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Sent via E-mail

March 27th, 2012

The Honourary Brad Wall, Premier of Saskatchewan
The Honourary Ken Krawetz, Minister of Finance
Legislative Building, 2405 Legislative Drive
Regina, SK S4S 0B3

Dear Mr. Wall and Mr. Krawetz,

The Documentary Organization of Canada / l'Association des documentaristes du Canada (DOC) was alarmed to learn that the Saskatchewan government plans to eliminate its Film and Employment Tax Credit (SFETC) program as announced in its budget tabled on March 21st. We join our voice to that of other stakeholder groups to urge you to reinstate the SFTEC; otherwise, Saskatchewan's film and television industry will be seriously compromised.

DOC is a bilingual national arts service organization dedicated to supporting the art of independent documentary production in Canada and our membership boasts over 800 members from across the country.

Recently the province of New-Brunswick had to reinstate a tax credit when it realized that the move to eliminate it jeopardized a thriving sector of the province's economy. Here are some factors that must have factored into their decision to announce a new tax credit.

Tax Credits help a province's economy's grow and attract international investment. Saskatchewan's tax credits offer the most competitive rates in the country, which in turn attract major Canadian and American film and television productions. Since the launch of the SFETC program in 1998, the \$100 million investment has yielded a return of \$623 million back into the province. The SFETC has also attracted \$45 million in American service production over the last 10 years¹. In 2010-11, 1,300 residents of Saskatchewan were employed by, or had employment related to the film and television production industry².

Film and television production feeds the innovative economy; wherever there is a strong film and television industry, the creative class and digital media entrepreneurship flourishes. As part of Rogers Broadcasting Limited's acquisition of SCN, it plans to create a digital development fund. The increased investment in digital media will employ experts and attract new digital media artisans to Saskatchewan. As the boundaries between creative industries crumble, the expertise of the creative sector is needed to capitalize on old relationships and drive innovation forward. The key to a strong diversified economy is investment in film and television industry through tax credits.

1 *Profile 2011*, Canadian Media Production Association. Pg.80. (Available online: <http://cmpa.ca/sites/default/files/documents/industry-information/profile/Profile2011Eng.pdf>)

2 *Ibid*. Pg.12.

The cultural value of storytelling cannot be underestimated: the perspective offered by Saskatchewan content creators provides Saskatchewan citizens access to their culture and history while bringing Saskatchewan culture to the rest of Canada and beyond. This intersection of local culture with a larger national one allows citizens to perceive their identities as part of a larger community. The entire nation laughed along with *Corner Gas*, and Canadians across the country marvelled at the power of Saskatchewan's natural beauty to inspire art in *Landscape as Muse*.

Television and film financing depends on tax credits. Provincial tax credits contribute up to 18% of an English drama production's budget³, and to 17% of an English Documentary's budget⁴. Given the decreasing broadcaster participation in feature films, tax credits are more important than ever in financing features, especially documentary films where provincial tax credits make up the 2nd largest contributor (17% in 2009-10).

This decision will put Saskatchewan at a competitive disadvantage and will blemish the "Saskatchewan advantage".

- American producers will not scout Saskatchewan, but go to other provinces.
- National broadcasters will not commission programming from Saskatchewan, but source it from other provinces.
- The livelihoods of 1,300 Saskatchewan residents working in the film and television industry will be threatened.
- Digital media developers and producers lacking support from the film and television industry will find opportunities elsewhere.
- Saskatchewan's natural beauty, history and culture, and unique voice will be absent from popular culture.

DOC sincerely hopes that the Saskatchewan government reconsiders eliminating the SFETC. It is a sound investment that improves the province's economy, brings Saskatchewan's history and culture to its residents, Canadians and the world. Without the SFETC, homegrown and foreign producers will go elsewhere to create their projects.

Sincerely,



Lisa Fitzgibbons
Executive Director

3 Ibid. Pg. 41

4 Preliminary data from Getting Real 5