

GOING...GOING...GONE:

The Decline of English-language Production in Quebec

1996-7 to 2006-7

A Report Prepared
for
ACTRA Montreal and DGC Quebec Council
by
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EXECUTIVE SUMMARY

- English-language production in Quebec has fallen by 40% since the peak production years ended in 2000.
- Total certified English-language production in Canada has been stagnant or declining since peak production ended in 2000. From 1999-0 to 2005-6, total English production in Canada fell by 10%. English-language production in Quebec has suffered the most dramatic decline during this period.

Total production from 1999-0 to 2005-6 (English only):

Canada	↓ 10%
Ontario	↑ 6%
B.C.	↓ 22%
Quebec	↓ 40%

The single most important reason for this decline in Quebec is the increasingly uncompetitive provincial tax credit. British Columbia, Ontario, Manitoba, Nova Scotia, and other provinces, faced with the general malaise in English production, have raised their tax credit rates to attract new production. Quebec has not done that and is suffering the consequences.

- Total certified English fiction production has declined by 21% across Canada during this period, and again Quebec production suffered the sharpest drop of 46%

Total fiction from 1999-0 to 2005-6 (English only):

Canada	↓ 21%
Ontario	↓ 16%
B.C.	↓ 20%
Quebec	↓ 46%

Producers are moving their high-budget domestic production out of Quebec at an accelerating rate. Already Quebec has seen the disappearance of major production companies and the loss of nearly half of its high-value fiction production.

- During the same period, certified French-language production has increased.

Total Quebec production and fiction from 1999-0 to 2005-6 (French only):

Quebec Production	↑ 47%
Quebec Fiction	↑ 66%

The French-language industry in Quebec is healthy and has shown strong growth over the period. It benefits from a number of conditions unique to the Quebec market. The English-language industry does not benefit from these factors and is increasingly vulnerable to competitive pressures which are driving it out of the province.

- Effective provincial tax credits have risen steeply across Canada, especially during the last two years. Quebec has been the exception. Now English-language production in Quebec has the lowest effective tax credit rates among the major producing provinces.

Effective provincial tax credit rates during 2005-6 (Fiction only):

Ontario	17.6%
B.C.	16.9%
Quebec (French)	16.0%
Quebec (English)	14.1%

Note: These production percentages reflect the effective provincial tax credits prior to recent nominal rate changes in B.C. and Ontario which have increased the base rate from 30% to 35% in both provinces, and the regional bonus in B.C. up to 18.5%.

The English-language production industry in Quebec is on a downward spiral: the uncompetitive tax credit leads to loss of major English-language productions, which leads to loss of work. Loss of work leads to loss of infrastructure and reduction in the labour pool. The uncompetitive tax credit and shrinking labour pool increase the cost of production which again reduces the economic competitiveness of English-language production in Quebec. That leads to loss of major companies, productions, jobs, infrastructure, and production capacity shrinks further.

Unless the Quebec domestic tax credit becomes competitive, especially compared to Ontario, we risk losing this high-value segment of Quebec's symbiotic industry. The skills required to produce the largest English-language fiction productions is highly mobile. If they disappear, it will be difficult, if not impossible to re-build this industry in today's more competitive global environment.

MANDATE & METHODOLOGY

MANDATE

The Conseil du Québec de la Guilde canadienne des réalisateurs (Quebec Council of the Directors Guild of Canada) and ACTRA Montreal requested an analysis of production statistics to see the effect of changes in provincial tax credit policy across Canada on English production in Quebec. Therefore, this report is focused primarily on domestic production and Quebec fiscal policy.

METHODOLOGY

This study identifies trends in certified domestic production over the last 11 years and particularly fiction production in Quebec. We have depended on the CAVCO database to analyze these trends.

The Canadian Audio-Visual Certification Agency (CAVCO) and the Canada Revenue Agency (CRA) jointly administer the refundable tax credit program under Section 125.4 of the Income Tax Act and Section 1106 of the Income Tax Regulations. CAVCO is specifically responsible for certifying that a production is a Canadian film or video, estimating the qualified labour expenditure and issuing certificates to eligible producers on behalf of the Minister of Canadian Heritage.

The CAVCO database includes every film or video it has certified and is the single most complete national source of statistical production information. Excluding broadcaster in-house production, this CAVCO database contains approximately 85% of the independent domestic production estimated in the current CFTPA-APFTQ *Profile*.

CAVCO was able to provide national data for certified domestic production during the thirteen-year period: 1994-5 to 2006-7. This data includes all CAVCO certified productions from December 12, 1995, when the federal tax credit (CPTC) was initiated, to the present. However, the first two years of the tax credit regime are incomplete and we have excluded them, beginning our tables in this report with the 1996-7 year. The federal tax credit (CPTC) was increased in 2003 to allow an effective credit up to 12% of total production expenses.

We have excluded foreign location production eligible under the Production Services Tax Credit (PSTC) from this study.

CAVCO numbers are continually changing as new applications are filed or approved. It takes two years for data to be finalized. Therefore, the numbers for 2006-7 are not yet complete and earlier years are subject to change. In most instances, we are using 2005-6 as the most recent and most complete base year for comparison purposes in this study.

At our request, CAVCO provided data broken down by province, language (English, French, English-French, Other), genre (documentary, children, animation, magazine, educational/instructional, fiction, music, variety, performing arts, and other), number of productions, Canadian cost (excluding foreign cost for official co-productions), length of production (total minutes), markets (theatrical and TV), estimated federal tax credit, and provincial tax credit. Note that fiction excludes animation.

“English-French” production is defined by applicants as equally French and English. Since these productions could be counted in either French or English categories, we have ignored it for purposes of linguistic comparisons. “Other” language productions make up a relatively small percentage of the total production, and we have ignored it as well when making linguistic comparisons. All linguistic categories are included in total production or total fiction tables.

Tax credit percentages in our tables refer to the actual or *effective* rate of tax credits claimed as a percentage of total production budget and not the *nominal* provincial rates that are listed in **Appendix C**. In Quebec, the effective rate is obtained by multiplying the nominal rate of the tax credit, expressed as a function of labour expenditures, by the rate of the cap, expressed as a function of production costs.

Tables 1 to 39 in this Report are derived from CAVCO’s data in November 2007. Tables 40 and 41 are derived from CTF data.

Throughout these tables, the trends are clear, but the reasons for these trends are less clear. To help clarify the reasons English production in Quebec is declining and the consequences of that decline, we consulted or interviewed sixteen producers and others involved in the production system. They are identified in **Appendix B**, but their quotes are not identified by name to ensure confidentiality. One producer didn’t want to be identified at all.

We would like to thank everyone we interviewed for giving us their time. We would also like to thank the CAVCO staff, particularly Ginette Florent and David Shea; Randy Duniz of ACTRA for layout and graphs; and Godi Sagou of SODEC. Rodney Gibbons and Fortner Anderson from CQGCR, and Gary Saxe and Raymond Guardia from ACTRA, had suggestions that were most helpful. However, the contents of this Report are the responsibility of the author, Kirwan Cox.

PART I: STATISTICS

TOTAL PRODUCTION: ALL GENRES

OVERVIEW

Table 1 in Appendix A provides an overview for all certified domestic production in Canada in all languages. It is clear that the cumulative production budget increased quickly once the federal tax credit was established in 1995 and peaked in 1999-0 at \$1.822 billion. Subsequently, total domestic production in Canada stagnated and only reached this level again in 2005-6 with \$1.832 billion.

DOMESTIC PRODUCTION BY LANGUAGE

Tables 2 to 5 break down total domestic production by language.

English production across the country peaked quickly in 1998-9 and 1999-0, fell in 2000-1, and has been largely stagnant over the last 7 years.

Table 2 and Graph A show an English production peak of \$1.419 billion in 1999-0 and a drop the next year by about \$150 million. English production continued roughly at that level, reaching \$1.282 billion in 2005-6. 2006-7 will probably not be much higher than 2005-6 if current trends continue.

On the other hand, Table 3 and Graph B show a steady increase in French production from \$238 million in 1997-8 to \$507 million in 2005-6. 2006-7 should top that figure if current trends continue.

QUEBEC

ENGLISH PRODUCTION

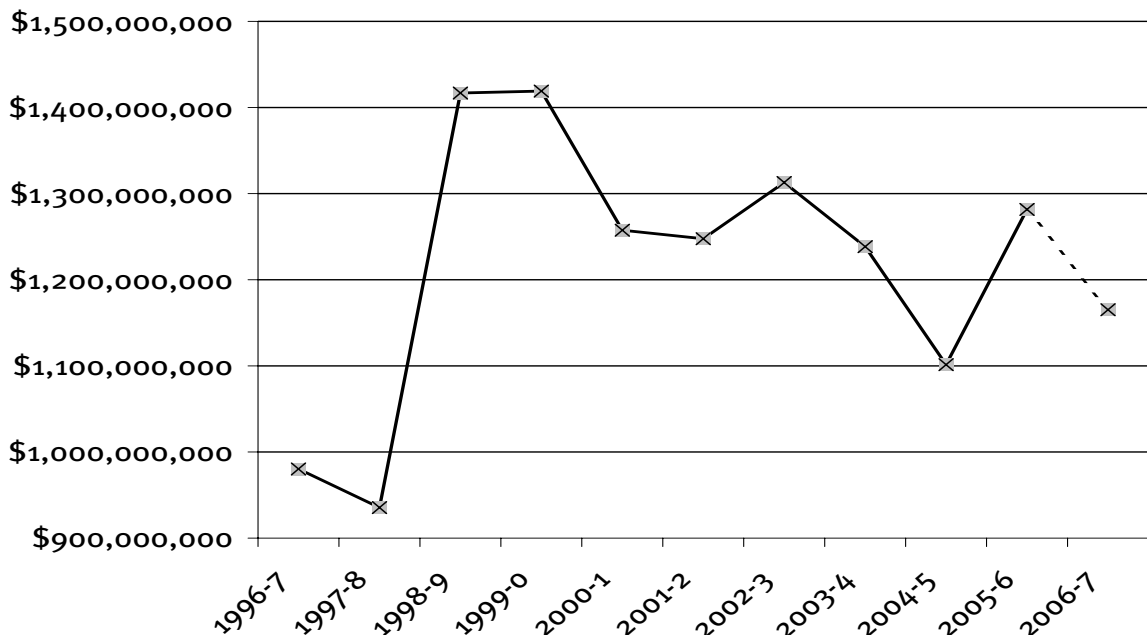
In general, domestic English-language production has been stagnant or declining across the country, especially when inflation is factored in. English production in Quebec can be seen as part of this larger trend, but the data indicate that the Quebec industry has been hit much harder than the other major producing provinces.

Table 6 and Graph C show that the dollar value of English production in Quebec reached a peak in 1998-9 and 1999-0 of \$305 million, followed by a sharp drop in 2000-1 to \$184 million. This loss was never recovered and total English production in Quebec reached a low in 2004-5 of only \$152 million. This increased to \$184 million in 2005-6 and will be slightly higher in 2006-7.

The number of certified English-language productions in Quebec has been relatively stable but has declined as a share of the number of domestic productions in Canada. The budgets of English productions in Quebec have remained well below the peak year levels.

Graph A: TOTAL CERTIFIED ENGLISH PRODUCTION IN CANADA

Source: CAVCO, Nov. 2007, Note: See Table 2. Dotted lines indicate 2006-7 data incomplete.



This is due to a decrease in the volume of fiction production that has caused a drop in the average value per minute of overall production. As we can see in **Value of Production** (p. 10), English-language production in Quebec has lost a great deal of its value defined as cost per minute of production.

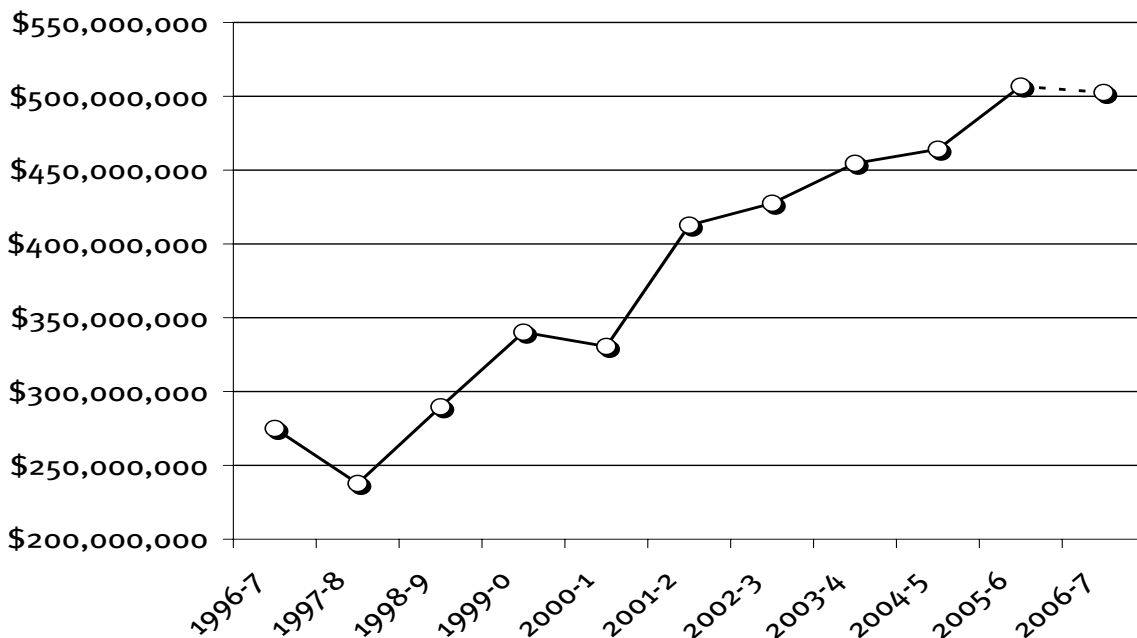
Table 13 shows provincial production as a percentage of total Canadian production budgets. Among the three major provinces, English Quebec has had the sharpest production decline, falling from 17% of the national total during the peak year 1999-0 to 10% in 2005-6.

During these years, Ontario has remained roughly steady at 37-39%, and B.C. has fallen from 17% to 13% of national production budgets.

In **Table 40** Canadian Television Fund data shows that English production in the Atlantic and Quebec regions has fallen significantly below the previous five-year average. Using another measurement, **Table 41** shows that the average decline in total budgets in 2007-8 (from the five-year average for 2002-3 to 2006-7) has been 31% in the Atlantic region and 33% in Quebec.

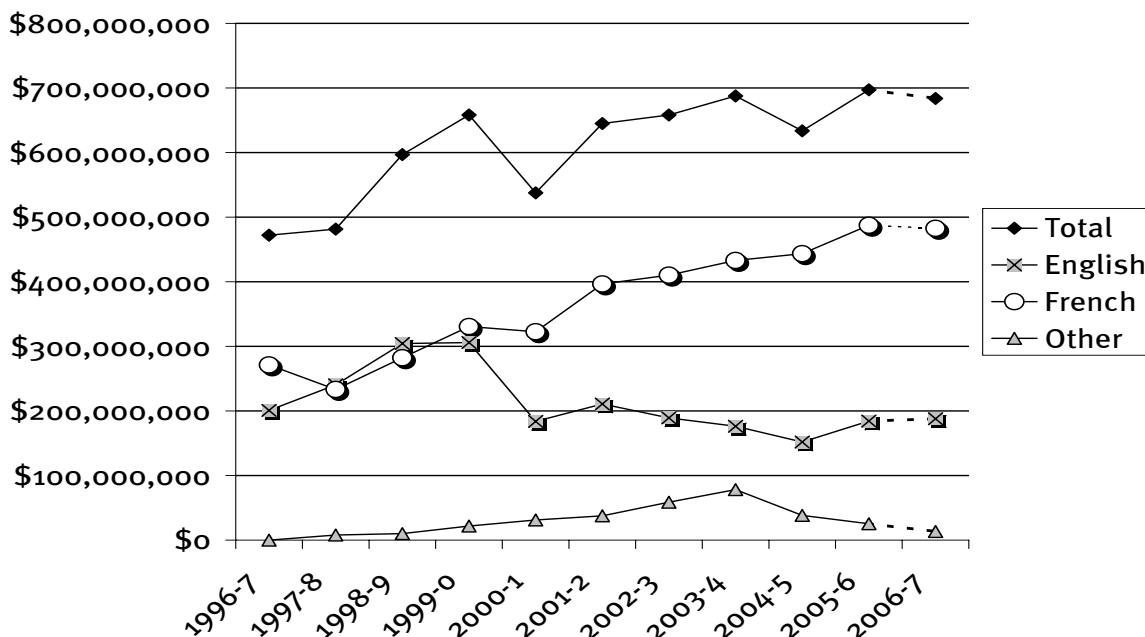
Graph B: TOTAL CERTIFIED FRENCH PRODUCTION IN CANADA

Source: CAVCO, Nov. 2007, Note: See Table 3



Graph C: TOTAL CERTIFIED PRODUCTION IN QUBEC BY LANGUAGE

Source: CAVCO, Nov. 2007, Note: See Table 10



From 1999-0 to 2005-6, Total Certified English-language Production (All genres):

Declined in Canada from.	\$1.419 billion → \$1.282 billion
Rose slightly in Ontario from.	\$667 million → \$709 million
Declined in B.C. from.	\$305 million → \$238 million
Declined in Quebec from.	\$306 million → \$184 million

The CTF has calculated the decline in average CTF funding of English production in Quebec in the current fiscal year to be \$6.3 million. To compensate for this decline, CTF has offered a special one-year \$2.2 million increase to its funding in English Quebec.

