for production of Hollywood films, ahead of rival centres in New York, Chicago and Toronto. Despite this success, and an auspicious dive in the exchange rate between 1983 and 1986 which brought a flood of production north, the B.C. film unions did not rest on their laurels. They encouraged expansion of local infrastructure by the state and private investors, and introduced organizational and bargaining innovations to allow adaptation to changes in the

11. This was always implicit in the funding policies of Telefilm, and its predecessor the Canadian Film Development Corporation, as well as other federal agencies and corporations, and evident from the fact that B.C. consistently received less than 2% of Telefilm funding up to the late 1980s. It was made explicit in the statement by Telefilm announcing the creation of a "Feature Film Fund" in June, 1986 (see Reel West Magazine, Vol. 2, No. 2, Sept. 1986: 32; see also Audley 1993: 6; Krasnick 1994).

12. The Canadian Film Development Corporation was established in 1967 to fund feature film production. Its mandate was later expanded and then focused on film for broadcast and its name was changed to Telefilm in 1984.
international production environment. A number of union-led initiatives were launched both at home and abroad. In both cases this was undertaken in partnership with an ostensibly anti-union government.

In 1985, the Social Credit government, having been recently converted with a vengeance to neo-liberalism (Marchak 1986; Resnick 1987), announced its intention to dispose of a provincially owned facility formerly used for washing transit buses, but now leased to film production companies for interior shooting. The film unions were successful in turning this potential disaster to the industry’s long-term advantage. A union-led consortium offered to lease the facility or, failing that, to buy it outright. With the government’s hand stayed, the industry association and representatives from the federal and provincial government sponsored a report recommending state-financed renovation of the facility with a union-management led board leasing the facility to production companies at cost, upon its completion. Following the $5 million renovation, with a technician’s union official ensconced on the provincially appointed advisory board of the facility, a timely study sponsored by all five film unions on the economic footprint of the industry (Associated Economic Consultants 1989) prompted the province to transfer control of the facility to a crown corporation. Furthermore, a long-standing complaint of the industry was addressed with the consolidation of government film policy oversight under an inter-ministerial committee (Reel West Magazine Vol. 4, No. 5: 38).

Complementing this joint effort, the technicians’ union announced to the Locations Expo and LA Film Market during their annual promotion trip to Los Angeles with the provincial film commission in 1985 a major initiative to maintain the flow of investment northward. Local 891 promised to maintain rates not only during the expected sellers’ market created under the boom conditions of the 1986 world exposition in Vancouver, but also to peg their rates to the American dollar in the event of an increase in exchange rates. This was aimed at the Toronto industry which at the time was attracting more Hollywood productions. They recognized that, unlike Toronto, where the national networks and integrated Canadian studios were ensconced, cushioned and subsidized by the federal and Ontario film agencies, B.C. could not fall back on indigenous production.

The B.C. film unions’ greater sensitivity and vulnerability to the international market was again demonstrated at a critical time in the industry in the late 1980s. Ontario film unions had demanded wage parity with unions in New York and Los Angeles, and the accompanying threat of strikes drove Hollywood out of Toronto. Despite the resulting Hollywood skittishness regarding production in Canada as a whole, the B.C. community was able to maintain producer confidence by unions pegging of rates to an $0.80 dollar when the exchange value of the Canadian dollar climbed in
the early 1990s. When this was combined with other innovations in labour contracts, designed specifically to compete with union crews in other districts (Playback, October 30, 1989: 26, 28), they were able to ride out not only the recession of the early 1990s but also the effects of the concessionary collective agreements signed by the Los Angeles technicians' unions following prolonged strikes against the studios in the late 1980s.

