

FILMONTARIO
FILM · TELEVISION · INTERACTIVE

2023 REPORT

Dear FilmOntario Members,

Happy 20th birthday!

In June of 2003, a group of labour and private sector leaders got together to provide a forum where they could tackle common issues and present a united voice to speak to government about those issues. Twenty years later, FilmOntario is still going strong and this is thanks to all of you, our members.

We are enormously proud of everything our members have accomplished over the past two decades, in spite of many challenges. We continue to demonstrate that as an industry, we are the most successful when we work together.

Early this year we took a moment to celebrate the announcement that 2022 had been another record-breaking year for production spending in Ontario – \$3.15 billion spread across 316 domestic and 103 service productions. This work supported 45,891 high-value direct and spin-off jobs – jobs filled by all our members, who work hard to keep our production industry thriving. Congratulations to everyone who contributed to making 2022 such a success.

Unfortunately, we know that when the 2023 numbers become available, they will tell a very different story. Production has been down significantly this year due to labour issues in the U.S., a tightening global market, and a changing environment here at home that continues to affect domestic production. These slowdowns have had an impact on everyone – from those working on set, to visual effects and post-production companies, to suppliers, and to studios. Times like these are when our work is more important than ever, so we would like to thank all of our members for remaining committed to FilmOntario. We truly appreciate the support.

As you know, we are currently in the process of reviewing our by-laws. While this review was precipitated by changes to the Ontario *Not-for-Profit Corporations Act*, it gives us the opportunity to reflect on, and update where needed, the organization's structure and principles. Changing the date of our AGM is one part of this review, and when we gather in the spring, we look forward to presenting the results of this work for member endorsement.

Advocacy

Early in his government's first mandate, Premier Ford declared that he wanted to see the province's film and television sector grow into a \$5 billion industry. While we may have suffered a setback this year, we are committed to making sure we have the proper incentives and support in place so that Ontario can continue to be a leading jurisdiction for film and television production. To that end, we continue to reach out to politicians from all political parties to educate them about the industry's impact and highlight our key issues and priorities.



Thank you to the approximately 30 members who joined us for our Lobby Day at Queen's Park in December 2022. We interacted with 43 MPPs, in addition to many political staffers, by participating in Question Period, meeting with them individually, and hosting a very popular reception. This was a great opportunity to spread our message and let all parties at Queen's Park know that [Filming Is Good Business](#) in Ontario. Although meetings take place throughout the year, we look forward to holding another event at the Legislature at Fall 2024.

As part of our Lobby Day activities, and throughout this year, we have been promoting the results of our [Benefit Assessment of Ontario's Film and Television Tax Credits](#) study. We undertook this study to demonstrate to the government that the film and television tax credits are a great investment for the province – delivering economic and cultural results.



Members of FilmOntario meet with the Honourable Neil Lumsden, Minister of Tourism, Culture and Sport.

The study shows that the industry grew by 70% between 2012 and 2019. According to the estimates provided by PwC, 86.5% of the production activity that happens in Ontario is directly attributable to the presence of our tax credits, which make Ontario a competitive filming jurisdiction in a global industry.

The tax credits are also money well spent. Every \$1 the government pays out in tax credits increases the province's GDP by \$3.40 and labour income by \$2.50. In addition, that \$1 paid by the government in tax credits comes back into public coffers through federal, provincial and municipal taxes and fees – 49 cents to the federal government and 51 cents to the province and municipalities.

The results of this study have been shared with the bulk of our government partners and stakeholders, including at Culture, Finance, Treasury Board and Economic Development. It helps us argue for the government's continued commitment to the credits, and also supports the need to make sure that Ontario's tax credits remain competitive in a globally competitive environment.