French production in Quebec has received a \$2.5 million boost to its funding for the current fiscal year to maintain the CTF linguistic balance.

CTF has also added \$2.8 million to its Atlantic funding to ameliorate their production decline. In addition, the Nova Scotia government recently increased its tax credit rate to 50% to help deal with the drop in their production.

FRENCH PRODUCTION

While English-language production has stagnated or declined across Canada, French-language production has grown steadily, increasing from 18% of total Canadian production in 1999-0 to 27% in 2005-6.

Table 7 shows that French production in Quebec increased by 109% from \$233 million in 1997-8 to \$487 million in 2005-6. By 2005-6 certified French production outside Quebec reached about \$20 million, or 4% of total French production.

With the advantage of a language barrier, French-language producers don't need to compete to the same degree as English-language producers in Quebec with American production standards. Average French-language budgets in Quebec are relatively low, accounting for 27% of the total national production budget, but 53% of the national volume of production.

To achieve such high volume and low average cost-per-program, French-language producers must depend on extremely efficient "assembly-line" production methods, low cost *télé-romans* fiction, and other high volume, low cost genres such as magazine and variety shows.

The healthy increase in French production simply demonstrates the severity of the structural problem with English production.

It should be noted that about half of APFTQ producers have produced work in English as well as French. All production in Quebec is serviced by the same technical crews, and there is no linguistic distinction made for employment of these crews.

ONTARIO AND BRITISH COLUMBIA

Ontario production has been stagnant but has not suffered the decline registered in English-Quebec. **Table 11** and **Graph D** show uneven growth in Ontario from a peak of \$733 million in 2003-4 and a decline to \$650 million in 2004-5. Production then bumped up to \$709 million in 2005-6, but 2006-7 seems significantly lower with \$541 million to date.

British Columbia follows a pattern similar to English-Quebec with a peak of \$300 million or more during the three years from 1998-9 to 2000-1, followed by a drop of 30% to \$206 million in 2001-2. Production has since stagnated at that level. See **Table 12** and **Graph D**.

It should be noted that the effective tax rates in these tables do not include the impact of recent changes in December 2007 in Ontario and February 2008 in B.C. For example, the base nominal tax rate in both B.C. and Ontario has increased from 30% to 35%. In Ontario, it goes up to 45% with the 10% regional bonus. The regional bonus in B.C. can now reach 18.5%, and the definition of an eligible B.C. person has been loosened.

From 1999-0 to 2005-6, Total Certified French-language Production (All genres):

Increased in Quebec from.	\$331 million → \$487 million
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VOLUME OF PRODUCTION

French-language production in Quebec has about 53% of total national volume measured in minutes of production, and about 34% measured in number of projects. See **Table 15** and **Table 16**.

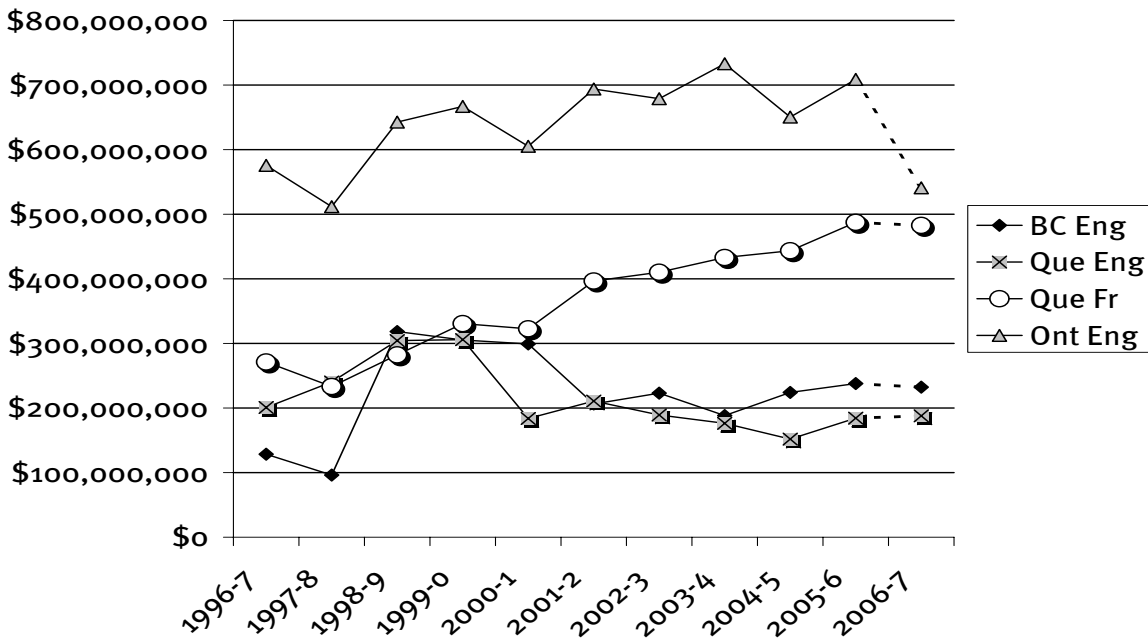
English Quebec has averaged 6% of national production volume in minutes, Ontario 25%, and B.C. 5%.

Table 16 shows that the number of French projects in Quebec has increased from 31% to 38% of the national total. B.C. has remained steady at 10% of national projects, and Ontario declined from 37% to 24%.

English projects in Quebec have also seen a decline from about 13% of the national total to 9%. English producers in Quebec have lost over a quarter of their national share.

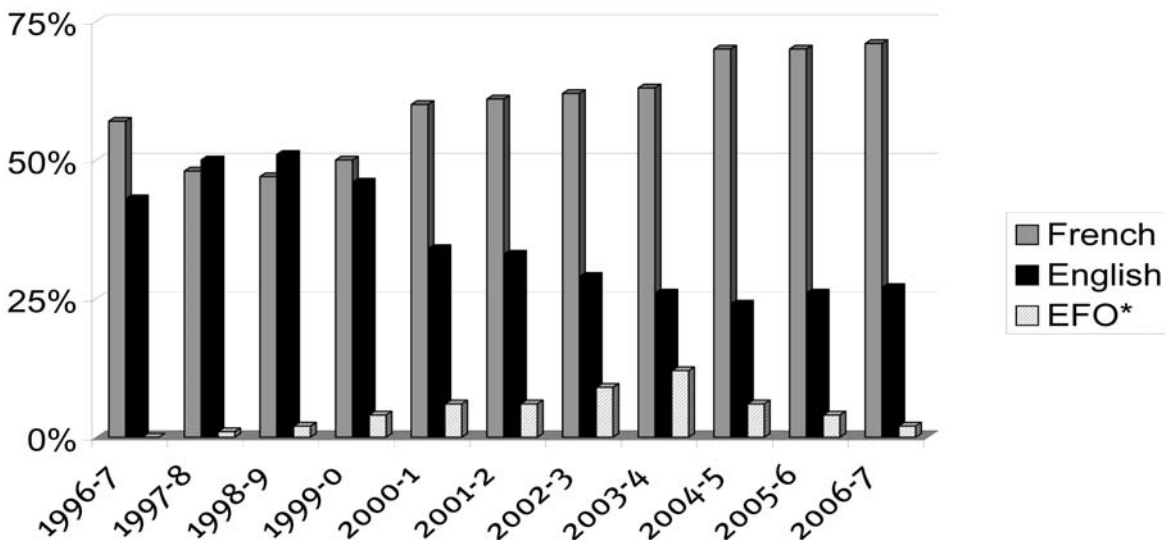
Graph D: COMPARISON OF SELECTED PROVINCIAL PRODUCTION BUDGETS

Source: CAVCO, Nov. 2007, Note: See Table 13



Graph E: PERCENTAGE OF QUEBEC PRODUCTIONS BY LANGUAGE

Source: CAVCO, Nov. 2007, Note: See Projects column, Table 10, *EFO: English-French and Other



VALUE OF PRODUCTION

Another measure of the decline in English-language production in Quebec is the loss of “value” defined as average cost per minute of budget. **Table 17** and **Graph F** show that this “value” has fallen by \$8,400 per minute from nearly \$14,000 during the three peak years (1998-9 to 2000-1) to an average \$5,600 during the most recent period (2004-5 to 2006-7).

With an \$8,400 per minute drop, English production in Quebec has suffered the most severe loss in “value” among the major provinces. Ontario increased its average cost per minute by about \$1,000, and B.C.’s “value” of production declined only \$1,600 per minute.

This decline in total production value reflects a loss of major high-budget English-language fiction in Quebec. English-language fiction budgets in Quebec fell an average of \$14,000 per minute, from \$37,000 to \$23,000.

At the same time, French-language production in Quebec increased its value per minute, growing by about \$600 to roughly \$2,000 per minute. French-language fiction grew by \$2,000, reaching \$8,600 per minute in 2005-6.

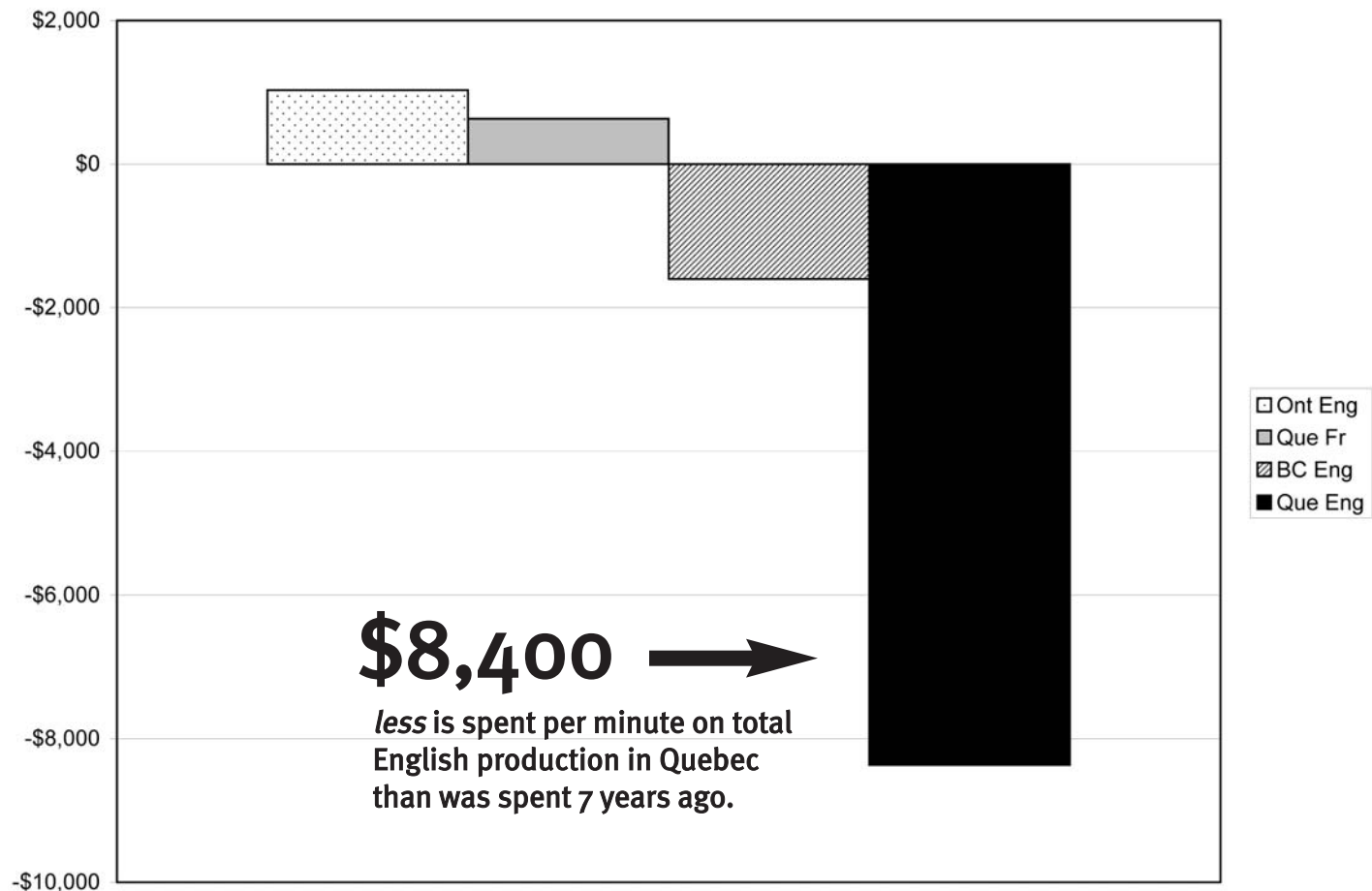
COMPARISON OF FEDERAL TAX CREDITS

Effective federal tax credits during the study period can be seen in **Table 14** to be growing slowly as a percentage of production budgets. We noted in the Methodology that, since 2003, it is been possible to claim tax credits up to 12% of the total budget. In practice, federal tax credits tend to average 9-10% of the budget.

The most recent three year period shows the federal tax credit averaging over 10% across the country in both languages. As one would expect, there is very little regional variation.

Graph F: COMPARISON OF CHANGE IN VALUE OF BUDGETS IN SELECTED PROVINCES, 99-01 to 05-07

Source: CAVCO, Nov. 2007, Note: See Table 17



COMPARISON OF PROVINCIAL TAX CREDITS

Provincial tax credits are a different story. In response to stagnating English production, most provinces have increased their tax credits to attract more production. Thus, we see significant variations as provincial tax policies change. See **Appendix C**.

Table 14 shows that, until 2005, Quebec had the highest *effective* tax rates at 15-16% for French and 13-16% for English productions. Recently, average effective English-language tax credits have declined to just over 14%. French-language tax credits are slightly below 14% for *all* productions.

In comparison, provincial tax credits in both Ontario and British Columbia have increased significantly over the last 13 years. In Ontario they have gone from zero in 1994-5 to 7+% in 1999-0 to over 17% in the last two years. In British Columbia, the increase has been from zero in 1994-5 to 9+% in 1999-0 to over 16% in the last two years.

The provincial “tax credit gap” in Quebec’s favour has now been reversed. Since 2004-5, English production in Quebec no longer has a provincial advantage over Ontario. This helps explain why major Quebec producers have been sending their production to Ontario, especially to Ottawa with its provincial regional bonus. (See **Part II: Interviews**)

TOTAL PRODUCTION: FICTION

The memberships of CQGC and ACTRA work primarily in fiction production. For that reason, we have created a series of fiction tables (**Tables 18-25** in **Appendix A**). These eleven year tables exclude animation and do not distinguish between theatrical and television fiction. **Tables 29-39** break down genres, including animation, and also the TV and theatrical markets for the most recent three years (2004-5 to 2006-7).

OVERVIEW

Certified fiction production has a very high economic value. A comparison of **Table 1** and **Table 18** shows that while fiction has only 7% of the total volume of Canadian production (in minutes), it has 57% of the total cost of production (in dollars).

Table 18 shows total fiction reached a peak of \$1.139 billion in 1999-0, but has declined and remained stagnant since then, fluctuating between \$800 million and \$1 billion.

Separating out English fiction, the decline is striking.

FICTION IN QUEBEC, ONTARIO AND BRITISH COLUMBIA

QUEBEC

A comparison of **Tables 6 and 20** shows that most of the huge decline in English production in Quebec in 2000-1 was in fiction. Total production fell that year from \$306 million to \$184 million, and 89% of that \$122 million drop, or \$108 million, was in fiction production.

This decline has not been recovered and English fiction, which had averaged over \$200 million during the peak years, has averaged roughly \$100 million annually in the last seven years. The nadir was reached in 2004-5 with only \$59 million in English-language fiction produced in Quebec.

From 1999-0 to 2005-6, Total Certified English-language Fiction:

Declined in Canada from.	\$985 million	→	\$777 million
Declined in Ontario from.	\$449 million	→	\$378 million
Declined in B.C. from.	\$252 million	→	\$201 million
Declined in Quebec from.	\$223 million	→	\$121 million

From 1999-0 to 2005-6, Share of Certified Fiction:

Canada total.	100%	→	100%
Declined slightly in Ontario.	39%	→	37%
Declined slightly in B.C.	22%	→	20%
Increased in Quebec (French).	12%	→	22%
Declined in Quebec (English).	20%	→	12%

ONTARIO AND B.C.

English-language fiction in Ontario fell from \$449 million in 1999-0 to \$358 million in 2000-1, and has not been able to regain this loss. Total fiction budgets have averaged about \$350 million per year since then. See **Table 22** and **Graph G**.

British Columbia fiction peaked at about \$250 million in 1999-0 and 2000-1 but then fell by \$100 million in 2001-2. In B.C., fiction production has averaged about \$160 million per year. See **Table 23** and **Graph G**.