While retaining its title to leading centre, after Los Angeles, for production of U.S. feature films, the leading actors in the B.C. industry were aware of their vulnerability. Film commissions were springing up across North America to attract Hollywood productions, and Los Angeles film unions were adopting the flexible provisions underpinning B.C.'s success. In response, local film unions sought to diversify both the source of production investment and the type of product which they produced. In 1988, in response to the pleas of local film industry notables, the B.C. government established a non-profit film production fund, B.C. Film. Its purpose was to trigger top-up funding from Telefilm, attract investment from the private sector and encourage foreign public film agencies to enter into partnerships with locally based production companies. In support of this, the unions introduced multi-tier contracts favouring low-budget (read indigenous) film makers. This had a limited effect in fostering the growth of locally controlled film companies, since Telefilm introduced a policy requiring links with recognized Canadian film distribution companies, coincidentally all headquartered in either Toronto or Montreal. The attempt to encourage diversification into other areas of motion picture production, while successful, also brought the contradiction between the national film industry model and the local industry model to a head.

During the latter half of the 1980s, the district's major activity in producing feature films was gradually augmented by production of "Made-for-Television-Movies"-MTV (some in the industry call them Movies of the Week-MOW) and MTV pilots for series. Although primarily initiated by American producers, an increasing amount of this work is based upon co-production agreements between local producers and those from eastern Canada, the U.S. and elsewhere. Not only did this serve to reduce dependence on feature films and expand the overall output of the region, it also stabilized employment as MTV contracts were often multi-project and the spin off series provided regular work over a season. To attract this activity, the unions were willing to negotiate special contracts responsive to the peculiar features of production for broadcast as well their budgets, which are lower than feature film budgets.\(^{13}\)

The American producers of TV fare

\(^{13}\) While budgets for feature films have been increasing due to increased expenditures on stars and marketing, "license" fees provided by the networks to producers of broadcast material have declined due to the proliferation of new broadcasters and the attendant loss of audience share by the networks.
promised to establish local production studios and to use more local "above-the-line" personnel: performers and directors. However, they demanded long-term, more stable collective agreements in place of the informal, one-off contracts heretofore the norm.

This shift away from one-off to long-term contracts was not unwelcome by the technicians' unions which found the former contracts normally preferred by the Hollywood feature film producers costly to negotiate and increasingly redundant. However, B.C. labour law required that these formal contracts be negotiated by provincially autonomous organizations. The U.S.-affiliated technicians' (IATSE Locals 891 and 669) and drivers' (Teamsters 155) unions had long had the autonomy needed to negotiate their own collective agreements. After a brief struggle with their national office, the B.C. branch of the DGC had gained a similar capacity to govern their affairs. However, the performers and writers, members of ACTRA, were locked into the Independent Production Agreement (IPA) negotiated by the national office with two producer groups based in Ontario; moreover, they did not enjoy any local autonomy. The effort to overcome this problem, coupled with the simultaneous efforts of other Toronto-based film unions to invade the jurisdictional turf of local unions, precipitated inter- and intra-union competition and conflict in the local industry. The fallout from this unrest frightened foreign-based producers, thereby threatening the international links nurtured by the pioneer unions. The community's efforts to overcome the problems emanating from the emergence of dual unionism has, however, served to propel the industry to a higher stage of governance.

The signing of a collective agreement, in 1989, by the local branch of ACTRA with an American-based episodic producer who had recently opened a local production studio led to a prolonged struggle between the local and national offices of the performers' union. The national office's intransigent and mercurial response was aggravated by an organizational financial crisis and national struggles over the structure and democratic operation of the

14. While visiting American producers came north seeking "the best deal in town", hoping to undercut their rivals, in practice there were only minor differences between contracts. Furthermore, under section 35 of the Labour Relations Code, the unions could have held the initial signatory, and any subsequent reincarnations and partnerships, to the initial agreement for a year.