Tax Credit Changes

Members will recall that the government made several commitments in last year's Budget and Fall Economic Statement to make the tax credits more effective. These included: (1) extending the film and television tax credits to online productions; (2) examining ways to untether the Ontario Computer Animation and Special Effects (OCASE) tax credit from the other two credits; and (3) exploring ways to encourage regional productions by reviewing both the regional bonus in the Ontario Film and Television Tax Credit (OFTTC) and the eligibility of location fees in the Ontario Production Services Tax Credit (OPSTC). The 2022 Fall Economic Statement enacted an OPSTC change to make all reasonable expenditures related to leasing real property (i.e., location fees) eligible for the credit.

The government introduced draft regulations regarding online eligibility for the OFTTC and OPSTC in the early spring. FilmOntario, together with the CMPA, provided extensive comments on the proposed regulations, taking the view that any new eligibility requirements should be simple to administer, and that productions that were previously eligible for the credits, particularly the OFTTC, would continue to be eligible under the new rules. You can see our full submission [here](#).

The final regulations were subsequently passed on August 24, 2023. The new OFTTC and OPSTC rules for online productions apply to film or television productions that commence principal photography on or after November 1, 2022. Eligible productions for these credits can now be made for commercial exploitation by (a) theatrical distribution; (b) television broadcast; or (c) alternative means, which includes productions made available online, through VOD, or on physical media.

There are new minimum expenditure requirements for productions applying to the OFTTC for commercial exploitation by alternative means, as well as an additional list of excluded genres for the productions. We were pleased to see that, based on our input, those expenditure requirements were lowered from what was originally proposed by the government.

In addition to expanding eligibility to online productions, the government added a requirement that all Ontario productions that begin principal photography on or after August 24, 2023 must include an acknowledgement of Ontario tax credit support in the production's end credits. This is in response to the government's desire to promote their support of the industry.

Government officials also began consulting on ways to make the OCASE Tax Credit more efficient this year. In particular, they looked at ways to untether OCASE from the other film and television tax credits, while continuing to support professional productions. FilmOntario's [comments](#) in this consultation focussed on balancing the needs of having an efficient and competitive tax credit, while at the same time ensuring that smaller, Ontario-based VFX and animation companies entering the market have a fair chance at securing work and building their companies.

We have not yet heard from the government on when they will be implementing OCASE efficiencies or what form they may take. We have emphasized with our government partners the importance of moving forward on the un-tethering of OCASE from the other credits, as this creates an administrative burden and slows down processing times for those applicants.

The government also continues to be interested in encouraging regional production, but has not yet provided a timeline for reviewing the regional bonus in the OFTTC. In the meantime, we will continue to work with Ontario Creates and local film offices across the province to make sure that all areas of the province are as film friendly as possible, and that Ontario remains the best place in the world for film and television production.

Finally, we are aware that many members are experiencing long wait times for their tax credit applications, and that increased timelines are adding significantly to their financing costs. We have begun a conversation with Ontario Creates about this, and look forward to working with them on potential near- and long-term solutions that will benefit the industry as a whole.

Protecting Important Infrastructure

Over the past few years we have seen significant investment in studio infrastructure across the province, and in particular in and around the Greater Toronto and Hamilton Area (GTHA). These investments are a key part of our industry ecosystem, providing a home for hundreds of productions and thousands of workers every year. These spaces tend to be located in areas that are zoned as Employment Areas, places within municipalities that are well suited to the clustering of film businesses that make production more efficient, and accommodate the noise, odd working hours, and other characteristics of the industry that don't always mix well with residential neighbourhoods.

This spring, the provincial government began a consultation on a new definition of Employment Areas that would be narrowed to only include warehousing, distribution, and related industries. The new Provincial Planning Statement (PPS) would also make it mandatory for municipalities to consider conversion requests, i.e., requests by developers to change zoning away from Employment Lands, more frequently.

