

Association des producteurs de films et de télévision du Québec (APFTQ)

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

The total volume of film and television production in Canada in 2010-11 was \$5.49 billion. The entire sector provided 128,000 direct and indirect full-time equivalent (FTE) jobs in Canada. The prudence demonstrated by the federal government during this time of budget austerity must be offset by contributions aimed at preserving Canada's economic health. Canadians always appreciate our movies and television shows, and they do so even more in times of austerity. However, the budget restraints imposed on the audiovisual industry are already adversely affecting production, and future cuts will only make matters worse. The federal government must start investing in audiovisual production once again. Recommendation: Increase investments in programs that support audiovisual productions spearheaded by Canadian Heritage, Telefilm Canada, the National Film Board and the Canada Media Fund. At national consultations in 2010 on the new digital economy, the federal government announced its intention to ensure that Canadian content is featured in digital media. Furthermore, the Canada Media Fund (CMF) rules force producers to provide television program content on at least one other broadcasting platform. Audio-visual content creators and producers admirably stepped up to the challenge and have been producing high-quality convergent content. It is sometimes difficult, however, to fund the production of additional content for broadcast on other digital platforms since few business models are currently viable and most existing funds are not geared to this new context. The tax credit program must be modified to ensure that all labour costs required for the additional production of digital content are eligible. This measure will support higher quality productions and will help the government meet its objective of becoming a world leader in the new digital economy. Recommendation: Modify the rules governing the Canadian Film or Video Production Tax Credit to ensure that convergent digital content is eligible.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Job creation in the audiovisual industry will be directly proportional to increased investments and a modification of the rules governing tax credits (as recommended in the previous question), given that it is a service industry. Furthermore, we believe that supporting international co-productions and investing in a digital fund would also stimulate job creation. We encourage the government to finalize its policy on international co-productions and implement it as soon as possible. The international co-production business model must be renewed, since it allows for the injection of foreign capital in our local productions and in Canada's economy, while supporting the dissemination of our culture around the world. However, in order to attract foreign producers, Canada must offer an attractive proposition, which must be supported by dedicated funds. Recommendation: Finalize a policy on international co-

productions and invest significantly in co-production. In order to create high-quality and sustainable jobs and to continue to produce cultural content from here, the government must create a fund to finance the production of Canadian cultural content that can be digitally exploited. Funding: The government could contribute part of the money that will be raised during the next spectrum auction in Canada, particularly in the 700-MHz spectrum, which is set to take place soon. In addition, intermediaries, including Internet service providers, hosting services, mobile Internet companies, search tools and all other network services providers, must be required to contribute a percentage of their annual revenues to this fund. That way, all beneficiaries of the significant digital use of Canadian cultural content by consumers would contribute to funding its production and use. Programs: One component would fund project development, the production of Canadian cultural content that could be exploited digitally, its marketing and promotion, and maintenance of digital content. The second component would compensate rightsholders for the digital use of their works. Recommendation: Create a new fund to finance Canadian cultural content that can be exploited digitally.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

The APFTQ has no comment on this subject.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

The APFTQ supports the recommendation made by the Canadian Conference of the Arts (CCA): "[...] the cultural sector is in dire need of timely and reliable data to follow its own evolution and develop and evaluate appropriate programs and policies designed to boost its performance. Having to deal with successive waves of budget cuts, Statistics Canada has abolished its Culture Division and put an end to a number of programs and surveys related to arts and culture. We submit that it is time to reinvest in the collection and analysis of trustworthy evidence when it comes to the multi-billion dollar arts and culture sector of the economy. Recommendation: Reinvest in the collection and analysis of culture statistics."

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The APFTQ has no comment on this subject.