15. The British Columbia Industrial Relations Act of 1986 required provincially negotiated collective agreements by provincially organized labour bodies in areas, such as film, under Provincial jurisdiction. Quebec was the only other province at this time with similar requirements. While the American unions had no trouble with this, the national Canadian film unions were asking local producers to sign "voluntary" "letters of recognition" with them. The demand by Cannell Films for locally negotiated collective agreements effectively ended this practice in B.C.
union, all of which had been precipitated by the decline in the Toronto industry when Hollywood departed in the late 1980s. The national office’s hard line against local autonomy was encouraged by the Canadian producers’ organization which threatened to scuttle the IPA if ACTRA allowed its B.C. branch to sign a separate agreement. Several years of negotiations between local performers’ representatives and the national ACTRA, and repeated mediation attempts by the Ministry of Labour failed to heal the rift. Two performers’ unions emerged, the UBCP and ACTRA-BC, to compete for dominance by concessionary bargaining and jurisdictional challenges at the provincial labour board. Each then aligned itself with a larger union, presumably to gird for battle: ACTRA with the Canadian Auto Workers, UBCP with Teamsters-Canada.

In the midst of this turmoil, two Toronto based technicians’ unions, the Association of Canadian Film Craftspeople (ACFC) and the National Association of Broadcast Employees and Technicians (NABET), opened offices, in 1989 and 1994 respectively, to compete with the established Locals 891, 669 and 155. The ensuing jurisdictional battles have brought the parties before the B.C. Labour Relations Board for the first time. Despite recommendations from government-appointed investigators, the province failed to intervene authoritatively to resolve this festering problem.

The threat to union power and district coherence posed by the emergence of dual unionism, as well as labour’s perception of a need to formalize inter-union collaboration with employers and the state, prompted the dominant unions to associate in 1990. Locals 891, 669 and 155, along with the local branch of the DGC and the newly independent UBCP, formed the B.C. and Yukon Joint Council of Film Unions to coordinate relations with local, national and international producers and the state, to arbitrate internal jurisdictional disputes, and to market and promote the region’s filmmaking potential. Their initial activities built on initiatives undertaken during the district’s formative years while incorporating new roles indicative of labour’s assumption of greater governance responsibilities. Examples of these initiatives include:

— signing “letters of recognition” with producers of meritorious yet non-commercially viable indigenous productions which allow for major concessions in wages and benefits;

— supporting the local industry by deferring wages in return for equity in locally initiated films which have little chance of making a profit;

— permitting bubbles in the production zone\(^\text{16}\) to allow production of domestic and indigenous episodic projects requiring non-urban locales; and

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16. These production zones set the boundaries beyond which travel time for crews kicks in. Originally centred on downtown Vancouver, extending 30 kilometres out in a circle, they have since been extended and transformed into a grid pattern.
— coordinated bargaining with American producers to entice them to increase the number of Canadian writers, directors and performers used in episodic production.

Formalization of inter-union relations facilitated joint preliminary negotiations with prospective producers, collaboration on studies and related lobbying of state service agencies, and the mounting of joint marketing-promotion trips with state and corporate interests to other film centres, all geared toward the community-wide goal of strengthening established links and forging additional ones with other film centres. The Council also coordinated efforts to expand production activity to other regions in B.C. by working with local councils and regional district governing boards to design programs to entice film location shooting away from the Lower Mainland where locations are in danger of being "burned-out". Perhaps most importantly, the council's mediation of jurisdictional disputes has prevented the emergence of dual unionism from precipitating rifts among the original unions, thus mitigating, so far, the negative effect on offshore investment.

Ironically, the unions' effort to manage film industry growth in the 1980s left an opening for external unions to organize inexperienced, would-be film technicians. Fearing that the investment bubble would burst, the below-the-line pioneer unions had limited membership growth and retained a seniority-based dispatching systems. Unions from Toronto, suffering from the decline in the industry there, stepped into the breach by recruiting novice film technicians. Subsequent opening up of membership and modification of the seniority dispatch system has not sufficed to eliminate the toe-hold established by the newcovers. The inability to end union rivalry has been exacerbated by state inaction and employer complicity.