FilmOntario made a [submission](#) to this consultation, asking that the government explicitly include film and television production in the definition of Employment Areas, and maintain the current timeframe for consideration of employment land conversions. We argued that ensuring there is stability in the municipal planning process, and protecting Employment Areas for studio infrastructure, will assist in promoting Ontario as a stable jurisdiction for investments in production. We also met with several government officials to promote this position. We are waiting for the final PPS to be published in the near future.

In addition, there have been several conversion requests to the City of Toronto for areas that are currently designated as Employment Areas. While FilmOntario does not comment specifically on individual applications, we have worked with the Toronto Film Office to ensure that City Council understands the importance of these Areas to the continued stability and success of our industry. This has included making deputations in front of the Planning and Housing Committee, and meeting with Councillor Paula Fletcher and Deputy Mayor Amber Morley about the issue. Thank you to the many members who joined in these meetings – it has been very helpful in communicating our message and promoting our industry.

Promoting Ontario Interests

CMF and Telefilm Funding

As we noted last year, during the 2021 federal election, the Liberal Party made a commitment to increase funding to both the Canada Media Fund (CMF) and Telefilm. At the same time, they pledged to adjust the French/English language split in federal funding programs, changing it from the traditional one-third/two-third split to a 40/60 split. While the CMF did receive a one-time funding of allocation of \$40 million over two years in the last federal budget, the government has yet to fully act on this promise.

Obviously, the potential change in the language allocation remains of great concern to Ontario producers. While we agree that it is important to support French-language production, and especially French-language production outside Quebec, greater support should not come at the expense of support to English-language producers. We continue to work with the CMPA on a federal approach to advocacy on this issue.

We have also reached out to Minister Lumsden for his office's support on this matter. In June of this year, he sent a letter to his federal counterpart at the time, Minister Rodriguez, to request that more consultation be done on the issue and in particular that consultation be done with FilmOntario. Minister Lumsden's office recently updated this letter and re-sent it to the new Minister of Canadian Heritage, the Honourable Pascal St.-Onge.

CRTC Proceedings

Also at the federal level, Bill C-11, *The Online Streaming Act*, was passed into law in the spring of this year. This has kicked off a series of regulatory proceedings at the CRTC regarding, among other things, how contributions to the broadcasting system should be determined, who should make them, and how they should be allocated. FilmOntario has been pleased to participate in this process.

Our written submission and reply in this proceeding highlighted Ontario's position as a centre of excellence in the Canadian production industry, one that is a well-balanced ecosystem that includes both foreign service and domestic production. Protecting this ecosystem means that all parts of it need to be supported to remain healthy.

We did not take a position on who should make contributions to the system, or on what form those contributions should take. Rather, our submissions focussed on the principle that everyone who benefits from access to Canadian audiences should make fair and equitable contributions to the system, and that we hope that the result of this proceeding is more funding in the system overall to support Ontario's well-balanced ecosystem.

We also encouraged the Commission to engage directly with stakeholders from Indigenous communities, and from other equity-deserving groups, and supported the certification of the Indigenous Screen Office (ISO) as a Certified Independent Production Fund (CIPF). We were pleased to see that the Commission granted CIPF status to both the ISO and the Black Screen Office (BSO) earlier this month.

Finally, there were several intervenors who suggested that funding from this proceeding be directed to support regional production, as well as those who would like to see the language split of the financing follow the 60/40 English/French split being advocated for in CMF and Telefilm funding. FilmOntario opposed these proposals, pointing out the damage the change in language allocations could do to English-language producers in the Ontario ecosystem, and reminding the Commission that strong regional production requires a strong centre – one that is found here in Ontario.

We will continue to monitor developments at the CRTC as proceedings related to the implementation of Bill C-11 continue, and weigh in where it is appropriate. You can find our submissions to the current proceeding on the [CRTC website](#).



ELD Requirements

Late last year, our colleagues at the MPA-C and CMPA flagged a new requirement, in line with what the federal government was requiring, for all trucks to include an electronic logging device (ELD) for the purposes of tracking driver hours – including on productions. The MPA-C and CMPA have been working with the unions to obtain a federal exemption to this rule, which isn't compatible with production practices where hours of work are monitored differently and where more than one driver may use a (usually rented) truck.