Table 24 shows that as a percentage of national fiction budgets, English production in Quebec has declined from over 20% in the late 90s, to about 12% per year in 2005-2006.

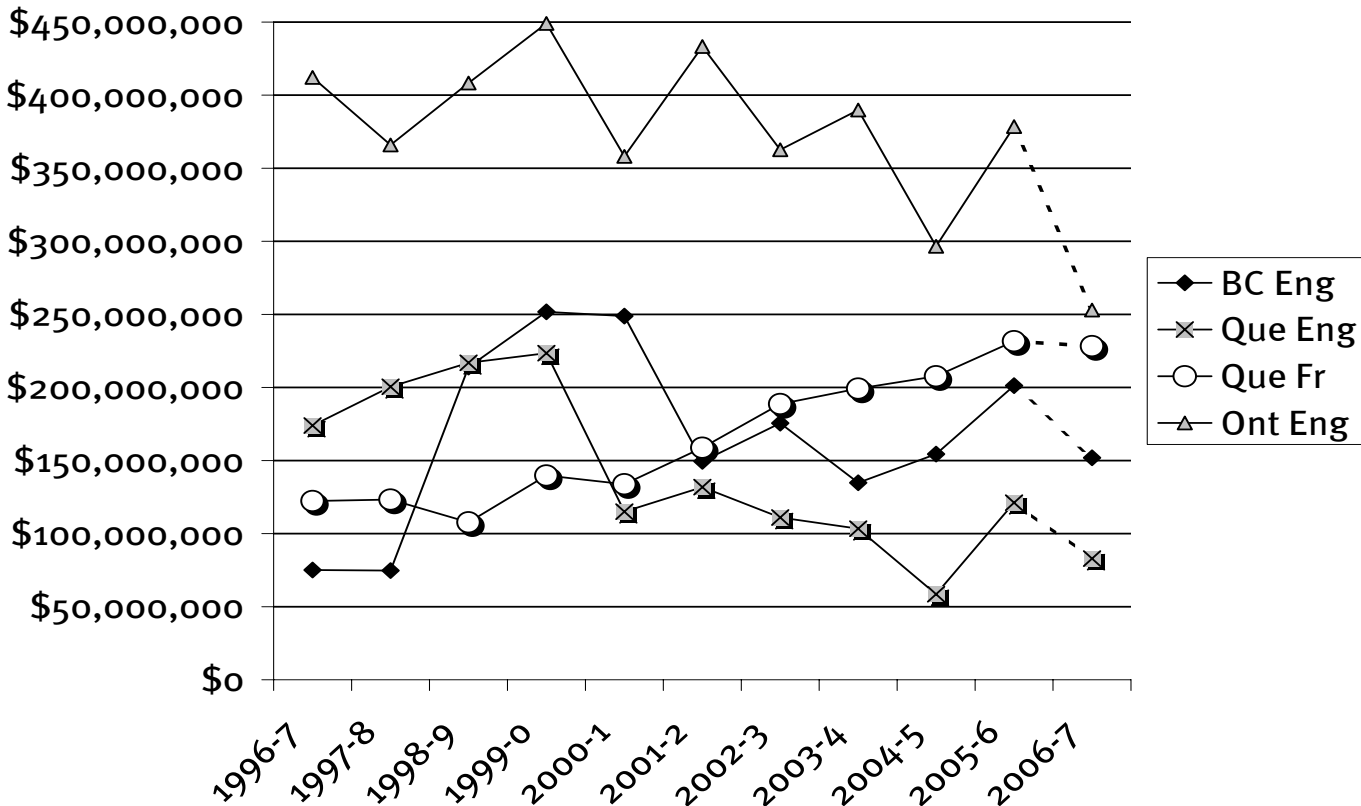
As we can see from **Graph G**, French fiction in Quebec, unlike English fiction, has been growing during this period. It has more than doubled from a low of \$108 million in 1998-9 to \$232 million in 2005-6. Extrapolating from this data, 2006-7 should continue this positive trend.

COMPARISON OF PROVINCIAL TAX CREDITS IN FICTION

As demonstrated in **Table 25** and **Graph H**, the average effective provincial tax credit in fiction has risen from 7% of budgets in 1996-7 to nearly 17% in 2006-7. During most of this time, Quebec tax credits were the most generous. That changed in 2005-6, and the Quebec tax credit has not been competitive since.

Graph G: COMPARISON OF TOTAL FICTION BUDGETS IN SELECTED PROVINCES

Source: CAVCO, Nov. 2007, Note: See Table 24



In 2006-7, the average effective tax credit for fiction production in Ontario increased to 17.6%, followed by B.C. at 16.9%. French fiction is 16% and English fiction in Quebec is now the lowest of these four groups at 14.1%.

Quebec tax credits have been left behind by the tax credit increases in Ontario and other provinces. This has been particularly damaging to English production in Quebec that competes directly with English production in other provinces. Unlike French production, English production is highly mobile. Quebec producers of English-language production can easily move to take advantage of higher tax credits elsewhere.

PEAK PRODUCTION COMPARISON

Table 39 compares total production and fiction production in four provincial groups between the peak year (1999-0) and the most recent complete year (2005-6). It reveals three trends.

First, English production in Quebec has suffered the greatest loss of total production between these two reference years (1999-0 and 2005-6). The average English-language production decline was -10% in Canada. Total English production in Ontario grew by +6%, dropped by -22% in B.C., and fell by -40% in Quebec.

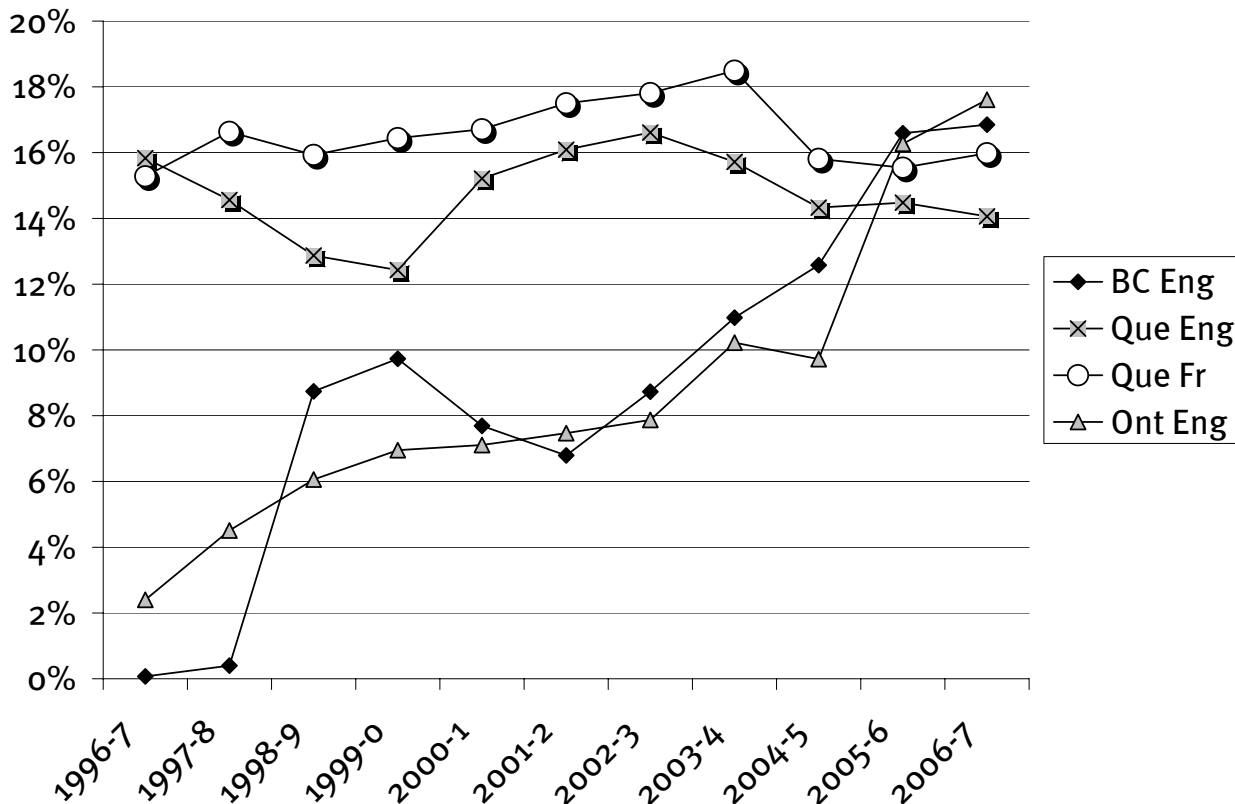
Second, Quebec, B.C., and Ontario have all suffered significant declines in English-language fiction between these two reference years. Ontario fiction declined -16% and B.C. lost -20%. Again, Quebec had the worst loss at -46%.

Third, French production is bucking the English-language trends. After Ontario's 6% growth, it registered the only other increase (+49%) in total production, and a very impressive increase in fiction between these two reference years (+66%).

From 1999-0 to 2005-6, Effective Provincial Tax Credits as Percentage of Fiction Budget:	
Increased in Ontario from.	7% → 17.6%
Increased in B.C. from.	10% → 16.9%
Remained in Quebec (French).	16% ↔ 16.0%
Rose in Quebec (English) from.	12% → 14.1%

Graph H: COMPARISON OF EFFECTIVE TAX CREDIT RATES AS PERCENTAGE OF FICTION BUDGETS

Source: CAVCO, Nov. 2007, Note: See Table 25



THE IMPACT OF INFLATION

We used the Bank of Canada's Consumer Price Index with a base year of 1996 to calculate inflation. During the period from 1996 to 2007, inflation averaged about 2% per year. Thus, we could expect that actual changes in production would be accelerated by 22% over this period.

If we compare the figures we have for the peak production year (1999-0) with the most recent complete year (2005-6), we see the reality of the decline suffered by English-language production and especially high-value fiction. The trends remain the same, but in constant dollars they are much clearer.

Total production in Canada did not show a significant decline during the two reference years in current dollars: \$1.822 billion in 1999-0 compared to \$1.831 billion in 2005-6. However, Table 26 shows that in constant dollars, total production actually declined by 11% from \$1.692 billion to \$1.505 billion.

Table 27 shows total production for each province in constant dollars. We see that the real loss in production in B.C. was -31% (rather than -22%). Ontario suffered a loss of -6% (not a +6% gain). In Quebec, English production actually fell -47% (rather than -40%).

After inflation is discounted, the real gain in French production was +30% (not +47%).

Table 28 shows that in constant dollars, fiction actually declined in Canada from \$1.058 billion in 1999-0 to \$848 million in 2005-6. This is a loss of 20% (rather than the loss of 9% in current dollars).

B.C. lost 29% in fiction budgets after inflation is eliminated. Ontario lost 26%.

Using constant dollars, Quebec English fiction fell from \$208 million in 1999-0 to \$99 million in 2005-6. This was a real loss of -52%.

French-language fiction gained +47% in constant dollars (down from +66%).

PART II: INTERVIEWS

KEY ISSUES IDENTIFIED

English production in Canada has stalled, and, in Quebec, English production has dropped by nearly forty percent overall, and fiction has fallen nearly fifty percent. During the same period, French production has maintained a positive growth trend.

We see from the data in Part I what has happened. But the questions remain why has it happened, and what can be done?

To find out, we spoke to sixteen people involved in the Quebec production industry from major private sector producers to representatives of production services and the public sector. We list our interviewees in **Appendix B**, and quote them below in italics. To encourage frankness, we offered the interviewees confidentiality or anonymity, and for that reason we have separated their names from their quotes.

Patterns emerged in these discussions. This section identifies and analyzes some of the major problems raised and offers possible policy responses.

THE QUEBEC TAX CREDIT IS NOT COMPETITIVE

The fact the Quebec tax credit is not competitive with other provinces, and especially with Ontario, was the major theme of the interviews. Every producer dwelt on this problem. In fact, every producer said that he either had already moved most or all production outside Quebec, or would soon do so. Some said they were considering leaving Quebec entirely to avoid the weekly plane trips to Toronto that have become the norm for some.

The other issues raised by many which distinguishes the Quebec tax credit from Ontario are the labour and production caps. Ontario no longer caps eligible labour, nor expenditures per production. Quebec has a cap of 50% on labour and \$2.187 million on production expenses. Most producers said eliminating these caps would have a positive impact on larger productions.

Several producers said that the regional bonus in Ontario meant that there was now a 15% financial advantage producing their films in Ottawa. Many pointed out that the Ontario regional bonus was more flexible since it was linked to the location of production while the Quebec bonus was linked to the location of the producer.

“In the mid-nineties, there was no better production environment than Quebec for English, but Quebec lost its competitive edge.”

“Quebec loses big projects because of the \$2.1 million cap.”

“The ‘Heartland’ series moved from Quebec to Alberta.”

“The Quebec tax credit problem is that I barely made the 25% maximum for non-Quebec talent. Next year I will have to move the series to Toronto. There is no financial advantage to Montreal. I want the Ontario tax credit.”

“Quebec is not competitive in the tax credit for English production. Manitoba now has a 65% tax credit.”

“There is a 15% cost advantage if I shoot in Ottawa or any Ontario region. I can’t afford to produce in Quebec any more.”

“Quebec in English is the worst place to shoot in Canada, and now the tax credit in Ontario is higher.”

“The [basic] tax credit in Ontario is 3-7% higher than Quebec, with the regional bonus, closer to 15%.”

“The only reason to move English production to Ottawa is the Ontario tax credit.”

DISAPPEARANCE OF LARGE QUEBEC PRODUCERS

Some interviewees said that the loss of major production companies has had a significant impact on English production in Montreal. While the specific problems of the companies mentioned above were all different, the fact was noted that new companies have not grown to replace them.

As for major production companies now operating in Quebec, Muse Entertainment Enterprises is now producing over 80% of its productions outside Quebec. Cineflix Productions has already moved all of its production to Ontario, leaving only some service departments like accounting in Montreal. Sphère Média Plus is seriously thinking about moving its English-language TV series “Sophie” to Toronto. How long Galafilm or Incendo Productions will continue to produce in Montreal under these conditions is open to question.

The existence of major production companies should be seen as an important resource that needs to be encouraged to maintain and improve the overall health of this sector. Based on our interviews, we believe that there is a significant risk that most of the major production companies now producing in English will leave Montreal if the tax credit regime remains unchanged.

SERVICE PRODUCTION

Some producers specialize in service production, some specialize in domestic production, and others produce both. However, all agreed that the higher dollar exchange has hurt service production, and some said that service production is a very unstable foundation on which to build a growing production industry.

Right now, with the Canadian dollar near par, the traditional Canadian advantage as a production locale for foreign producers has disappeared.

“The international co-production market has dried up.”

“You can’t build a production industry on location production.”

“Service production has been quiet since last October. Nothing.”

“Large Quebec producers like Cineflix have now moved all their production to Ontario.”

“I am motivated to find efficiencies. I’ve changed technology and eliminated picture post-production and shrunk schedules. I don’t know what more I can do and stay here.”

“I want to produce in Quebec but have given up.”

“I don’t do [domestic] content in Quebec. It’s not worth trying.”

“Companies like Telescene, Filmline, Cinar, and Allegro have disappeared. There are fewer large companies producing in English in Quebec.”

Therefore, service production moves to other jurisdictions that have matched the tax credit advantages in Canada or have other advantages such as very low wages, e.g. Romania.

As more than one interviewee noted, despite the increased Quebec tax credit for foreign service production instituted in December 2007, service production has disappeared so far this year. All assume it will come back sooner or later depending on the exchange rate and the resolution of U.S. labour negotiations, but there remains a huge hole to fill this year.

Some producers said that only domestic production provides the stability needed to build a reliable industry that can weather the kind of cut-throat international competition and exchange rate roller coaster we have seen in this globalized sector of the industry.

In fact, it seems that some parts of the service industry are realizing that if they want to survive and remain in Quebec, they may have to depend much more on domestic production than they have in the past.

PART III: CONCLUSION & RECOMMENDATIONS



CONCLUSION: REACHING QUEBEC'S POTENTIAL

English production levels in Canada have been in decline since 1999-0, and the greatest decrease has been seen in Quebec. From 1999-0 to 2005-6, total English-language production budgets in Quebec have fallen by 40% and fiction budgets by 46%. These losses have never been recovered. Major English productions and production companies are leaving the province.

If we look for reasons why this general English-language production decline is most severe in Quebec, the provincial tax credit stands out.

During the eleven-year period of this study, the Quebec tax regime for domestic production has not significantly changed. However, Quebec tax credits have devolved from the most generous to among the least generous in Canada as the other provinces have increased their tax credits.

This decline in competitive tax credit rates has not had a significant impact on French-language production, which is not as mobile as English-language production nor is it as subject to competitive and financial pressures from Los Angeles.

English-language production in Quebec represented about half of all certified Quebec production ten years ago. Since then, as the CAVCO data demonstrates, English production in Quebec has declined by nearly half, and now represents about a quarter of all Quebec production.

This has meant a huge opportunity loss in employment for both Francophone and Anglophone talent and crew. It has also meant a loss in the cultural dynamism of the English community in Quebec and the cultural dynamism of Quebec as a whole.

