

Alberta Screen Industry Action Committee (ASIAC)- Talking Points

Visit <http://www.asiac.ca> to view ASIAC's Mission Statement and Core Values

Did you know...

The Alberta Screen Industries help diversify our economy and create jobs.

- ❖ In 2017/18 the Alberta Screen Industry directly employed 1,850 people and generated 5,350 spin-off jobs, while right next door, British Columbia directly employed 28,140. Alberta has been experiencing a record year for production in 2019, however recent freezes to our Screen-based Production Grant have caused a great deal of uncertainty as to the future of our industry. Producers require predictability and certainty- we have started seeing evidence that many producers are taking their projects elsewhere due to the instability surrounding our incentive programs.
- ❖ In 2017/18 the total volume of film and television production in Alberta was \$255M, while BC was \$3.5 **Billion** and Ontario was \$2.8 **Billion**. Manitoba reported their "Best Year Ever" for 2017/18 as production value increased from \$129M to \$158M due to their competitive film incentive programs.

Jobs in the film and television sector are green, well paid, satisfying and include a wide range of disciplines.

- ❖ The screen industry directly employs people within a wide variety of skill sets including creative (writers, producers, actors...); technical (camera operators, post-production professionals...); administrative (coordinators, accountants, HR...); and labour (carpenters, drivers, electricians, costumers...).
- ❖ Alberta currently has eight post-secondary programs in the digital screen industry, yet a significant number of graduates are forced to leave Alberta and move to BC or Ontario to find employment. Every year we lose skilled, talented Albertans to other regions due to lack of consistency in availability of screen industry work available in our province.
- ❖ Alberta offers experienced crews, a talented pool of creative professionals and the technical expertise and infrastructure ready to service an increased production volume.

Alberta Culture and Tourism rates the return on investment of the Alberta Screen Industry relative to Government incentives at 4.5:1

- ❖ The economic spin-off benefits of the Alberta Screen Industry build many other industries, including technology, tourism, hospitality, service, rentals and retail.
- ❖ Alberta offers a rich range of spectacular, diverse scenery that is ideal for screen production, from thriving urban centers to ice-capped mountains, endless fields, lush river valleys, quaint rural towns, and arid prehistoric badlands. We offer professional sound stages, such as the Calgary Film Centre, a multitude of standing sets, including western town sites, and a variety of post-production facilities.

"Open for Business": Economic Diversification Beyond the Energy Sector

~ **Heartland** is the longest running television program in Canadian history ~ Oscar winning films include **The Revenant, Unforgiven, Interstellar, Brokeback Mountain, Inception** and **Days of Heaven** ~ Over the last 15 years, Albertan productions have won more **Oscars, Emmys** and **Golden Globes** than any other jurisdiction in Canada ~ Recent film & TV series include **Rust City, JANN, Fargo, Tin Star, Wynonna Earp, and Hell on Wheels**.

Opportunity

Each year, tens of billions of dollars of content for Streaming Video on Demand programming are produced in North America and the demand for this content continues to grow. In this new economy Alberta has a tremendous opportunity to create tens of thousands of well-paying jobs in the film and television industry. To do so we need consistent, predictable, stable, competitive film incentives that serve to support local Alberta producers and post-production facilities, as well as attract foreign productions to Alberta.

Let's Keep Alberta Rolling! <https://www.keepalbertarolling.ca>

Provincial Film Incentive Program Examples

Governments commonly offer economic incentives to businesses in the form of grants, rebates, tax credits etc... to help diversify economies, attract foreign investment, and spur growth and innovation across a variety of industries such as energy, agriculture, technology, entertainment and more. Almost every state and province in North America offers film incentive programs to attract producers to their jurisdictions. Incentive programs provide a significant return on investment in the form of job creation and economic impacts.

Alberta <http://www.albertafilm.ca/>

- ❖ Currently, the Alberta Screen-based Production Grant is frozen, causing a great deal of uncertainty to producers who are concerned about the status of their funding and the future of our industry. After five months following the freeze, the amount of lost production activity is estimated to have exceeded \$100 Million as many producers have chosen to take their projects to more reliable jurisdictions where funding is assured. The SPG grant was an adjudicated grant program that offered producers up to 25-30% of eligible production expenditures. Intake periods were limited to four times per year. Grant funding was capped at \$5M per production, with a small number of qualifying productions being eligible for an increase up to \$7.5M. This program had an annual cap of \$45M.
- ❖ ***In order to be competitive with other jurisdictions and attract productions to Alberta, ASIAC advocates to convert the SPG incentive program into an uncapped, tax-based incentive program.***

British Columbia- published by Creative BC <https://www.creativebc.com/>

- ❖ The Production Services Tax Credit is an uncapped labour-based incentive program that offers a tax credit of 28% to eligible film, television and animation productions. Additional incentives are offered depending on location and post-production activities.
- ❖ In 2017/18 BC's film and television production industry experienced a growth of 40%. Projected tax credits of \$703.8M were anticipated to stimulate \$3.44 Billion in production spending.

Manitoba- published by Manitoba Film and Music <https://mbfilmmusic.ca/en/>

- ❖ Manitoba's Tax Credit incentives are uncapped, and offer producers a choice of either a Cost of Salaries Labour-based Tax Credit of up to 65% (most used) OR a Cost of Production Tax Credit of up to 30%. Additional incentives are offered for rural locations, frequent filming, and using local producers.
- ❖ In 2017/18 the production industry in Manitoba had a GDP impact of \$112M. A provincial investment of \$20M resulted in total tax revenue of \$22.3M (a net gain of \$2.3M). The provincial government recently announced it is making its tax credit programs for film and video productions permanent.

Ontario- published by Ontario Creates http://www.ontariocreates.ca/film_and_tv/tax_credits/

- ❖ The Ontario Production Services Tax Credit offers an uncapped, refundable tax credit of 21.5% available on qualified Ontario production expenditures for eligible film and television productions.
- ❖ In 2017/18 the total value of estimated tax credits in Ontario totaled \$318.8M, which generated a project value of \$11.6 Billion (by Ontario Creates metrics of total production budget).

As part of our ongoing mission to advocate for Alberta's Screen Industry, ASIAC asks the UCP to remain accountable to their campaign promise of improving Alberta's film incentives by converting the Screen-based Production Grant into a more competitive tax-based incentive.

In their election platform, the UCP promised to convert the Alberta SPG into a tax credit with greater flexibility to allow Alberta to compete for major media projects with provinces like British Columbia and Ontario; consult with stakeholders in the film, television and digital media industries to create an optimal tax credit designed to attract large productions and series; and incentivize media production in rural areas, following the lead of Manitoba's film tax credit. You can view the UCP's full Arts & Culture platform here:

http://www.asiac.ca/sources/UCP_2019_election.pdf