Working with Ontario Creates and Minister Lumsden's office, we were pleased to facilitate meetings with the Ministry of Transportation in order to highlight the industry's needs for provincial officials. As our colleagues continue to advance this issue at the federal level, we will support their efforts any way we can with the province.

2024 Provincial Budget Submission

Over the past few weeks, FilmOntario has been hard at work on our 2024 Provincial Budget Submission, and engaging with politicians, political staff, and government employees on our proposals. We were disappointed that there was no mention of the film and television industry in the recent Fall Economic Statement, but we will continue to press the government on priority issues for the industry.

Our number-one priority in conversations with the government is always to highlight the need for stable and effective tax credits. To this end, we will continue to highlight the effectiveness of the credits and continue to press the government on fulfilling its previous commitments to improve the effectiveness of the tax credits. In particular, we will be emphasizing the immediate need for the government to un-tether the OCASE tax credit from the other two credits, as we noted above. This will greatly improve the efficiency of OCASE tax credit administration.

In an increasingly competitive industry, it is more important than ever that the government continue to invest in film and television production – investments that we have demonstrated provide a good return for the government. This year's Budget Submission will therefore focus primarily on renewed and increased investment in the province's domestic production sector, including: (1) creating a \$10 million fund to support original intellectual property development by Ontario-based companies; (2) increasing the Ontario Creates Film Fund by \$10 million; (3) continuing to support Ontario Creates and its investments in the industry; and (4) improving the effectiveness of NOHFC support by removing the tax credit grind.

These asks are in response to the changing conditions facing the film and television industry, both across the country and around the world. Many provinces have increased their investments in domestic production and/or improved their tax credits in recent years. In order to maintain its competitive advantage of a well-balanced production ecosystem, Ontario's investments need to keep up. It has been many years since the province has increased its investments in the domestic industry; we think now is the time to make those investments.

In addition to participating in the formal Budget consultations, as noted above we will continue to engage with politicians from all parties in order to highlight our ask.

City of Toronto Mayoral By-Election

In June of this year Toronto members headed to the polls once again to vote for a new Mayor. During the election, FilmOntario reached out to all of the candidates for comment on their positions regarding the film and television industries in Toronto. We published their responses, along with questions to ask door-knocking candidates, on our [website](#). Olivia Chow was the winning candidate and was officially sworn in as Mayor on July twelfth.

Since taking office, Mayor Chow has attended several industry events including xoTO House at TIFF, the DGC Awards, and the WIFT-T Crystal Awards, and continues to voice her support for the industry and the economic contribution it makes to the City.

With the new Mayor in place, City Council was able to finalize the appointments to the City of Toronto Film, Television and Digital Media Board. FilmOntario has a designated seat on the Board, which continues to be filled by our Managing Director Cynthia Lynch. Several other FilmOntario members also sit on the Board, which had its first meeting on November 24. At that meeting, FilmOntario Co-Chair Jayson Mosek was elected as the Board's Vice-Chair.

Ontario Green Screen

[Ontario Green Screen](#) (OGS) is now finishing its fourth year as an organization, and launched its updated [Strategic Plan](#) in July of this year. FilmOntario is proud to have been a partner since the beginning, and Cynthia Lynch is currently the industry co-chair of the Advisory Committee, as well as continuing to sit on many of the OGS sub-committees.

OGS continues to focus on providing training opportunities for the industry. These training programs will be updated and refreshed for the new fiscal year (beginning April 1, 2024), and for the first time OGS will be able to offer self-directed training modules to better accommodate people's schedules.

OGS also completed an examination of [Waste Management](#) practices this year. Undertaken with the support of Telefilm Canada, this report looked at how five productions – at various budget levels and in different parts of the province – dealt with waste management on set. It also outlines potential actions the industry could take to improve waste management practices. The report was officially launched at September's Sustainable Production Forum event in Toronto, where Cynthia moderated a panel of industry experts discussing the report.