Despite the threat posed by intra-labour conflict to district stability and hence marketability — recall that Hollywood producers are footloose since the collapse of the studio system — state officials have failed to intervene. An opportunity to establish a means for labour and management to address problems of this nature was missed in 1993 when the newly-elected NDP chose to ignore recommendations to include provisions for the encouragement of joint sectoral governing councils in its major overhaul of the B.C. labour code. Instead, the fall-out from inter-union competition was handed
to the Labour Relations Board, which could only deal with it on a case-by-case basis, leaving the underlying issue of dual unionism unaddressed. Hollywood producers working under time and budget constraints, were dragged into these hearings as parties to the disputes and made noises about leaving for greener pastures.

While locally-based production companies had much to lose from this exit, the lack of a local organizational structure left them unable to take collective action in response to the turmoil. The national body to which many belonged, the Canadian Film and Television Association (CFTA), had in fact abetted the rift in the performers' union by threatening to scuttle the national IPA with ACTRA if it allowed its B.C. branch to negotiate a local agreement for episodic work (Action, Vol. 4, No. 2: 9). The Toronto-based national producers' organization welcomed the effect on labour rates of inter-union competition in B.C. as a similar situation in Ontario had served their interests (interviews with association members and officials). Film unions from eastern Canada were encouraged to set up shop in B.C. with the expectation that the eastern studios for which they had previously worked would contract with them when shooting in B.C. (Action, Vol. 4, No. 2: 9, and interviews with officials of these unions). The failure of the eastern production companies to follow through on this promise prompted the eastern unions to recruit inexperienced film personnel and to offer concessions below local norms to all comers (Reel West Magazine, Vol. 5, No. 3 [May, 1990]: 5). Inferior quantity and quality in crew provision by these unions has undermined the reputation of the B.C. industry.

Concerted efforts by industry stakeholders — employers, unions, service providers and three levels of government — to find a solution to this and other problems, were first mounted in 1991. A resolution by the newly formed Motion Picture Roundtable to address the labour issue was unfortunately not acted upon during the organization's brief existence. Even if it had managed to establish a labour market sub-committee, as recommended, organizational weaknesses among both employers and labour would have hindered progress. Producers, whether Hollywood executive or local line, lacked a collective voice in the province. Perhaps more critically, the Joint Council of Unions had been sent into hiatus after its head absconded with producer bonds in 1992. And the province, which had jurisdiction over the industry and its labour relations, was hamstrung by the decline into inaction of the inter-ministerial committee responsible for the film industry.

18. The chair of the Roundtable, UBC Labour Law Professor Joe Weiler, has since been asked by the province to write a report dealing with, among other labour issues in the sector, means to resolve the problems arising from inter-union competition.
Finally, a reorganized film production community took the initiative to address these problems following two industry-sponsored conferences in the fall of 1994. Local producers formed a B.C. branch of the CFTPA following the first industry conference. The Joint Council of Film Unions was resurrected following the second. Since then, the two parties have been meeting to discuss the labour problem. Both have publicly acknowledged that the continuation of Hollywood's patronage necessitates a harmonious, equitable resolution of the acrimonious labour dispute. All of the unions have informally agreed to keep their disputes away from the labour board. Recent local union elections have placed supporters of local autonomy and organizational unity at the head of both of the performers' unions. With this promise of a union-engineered resolution, the threat from Hollywood producers to flee the region has abated and growth has resumed.

LABOUR IN THE PRODUCTION PROCESS AND THE FUTURE ROLE OF LOCAL FILM UNIONS

As we have seen, organized labour has been joined at various stages by the state and employer bodies in the elaboration of the governance structure of the local industry. However, compared with labour's consistent and expansive role, these state and employer efforts have been limited in both function and durability. While its service agencies have made important contributions, the provincial government has lacked the resolve and the leadership to either develop its own planning goals for the district or support the efforts of industry actors to develop their own. In lieu of state leadership, the local industry association, the BCMPA, has failed in its attempts to play a leadership role, weakened by both chronic underfunding and the perception that it is captive to various factions in the local industry. Prior to the formation of a local branch of the CFTPA, local producers lacked a collective voice. The tertiary supply industry continues to be unrepresented. The collapse of the Roundtable in 1992 is symptomatic of this disorganization. At its last meeting it had over 40 delegates representing employers, the state and labour. Logistical unwieldiness and the absence of a unified voice from any of the industry's power loci left it incapable of tackling the industry's most serious problem.