Both the nominal and the effective tax credits in Ontario and B.C. have now surpassed Quebec. From the evidence in this report, it is clear that this long-term decline in English-language production in Quebec will accelerate very quickly unless corrective action is taken.

It seems highly likely that English production will continue to decline, and major English-language domestic production may even disappear from Quebec unless the Quebec government makes the domestic tax credit regime competitive with other provinces.

RECOMMENDATIONS

INCREASE QUEBEC TAX CREDIT RATE

We recommend that the Quebec tax credit rate for eligible labour be increased by 15.8% to a nominal rate of 45%, as a bonus for drama productions in any language that do not use other direct public funding.

The rate for this Quebec bonus should match the current differential Quebec production faces compared to the regional bonus in Ontario. That differential is about 15%.

The Ontario basic rate is now 35% and the 10% regional bonus makes that a nominal rate of 45%. The basic Quebec rate is 29.2% excluding bonuses for digital animation, special effects, giant screen, or French-language productions. The Quebec regional bonus only applies to regional producers, not productions, as we have noted.

We believe that any new bonus would have to increase the tax credit rate to 45% if it is to have sufficient impact to halt the accelerating decline of major English-language fiction productions.

According to SODEC calculations, if there were such a bonus at 15%, it would represent a fiscal cost to the Quebec government of about \$6 million per year.

At a cost of \$6 million, this bonus would increase the current cost of the domestic film/tv tax credit from \$95 million to \$101 million.

Based on the interviews, we believe such a bonus would maintain or repatriate \$90 million in English-language production. It would help the major production companies stay in the province and increase overall employment.

ELIMINATE THE QUEBEC TAX CREDIT CAPS

We recommend that the Quebec 50% tax credit cap for eligible labour and the \$2.187 million production cap be eliminated for all productions.

Together with a tax credit bonus for major productions, interviewees suggested that the caps be eliminated to make the tax credit competitive since Ontario does not have production or labour caps.

According to SODEC, the cost of eliminating the 50% labour cap would be approximately \$1 million for these major productions; about another \$1 million if the cap is eliminated from all film/TV productions; and another \$2 million if it is eliminated from all cultural sectors.

We believe this estimated \$4 million cost would be an important generator of major cultural projects and is an important element if Quebec is to remain competitive with Ontario in the film/TV industry.

Estimating the cost of eliminating the \$2.187 million per production tax credit cap is difficult. This cap would only be reached if production budgets exceeded \$10 million. Only one production has actually reached that cap. It is anticipated that the cost of eliminating it would, therefore, be minimal.

CTF SHOULD BE PARTIALLY ELIGIBLE FOR THE TAX CREDIT BONUS

In principle, we recommend that productions using Canadian Television Fund (CTF) funding should be partially eligible for this bonus.

While this proposed drama bonus is aimed at productions that do not use other “direct public funding”, such as Telefilm, NFB, or SODEC, we believe the definition of CTF needs clarification.

About 60% of CTF revenues, or \$180 million last year, came from private sources, i.e., “broadcast distribution undertakings” or cable and satellite distributors. The balance, about \$120 million last year, came from the Federal Government.

Although these public and private revenues are not separated out in the projects funded by CTF, we believe CTF should not be defined solely as a direct public funder for purposes of these recommendations. We believe approximately 60% of CTF funding should be eligible for the proposed 45% tax credit bonus.

APPENDIX A: STATISTICAL TABLES

Table 1

Total Certified Domestic Production in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	580	255,317	\$1,260,872,501	\$109,825,681	\$97,200,744	8.71%	7.71%	16.42%
1997-8	567	278,686	1,190,618,288	106,383,843	104,660,619	8.94%	8.79%	17.73%
1998-9	766	336,268	1,728,947,599	160,540,444	168,851,577	9.29%	9.77%	19.05%
1999-0	872	420,275	1,822,030,458	170,531,692	187,628,360	9.36%	10.30%	19.66%
2000-1	958	487,876	1,725,826,651	159,766,094	176,979,308	9.26%	10.25%	19.51%
2001-2	1,042	447,829	1,751,029,304	153,851,707	195,954,458	8.79%	11.19%	19.98%
2002-3	1,127	512,613	1,807,830,017	159,375,279	209,196,747	8.82%	11.57%	20.39%
2003-4	1,114	461,147	1,784,400,554	177,352,761	225,847,501	9.94%	12.66%	22.60%
2004-5	1,159	480,021	1,708,115,441	180,777,157	224,606,118	10.58%	13.15%	23.73%
2005-6	1,102	433,156	1,831,876,819	186,995,139	288,347,779	10.21%	15.74%	25.95%
2006-7	887	374,091	1,685,231,549	176,409,797	268,481,536	10.47%	15.93%	26.40%
Total	10,174	4,487,279	\$18,296,779,181	\$1,741,809,594	\$2,147,754,747	9.52%	11.74%	21.26%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 2

Total Certified English Production in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	394	115,593	\$980,288,579	\$88,685,327	\$53,618,728	9.05%	5.47%	14.52%
1997-8	379	126,859	935,480,339	87,722,625	66,610,057	9.38%	7.12%	16.50%
1998-9	490	168,080	1,416,803,893	135,239,275	122,443,627	9.55%	8.64%	18.19%
1999-0	521	179,605	1,419,095,128	137,437,458	128,080,559	9.68%	9.03%	18.71%
2000-1	569	176,011	1,257,483,702	119,590,870	115,249,062	9.51%	9.17%	18.68%
2001-2	609	189,781	1,247,636,270	112,360,503	116,675,834	9.01%	9.35%	18.36%
2002-3	672	226,557	1,312,869,670	118,962,765	128,101,533	9.06%	9.76%	18.82%
2003-4	655	210,207	1,238,430,402	128,271,208	139,763,438	10.36%	11.29%	21.64%
2004-5	658	189,255	1,101,398,802	116,184,677	135,880,828	10.55%	12.34%	22.89%
2005-6	639	157,493	1,281,652,345	129,756,901	211,079,748	10.12%	16.47%	26.59%
2006-7	496	150,400	1,165,114,148	123,672,407	196,239,251	10.61%	16.84%	27.46%
Total	6,082	1,889,841	\$13,356,253,278	\$1,297,884,016	\$1,413,742,665	9.72%	10.58%	20.30%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 3

Total Certified French Production in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	184	139,069	\$275,002,044	\$20,661,236	\$43,582,016	7.51%	15.85%	23.36%
1997-8	180	149,796	237,705,423	16,855,104	36,414,186	7.09%	15.32%	22.41%
1998-9	259	164,765	289,672,258	23,282,363	43,857,583	8.04%	15.14%	23.18%
1999-0	323	233,050	340,188,440	27,270,667	52,646,704	8.02%	15.48%	23.49%
2000-1	332	298,761	330,517,814	26,430,254	50,037,190	8.00%	15.14%	23.14%
2001-2	387	245,839	412,694,427	32,607,557	67,442,863	7.90%	16.34%	24.24%
2002-3	400	263,840	427,497,374	34,749,908	70,682,656	8.13%	16.53%	24.66%
2003-4	398	225,220	454,567,997	41,282,130	74,206,950	9.08%	16.32%	25.41%
2004-5	426	254,673	464,122,945	48,946,711	63,989,957	10.55%	13.79%	24.33%
2005-6	428	250,169	506,822,815	52,451,993	69,602,039	10.35%	13.73%	24.08%
2006-7	370	215,148	502,560,175	51,076,646	69,501,429	10.16%	13.83%	23.99%
Total	3,687	2,440,330	\$4,241,351,712	\$375,614,569	\$641,963,573	8.86%	15.14%	24.00%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

In 2006-7, the average effective tax credit for fiction production in Ontario increased to 17.6%, followed by B.C. at 16.9%. French fiction is 16% and English fiction in Quebec is now the lowest of these four groups at 14.1%.

Quebec tax credits have been left behind by the tax credit increases in Ontario and other provinces. This has been particularly damaging to English production in Quebec that competes directly with English production in other provinces. Unlike French production, English production is highly mobile. Quebec producers of English-language production can easily move to take advantage of higher tax credits elsewhere.

PEAK PRODUCTION COMPARISON

Table 39 compares total production and fiction production in four provincial groups between the peak year (1999-0) and the most recent complete year (2005-6). It reveals three trends.

First, English production in Quebec has suffered the greatest loss of total production between these two reference years (1999-0 and 2005-6). The average English-language production decline was -10% in Canada. Total English production in Ontario grew by +6%, dropped by -22% in B.C., and fell by -40% in Quebec.

Second, Quebec, B.C., and Ontario have all suffered significant declines in English-language fiction between these two reference years. Ontario fiction declined -16% and B.C. lost -20%. Again, Quebec had the worst loss at -46%.

Third, French production is bucking the English-language trends. After Ontario's 6% growth, it registered the only other increase (+49%) in total production, and a very impressive increase in fiction between these two reference years (+66%).

From 1999-0 to 2005-6, Effective Provincial Tax Credits as Percentage of Fiction Budget:

Increased in Ontario from.	7% → 17.6%
Increased in B.C. from.	10% → 16.9%
Remained in Quebec (French).	16% ↔ 16.0%
Rose in Quebec (English) from.	12% → 14.1%

Graph H: COMPARISON OF EFFECTIVE TAX CREDIT RATES AS PERCENTAGE OF FICTION BUDGETS

Source: CAVCO, Nov. 2007, Note: See Table 25

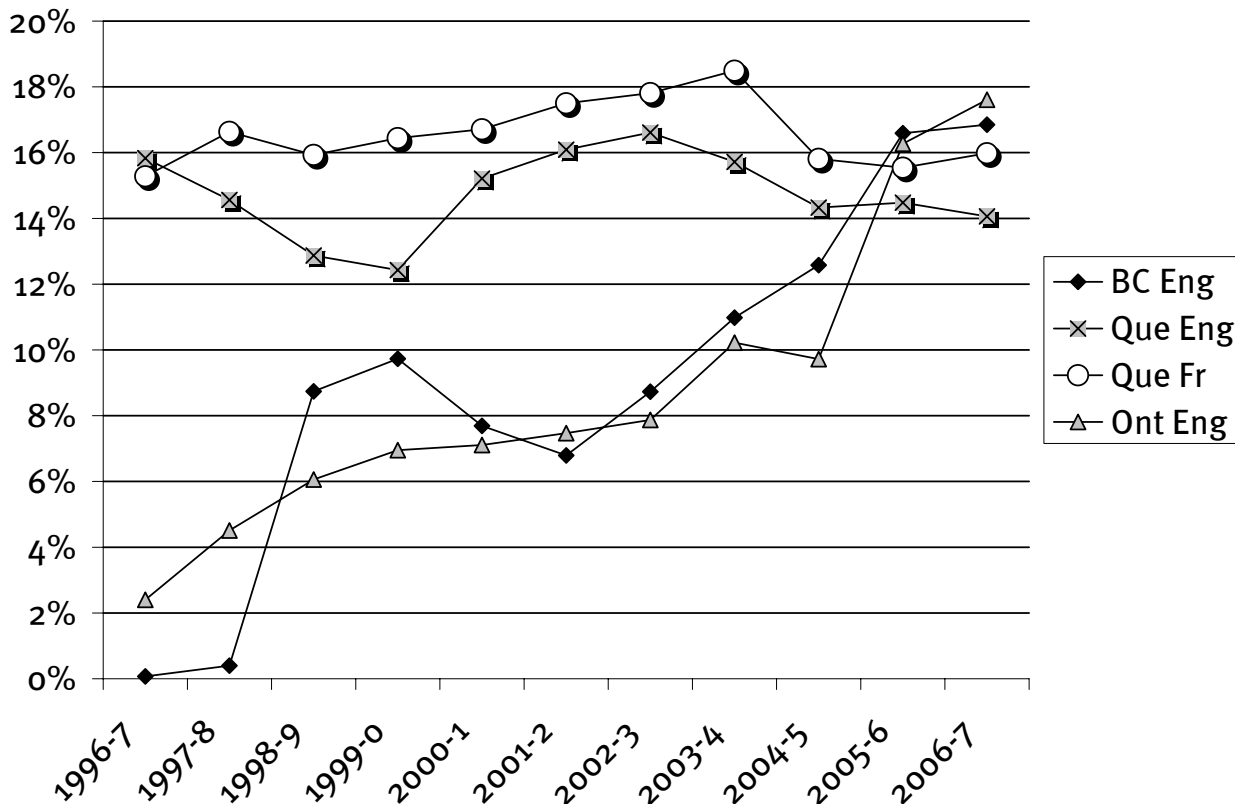


Table 5

Total Certified Other Production in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	1	57	\$230,478	\$9,398	\$0	4.08%	0.00%	4.08%
1997-8	4	237	1,900,364	113,805	284,491	5.99%	14.97%	20.96%
1998-9	5	788	4,071,033	392,116	599,427	9.63%	14.72%	24.36%
1999-0	8	444	8,873,167	703,933	863,205	7.93%	9.73%	17.66%
2000-1	9	1,552	5,012,870	363,742	676,933	7.26%	13.50%	20.76%
2001-2	7	1,590	5,585,781	488,933	915,279	8.75%	16.39%	25.14%
2002-3	14	11,009	3,911,706	281,019	584,243	7.18%	14.94%	22.12%
2003-4	21	16,019	28,143,493	2,928,029	3,361,704	10.40%	11.94%	22.35%
2004-5	23	14,576	11,970,638	1,181,708	1,677,881	9.87%	14.02%	23.89%
2005-6	15	14,076	12,485,798	1,169,185	2,180,010	9.36%	17.46%	26.82%
2006-7	12	6,468	8,192,832	668,482	1,367,137	8.16%	16.69%	24.85%
Total	119	66,816	\$90,378,160	\$8,300,350	\$12,510,310	9.18%	13.84%	23.03%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 6

Total Certified English Production in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	71	16,204	\$200,750,314	\$18,245,833	\$31,997,001	9.09%	15.94%	25.03%
1997-8	74	12,572	240,379,692	22,829,795	35,065,660	9.50%	14.59%	24.09%
1998-9	89	21,445	304,382,739	28,237,868	39,130,348	9.28%	12.86%	22.13%
1999-0	91	18,137	305,826,801	29,202,594	40,197,623	9.55%	13.14%	22.69%
2000-1	69	16,824	183,790,530	17,126,782	27,995,607	9.32%	15.23%	24.55%
2001-2	76	20,608	210,805,329	18,537,092	34,201,020	8.79%	16.22%	25.02%
2002-3	86	33,471	189,242,017	16,185,736	30,858,594	8.55%	16.31%	24.86%
2003-4	92	32,991	176,305,737	18,063,407	27,593,707	10.25%	15.65%	25.90%
2004-5	97	39,167	151,900,765	16,763,616	23,038,844	11.04%	15.17%	26.20%
2005-6	99	24,517	184,292,671	17,945,158	26,452,281	9.74%	14.35%	24.09%
2006-7	88	34,230	187,899,190	20,811,365	27,817,024	11.08%	14.80%	25.88%
Total	932	270,166	\$2,335,575,785	\$223,949,246	\$344,347,709	9.59%	14.74%	24.33%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 7

Total Certified French Production in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	179	137,725	\$271,311,815	\$20,371,128	\$43,527,117	7.51%	16.04%	23.55%
1997-8	173	147,614	233,235,621	16,662,818	36,284,767	7.14%	15.56%	22.70%
1998-9	249	162,679	282,343,649	22,945,960	43,008,038	8.13%	15.23%	23.36%
1999-0	311	229,508	330,593,957	26,737,175	51,664,976	8.09%	15.63%	23.72%
2000-1	319	295,674	322,563,343	25,879,705	49,307,610	8.02%	15.29%	23.31%
2001-2	364	238,612	396,541,307	31,318,756	65,778,980	7.90%	16.59%	24.49%
2002-3	381	256,280	410,178,051	33,426,160	69,357,055	8.15%	16.91%	25.06%
2003-4	371	218,059	433,024,666	39,414,011	71,235,862	9.10%	16.45%	25.55%
2004-5	392	244,669	443,466,501	46,902,367	60,795,919	10.58%	13.71%	24.29%
2005-6	396	242,587	487,445,121	50,590,896	66,254,703	10.38%	13.59%	23.97%
2006-7	339	206,277	482,652,381	49,225,536	66,332,727	10.20%	13.74%	23.94%
Total	3,474	2,379,684	\$4,093,356,412	\$363,474,512	\$623,547,754	8.88%	15.23%	24.11%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 8

Total Certified English-French Production in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
1997-8	1	1,144	6,015,656	613,597	902,348	10.20%	15.00%	25.20%
1998-9	6	1,318	6,407,071	417,131	855,564	6.51%	13.35%	19.86%
1999-0	9	4,675	17,098,083	1,536,614	2,682,310	8.99%	15.69%	24.67%
2000-1	22	4,602	27,792,405	2,522,385	4,661,742	9.08%	16.77%	25.85%
2001-2	24	6,385	32,772,660	2,687,315	5,280,741	8.20%	16.11%	24.31%
2002-3	33	12,857	56,126,502	4,550,065	8,989,788	8.11%	16.02%	24.12%
2003-4	28	7,622	52,184,754	3,749,304	7,305,609	7.18%	14.00%	21.18%
2004-5	22	8,157	27,903,283	2,772,881	4,005,791	9.94%	14.36%	24.29%
2005-6	17	10,279	20,593,249	2,479,546	2,896,796	12.04%	14.07%	26.11%
2006-7	8	2,027	8,731,502	927,257	1,239,210	10.62%	14.19%	24.81%
Total	170	59,066	255,625,165	22,256,095	38,819,899	8.71%	15.19%	23.89%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 9

