



ONTARIO
FILM DEVELOPMENT
CORPORATION

SOCIÉTÉ DE DÉVELOPPEMENT
DE L'INDUSTRIE
CINÉMATOGRAPHIQUE ONTARIENNE

It was a dark day for the Ontario Film Development Corp. (OFDC) in 1995 when Mike Harris's Progressive Conservatives came to power. The provincial government agency was hit hard by the Common Sense Revolution. Its annual \$30-million budget was slashed to \$5.5 million and the feature-film production fund, which had launched the careers of John Greyson, Bruce McDonald, Atom Egoyan, Patricia Rozema and many others in the mid-to-late 1980s, was closed down. Several film projects that were expecting funds were halted and many observers predicted the OFDC's days were numbered. Yet three years after the cuts, the organization has reinvented itself and continues to have a significant impact on Ontario film and television production.

"I felt it was something worth fighting for," explains Alexandra Raffé, the OFDC's chief executive officer since 1994, "but the film community must get over the fact that feature-film funding is history. Our orientation has changed completely. We're now more an economic development agency and our mandate is the business of films." With the exception of location promotion and services, most of the OFDC's other functions were terminated by the Tories. For over 18 months, the organization was rocked by dozens of layoffs and resignations. The OFDC board, along with senior managers, grappled with the task of how to work within the new government's guidelines. They knew the Conservatives wanted to promote Ontario for business, and so the OFDC decided to emphasize the tremendous economic impact of the film and television industry in the province. When Queen's Park asked how it could support the industry, Raffé recommended tax credits. "We lobbied for, and got, tax credits on productions. The government realized they needed to make Ontario attractive for production."

Ontario's film and television tax credits now cover 20 per cent of location costs or 10 per cent of a production's total budget. The Ontario Film and Television Tax Credit for labour on film and television productions now includes variety, educational, instructional and magazine shows. In the the 1998 budget, the Conservatives announced other tax credit changes including the new 11 per cent refundable Ontario Production Services Tax Credit for Ontario labour expenditures for foreign and domestic productions. The Ontario Computer Animation and Special Effects Tax Credit was also enhanced. Productions that have animation or effects done by a firm based in the province receive a 20 per cent refundable tax credit for Ontario labour expenditures.

Raffé considers the overall financial impact of these tax credits is enormous. She says they have resulted in more money being available for domestic productions than ever before. The OFDC CEO is also quite enthusiastic about the newly created Skills Development Division. It offers programs to teach young producers how to obtain and make money in the industry. The year-old program is a huge success and over 60 producers have visited major markets such as New York and Germany. Trips are planned to Ireland and London for next year. Raffé says these excursions are an ideal way for novice producers to make connections and to learn about producing and markets. "I would have killed for an opportunity like that when I first started out making films in the 1980s."

The OFDC has now entirely given up on feature production but is providing some film funding through its Calling Card Programme. First-time fiction filmmakers making a 15-to-20 minute short can receive up to \$30,000, plus \$2,000 of Kodak stock credit. Each film also gets a broadcast licence fee from the Showcase network. Eleven have received funding since Calling Card's introduction in late 1997. Raffé says the program helps fill in a gap because the Ontario Arts Council limits its funding to experimental or "highly artistic" films. She adds that the program is ideal, since filmmakers actually pitch their projects to a selection committee made up of people from the industry. The committee includes key corporate suppliers such as Partners, deluxe toronto, Kodak and Sound Lab.

Raffé doubts government-supported film funding in Ontario will return even if the government changes or the fiscal situation improves. "Film funding is expensive to do. When there's no money for hospitals, something that everyone wants, it's hard to defend these days," she explains, adding government film funding is also winding down in other provinces. "It's a sign of the times. Its days are ending everywhere." As for the future of domestic filmmaking, Raffé says it's stronger than it was in the mid-1980s, but new technology and globalization pose new challenges ahead. "In the next three-to-five years we need to move to a more marketable industry. We need to make films people want to see," stresses Raffé. "New technology is making Canadian content regulations void." As for the OFDC, Raffé expects it will continue to survive and thrive beyond the cuts. "We will be around. We have proven our value to the government and the industry." ●