

October 31, 2019

Honourable Jason Kenney, Premier

Minister Tanya Fir, Economic Development, Trade and Tourism

Minister Leela Aheer, Culture, Multiculturalism and Status of Women

Government of Alberta

307 Legislature Building

10800 – 97 Avenue

Edmonton, Alberta T5K 2B6

Dear Premier Kenney, Minister Fir and Minister Aheer:

RE: Alberta Film and Television Industry Meeting Request

We are writing with a united voice to request an urgent meeting with you to discuss the devastating impact of Budget 2019 on the film and television industry in Alberta and obtain greater clarity on the transition to a tax credit and small production grant system.

We appreciate these are challenging times for the Government of Alberta with many competing priorities and we applaud you accommodating our long-standing request to move to the tax credit model that is the industry standard. However, the removal of current incentive programs until the Spring of 2020 as well as the dramatic reduction in the overall funds available to the industry will do irreversible damage.

Budget 2019 promised to grow the economy, create jobs and make Alberta more resilient but reducing overall funding to the screen industry will have the opposite effect. A reduction from \$45 million in the program this year to \$15 million in the tax credit program in 2020/21 before it rises to \$30 million in 2021/22, and is restored to \$45 million in 2022/23 will be catastrophic. The new Small Production Grant program is of equal concern with an extremely limited fund of \$1M per year. Combined, these programs will devastate the industry.

Maintaining current levels of funding is critical to attracting foreign investment and retaining the award-winning local crews and talent vital to a vibrant industry.

To ensure the viability of the industry, it is imperative that – at a minimum – we maintain current levels of support in the tax rebate program under Economic Development Trade and Tourism and the small production grant under Culture, Multiculturalism, and Status of Women. This investment in screen-based industries will:

- Generate jobs and opportunities for Albertans
- Contribute millions of dollars to local economies across the province
- Grow Alberta companies and Alberta intellectual property

The proposed move to a flat 22 per cent of production costs for all applicants with the tax rebate system will not grow Alberta companies and intellectual property. It places local producers in direct competition with foreign productions to access the fund. There is no incentive for regional production that was part of the UCP election platform. We strongly urge you to return the incentives for local producers to ensure Alberta-based production activity across the province.

In 2018, Alberta was the fourth largest production centre in Canada with \$255 million in production activity employing more than 3,350 highly skilled individuals. Other regions in Canada have experienced spikes in production activity and foreign investment with changes to their tax rebate programs.

As data from Film Ontario confirms, there is a guaranteed minimum 20 per cent return on investment, with production investment flowing into the province in advance of the payout by government. We are questioning the logic of limiting the potential return on investment to the provincial economy and the potential jobs for Albertans?

Without sustained investment, the message sent to the industry worldwide is that Alberta is **not open for business**. It will take years, if not decades, to reverse the damage to our reputation. Talented and skilled workers will move to find work and the exodus of talented Albertans to other jurisdictions will be immediate.

We look forward to meeting prior to Dec 31, 2019, to discuss how Alberta's screen industries can remain open for business.

Sincerely,

Alberta Screen Industries Stakeholders:

- Calgary Film Commission, Luke Azevedo
- Edmonton Screen Industries Office, Josh Miller
- ACTRA Alberta, Tina Alford
- Directors Guild of Canada (Alberta), Robert Hilton
- Teamsters Local #362, Michael Dunphy
- International Alliance Theatrical Stage Employees 210, Ava Karvonen
- International Alliance Theatrical Stage Employees 212, Damian Petti
- Alberta Media Production Industries Association, Michael Jorgensen
- International Cinematographers Guild 669, Chooch Paglaro
- Seven24 Films, Tom Cox
- Alberta Post Production Association, Natalie Selinger
- Calgary Film Centre, Erin O'Connor
- Screen Composers Guild of Canada, Michael Shields
- Documentary Organization of Canada - Alberta, Lorna Thomas
- William F. White, David Hardy

CC

Jamie Huckabay, Chief of Staff to Premier of Alberta

Lora Pillipow, Deputy Clerk to Executive Council, Deputy Secretary to Cabinet at Government of Alberta

Mark Ham, Executive Director and Commissioner, Cultural Industries Branch, Alberta Film

Michele Evans, Assistant Deputy Minister, Economic Development, Trade and Tourism