Total Certified Other Production in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
1997-8	4	237	1,900,364	113,805	284,491	5.99%	14.97%	20.96%
1998-9	3	689	3,733,670	372,734	560,051	9.98%	15.00%	24.98%
1999-0	3	176	4,661,141	443,753	699,200	9.52%	15.00%	24.52%
2000-1	6	877	3,433,470	269,372	546,706	7.85%	15.92%	23.77%
2001-2	5	1,183	4,869,686	437,733	802,848	8.99%	16.49%	25.48%
2002-3	10	10,451	2,577,045	193,461	464,021	7.51%	18.01%	25.51%
2003-4	15	15,353	26,053,584	2,700,964	3,095,665	10.37%	11.88%	22.25%
2004-5	15	13,782	10,332,825	1,027,148	1,564,048	9.94%	15.14%	25.08%
2005-6	12	12,358	4,797,766	564,078	662,112	11.76%	13.80%	25.56%
2006-7	10	6,214	4,571,161	524,862	702,928	11.48%	15.38%	26.86%
Total	83	61,320	66,930,712	6,647,910	9,382,070	9.93%	14.02%	23.95%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 10

Total Certified Production for All Languages in Quebec

Year	Quebec Total			English			French			Eng-Fr			Other		
	Proj	Can Cost	%	Proj	Can Cost	%	Proj	Can Cost	%	Proj	Can Cost	%	Proj	Can Cost	%
1996-7	250	\$472,062,129	100%	71	\$200,750,314	43%	179	\$271,311,815	57%	0	\$0	0%	0	\$0	0%
1997-8	252	481,531,333	100%	74	240,379,692	50%	173	233,235,621	48%	1	6,015,656	1%	4	1,900,364	0%
1998-9	347	596,867,129	100%	89	304,382,739	51%	249	282,343,649	47%	6	6,407,071	1%	3	3,733,670	1%
1999-0	414	658,179,982	100%	91	305,826,801	46%	311	330,593,957	50%	9	17,098,083	3%	3	4,661,141	1%
2000-1	416	537,579,748	100%	69	183,790,530	34%	319	322,563,343	60%	22	27,792,405	5%	6	3,433,470	1%
2001-2	469	644,988,982	100%	76	210,805,329	33%	364	396,541,307	61%	24	32,772,660	5%	5	4,869,686	1%
2002-3	510	658,123,615	100%	86	189,242,017	29%	381	410,178,051	62%	33	56,126,502	9%	10	2,577,045	0%
2003-4	506	687,568,741	100%	92	176,305,737	26%	371	433,024,666	63%	28	52,184,754	8%	15	26,053,584	4%
2004-5	526	633,603,374	100%	97	151,900,765	24%	392	443,466,501	70%	22	27,903,283	4%	15	10,332,825	2%
2005-6	524	697,128,807	100%	99	184,292,671	26%	396	487,445,121	70%	17	20,593,249	3%	12	4,797,766	1%
2006-7	445	683,854,234	100%	88	187,899,190	27%	339	482,652,381	71%	8	8,731,502	1%	10	4,571,161	1%
Total	4,659	\$6,751,488,074	100%	932	\$2,335,575,785	35%	3,474	\$4,093,356,412	61%	170	\$255,625,165	4%	83	\$66,930,712	1%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 11

Total Certified English Production in Ontario

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	212	71,942	\$575,572,411	\$53,523,305	\$17,014,427	9.30%	2.96%	12.26%
1997-8	181	79,866	511,709,461	49,483,557	25,003,373	9.67%	4.89%	14.56%
1998-9	228	99,055	642,587,957	62,887,600	42,031,258	9.79%	6.54%	16.33%
1999-0	241	110,348	666,851,319	66,827,146	48,388,202	10.02%	7.26%	17.28%
2000-1	283	109,657	605,226,245	58,986,413	47,532,213	9.75%	7.85%	17.60%
2001-2	326	124,222	693,809,241	64,403,293	56,361,617	9.28%	8.12%	17.41%
2002-3	334	138,093	678,851,334	65,417,576	57,978,672	9.64%	8.54%	18.18%
2003-4	337	130,660	733,030,417	78,225,611	77,398,183	10.67%	10.56%	21.23%
2004-5	323	106,459	650,347,006	69,489,608	82,259,184	10.69%	12.65%	23.33%
2005-6	303	91,333	708,717,155	73,722,726	121,299,706	10.40%	17.12%	27.52%
2006-7	211	74,413	540,908,903	58,470,643	95,674,651	10.81%	17.69%	28.50%
Total	2,979	1,136,048	\$7,007,611,449	\$701,437,478	\$670,941,486	10.01%	9.57%	19.58%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 12

Total Certified English Production in British Columbia

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	48	9,365	\$128,415,370	\$11,883,359	\$51,184	9.25%	0.04%	9.29%
1997-8	56	12,061	96,200,599	9,046,789	451,662	9.40%	0.47%	9.87%
1998-9	81	21,364	318,353,152	31,762,023	27,109,387	9.98%	8.52%	18.49%
1999-0	90	25,648	305,257,969	29,425,210	28,482,764	9.64%	9.33%	18.97%
2000-1	99	19,955	299,197,224	29,602,556	23,150,436	9.89%	7.74%	17.63%
2001-2	92	18,225	206,278,435	19,860,695	14,775,762	9.63%	7.16%	16.79%
2002-3	102	21,971	223,089,264	20,607,107	19,338,293	9.24%	8.67%	17.91%
2003-4	99	21,198	188,321,739	19,446,533	20,136,063	10.33%	10.69%	21.02%
2004-5	112	21,908	224,146,810	24,711,810	28,456,411	11.02%	12.70%	23.72%
2005-6	103	17,059	237,821,560	23,741,282	38,962,391	9.98%	16.38%	26.37%
2006-7	96	18,109	232,245,022	24,535,042	39,335,106	10.56%	16.94%	27.50%
Total	978	206,863	\$2,459,327,144	\$244,622,406	\$240,249,459	9.95%	9.77%	19.72%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 13

Comparison of Percentage of Total Production Budgets in Selected Provinces

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	\$1,260,872,501	100%	\$128,415,370	10%	\$575,572,411	46%	\$200,750,314	16%	\$271,311,815	22%
1997-8	1,190,618,288	100%	96,200,599	8%	511,709,461	43%	240,379,692	20%	233,235,621	20%
1998-9	1,728,947,599	100%	318,353,152	18%	642,587,957	37%	304,382,739	18%	282,343,649	16%
1999-0	1,822,030,458	100%	305,257,969	17%	666,851,319	37%	305,826,801	17%	330,593,957	18%
2000-1	1,725,826,651	100%	299,197,224	17%	605,226,245	35%	183,790,530	11%	322,563,343	19%
2001-2	1,751,029,304	100%	206,278,435	12%	693,809,241	40%	210,805,329	12%	396,541,307	23%
2002-3	1,807,830,017	100%	223,089,264	12%	678,851,334	38%	189,242,017	10%	410,178,051	23%
2003-4	1,784,400,554	100%	188,321,739	11%	733,030,417	41%	176,305,737	10%	433,024,666	24%
2004-5	1,708,115,441	100%	224,146,810	13%	650,347,006	38%	151,900,765	9%	443,466,501	26%
2005-6	1,831,876,819	100%	237,821,560	13%	708,717,155	39%	184,292,671	10%	487,445,121	27%
2006-7	1,685,231,549	100%	232,245,022	14%	540,908,903	32%	187,899,190	11%	482,652,381	29%
Total	\$18,296,779,181	100%	\$2,459,327,144	13%	\$7,007,611,449	38%	\$2,335,575,785	13%	\$4,093,356,412	22%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Canada includes all productions including English-French and Other.

Table 14

Comparison of Tax Credit Percentages in Selected Provinces

Year	BC Eng			Ont Eng			Que Eng			Que Fr		
	Fed. %	Prov. %	Total %	Fed. %	Prov. %	Total %	Fed. %	Prov. %	Total %	Fed. %	Prov. %	Total %
1996-7	9.25%	0.04%	9.29%	9.30%	2.96%	12.26%	9.09%	15.94%	25.03%	7.51%	16.04%	23.55%
1997-8	9.40%	0.47%	9.87%	9.67%	4.89%	14.56%	9.50%	14.59%	24.09%	7.14%	15.56%	22.70%
1998-9	9.98%	8.52%	18.49%	9.79%	6.54%	16.33%	9.28%	12.86%	22.13%	8.13%	15.23%	23.36%
1999-0	9.64%	9.33%	18.97%	10.02%	7.26%	17.28%	9.55%	13.14%	22.69%	8.09%	15.63%	23.72%
2000-1	9.89%	7.74%	17.63%	9.75%	7.85%	17.60%	9.32%	15.23%	24.55%	8.02%	15.29%	23.31%
2001-2	9.63%	7.16%	16.79%	9.28%	8.12%	17.41%	8.79%	16.22%	25.02%	7.90%	16.59%	24.49%
2002-3	9.24%	8.67%	17.91%	9.64%	8.54%	18.18%	8.55%	16.31%	24.86%	8.15%	16.91%	25.06%
2003-4	10.33%	10.69%	21.02%	10.67%	10.56%	21.23%	10.25%	15.65%	25.90%	9.10%	16.45%	25.55%
2004-5	11.02%	12.70%	23.72%	10.69%	12.65%	23.33%	11.04%	15.17%	26.20%	10.58%	13.71%	24.29%
2005-6	9.98%	16.38%	26.37%	10.40%	17.12%	27.52%	9.74%	14.35%	24.09%	10.38%	13.59%	23.97%
2006-7	10.56%	16.94%	27.50%	10.81%	17.69%	28.50%	11.08%	14.80%	25.88%	10.20%	13.74%	23.94%
Total Ave.	9.90%	8.97%	18.87%	10.00%	9.47%	19.47%	9.65%	14.93%	24.59%	8.65%	15.34%	23.99%
2005-7 Ave	10.27%	16.66%	26.94%	10.61%	17.41%	28.01%	10.41%	14.58%	24.99%	10.29%	13.67%	23.96%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 15

Comparison of Percentage of Total Production Volume by Minutes in Selected Provinces

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	255,317	100%	9,365	4%	71,942	28%	16,204	6%	137,725	54%
1997-8	278,686	100%	12,061	4%	79,866	29%	12,572	5%	147,614	53%
1998-9	336,268	100%	21,364	6%	99,055	29%	21,445	6%	162,679	48%
1999-0	420,275	100%	25,648	6%	110,348	26%	18,137	4%	229,508	55%
2000-1	487,876	100%	19,955	4%	109,657	22%	16,824	3%	295,674	61%
2001-2	447,829	100%	18,225	4%	124,222	28%	20,608	5%	238,612	53%
2002-3	512,613	100%	21,971	4%	138,093	27%	33,471	7%	256,280	50%
2003-4	461,147	100%	21,198	5%	130,660	28%	32,991	7%	218,059	47%
2004-5	480,021	100%	21,908	5%	106,459	22%	39,167	8%	244,669	51%
2005-6	433,156	100%	17,059	4%	91,333	21%	24,517	6%	242,587	56%
2006-7	374,091	100%	18,109	5%	74,413	20%	34,230	9%	206,277	55%
Total	4,487,279	100%	206,863	5%	1,136,048	25%	270,166	6%	2,379,684	53%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.
Canada includes all productions including English-French and Other.

Table 16

Comparison of Percentage of Total Production Volume by Projects in Selected Provinces

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	580	100%	48	8%	212	37%	71	12%	179	31%
1997-8	567	100%	56	10%	181	32%	74	13%	173	31%
1998-9	766	100%	81	11%	228	30%	89	12%	249	33%
1999-0	872	100%	90	10%	241	28%	91	10%	311	36%
2000-1	958	100%	99	10%	283	30%	69	7%	319	33%
2001-2	1,042	100%	92	9%	326	31%	76	7%	364	35%
2002-3	1,127	100%	102	9%	334	30%	86	8%	381	34%
2003-4	1,114	100%	99	9%	337	30%	92	8%	371	33%
2004-5	1,159	100%	112	10%	323	28%	97	8%	392	34%
2005-6	1,102	100%	103	9%	303	27%	99	9%	396	36%
2006-7	887	100%	96	11%	211	24%	88	10%	339	38%
Total	10,174	100%	978	10%	2,979	29%	932	9%	3,474	34%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.
Canada includes all productions including English-French and Other.

Table 17

Comparison of Average Cost Per Minute of Total Production in Selected Provinces and Selected Years

Year	Canada		BC Eng		Ont Eng		Que Eng		Que Fr	
	\$	%	\$	%	\$	%	\$	%	\$	%
1998-9	5,142	100%	14,901	290%	6,487	126%	14,194	276%	1,736	34%
1999-0	4,335	100%	11,902	275%	6,043	139%	16,862	389%	1,440	33%
2000-1	3,537	100%	14,994	424%	5,519	156%	10,924	309%	1,091	31%
2004-5	3,558	100%	10,231	288%	6,109	172%	3,878	109%	1,813	51%
2005-6	4,229	100%	13,941	330%	7,760	183%	7,517	178%	2,009	48%
2006-7	4,505	100%	12,825	285%	7,269	161%	5,489	122%	2,340	52%
Ave 99-01	4,338	100%	13,932	321%	6,016	139%	13,993	323%	1,422	33%
Ave 05-07	4,097	100%	12,332	301%	7,046	172%	5,628	137%	2,054	50%
Total Ave.	4,078	100%	11,889	292%	6,168	151%	8,645	212%	1,720	42%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Percentage is the provincial amount above or below Canadian average for the year, or years indicated, which are the most recent years or the peak English production years.

Total Ave. is the average for the eleven year period 1996-7 to 2006-7, and is not the average for the six years covered in this table.

Table 18

Total Certified Fiction in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	166	50,029	\$833,162,068	\$72,962,082	\$58,837,324	8.76%	7.06%	15.82%
1997-8	154	42,235	809,484,354	72,416,090	69,786,171	8.95%	8.62%	17.57%
1998-9	174	51,246	1,029,586,303	97,311,679	95,803,320	9.45%	9.31%	18.76%
1999-0	212	60,776	1,139,788,231	107,057,009	113,196,062	9.39%	9.93%	19.32%
2000-1	180	57,771	966,223,641	88,451,597	97,752,101	9.15%	10.12%	19.27%
2001-2	205	57,757	963,446,435	81,815,449	99,155,039	8.49%	10.29%	18.78%
2002-3	224	62,644	1,001,355,110	85,221,122	111,557,028	8.51%	11.14%	19.65%
2003-4	196	60,684	925,599,938	86,312,572	119,191,519	9.33%	12.88%	22.20%
2004-5	221	65,572	838,088,413	82,027,299	105,830,574	9.79%	12.63%	22.42%
2005-6	248	59,752	1,032,610,925	95,870,154	167,783,407	9.28%	16.25%	25.53%
2006-7	235	56,566	850,399,577	80,818,275	142,171,762	9.50%	16.72%	26.22%
Total	2,215	625,032	\$10,389,744,995	\$950,263,328	\$1,181,064,307	9.15%	11.37%	20.51%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 19

Total Certified English Fiction in Canada

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	117	28,706	\$710,881,782	\$64,709,220	\$40,149,619	9.10%	5.65%	14.75%
1997-8	116	26,036	685,068,436	65,284,261	49,109,684	9.53%	7.17%	16.70%
1998-9	129	34,258	918,932,436	89,894,007	78,244,523	9.78%	8.51%	18.30%
1999-0	138	39,532	984,700,151	96,572,160	88,965,162	9.81%	9.03%	18.84%
2000-1	123	37,202	817,474,970	77,995,806	73,296,464	9.54%	8.97%	18.51%
2001-2	127	32,622	780,921,699	69,743,759	68,047,932	8.93%	8.71%	17.64%
2002-3	150	31,409	784,455,046	70,141,735	73,689,812	8.94%	9.39%	18.34%
2003-4	126	32,270	693,815,829	70,136,465	78,222,551	10.11%	11.27%	21.38%
2004-5	145	31,963	592,973,892	59,689,728	66,527,557	10.07%	11.22%	21.29%
2005-6	170	28,924	776,968,471	73,473,272	126,757,117	9.46%	16.31%	25.77%
2006-7	157	24,334	601,327,944	60,043,777	101,635,396	9.99%	16.90%	26.89%
Total	1,498	347,256	\$8,347,520,656	\$797,684,190	\$844,645,817	9.56%	10.12%	19.67%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 20