The film unions filled this organizational vacuum. The rapid development of the industry and the ensuing development of the multifaceted role of the film unions illustrates the union's key role. Of course, with the formation of a local producers' organization, the expansion of the service role of the provincial government, and the increasing interests shown by senior levels of government in the industry, labour's position may be challenged. However, a deeper exploration of labour's role in the film production process, as well as its continuing role in community elaboration, suggests otherwise.
With the eclipse of the inter-departmental motion picture committee, the province has reverted to a more passive role in the film industry. Its presence and continuing support is expressed through the independent film society (B.C. Film) which it funds, its autonomous film commission (the B.C. Film Commission) and the crown corporation which manages the Bridge Studios (B.C. Systems Corporation). While many in the industry welcome the disintegration of policy supervision, since the plethora of access points to government policy makers lowers the damage of a policy blunder by any one department, the decline in state efficacy has hindered a resolution of the labour crisis.

The ineffectiveness of the industry association has also had a negative effect on the industry. A perception that it has been captured, in turn, by service companies, by indigenous producers, by entertainment lawyers and accountants, by the post-production sector and by the unions has prevented the BCMPA from taking on a leadership role; and its weak financial base has limited its service provision role. Its near collapse in 1992 helped to abort the work of the Roundtable, as the association was tentatively designated the latter’s secretariat. Recent joint federal-provincial efforts to find some service functions for the association so as to secure its financial base and enhance its credibility may allow it to become a more prominent industry advocate. The film unions have supported this initiative by recently assuming leadership positions in the association.

The formation of a local branch of the indigenous producers’ guild provides some counter-balance to the centralist bias of the national CFTPA and a collective means for local employers to address labour relations discord. The establishment of a joint industry forum to discuss industry problems with their counterparts under the umbrella of the Joint Council has occurred in spite of the province’s failure to include this model of industrial relations in its new labour code. The breadth of support from both sides for this consultative exercise provides hope that it could evolve into a more inclusive, coherent and authoritative district-wide policy-making body. This could provide the foundation for a bipartite sectoral governing council to act as an intermediary between the district and other districts as well as with the state.

The organization of indigenous producers, their movement into project initiation and coproduction, and the concomitant capitalization of the local service sector is a welcome means to bring more stability and autonomy to the district. However, it also represents a challenge to continuing union dominance of local governance. Will this lead to a reversion to the traditional confrontational style of labour relations entrenched within the old model and, combined with other structural changes in the district, lead to an erosion of labour’s role in the district? Short of a major collapse in
output of the district, this is unlikely as the union-centered institutional structure and collaborative values and norms practiced in the production process has been largely responsible for bringing the district to its present position.

The unions continue to play an essential role in both labour supply and in the production process. The project-based organization of production in the district is reliant on the skilled labour provided by the film unions. As the district has expanded and diversified, the unions' responsibility for both initial formal training and work-based learning has increased. Through union representation on the district training forum (the B.C. Motion Picture Training Council) and on the inter-institutional consultative council (the Articulation Committee), and its inclusion in assorted ad hoc advisory committees to various institutions providing industry-related program instruction, labour retains a direct role in structuring the division of labour in production. The decisive shift away from the old mass production model in Los Angeles, precipitated by the demise of the Hollywood studio system, precludes a reversion to the old hierarchically structured, detailed division of labour production system which necessarily subordinated labour (Piore in Storper and Scott 1992). By controlling access to, status-ranking within and movement between trades, the guild-like film unions maintain control of labour input and use. As part of their responsibility for ensuring district competitiveness, the unions use their credentialling system to guarantee the quality of personnel. This responsibility continues in the form of union training in set etiquette and team sensibility, essential to the collaborative production process. As they are responsible for the dispatch of crew members, the unions become the brokers of agreements between customers (studios and producers) and order fillers (the crew). They also take on responsibility for instilling industry behavioural norms (through their apprenticeship program and policing of labour contracts). Since most of those who run local service firms and production companies are union veterans — who retain membership cards as insurance against the vagaries of the business — the unions provide a base for industry expansion and diversification. All of this serves to explain the foundational role of the unions in forging the industry's collective identity and relational behaviour norms.