Building on the goals of the new Strategic Plan, OGS also continues to engage in a series of community-building and outreach activities. New this year was a Green Table meeting, which brought together line producers from across the industry to discuss challenges and opportunities to make their productions more sustainable. More of these meetings will be held throughout the coming year, focussing on different individual departments.



Finally, the contract with the current OGS project managers will expire at the end of the fiscal year (March 31, 2024). This means that OGS will be starting the procurement process to engage a new team. They will be looking for strong project managers who understand the industry AND sustainability – so please spread the word! The Request for Proposals should be posted early in the new year.

Getting the Word Out

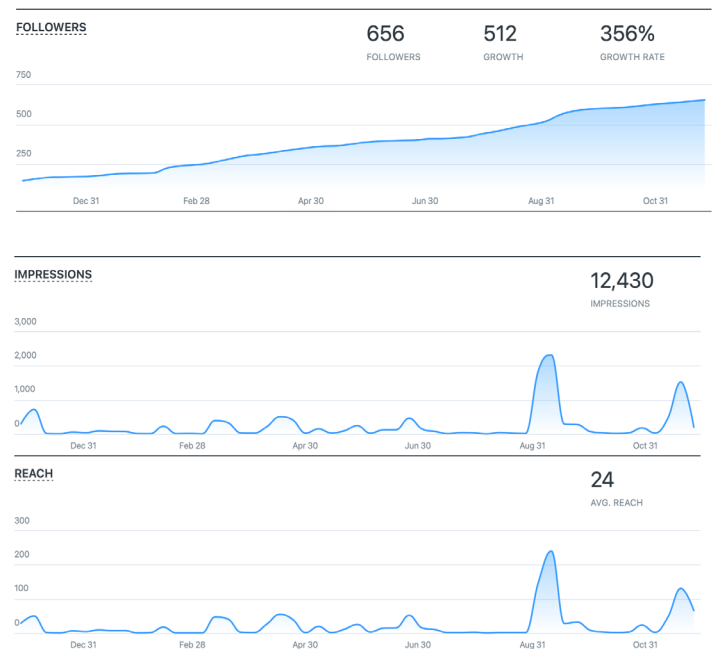
Over the past year, we have continued to work with our communications consultant, Cass Enright, to improve our website and social media presence. The [website](#), which we re-designed at the end of 2021, continues to see increased usage. Research and industry information continue to be the biggest drivers of traffic to the website; our post about our Tax Credits effectiveness study created the most interest in the site this year.

Although interest peaked in February with the release of the study, overall usage of the site was up approximately 50% in 2023 over last year. The consistent traffic we have seen throughout the year is due to our improved SEO practices, meaning that our site is well-indexed on Google, and is showing up in searches that are for a variety of industry-related terms, not just our name. As we continue to add more content during the year, we hope that traffic will continue to increase.

We have also been consistently improving our social media presence this year. In spite of its current challenges, [X/Twitter](#) continues to be a platform that is used extensively by politicians and political commentators, and we maintained our follower count there when many accounts saw a decline over the year.

However, we have also significantly improved our [Instagram](#) presence over the past year. We launched our Instagram account just before lobby day last December, and our audience has been growing steadily throughout the year – we now have more than three times the number of followers that we did at this time last year. Of course, Instagram interest is driven by content; our Instagram account saw the most engagement during TIFF, when we took the opportunity to showcase the Ontario talent appearing in the festival.

In addition to sharing our own messages, our social media is a great opportunity to help amplify our members' success stories. We are monitoring activity on the new platforms that have emerged this year (e.g., Threads, Bluesky) and will adjust our strategy as the environment continues to change. Please continue to tag us in your social media posts so we can highlight the great work that happens here in Ontario.