Total Certified English Fiction in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	31	7,002	\$173,950,064	\$16,034,750	\$27,530,913	9.22%	15.83%	25.04%
1997-8	34	4,761	200,464,342	19,213,174	29,195,733	9.58%	14.56%	24.15%
1998-9	30	6,357	216,884,032	20,882,461	27,913,290	9.63%	12.87%	22.50%
1999-0	33	6,096	223,473,840	21,693,729	27,774,088	9.71%	12.43%	22.14%
2000-1	23	5,108	115,051,149	10,449,708	17,502,585	9.08%	15.21%	24.30%
2001-2	22	6,088	131,795,310	11,489,420	21,201,740	8.72%	16.09%	24.80%
2002-3	27	4,103	111,031,559	9,170,304	18,443,430	8.26%	16.61%	24.87%
2003-4	23	4,550	103,392,669	10,446,171	16,249,614	10.10%	15.72%	25.82%
2004-5	24	2,857	58,580,038	6,242,364	8,395,938	10.66%	14.33%	24.99%
2005-6	39	5,385	121,131,060	10,737,778	17,543,323	8.86%	14.48%	23.35%
2006-7	32	3,027	82,948,395	8,118,943	11,661,703	9.79%	14.06%	23.85%
Total	318	55,334	\$1,538,702,458	\$144,478,802	\$223,412,357	9.39%	14.52%	23.91%
Ave 98-00	32	5,738	\$213,607,405	\$20,596,455	\$28,294,370	9.64%	13.25%	22.89%
Ave 05-07	32	3,756	\$87,553,164	\$8,366,362	\$12,533,655	9.56%	14.32%	23.87%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 21

Total Certified French Fiction in Quebec

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	49	21,323	\$122,280,286	\$8,252,862	\$18,687,705	6.75%	15.28%	22.03%
1997-8	37	16,124	123,315,918	7,074,829	20,511,487	5.74%	16.63%	22.37%
1998-9	43	16,531	107,778,455	7,297,798	17,167,217	6.77%	15.93%	22.70%
1999-0	64	19,635	139,757,248	9,269,667	22,981,058	6.63%	16.44%	23.08%
2000-1	52	19,806	133,825,046	8,947,816	22,358,479	6.69%	16.71%	23.39%
2001-2	68	22,119	158,797,097	10,172,558	27,785,918	6.41%	17.50%	23.90%
2002-3	67	29,023	188,654,932	12,879,192	33,606,711	6.83%	17.81%	24.64%
2003-4	65	27,863	199,286,711	13,997,896	36,840,597	7.02%	18.49%	25.51%
2004-5	64	31,337	207,660,905	18,518,953	32,825,844	8.92%	15.81%	24.73%
2005-6	63	27,961	231,639,419	20,261,795	36,002,197	8.75%	15.54%	24.29%
2006-7	68	27,047	228,287,519	18,832,770	36,469,379	8.25%	15.98%	24.22%
Total	640	258,769	\$1,841,283,236	\$135,506,136	\$305,236,592	7.36%	16.58%	23.94%
Ave 98-00	48	17,430	\$123,617,107	\$7,880,765	\$20,219,921	6.38%	16.36%	22.73%
Ave 05-07	65	28,782	\$222,529,281	\$19,204,506	\$35,099,140	8.63%	15.77%	24.40%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 22

Total Certified English Fiction in Ontario

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	56	16,319	\$412,134,179	\$38,352,876	\$9,893,588	9.31%	2.40%	11.71%
1997-8	52	15,846	365,933,885	35,593,522	16,507,083	9.73%	4.51%	14.24%
1998-9	58	17,061	408,339,921	40,072,128	24,750,501	9.81%	6.06%	15.87%
1999-0	53	20,933	449,086,479	44,820,016	31,223,846	9.98%	6.95%	16.93%
2000-1	51	17,847	358,131,363	34,600,520	25,451,301	9.66%	7.11%	16.77%
2001-2	60	17,571	433,267,426	39,187,247	32,355,398	9.04%	7.47%	16.51%
2002-3	60	15,473	362,615,649	34,482,655	28,530,275	9.51%	7.87%	17.38%
2003-4	56	18,719	389,859,300	39,902,929	39,854,245	10.24%	10.22%	20.46%
2004-5	57	18,526	296,561,050	29,331,663	28,828,146	9.89%	9.72%	19.61%
2005-6	66	12,370	378,472,044	35,893,578	61,577,601	9.48%	16.27%	25.75%
2006-7	59	11,649	252,934,428	25,635,810	44,546,587	10.14%	17.61%	27.75%
Total	628	182,314	\$4,107,335,724	\$397,872,944	\$343,518,571	9.69%	8.36%	18.05%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 23

Total Certified English Fiction in British Columbia

Year	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
1996-7	15	3,177	\$75,132,547	\$7,175,744	\$51,184	9.55%	0.07%	9.62%
1997-8	16	3,298	74,726,641	6,898,542	299,469	9.23%	0.40%	9.63%
1998-9	20	7,104	213,994,090	22,083,614	18,713,342	10.32%	8.74%	19.06%
1999-0	33	9,798	251,726,539	24,725,728	24,500,330	9.82%	9.73%	19.56%
2000-1	26	7,832	248,841,799	25,158,125	19,129,323	10.11%	7.69%	17.80%
2001-2	18	5,048	149,402,527	14,699,555	10,147,749	9.84%	6.79%	16.63%
2002-3	33	6,547	175,607,494	16,279,687	15,329,325	9.27%	8.73%	18.00%
2003-4	27	6,071	134,794,816	14,487,855	14,803,345	10.75%	10.98%	21.73%
2004-5	41	7,316	154,456,594	16,725,396	19,425,801	10.83%	12.58%	23.41%
2005-6	50	7,524	201,223,573	19,602,004	33,380,988	9.74%	16.59%	26.33%
2006-7	46	5,831	151,899,932	15,945,387	25,598,809	10.50%	16.85%	27.35%
Total	325	69,546	\$1,831,806,552	\$183,781,637	\$181,379,665	10.03%	9.90%	19.93%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 24

Comparison of Percentage of Total Fiction Budgets in Selected Provinces

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	\$833,162,068	100%	\$75,132,547	9%	\$412,134,179	49%	\$173,950,064	21%	\$122,280,286	15%
1997-8	809,484,354	100%	74,726,641	9%	365,933,885	45%	200,464,342	25%	123,315,918	15%
1998-9	1,029,586,303	100%	213,994,090	21%	408,339,921	40%	216,884,032	21%	107,778,155	10%
1999-0	1,139,788,231	100%	251,726,539	22%	449,086,479	39%	223,473,840	20%	139,757,248	12%
2000-1	966,223,641	100%	248,841,799	26%	358,131,363	37%	115,051,149	12%	133,825,046	14%
2001-2	963,446,435	100%	149,402,527	16%	433,267,426	45%	131,795,310	14%	158,797,097	16%
2002-3	1,001,355,110	100%	175,607,494	18%	362,615,649	36%	111,031,559	11%	188,654,932	19%
2003-4	925,599,938	100%	134,794,816	15%	389,859,300	42%	103,392,669	11%	199,286,711	22%
2004-5	838,088,413	100%	154,456,594	18%	296,561,050	35%	58,580,038	7%	207,660,905	25%
2005-6	1,032,610,925	100%	201,223,573	19%	378,472,044	37%	121,131,060	12%	231,639,419	22%
2006-7	850,399,577	100%	151,899,932	18%	252,934,428	30%	82,948,395	10%	228,287,519	27%
Total	\$10,389,744,995	100%	\$1,831,806,552	18%	\$4,107,335,724	40%	\$1,538,702,458	15%	\$1,841,283,236	18%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.
Canada includes all productions including English-French and Other.

Table 25

Comparison of Provincial Tax Credits as Percentage of Fiction Budget

Year	Canada	BC Eng	Ont Eng	Que Eng	Que Fr
1996-7	7.06%	0.07%	2.40%	15.83%	15.28%
1997-8	8.62%	0.40%	4.51%	14.56%	16.63%
1998-9	9.31%	8.74%	6.06%	12.87%	15.93%
1999-0	9.93%	9.73%	6.95%	12.43%	16.44%
2000-1	10.12%	7.69%	7.11%	15.21%	16.71%
2001-2	10.29%	6.79%	7.47%	16.09%	17.50%
2002-3	11.14%	8.73%	7.87%	16.61%	17.81%
2003-4	12.88%	10.98%	10.22%	15.72%	18.49%
2004-5	12.63%	12.58%	9.72%	14.33%	15.81%
2005-6	16.25%	16.59%	16.27%	14.48%	15.54%
2006-7	16.72%	16.85%	17.61%	14.06%	15.98%
Ave. Total	11.36%	9.01%	8.74%	14.74%	16.56%
Av.2005-7	16.49%	16.72%	16.94%	14.27%	15.76%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change. Canada includes all productions including English-French and Other.

Table 26

Comparison of English and French Production Costs in Current and Constant Dollars

Year	Current Dollars		Constant Dollars	
	Canada Total	English	English	French
1996-7	\$1,260,872,501	\$980,288,579	\$971,640,974	\$272,576,117
1997-8	1,190,618,288	935,480,339	916,059,870	232,770,684
1998-9	1,728,947,599	1,416,803,893	1,357,742,111	277,596,797
1999-0	1,822,030,458	1,419,095,128	1,317,759,428	315,896,035
2000-1	1,725,826,651	1,257,483,702	1,160,468,533	305,018,285
2001-2	1,751,029,304	1,247,636,270	1,102,639,213	364,732,149
2002-3	1,807,830,017	1,312,869,670	1,142,221,742	371,930,898
2003-4	1,784,400,554	1,238,430,402	1,051,924,235	386,110,589
2004-5	1,708,115,441	1,101,398,802	917,297,245	386,543,637
2005-6	1,831,876,819	1,281,652,345	1,052,778,335	416,315,767
2006-7	1,685,231,549	1,165,114,148	933,959,237	402,853,848
Total	\$18,296,779,181	\$13,356,253,278	\$11,924,490,923	\$3,732,344,806

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Canada Total includes Other and English-French productions excluded from English and French tables.

Constant Dollar Tables eliminate the impact of inflation from 1996 base year forward using Bank of Canada consumer price index (CPI).

Table 27

Comparison of Production Costs for Selected Provinces in Constant Dollars

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	\$1,249,749,728	100%	\$127,282,555	10%	\$570,495,005	46%	\$198,979,397	16%	\$268,918,441	22%
1997-8	1,165,901,183	100%	94,203,485	8%	501,086,429	43%	235,389,436	20%	228,393,675	20%
1998-9	1,656,873,598	100%	305,082,081	18%	615,800,630	37%	291,694,048	18%	270,573,693	16%
1999-0	1,691,921,681	100%	283,459,902	17%	619,232,351	37%	283,988,115	17%	306,986,681	18%
2000-1	1,592,678,711	100%	276,114,086	17%	558,532,895	35%	169,611,047	11%	297,677,504	19%
2001-2	1,547,529,213	100%	182,305,289	12%	613,176,528	40%	186,306,080	12%	350,456,303	23%
2002-3	1,572,846,717	100%	194,091,930	12%	590,613,654	38%	164,644,177	10%	356,862,755	23%
2003-4	1,515,671,922	100%	159,960,706	11%	622,636,895	41%	149,754,300	10%	367,811,659	24%
2004-5	1,422,599,684	100%	186,680,112	13%	541,639,882	38%	126,510,173	9%	369,339,969	26%
2005-6	1,504,745,210	100%	195,352,029	13%	582,156,362	39%	151,382,184	10%	400,398,489	27%
2006-7	1,350,887,013	100%	186,168,354	14%	433,594,311	32%	150,620,593	11%	386,895,696	29%
Total	\$16,271,404,660	100%	\$2,190,700,529	13%	\$6,248,964,942	38%	\$2,108,879,550	13%	\$3,604,314,865	22%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Canada Total includes Other and English-French productions excluded from English and French tables.

Constant Dollar Tables eliminate the impact of inflation from 1996 base year forward using Bank of Canada consumer price index (CPI).

Table 28

Comparison of Fiction in Selected Provinces in Constant Dollars

Year	Canada	%	BC Eng	%	Ont Eng	%	Que Eng	%	Que Fr	%
1996-7	\$825,812,338	100%	\$74,469,766	9%	\$408,498,542	49%	\$172,415,565	21%	\$121,201,592	15%
1997-8	792,679,548	100%	73,175,324	9%	358,337,138	45%	196,302,724	25%	120,755,893	15%
1998-9	986,666,318	100%	205,073,397	21%	391,317,605	40%	207,842,867	21%	103,285,247	10%
1999-0	1,058,397,466	100%	233,751,081	22%	417,017,809	39%	207,515,870	20%	129,777,368	12%
2000-1	891,679,255	100%	229,643,594	26%	330,501,442	37%	106,174,925	12%	123,500,412	14%
2001-2	851,477,185	100%	132,039,352	16%	382,914,208	45%	116,478,400	14%	140,342,110	16%
2002-3	871,198,112	100%	152,781,881	18%	315,482,555	36%	96,599,582	11%	164,133,402	19%
2003-4	786,205,672	100%	114,494,875	15%	331,146,946	42%	87,821,854	11%	169,274,366	22%
2004-5	697,999,844	100%	128,638,789	18%	246,990,131	35%	48,788,239	7%	172,949,867	25%
2005-6	848,210,058	100%	165,289,611	19%	310,885,530	37%	99,499,803	12%	190,273,878	22%
2006-7	681,683,028	100%	121,763,473	18%	202,753,048	30%	66,491,699	10%	182,996,007	27%
Total	\$9,292,008,824	100%	\$1,631,121,143	17%	\$3,695,844,954	39%	\$1,405,931,528	15%	\$1,618,490,142	18%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Canada Total includes Other and English-French productions excluded from English and French tables.

Constant Dollar Tables eliminate the impact of inflation from 1996 base year forward using Bank of Canada consumer price index (CPI).

Table 29

Comparison of English Production by Genre from 2004-5 to 2006-7

	2004-5			2005-6			2006-7		
	Projects	Can Cost	%	Projects	Can Cost	%	Projects	Can Cost	%
Can Eng	658	\$1,101,398,802	100%	639	\$1,281,652,345	100%	496	\$1,165,114,148	100%
Que Eng	97	\$151,900,765	14%	99	\$184,292,671	14%	88	\$187,899,190	16%
FICTION									
Total Can	145	\$592,973,892	54%	170	\$776,968,471	61%	157	\$601,327,944	52%
BC	41	\$154,456,594	14%	50	\$201,223,573	16%	46	\$151,899,932	13%
Ontario	57	\$296,561,050	27%	66	\$378,472,044	30%	59	\$252,934,428	22%
Quebec	24	\$58,580,038	5%	39	\$121,131,060	9%	32	\$82,948,395	7%
Other	23	\$83,376,210	8%	15	\$76,141,794	6%	20	\$113,545,189	10%
ANIMATION									
Total Can	28	\$79,446,290	7%	40	\$135,938,960	11%	32	\$167,432,660	14%
BC	4	\$13,395,248	1%	6	\$13,022,164	1%	4	\$29,922,215	3%
Ontario	11	\$17,291,023	2%	24	\$89,629,714	7%	20	\$102,896,656	9%
Quebec	10	\$31,951,291	3%	7	\$21,091,046	2%	6	\$24,268,643	2%
Other	3	\$16,808,728	2%	3	\$12,196,036	1%	2	\$10,346,146	1%
CHILDREN									
Total Can	16	\$49,546,899	4%	24	\$65,096,714	5%	19	\$62,155,832	5%
BC	4	\$10,816,348	1%	2	\$3,594,142	0%	2	\$6,901,916	1%
Ontario	10	\$35,411,739	3%	15	\$54,367,931	4%	12	\$38,672,943	3%
Quebec	1	\$1,992,448	0%	2	\$4,020,037	0%	1	\$2,463,289	0%
Other	1	\$1,326,364	0%	5	\$3,114,604	0%	4	\$14,117,684	1%
DOC									
Total Can	340	\$229,096,049	21%	302	\$200,271,344	16%	212	\$226,443,781	19%
BC	47	\$34,373,962	3%	37	\$14,639,948	1%	37	\$29,560,965	3%
Ontario	161	\$112,567,957	10%	144	\$113,634,979	9%	92	\$103,614,418	9%
Quebec	36	\$36,854,944	3%	32	\$33,150,925	3%	27	\$59,929,453	5%
Other	96	\$45,299,186	4%	89	\$38,845,492	3%	56	\$33,338,949	3%
VARIETY									
Total Can	15	\$26,431,253	2%	15	\$16,005,085	1%	12	\$16,592,013	1%
BC	1	\$286,353	0%	1	\$2,765,755	0%	0	\$0	0%
Ontario	7	\$15,076,725	1%	7	\$11,247,416	1%	6	\$10,354,092	1%
Quebec	4	\$3,056,783	0%	4	\$1,082,565	0%	4	\$3,612,922	0%
Other	3	\$8,011,392	1%	3	\$909,349	0%	2	\$2,624,999	0%
ARTS/MUSIC									
Total Can	18	\$10,100,960	1%	20	\$13,816,310	1%	10	\$8,912,251	1%
BC	3	\$2,767,583	0%	3	\$421,988	0%	0	\$0	0%
Ontario	10	\$5,843,746	1%	4	\$5,166,759	0%	2	\$836,250	0%
Quebec	2	\$424,628	0%	5	\$2,678,683	0%	2	\$853,301	0%
Other	3	\$1,065,003	0%	8	\$5,548,880	0%	6	\$7,222,700	1%
EDUC/INSTR									
Total Canada	25	\$21,848,767	2%	17	\$16,082,747	1%	13	\$22,186,073	2%
BC	5	\$3,445,408	0%	1	\$478,318	0%	0	\$0	0%
Ontario	8	\$10,233,466	1%	13	\$14,112,573	1%	7	\$9,230,973	1%
Quebec	1	\$1,293,080	0%	0	\$0	0%	1	\$9,989,472	1%
Other	11	\$6,876,813	1%	3	\$1,491,856	0%	5	\$2,965,628	0%
MAGAZINE									
Total Can	44	\$32,401,464	3%	23	\$19,592,983	2%	17	\$9,255,897	1%
BC	4	\$3,518,503	0%	0	\$0	0%	2	\$3,465,182	0%
Ontario	19	\$20,801,336	2%	12	\$17,858,155	1%	1	\$2,470,000	0%
Quebec	16	\$4,635,506	0%	10	\$1,138,355	0%	14	\$3,320,715	0%
Other	5	\$3,446,119	0%	1	\$596,473	0%	0	\$0	0%
OTHER									
Total Can	27	\$59,553,222	5%	29	\$38,049,731	3%	24	\$50,807,697	4%
BC	1	\$1,086,811	0%	4	\$1,845,672	0%	5	\$10,494,812	1%
Ontario	18	\$38,873,397	4%	18	\$24,227,584	2%	12	\$19,899,143	2%
Quebec	3	\$13,112,047	1%	0	\$0	0%	1	\$514,000	0%
Other	5	\$6,480,967	1%	7	\$11,976,475	1%	6	\$19,899,742	2%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 30