The concurrency of conception and execution characteristic of motion picture production (Shapiro et al. 1992) gives immense control over the quality and thus the value of the final product to the individuals involved in the shoot as well as to the labour unions who control the credentialing of crew members. The inherent stakeholder status accruing to labour extends beyond production to display as personnel rely upon project credits to

19. All candidate-members must start at the trainee stage and work their way through the various assistant stages to reach "key" (master) status.
obtain work on subsequent projects. Furthermore, the practice of agreeing to wage deferrals on meritorious projects and the “buy-outs”²⁰ and royalty payments²¹ accruing to the talent categories extends the horizon of crew members, conjoining the interest between them and the producer. The recent establishment by the district’s camera local of a labour administered venture capital corporation as an investment fund for the district reflects the deepening of this stakeholder identification.

The expanded service supply role of the unions is reflected in the disintegrated and ephemeral nature of the district corporate structure. The largest production company in the district, an American company which creates, produces and distributes its own episodic work, has around fifty permanent employees. The largest indigenous production company, doing over $60 million worth of business in 1994, has only ten employees including the principles of the firm. Furthermore, except for the office personnel, employees and principles are, as a rule, contracted for specific projects rather than granted permanent employee status. Their functions vary from project to project and, within the firm, are fluid, overlapping and polyvalent. Mobility, status and skill development are more dependent upon their continuing attachment to their guilds.

Owing to the size of local production companies and their role as service providers for external-to-B.C. production companies, the indigenous producers’ organization is more akin to a guild than an association of companies. The structure of employment in the district, firm mutability, and the mobility of personnel increases the degree to which identity is affixed to the larger enveloping film community. Rather than one half of the labour-management dichotomy, the producers association represents one end of a continuum running through and within the labour unions and craft guilds. Furthermore, dependence upon external financing, from the big studios outside of the province, or through co-production deals with external state film agencies, makes the border between local line producers and labour even less distinct. The borders are more inter-district than intra-district.

²⁰ In the U.S., talent unions earn residuals from future profits on film projects. Rather than undertake the enormous research necessary to police this form of profit-sharing, the talent unions in B.C. negotiate “buy-outs” of likely future returns.

²¹ While there is Status of the Artist legislation establishing motion picture industry associations to manage royalties as well as credentialing at the federal level and under provincial jurisdiction in Quebec, B.C. has yet to enact similar legislation.
CONCLUSION

The vulnerability attached to district dependency on global financial, distribution and exhibition mediums served to nurture and reinforce intra-community interdependency, seen as key to the vitality of industrial districts sharing the network model of organization (Trigilia in Pyke and Sengenberger 1992; Friedman 1988). The ever present need for collaborative, organized entrepreneurialism, enhanced by collective pride in the artistry brought together in the final product, imbued a sense of community reminiscent of the 'consociation symbiotica' which Althusius found among pre-modern guild-dominated European communes (Black 1984: 131). The erosion of the political-economic autarky of the modern nation-state accompanied the erosion of the Fordist model and the subsequent emergence of the regionally-embedded, internationally open, networked industrial district model. Barring a total collapse of the international trading system and a concomitant reversion to national protectionism, this model with a new expanded role for organized labour at its core holds the promise of industrial dynamism and a new industrial relations compromise.