Industry Partnerships and Collaboration

We continue to enjoy successful collaboration on marketing projects and other initiatives with the City of Toronto Film Office and Ontario Creates. This collaboration continues through weekly meetings and working together on various projects throughout the year.

One of the collaborations that took place this year was a familiarization tour (fam tour) with Ontario Creates in May. FilmOntario was once again pleased to host a members' dinner, giving members the opportunity to meet with the LA executives in a more relaxed setting. Fam tour participants also met with our local unions and guilds and regional film offices, toured several studios, and visited several regions inside and outside Toronto to get an idea of the types of locations that are available throughout the province.

We were also pleased to support xoTO House at TIFF again in 2023. This year's event attracted over 700 guests, and was used to promote [The AFC](#)'s fundraising efforts in support of film workers affected by the strikes. FilmOntario made a one-time donation to these efforts, in recognition of this year's particularly difficult circumstances.

Managing Director Cynthia Lynch had the opportunity to join the Ontario Creates Board of Directors planning day this fall. This presented an opportunity to engage in a roundtable discussion with Ontario Creates senior staff and board members, as well as other industry associations, to discuss challenges and opportunities facing the industry. Ontario Creates uses the feedback from this meeting, as well as their Industry Advisory Committee, to assist them in decision-making through the year.



FilmOntario Members with The AFC Executive Director David Hope at xoTO House.

In our continued efforts to engage with as many regions across the province as possible, Cynthia has recently joined the Durham Film and Television Advisory Committee, which provides input and advice on regional filming issues throughout Durham. Cynthia will also be presenting at the upcoming Ontario Film Offices Film Forum, which is a networking event organized by local municipal and regional film offices throughout the province.

Finally, we are grateful for the continued collaboration with other industry organizations. Sharing data and collaborating with the CMPA, CASO, and MPA-C has made our advocacy better and helped get results. In addition, we would like to thank the CMPA for their ongoing financial contribution to our government relations activities.

Board of Directors

We would like to take this opportunity to recognize our dedicated Board of Directors and thank them for their hard work:

Alistair Hepburn (Secretary)
 ACTRA Toronto

Paul Bronfman
 Comweb

Hilary Goldstein
 Buchli Goldstein LLP

Alex Lalonde
 Amaze

Wesley Lui
 House of Cool/WildBrain

Andy Micallef
 EP Canada

Len Pendergast
 Global Incentives Inc.

Vanessa Steinmetz
 Pier 21

John Weber (Treasurer)
 Take 5 Productions

Scott Garvie
 Shaftesbury

Victoria Harding
 Directors Guild of Canada – Ontario

Ira Levy
 Spike & Sadie Media

Angela Mastronardi
 IATSE 873

Roman Neubacher
 IATSE 667

Magali Simard
 Cinespace Studios

Jane Tattersall
 Formosa Group

Prior to our official AGM in the spring of 2024, we will be looking for some new Board members. Stay tuned to your member updates for information on when and how to apply.

Also, don't forget that we are always happy to welcome new members here at FilmOntario. Please encourage your colleagues to reach out to Cynthia to find out more about membership.

Final Reflections

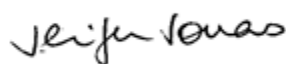
Once again this year, we have much to be proud of as we take a moment to look back. When faced with challenges, we continue to work together to find solutions and provide a voice for the industry.

Ontario is fortunate to have an industry that is a well-balanced ecosystem between original content creation based on locally owned IP, and service productions that choose Ontario because of all we have to offer as a jurisdiction. It is this balance that has kept us in a relatively strong position as we have faced this year's issues, and that will serve us well as we continue to move forward together to build a stronger, more sustainable, more inclusive industry.

Thank you for all your hard work and collaboration over the past year.

WE COULDN'T DO IT WITHOUT OUR MEMBERS

Respectfully submitted,



Jennifer Jonas



Jayson Mosek