Comparison of French Production by Genre from 2004-5 to 2006-7

	2004-5			2005-6			2006-7		
	Projects	Can Cost	%	Projects	Can Cost	%	Projects	Can Cost	%
Can French	426	\$464,122,945	100%	428	\$506,822,815	100%	370	\$502,560,175	100%
Que French	392	443,466,501	96%	396	487,445,121	96%	339	482,652,381	96%
FICTION									
Total Can	65	209,763,121	45%	69	237,164,475	47%	72	232,935,246	46%
Quebec	64	207,660,905	45%	63	231,639,419	46%	68	228,287,519	45%
Other	1	2,102,216	0%	6	5,525,056	1%	4	4,647,727	1%
ANIMATION									
Total	5	6,720,173	2%	10	12,195,329	2%	9	18,612,909	4%
Quebec	4	6,562,173	1%	10	12,195,329	2%	8	18,418,909	4%
Other	1	158,000	0%	0	0	0%	1	194,000	0%
CHILDREN									
Total	15	20,916,290	5%	18	29,369,851	6%	16	32,666,822	7%
Quebec	13	18,685,915	4%	16	26,830,641	5%	14	30,506,822	6%
Other	2	2,230,375	0%	2	2,539,210	1%	2	2,160,000	0%
DOC									
Total	163	75,259,699	16%	165	86,320,764	17%	125	60,947,131	12%
Quebec	137	61,870,846	13%	146	77,678,764	15%	109	51,678,535	10%
Other	26	13,388,853	3%	19	8,642,000	2%	16	9,268,596	2%
VARIETY									
Total	55	55,896,202	12%	36	45,010,224	9%	59	64,573,417	13%
Quebec	53	54,270,202	12%	36	45,010,224	9%	58	63,219,917	13%
Other	2	1,626,000	0%	0	0	0%	1	1,353,500	0%
ARTS/MUSIC									
Total	7	4,894,735	1%	5	973,832	0%	8	2,736,944	1%
Quebec	7	4,894,735	2%	4	803,880	0%	6	2,426,261	0%
Other	0	0	0%	1	169,952	0%	2	310,683	0%
EDUC/INSTR									
Total	0	0	0%	0	0	0%	2	361,965	0%
Quebec	0	0	0%	0	0	0%	1	324,778	0%
Other	0	0	0%	0	0	0%	1	37,187	0%
MAGAZINE									
Total	109	83,780,689	18%	104	92,384,047	18%	74	79,874,083	16%
Quebec	108	83,118,456	18%	103	91,732,227	18%	71	78,414,583	16%
Other	1	662,233	0%	1	651,820	0%	3	1,459,500	0%
OTHER									
Total	7	6,892,036	1%	5	1,907,137	0%	5	9,851,658	2%
Quebec	6	6,403,269	1%	4	1,554,637	0%	4	9,375,057	2%
Other	1	488,767	0%	1	352,500	0%	1	476,601	0%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 31

Canadian Fiction Market English 2004-5

Television	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
Canada	109	28,493	\$484,730,912	\$50,369,345	\$56,144,773	10.39%	11.58%	21.97%
BC	27	6,014	132,775,988	14,777,176	17,042,542	11.13%	12.84%	23.96%
Ontario	45	17,382	231,110,183	23,633,358	23,811,532	10.23%	10.30%	20.53%
Quebec	18	2,227	45,412,237	5,095,590	6,402,840	11.22%	14.10%	25.32%
Theatrical								
Canada	36	3,470	108,182,980	9,320,382	10,382,784	8.62%	9.60%	18.21%
BC	14	1,302	21,680,606	1,948,220	2,383,259	8.99%	10.99%	19.98%
Ontario	12	1,144	65,450,867	5,698,305	5,016,614	8.71%	7.66%	16.37%
Quebec	6	630	13,167,801	1,146,774	1,993,098	8.71%	15.14%	23.85%
Total								
Canada	145	31,963	592,973,892	59,689,728	66,527,557	10.07%	11.22%	21.29%
BC	41	7,316	154,456,594	16,725,396	19,425,801	10.83%	12.58%	23.41%
Ontario	57	18,526	296,561,050	29,331,663	28,828,146	9.89%	9.72%	19.61%
Quebec	24	2,857	58,580,038	6,242,364	8,395,938	10.66%	14.33%	24.99%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 32

Canadian Fiction Market English 2005-6

Television	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
Canada	120	24,160	\$545,108,519	\$53,698,926	\$92,385,339	9.85%	16.95%	26.80%
BC	35	6,173	143,441,403	14,411,152	24,674,286	10.05%	17.20%	27.25%
Ontario	41	9,945	234,440,099	23,047,866	40,469,526	9.83%	17.26%	27.09%
Quebec	31	4,588	94,158,234	9,339,892	13,510,461	9.92%	14.35%	24.27%
Theatrical								
Canada	50	4,764	231,859,952	19,774,346	34,371,778	8.53%	14.82%	23.35%
BC	15	1,351	57,782,170	5,190,852	8,706,702	8.98%	15.07%	24.05%
Ontario	25	2,425	144,031,945	12,845,713	21,108,075	8.92%	14.66%	23.57%
Quebec	8	797	26,972,826	1,397,885	4,032,862	5.18%	14.95%	20.13%
Total								
Canada	170	28,924	776,968,471	73,473,272	126,757,117	9.46%	16.31%	25.77%
BC	50	7,524	201,223,573	19,602,004	33,380,988	9.74%	16.59%	26.33%
Ontario	66	12,370	378,472,044	35,893,578	61,577,601	9.48%	16.27%	25.75%
Quebec	39	5,385	121,131,060	10,737,778	17,543,323	8.86%	14.48%	23.35%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 33

Canadian Fiction market English 2006-7

Television	Prod	Minutes	Can. Cost	Fed. Tax Cred.	Prov. Tax Cred.	Fed. %	Prov. %	Total %
Canada	119	20,729	\$476,859,396	\$50,269,247	\$81,061,014	10.54%	17.00%	27.54%
BC	44	5,665	147,077,390	15,634,515	25,173,087	10.63%	17.12%	27.75%
Ontario	39	9,688	191,592,484	19,902,639	33,357,853	10.39%	17.41%	27.80%
Quebec	24	2,383	63,949,113	7,295,175	9,092,864	11.41%	14.22%	25.63%
Theatrical								
Canada	38	3,605	124,468,548	9,774,530	20,574,384	7.85%	16.53%	24.38%
BC	2	166	4,822,542	310,872	425,722	6.45%	8.83%	15.27%
Ontario	20	1,961	61,341,944	5,733,171	11,188,734	9.35%	18.24%	27.59%
Quebec	8	644	18,999,272	823,768	2,568,839	4.34%	13.52%	17.86%
Total								
Canada	157	24,334	601,327,944	60,043,777	101,635,398	9.99%	16.90%	26.89%
BC	46	5,831	151,899,932	15,945,387	25,598,809	10.50%	16.85%	27.35%
Ontario	59	11,649	252,934,428	25,635,810	44,546,587	10.14%	17.61%	27.75%
Quebec	32	3,027	82,948,395	8,118,943	11,661,703	9.79%	14.06%	23.85%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 34

Comparison of English Fiction Markets from 2004-5 to 2006-7

Year	2004-5 Projects	Can Cost	%	2005-6 Projects	Can cost	%	2006-7 Projects	Can Cost	%
Television									
Canada	109	\$484,730,912	82%	120	\$545,108,519	70%	119	\$476,859,396	79%
BC	27	132,775,988	22%	35	143,441,403	18%	44	147,077,390	24%
Ontario	45	231,110,183	39%	41	234,440,099	30%	39	191,592,484	32%
Quebec	18	45,412,237	8%	31	94,158,234	12%	24	63,949,113	11%
Theatrical									
Canada	36	108,182,980	18%	50	231,859,952	30%	38	124,468,548	21%
BC	14	21,680,606	4%	15	57,782,170	7%	2	4,822,542	1%
Ontario	12	65,450,867	11%	25	144,031,945	19%	20	61,341,944	10%
Quebec	6	13,167,801	2%	8	26,972,826	4%	8	18,999,272	3%
Total									
Canada	145	592,973,892	100%	170	776,968,471	100%	157	601,327,944	100%
BC	41	154,456,594	26%	50	201,223,573	26%	46	151,899,932	25%
Ontario	57	296,561,050	50%	66	378,472,044	49%	59	252,934,428	42%
Quebec	24	58,580,038	10%	39	121,131,060	16%	32	82,948,395	14%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 35

Canadian Certified English Fiction Markets 2004-5

	Projects	Minutes	Can Cost	Fed Tax Cred	Prov Tax Cred	Fed %	Prov %	Total %
TV-Total								
Canada	109	28,493	\$484,730,912	\$50,369,345	\$56,144,773	10.39%	11.58%	21.97%
BC	27	6,014	\$132,775,988	\$14,777,176	\$17,042,542	11.13%	12.84%	23.96%
Ont	45	17,382	\$231,110,183	\$23,633,358	\$23,811,532	10.23%	10.30%	20.53%
Que	18	2,227	\$45,412,237	\$5,095,590	\$6,402,840	11.22%	14.10%	25.32%
TV- Series								
Canada	36	18,307	\$306,968,789	\$32,893,362	\$33,216,748	10.72%	10.82%	21.54%
BC	8	4,393	\$100,576,437	\$11,294,237	\$11,940,060	11.23%	11.87%	23.10%
Ont	20	11,634	\$178,086,315	\$18,363,799	\$16,896,719	10.31%	9.49%	19.80%
Que	4	972	\$12,731,378	\$1,421,317	\$1,827,927	11.16%	14.36%	25.52%
TV-Mini-Series								
Canada	5	940	\$24,683,590	\$1,808,503	\$3,836,475	7.33%	15.54%	22.87%
BC	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Ont	1	60	\$848,592	\$104,313	\$104,171	12.29%	12.28%	24.57%
Que	1	192	\$168,608	\$21,603	\$24,589	12.81%	14.58%	27.40%
TV- MOW/MFT								
Canada	42	3,844	\$124,543,080	\$12,536,185	\$15,337,938	10.07%	12.32%	22.38%
BC	14	1,298	\$28,705,308	\$3,066,369	\$4,583,038	10.68%	15.97%	26.65%
Ont	10	873	\$32,314,335	\$2,940,728	\$4,220,937	9.10%	13.06%	22.16%
Que	10	946	\$28,172,642	\$3,260,613	\$4,009,082	11.57%	14.23%	25.80%
TV-Feature								
Canada	3	278	\$6,930,501	\$727,351	\$962,819	10.49%	13.89%	24.39%
BC	2	186	\$2,945,672	\$361,089	\$453,232	12.26%	15.39%	27.64%
Ont	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Que	1	92	\$3,984,829	\$366,261	\$509,587	9.19%	12.79%	21.98%
TV-Short								
Canada	17	4,905	\$18,157,688	\$2,039,101	\$2,242,500	11.23%	12.35%	23.58%
BC	3	137	\$548,571	\$55,481	\$66,212	10.11%	12.07%	22.18%
Ont	9	4,626	\$16,590,953	\$1,895,802	\$2,067,830	11.43%	12.46%	23.89%
Que	2	25	\$354,780	\$25,796	\$31,655	7.27%	8.92%	16.19%
TV-Pilot								
Canada	6	219	\$3,537,264	\$364,844	\$548,293	10.31%	15.50%	25.81%
BC	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Ont	5	189	\$3,269,988	\$328,715	\$521,875	10.05%	15.96%	26.01%
Que	0	0	\$0	\$0	\$0	0.00%	0.00%	0.00%
Theatrical- Feature								
Canada	36	3,470	\$108,182,980	\$9,320,382	\$10,382,784	8.62%	9.60%	18.21%
BC	14	1,302	\$21,680,606	\$1,948,220	\$2,383,259	8.99%	10.99%	19.98%
Ont	12	1,144	\$65,450,861	\$5,698,305	\$5,016,614	8.71%	7.66%	16.37%
Que	6	630	\$13,167,801	\$1,146,771	\$1,993,098	8.71%	15.14%	23.85%
Theatrical- Other								
Canada	0	0	0	0	0	0.00%	0.00%	0.00%
BC	0	0	0	0	0	0.00%	0.00%	0.00%
Ont	0	0	0	0	0	0.00%	0.00%	0.00%
Que	0	0	0	0	0	0.00%	0.00%	0.00%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 36

Canadian Certified English Fiction Markets 2005-6

	Projects	Minutes	Can Cost	Fed Tax Cred	Prov Tax Cred	Fed %	Prov %	Total %
TV-Total								
Canada	120	24,160	\$545,108,519	\$53,698,926	\$92,385,339	9.85%	16.95%	26.80%
BC	35	6,173	143,441,403	14,411,152	24,674,286	10.05%	17.20%	27.25%
Ont	41	9,945	234,440,099	23,047,866	40,469,526	9.83%	17.26%	27.09%
Que	31	4,588	94,158,234	9,339,892	13,510,461	9.92%	14.35%	24.27%
TV- Series								
Canada	39	15,812	303,664,180	29,950,345	52,460,871	9.86%	17.28%	27.14%
BC	6	3,437	77,924,006	7,733,194	13,262,865	9.92%	17.02%	26.94%
Ont	19	7,644	154,523,417	15,338,730	26,740,864	9.93%	17.31%	27.23%
Que	7	2,228	24,712,078	2,237,703	3,681,459	9.06%	14.90%	23.95%
TV-Mini-Series								
Canada	7	1,566	38,449,684	3,022,158	6,860,168	7.86%	17.84%	25.70%
BC	1	240	7,400,000	482,438	1,381,855	6.52%	18.67%	25.19%
Ont	1	66	249,465	19,821	75,765	7.95%	30.37%	38.32%
Que	3	540	10,269,291	904,531	1,420,630	8.81%	13.83%	22.64%
TV- MOW/MFT								
Canada	54	5,140	153,111,424	16,381,033	24,622,582	10.70%	16.08%	26.78%
BC	25	2,359	54,608,438	5,937,119	9,620,286	10.87%	17.62%	28.49%
Ont	10	1,005	37,160,433	3,797,714	6,191,628	10.22%	16.66%	26.88%
Que	17	1,596	56,579,409	6,100,397	8,009,853	10.78%	14.16%	24.94%
TV-Feature								
Canada	9	940	38,246,974	3,134,617	6,116,907	8.20%	15.99%	24.19%
BC	1	92	1,822,278	99,006	158,424	5.43%	8.69%	14.13%
Ont	6	645	34,175,116	2,952,257	5,603,093	8.64%	16.40%	25.03%
Que	2	203	2,249,580	83,354	355,390	3.71%	15.80%	19.50%
TV-Short								
Canada	5	516	7,764,472	844,021	1,731,887	10.87%	22.31%	33.18%
BC	0	0	0	0	0	0.00%	0.00%	0.00%
Ont	3	495	7,416,596	830,113	1,688,758	11.19%	22.77%	33.96%
Que	2	21	347,876	13,908	43,129	4.00%	12.40%	16.40%
TV-Pilot								
Canada	6	179	3,871,785	366,752	592,924	9.47%	15.31%	24.79%
BC	2	45	1,686,681	159,395	250,856	9.45%	14.87%	24.32%
Ont	2	90	915,072	109,231	169,418	11.94%	18.51%	30.45%
Que	0	0	0	0	0	0.00%	0.00%	0.00%
Theatrical- Feature								
Canada	47	4,556	226,299,055	19,103,681	33,349,077	8.44%	14.74%	23.18%
BC	13	1,233	54,784,524	4,834,785	8,100,468	8.83%	14.79%	23.61%
Ont	24	2,335	141,468,694	12,531,114	20,691,608	8.86%	14.63%	23.48%
Que	8	797	26,972,826	1,397,885	4,032,862	5.18%	14.95%	20.13%
Theatrical- Other								
Canada	3	208	5,560,897	670,665	1,022,701	12.06%	18.39%	30.45%
BC	2	118	2,997,646	356,067	606,234	11.88%	20.22%	32.10%
Ont	1	90	2,563,251	314,599	416,467	12.27%	16.25%	28.52%
Que	0	0	0	0	0	0.00%	0.00%	0.00%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 37