We have seen that the entrepreneurialism, collective collaboration and international competitiveness which characterize relations and sustain the success of the B.C. Motion Picture Industry were introduced and given support by organized labour. The normative values of the network model found their way into the British Columbia Motion Picture Industry through the medium of the film unions, and the continued success of the district is dependent on a continuation of this central role. As this industry is at the centre of the post-industrial communication-based economy, the significance of labour's role will reverberate beyond its borders. Recently, provincial government departments and agencies have attempted to encourage organized actors in other sectors to emulate some of the relational structures and norms found in the BCMPI. Whether these actors will choose to follow this advice from policy makers and the example of the film sector is another question. Entrenched institutional practices and the intransigence which is derivative of the instability and insecurity which accompanies paradigmatic change hinders ideological and behavioral adjustment. Unfortunately, many sectors and their members may learn only through their demise the dire consequence of this intransigence. Regardless, for those who are willing to risk change and for those who manage change, the B.C. motion picture industry provides ample evidence of the possibilities for economic success with a powerful labour movement at its core. With British Columbia's burgeoning demographic and political influence at the national level, perhaps the success of this labour-centred industry will have an impact beyond its borders.
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RÉSUMÉ

Le rôle entrepreneurial des syndicats dans l’industrie du film en Colombie-Britannique


Lors de l’étude de la nature des relations de réseau, on s’est d’abord concentré sur les relations entre firmes spécialisées, parmi les propriétaires de firmes complémentaires, et celles entre les niveaux locaux et les districts de ces agences d’état fournissant ces services. Mis à part les cas italiens, on a porté peu d’attention aux relations du travail formelles, surtout en ce qui a trait au rôle des syndicats comme partenaire dans ce système de gouvernance. Nul besoin d’insister sur le fait que des études de ce genre dans l’environnement réglementé canadien ne font pas légion. On se doit cependant de s’attarder sur la nature des relations industrielles dans ce type de modèle pour plusieurs raisons : d’abord, l’organisation de la production en réseau est un phénomène global imposé par les conditions contemporaines de marché. Ensuite, contrairement au fordisme, il n’y a pas ici une seule version servant de paradigme. Finalement, comme les syndicats et les relations industrielles qui en découlent sont historiquement importants dans la configuration des régimes de production, il devient crucial d’analyser le rôle des syndicats dans le régime de gouvernance émergent.
Un exemple particulièrement intéressant ici est celui de l’industrie du film de la Colombie-Britannique. Une caractéristique centrale de cette industrie post-fordiste est le rôle dominant joué par les syndicats dans la naissance de cette industrie locale et dans sa croissance rapide pendant les vingt années suivantes. La formation de syndicats d’artisans de cette industrie en Colombie-Britannique s’est produite à un moment idéal, i.e. à ce moment où les gens d’Hollywood ont manifesté un intérêt soudain pour filmer à l’extérieur de Los Angeles vu les changements régmentaires américains. Des campagnes subséquentes de marketing ont contribué à attirer des producteurs étrangers en Colombie-Britannique convainquant ainsi les autorités provinciales des bénéfices découlant d’investissements en services de soutien, en infrastructure et en financement. Les sections locales et les guilde de syndicats de plus en plus techniquement compétentes et polyvalentes ont joué un rôle clé dans l’élaboration subséquente de la politique et de l’accroissement de capacité du district. D’un lieu occasionnel pour tournage de films exotiques, on a évolué en un centre de production continue de films défiant ainsi d’autres districts plus vieux et mieux financés pour le titre convoité de second plus grand centre du film en Amérique du Nord à l’extérieur de Los Angeles.

Le point ici est le suivant : le succès de cette expérience est due au rôle important et critique joué par un syndicalisme entreprenant très autonome et branché localement. Sa capacité de collaborer avec ces producteurs locaux indépendants d’esprit, avec une administration provinciale décidément de droite et avec des compagnies de production sans attache a mis à l’épreuve son courage, sa fougue. De plus, l’alliance stratégique des syndicats avec une province orientée sur le développement a réussi à battre les effets négatifs d’une autre stratégie, nationale celle-là, de concentrer la production de films dans le centre du Canada.

La présente étude espère contrecarrer le pessimisme populaire envers l’avenir tant du syndicalisme que des économies ouvertes franchement vulnérables aux impératifs néolibéraux de la globalisation des marchés.