

FILMONTARIO

F I L M · T E L E V I S I O N · I N T E R A C T I V E

16 October 2020

The Honourable Rod Phillips
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd floor
95 Grosvenor Street
Toronto ON M7A 1Z1

Sent by email: submissions@ontario.ca

Dear Minister Phillips:

FilmOntario is pleased to submit the following comments for your consideration in the Fall 2020 Budget. We are a not-for-profit industry consortium whose members include Ontario-based production companies, unions, studios, equipment suppliers and other organizations in the province's screen-based industry.

In 2019, our members generated a record-breaking \$2.16 billion in direct spending in Ontario, creating almost 45,000 jobs.¹ Before the pandemic hit, we were well on our way to surpassing this milestone in 2020. Now, as with every sector of the economy, the story is very different, but we are confident that our industry will recover and return to having a significant economic impact in this province. This government's commitment to providing a predictable business environment with stable and effective tax credits, combined with the world-class health and safety standards the industry has implemented, mean that Ontario continues to be an attractive production jurisdiction for both local and international companies.

Since the Stage 2 reopening, many productions have been able to resume work, and do so safely, providing jobs for thousands of Ontarians and purchasing goods and services from hundreds of Ontario businesses. However, the costs of getting back to work safely are high, and there are some obstacles that are preventing a full return to work across all parts of the sector.

As we outlined in our submission to the Standing Committee on Finance and Economic Affairs (which can be found [here](#)), the province can support the industry in its continued safe return to work by doing the following:

1. Continue to communicate the government's commitment to stable, predictable and effective tax credits, and demonstrate this commitment by ensuring that productions that began work pre-COVID, but were delayed or unable to complete due to public health-mandated shutdowns, are treated as eligible for the tax credits.
2. Provide Ontario producers with insurance support, similar to what has been done in Quebec, to supplement the federal short-term compensation fund for the industry that has been announced but not yet rolled out.

¹ 2019 Production Statistics, www.ontariocreates.ca.

3. Provide support for all Ontario producers who are incurring extra costs due to COVID-mitigation measures on set, and ensure that our industry can access programs the province introduces to support PPE and other health and safety costs for businesses.
4. Modernize and streamline the tax credits to address changes in the audience and business environment that have been accelerated by the global pandemic. In particular, update the broadcast triggers in the Ontario Film and Television Tax Credit and the Ontario Production Services Tax Credit to reflect current licensing and business realities, so that all professional productions are eligible for the credits, no matter how they are made available to audiences. This would be in line with changes that have already been made at the federal level.

One of the strengths of Ontario's film and television industry is that it is almost evenly balanced between foreign productions that choose to bring their business here, and domestic productions by Ontario companies that generate original intellectual property that is seen all over the world. The industry programs delivered through Ontario Creates and the Northern Ontario Heritage Corporation are key elements in supporting this balanced ecosystem and should be maintained. In addition, government support for training initiatives and apprenticeships should be available to the film and television industry.

Finally, we would like to ensure that as we get back to work, the content we create reflects the society we live in and provides everyone an opportunity to tell their stories. To that end, we hope the government will continue to work with the industry to ensure that existing and any new support programs:

- encourage hiring of diverse talent in front of and behind the camera;
- support the growth of companies led by BIPOC content creators; and
- encourage foreign productions to make better use of local talent when they film here.

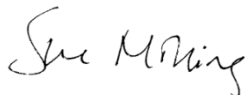
On behalf of all the members of FilmOntario, we would like to thank the government for their actions to date in addressing the economic impact that COVID-19 has had on our industry and the entire province. Minister MacLeod has been a tireless advocate for the sector, and we greatly appreciate her commitment to open and transparent communication, as well as her recent announcements of financial support for the export of Ontario film and television content.

Thank you very much for your consideration and support. Please do not hesitate to be in touch with any questions or concerns.

Sincerely,



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