Canadian Certified English Fiction Markets 2006-7

	Projects	Minutes	Can Cost	Fed Tax Cred	Prov Tax Cred	Fed %	Prov %	Total %
TV-Total								
Canada	119	20,729	\$476,859,396	\$50,269,247	\$81,061,014	10.54%	17.00%	27.54%
BC	44	5,665	147,077,390	15,634,515	25,173,087	10.63%	17.12%	27.75%
Ont	39	9,688	191,592,484	19,902,639	33,357,853	10.39%	17.41%	27.80%
Que	24	2,383	63,949,113	7,295,175	9,092,864	11.41%	14.22%	25.63%
TV-Series								
Canada	28	11,034	208,024,338	22,705,365	36,802,686	10.91%	17.69%	28.61%
BC	4	2,010	44,860,309	4,722,047	7,166,145	10.53%	15.97%	26.50%
Ont	18	6,686	118,497,299	13,182,842	20,817,127	11.13%	17.57%	28.69%
Que	0	0	0	0	0	0.00%	0.00%	0.00%
TV-Mini-Series								
Canada	7	1,500	59,786,495	5,735,243	9,154,073	9.59%	15.31%	24.90%
BC	0	0	0	0	0	0.00%	0.00%	0.00%
Ont	2	480	17,167,317	1,598,042	2,693,701	9.31%	15.69%	25.00%
Que	3	600	21,076,178	2,260,499	2,853,594	10.73%	13.54%	24.26%
TV-MOW/MFT								
Canada	65	6,144	168,389,144	18,580,013	27,959,237	11.03%	16.60%	27.64%
BC	37	3,464	95,383,586	10,330,283	16,867,847	10.83%	17.68%	28.51%
Ont	8	808	26,110,210	2,861,442	4,296,502	10.96%	16.46%	27.41%
Que	18	1,690	40,267,432	4,755,934	6,052,128	11.81%	15.03%	26.84%
TV-Feature								
Canada	3	300	11,645,395	528,553	2,318,951	4.54%	19.91%	24.45%
BC	1	100	2,930,000	90,795	562,313	3.10%	19.19%	22.29%
Ont	2	200	8,715,395	437,758	1,756,638	5.02%	20.16%	25.18%
Que	0	0	0	0	0	0.00%	0.00%	0.00%
TV-Short								
Canada	4	1,232	12,593,190	901,153	2,399,804	7.16%	19.06%	26.21%
BC	0	0	0	0	0	0.00%	0.00%	0.00%
Ont	3	1,228	12,558,701	899,394	2,395,241	7.16%	19.07%	26.23%
Que	1	3	34,489	1,759	4,563	5.10%	13.23%	18.33%
TV-Pilot								
Canada	12	519	16,420,834	1,818,921	2,426,263	11.08%	14.78%	25.85%
BC	2	91	3,903,495	491,391	576,782	12.59%	14.78%	27.36%
Ont	6	286	8,543,562	923,160	1,398,644	10.81%	16.37%	27.18%
Que	2	90	2,571,024	276,984	182,579	10.77%	7.10%	17.87%
Theatrical- Feature								
Canada	34	3,403	119,517,635	9,235,557	19,621,450	7.73%	16.42%	24.14%
BC	2	166	4,822,542	310,872	425,722	6.45%	8.83%	15.27%
Ont	18	1,785	56,708,517	5,204,963	10,274,142	9.18%	18.12%	27.30%
Que	6	618	18,681,786	813,003	1,530,497	4.35%	8.19%	12.54%
Theatrical- Other								
Canada	4	202	4,950,913	538,973	952,934	10.89%	19.25%	30.13%
BC	0	0	0	0	0	0.00%	0.00%	0.00%
Ont	2	176	4,633,427	528,208	914,592	11.40%	19.74%	31.14%
Que	2	26	317,486	10,765	38,342	3.39%	12.08%	15.47%

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years subject to change.

Table 38

Comparison of Certified Canadian English Fiction Markets 2004-5 to 2006-7

	2004-5		2005-6		2006-7	
TV-Total						
Canada	109	\$484,730,912	120	\$545,108,519	119	\$476,859,396
BC	27	\$132,775,988	35	\$143,441,403	44	\$147,077,390
Ont	45	\$231,110,183	41	\$234,440,099	39	\$191,592,484
Que	18	\$45,412,237	31	\$94,158,234	24	\$63,949,113
TV- Series						
Canada	36	\$306,968,789	39	\$303,664,180	28	\$208,024,338
BC	8	\$100,576,437	6	\$77,924,006	4	\$44,860,309
Ont	20	\$178,086,315	19	\$154,523,417	18	\$118,497,299
Que	4	\$12,731,378	7	\$24,712,078	0	\$0
TV-Mini-Series						
Canada	5	\$24,683,590	7	\$38,449,684	7	\$59,786,495
BC	0	\$0	1	\$7,400,000	0	\$0
Ont	1	\$848,592	1	\$249,465	2	\$17,167,317
Que	1	\$168,608	3	\$10,269,291	3	\$21,076,178
TV- MOW/MFT						
Canada	42	\$124,543,080	54	\$153,111,424	65	\$168,389,144
BC	14	\$28,705,308	25	\$54,608,438	37	\$95,383,586
Ont	10	\$32,314,335	10	\$37,160,433	8	\$26,110,210
Que	10	\$28,172,642	17	\$56,579,409	18	\$40,267,432
TV-Feature						
Canada	3	\$6,930,501	9	\$38,246,974	3	\$11,645,395
BC	2	\$2,945,672	1	\$1,822,278	1	\$2,930,000
Ont	0	\$0	6	\$34,175,116	2	\$8,715,395
Que	1	\$3,984,829	2	\$2,249,580	0	\$0
TV-Short						
Canada	17	\$18,157,688	5	\$7,764,472	4	\$12,593,190
BC	3	\$548,571	0	\$0	0	\$0
Ont	9	\$16,590,953	3	\$7,416,596	3	\$12,558,701
Que	2	\$354,780	2	\$347,876	1	\$34,489
TV-Pilot						
Canada	6	\$3,537,264	6	\$3,871,785	12	\$16,420,834
BC	0	\$0	2	\$1,686,681	2	\$3,903,495
Ont	5	\$3,269,988	2	\$915,072	6	\$8,543,562
Que	0	\$0	0	\$0	2	\$2,571,024
Theatrical- Feature						
Canada	36	\$108,182,980	47	\$226,299,055	34	\$119,517,635
BC	14	\$21,680,606	13	\$54,784,524	2	\$4,822,542
Ont	12	\$65,450,861	24	\$141,468,694	18	\$56,708,517
Que	6	\$13,167,801	8	\$26,972,826	6	\$18,681,786
Theatrical-Other						
Canada	0	\$0	3	\$5,560,897	4	\$4,950,913
BC	0	\$0	2	\$2,997,646	0	\$0
Ont	0	\$0	1	\$2,563,251	2	\$4,633,427
Que	0	\$0	0	\$0	2	\$317,486

Source: CAVCO, November 2007

Note: Only finally certified CPTC projects are counted. Data for 2006-7 is incomplete and earlier years are subject to change.

Table 39

**Comparison of Total Production and Total Fiction Budgets for
One Peak Year and One Recent Year for Selected Provinces**
(\$'000)

Years/Prov.	Production	Fiction	% Total	% Fiction
Canada				
1999-0	\$1,822,030	\$1,139,788	100%	100%
2005-6	\$1,831,877	\$1,032,611	100%	100%
% difference	0%	-9%		
Canada-Eng.				
1999-0	\$1,419,095	\$984,700	78%	86%
2005-6	\$1,281,652	\$776,968	70%	75%
% difference	-10%	-21%		
B.C.-Eng.				
1999-0	\$305,258	\$251,727	17%	22%
2005-6	\$237,822	\$201,224	13%	20%
% difference	-22%	-20%		
Ontario-Eng.				
1999-0	\$666,851	\$449,086	37%	39%
2005-6	\$708,717	\$378,472	39%	37%
% difference	6%	-16%		
Quebec-Eng.				
1999-0	\$305,827	\$223,474	17%	20%
2005-6	\$184,293	\$121,131	10%	12%
% difference	-40%	-46%		
Quebec-Fr.				
1999-0	\$330,594	\$139,757	18%	12%
2005-6	\$487,445	\$231,639	27%	22%
% difference	47%	66%		

Source: CAVCO, November 2007

Note: 1999-2000 is peak year for English-language production by budget.
2005-6 is the peak year for French-language production by budget,
so comparison to 1999-0 is arbitrary for French productions.
Comparing any one year to another can be anomalous, but these
figures are certainly indicative of production budget trends.
Percentages for 1999-0 compare to Canada 1999-0, and for 2005-6 compare to Canada 2005-6.
2005-6 is the most recent year with relatively complete data.

Table 40

English Production Shares of CTF Funding in the Five Regions

Regions	2002-3	2003-4	2004-5	2005-6	2006-7	5 year average	2007-8	Change from Avg.	Dollars below Avg.*
NWT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Yukon	0.0%	0.0%	0.0%	0.0%	0.3%	0.1%	0.0%	-100.0%	
BC	22.7%	21.4%	20.6%	24.2%	22.4%	22.3%	21.0%	-6.1%	
Alberta	8.7%	5.5%	2.4%	4.3%	4.7%	5.1%	7.3%	42.4%	
Manitoba	3.9%	3.5%	3.8%	4.4%	4.5%	4.0%	2.2%	-45.5%	
Saskatchewan	2.5%	2.1%	4.0%	2.0%	3.7%	2.9%	4.5%	56.8%	
Prairies	15.1%	11.1%	10.2%	10.7%	12.9%	12.0%	14.0%	16.4%	
New Brunswick	0.4%	0.6%	0.2%	0.0%	1.1%	40.0%	0.2%	-45.8%	
Newfoundland	0.1%	0.4%	3.1%	2.7%	0.0%	1.3%	0.1%	-92.5%	
Nova Scotia	10.9%	8.6%	6.0%	5.1%	5.5%	7.2%	4.0%	-44.0%	
PEI	0.5%	0.3%	0.1%	0.0%	0.0%	20.0%	0.3%	47.0%	
Atlantic	11.9%	10.0%	9.4%	7.9%	6.6%	9.1%	4.7%	-49.0%	\$7,754,207
Ontario regions	5.1%	3.7%	1.2%	1.8%	0.9%	2.5%	2.0%	-22.9%	
Toronto	35.7%	42.3%	46.2%	40.5%	47.1%	42.4%	50.5%	19.1%	
Nunavut	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Ontario	40.8%	46.0%	47.4%	42.4%	48.0%	44.9%	52.4%	16.7%	
Quebec regions	0.1%	0.0%	0.0%	0.3%	0.1%	0.1%	0.1%	9.0%	
Montreal	9.4%	11.4%	12.5%	14.5%	9.7%	11.5%	7.9%	-31.7%	
Quebec	9.5%	11.4%	12.5%	14.8%	9.8%	11.6%	8.0%	-31.3%	\$6,304,834
Canada	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: CTF, updated March 14, 2008

*Note: Based on estimated value of a percentage point: in the 2008-9 budget, English production received \$173 million and 1% of that equals \$1.73 million. The required amount of bonus to reach average is based on the difference in share points between the 5-year average and the 07-08 share, shown as a share of \$173 million.

Table 41**Total Budgets for CTF-funded English Productions in Quebec and Atlantic Regions
(\$000,000)**

Regions	2002-3	2003-4	2004-5	2005-6	2006-7	5-year Average	2007-8	Percentage Decline
	Atlantic	\$48.0	\$42.2	\$48.0	\$44.5	\$42.1	\$45.0	\$31.1
Quebec	\$57.1	\$64.5	\$52.5	\$84.3	\$58.8	\$63.4	\$42.4	-33%

Source: CTF Annual Report data, Telefilm database for 2007-8

Note: Total Canadian budgets of CTF-funded productions, excluding feature films. The region of projects is determined by the location of the majority owner-applicant (in the case of inter-provincial co-productions) and the location of principal photography.

Percentage is 2007-08 decline from average for previous five years.

APPENDIX B: INTERVIEWEES

PERSONS INTERVIEWED OR CONSULTED FOR THIS STUDY

Anonymous	Producer
Tom Berry	Producer
Stéphane Cardin	Canadian Television Fund
Don Carmody	Producer
Jocelyn Deschenes	Producer
Hans Fraikin	Quebec Film and Television Council
Arnie Gelbart	Producer
Stephen Greenberg	Producer
Andrea Kenyon	Casting Director
Nick Ketchum	CRTC
Elaine Morrisette	Banque Nationale
Jean-Philippe Normandeau	SODEC
Michel Pradier	Telefilm
David Patterson	Line Producer
Michael Prupas	Producer
Robert Soucy	CAVCO

APPENDIX C: PROVINCIAL TAX CREDIT RATES

	Rate	Bonus	Grinds	Caps	Website
Alberta	A grant to reimburse 14-23% of all eligible Alberta expenses which is equivalent to a 25-42% labour tax credit.	2% for employing key creative personnel from Alberta, and the grant increases with Alberta ownership.		\$1.5 million for dramatic series and \$750,000 for other domestic productions.	www.albertafilm.ca
British Columbia	Basic rate of 35% of eligible labour.	Regional shoot up to 18.5% bonus of eligible labour, or 53.5% rate. 15% digital effects bonus. 30% trainee salaries capped at 3% of eligible labour.	Assistance and deferrals.	48% of total production costs.	www.bcfilm.bc.ca
Manitoba	Basic rate of 45% of eligible labour.	Additional 10% frequent filming bonus, 5% regional bonus, and 5% co-production bonus can be combined up to 65% rate.	Government labour-related subsidies.	None.	www.mbfilmsound.mb.ca
New Brunswick	Up to 40% of total eligible labour costs capped at 50% of total production costs.	None.		50% of total production costs, less equity investment.	www.nbfilm.ca
Newfoundland and Labrador	Lesser of 40% eligible labour or 25% of total production costs.	Non-residents may be deemed provincial residents.	Government assistance other than provincial or federal tax credits, Telefilm, NFB, or CTF.	Single corporate cap of \$3 million per year.	www.nlfdc.ca
Nova Scotia	50% of eligible labour capped at 25% of total production cost.	Frequent filming rate of 55% of eligible labour. Regional bonus rate of 60% of eligible labour capped at 30% of total production cost.		See BONUS for production caps.	www.film.ns.ca

	Rate	Bonus	Grinds	Caps	Website
Ontario	Basic rate is 35% of eligible labour on film/TV productions, 20% for computer animation/special effects, and 25-30% for interactive digital media.	First production 5% bonus for eligible labour up to \$240,000. Regional 10% bonus on eligible labour.	Deferrals and assistance.	None after 2005.	www.omdc.on.ca
Prince Edward Island	Basic rate of 52.5% of eligible labour.	May allow non-PEI labour to be eligible if training requirement met.	Government assistance other than tax credits, Telefilm, CTF, and provincial equity.	A maximum of 15% of production costs.	www.techpei.com
Quebec	Basic rate of 29.2% of eligible labour, capped at 50% of total production costs.	Computer animation, giant screen, and special effects bonus at rate of 39.4% of eligible labour, capped at 19.7% of production budget. French language bonus at rate of 39.4% of eligible labour capped at 19.7% of production budget. Regional bonus for producers (not productions) located outside Montreal at rate of 48.6% of eligible labour, capped at 24.8% of production budget.	Private or government assistance and deferrals, except from the following sources: SODEC, CALQ, Canada Council, CIFVF, NFB, Telefilm, CTF, and Fonds de diversification de l'economie de la Capitale.	Maximum refund is \$2,187,500 for Quebec productions, or Quebec producer's share of international or inter-provincial co-production budget. See labour caps.	www.sodec.gouv.qc.ca
Saskatchewan	Basic rate is 45% of eligible labour capped at 50% of total production costs.	Regional bonus of 5%, and key creative bonus of 5% which can be combined for a total rate of 55%.	Non-prescribed private or government assistance and deferrals.	See labour caps.	www.saskfilm.com
Yukon	35% rebate on eligible labour capped at 50% of total Yukon costs.	Travel rebate of 50% of travel costs between BC/Alberta and Whitehorse up to \$15,000. Training rebate of 35% for non-Yukon crew training a local resident.		See labour travel caps. Only non-Yukon production companies are eligible for this program.	www.reelyukon.com

