

SHOWCASE

Targeted Tax Cuts Fuel Film Industry

Independent Filmmakers Forgotten?

by Greg Beatty

"I'm ready for my close-up Mr. Cline!"

Okay, it might be stretching matters to envision finance minister Eric Cline as a movie director. But the Saskatchewan Film Employment Tax Credit implemented by his department in 1998 has spurred considerable growth in the film industry. According to Valerie Creighton, CEO of SaskFilm, the organization which administers the program, "The impetus behind the program was two-fold. It was primarily designed to develop our crew base, to keep the young people in Saskatchewan. The other motive was to attract off-shore production to the province." Creighton says the credit covers 35 per cent of eligible Saskatchewan labour costs up to 17.5 per cent of the budget. A 5 per cent bonus applies to rural productions.

The results speak for themselves. Production value in 1998 was \$58 million, a tenfold increase over 1990. While starring roles tend to go to high-profile out-of-province actors, technical support is now provided almost exclusively by Saskatchewan workers.

The University of Regina Film and Video Department has been instrumental in this growth. Since its formation in 1984, enrollment has tripled to 144 students. "If you go to any major film shoot in Saskatchewan now," says Department Head Sheila Petty, "most of the people working there are U of R grads."

The biggest barrier to further growth, Petty says, is lack of capacity. Recently, the department obtained two Western Economic Diversification Program grants totalling \$200,000 to purchase an advanced editing suite and set up a multi-media teaching and research facility.

Last year saw a drop in film production to \$26 million. Creighton attributes this to changes in eligibility criteria for TeleFilm's Canadian Television Fund. The changes gave undue weight to producers with access to risk capital, and effectively shut out small and medium-size companies. The guidelines have since been amended, and Creighton says a \$100 million industry generating 1,182 direct and 2,718 indirect person-years of employment is now within the province's grasp.

For that to happen though, Saskatchewan may have to reconsider its decision to have

SaskFilm withdraw from equity investment, which Creighton says caused the province to lose a "large volume" of work to Manitoba, B.C. and Nova Scotia. While the Canadian film industry generated \$3.7 billion in revenue last year, the Saskatchewan share is actually quite small. "To be truly competitive," Creighton says, "we need an equity financing program."

"We're never going to put ourselves on the map by trying to make commercial films like Hollywood."

In 1998, the tax credit cost the province \$5.1 million. While some critics slam this loss of revenue, supporters argue the industry levers a significant amount of money from outside the province through co-production agreements. The Regina Regional Economic Development Authority calls the credit an "excellent enhancement" to already existing savings American and European film companies can realize by shooting their films here. Foreign productions already benefit from the weak dollar and low production costs.

Not everyone is as enthusiastic. Gerald Saul is an independent filmmaker. Too often, he says, talented filmmakers settle for being technicians in an industry that doesn't reflect

Saskatchewan values. "I don't believe in competing with Hollywood at its own game," Saul says. "I think there's value in creating our own vision. We're never going to put ourselves on the map by trying to make commercial films like Hollywood."

Ideally, he says, independents would use the money they earn from working on commercial shoots to fund their own projects. "It takes a huge amount of dedication to break away and apply yourself for months at a time to a project that isn't going to make any money but is going to mean something to you personally."

Because of generally small budgets, the tax credit is of little use to independent filmmakers. Saul would like to see SaskFilm enhance funding for independent projects. There's too much emphasis, he says, "on high profile, big-budget projects. While those have benefits [financially], they don't develop us as a cultural centre."

This concerns Petty as well. "We're not just educating students to be technologically literate," she says, "we're also educating them to be creatively literate." Her department's blend of film theory and production, Petty says, produces well-rounded graduates. Whether they will get the chance to use that creativity on their own "Made In Saskatchewan" productions remains to be seen.