

Letter to the Editor

The philosophy that drove the budget embraced concepts of stimulating growth, investing in innovation and the Saskatchewan Advantage. Good, progressive values to position the province for the future.

I was born in Saskatchewan and live on the ranch near the community of Stoughton. In my professional life I am the President and CEO of the Canada Media Fund which invests \$370 million annually in the production of television and digital media content.

Elected governments hold the right and privilege to make decisions in the best interest of their public. That is why we elect them. Inherent within that decision making power is an obligation to the public to ensure those decisions are fully formed with transparent results.

As I watched the Honorable Minister of Finance deliver the budget it seemed to me that the public is missing a big part of the story.

With public money comes an obligation to demonstrate how that money is invested and the benefit received. After all, this is not our money. It is money entrusted to us to be allocated amongst competing priorities for the ultimate public good.

The budget speech stated that by eliminating the Film Employment Tax Credit, an investment of \$100 million since inception, the province would save \$3 million this fiscal. The speech did not reveal that for their \$100 million the people of Saskatchewan gained \$623 million of production and 1200 jobs.

The province will not save \$3 million this fiscal. The immediate loss could be \$4.3 million from the Canada Media Fund alone. This average annual inward investment of federal and private sector money to Saskatchewan would no longer exist.

76% of financing for production is triggered from outside of Saskatchewan by licenses, private funds, producer and foreign investment. The Canada Media Fund alone has provided over \$43 million to Saskatchewan projects over the past ten years.

Seems like pretty good take home pay to me.

The tax credit investment generates revenue from tax on salaries, equipment rentals, construction, hotels, transportation and restaurants. Last year production activity over \$28 million created an economic impact over \$37 million.

Individuals and small businesses benefit from this activity. The impact on their livelihood seems to have been misunderstood within the context of this decision. Without the tax credit, production will leave, taking with it external investment no longer available to Saskatchewan.

This is a cyclical business. Production volumes in Saskatchewan and other regions are not as high as they were. We have seen this cycle before. In any industry stability is required during cycles of change.

The Minister referred to the critical importance of the Crop Insurance Program during the flooding last year when many farmers, including my brother, could not seed their crop. Without this support how many people would have stayed the course?

The tax credit program is the crop insurance program for the film and television industry. It seems counterintuitive to eliminate support for a successful industry when the going gets a little rough.

My first thought was that the government had decided to eliminate all tax credit programs to support their philosophical position. With the introduction of the first time home buyers tax credit and enhancements to the corporate tax rebate this turned out not to be the case. The government recognized the Saskatchewan Research Council as a magnet that attracts companies from around the world through refocusing the research and development tax credit to make it more attractive. These are all fantastic initiatives that will benefit our citizens and keep Saskatchewan on the map.

The parallels with the film industry, attracting companies from Los Angeles, to China to Australia, to do business in our province appear to have been overlooked.

I live in the heart of the Bakken oil field play, the largest find in North America in 50 years and second in the world only to the Saudi field. I see first hand everyday the results of an intelligent policy decision to highly incentivize the oil and gas industry that drives Saskatchewan's economic engine supporting the Saskatchewan Advantage.

In an isolated geographic location the film and television industry has demonstrated its creativity, talent and entrepreneurial expertise giving Saskatchewan an advantage.

It is the prerogative of any government to change their mind. For transparency and sound decision making it is critical to consider all facts.

These facts and this decision just don't line up.

If the government is willing to take another look, the next time a young student makes their way from North Battleford, Yorkton, Swift Current or Stoughton to the big city there will still be a creative film and television industry that triggers their imagination let alone remain employed for over 35 years.

Sincerely,

Valerie Creighton
President and CEO, Canada Media Fund
Saskatchewan Farm Girl