



June 30, 2009

Toronto – The Ontario District Council of the Directors Guild of Canada (DGC Ontario) is loudly applauding this morning’s announcement from the McGuinty government of changes to the Ontario Production Services Tax Credit.

In a bold move designed to attract film and television work to Ontario, the province will expand the credit to incorporate all qualifying production costs incurred in Ontario, including qualifying labour costs, as well as the purchase or rental of qualifying tangible properties, such as equipment and studio rentals, effective June 30, 2009.

"The McGuinty government is prepared to continue its firm and ongoing commitment to ensure Ontario remains a top jurisdiction in North America for film and television production," said Minister of Finance Dwight Duncan.

Given that labour costs are typically about 50% of the budget, the proposed measure effectively doubles the available tax credit on many productions. The enhancement matches a similar announcement made by the Quebec government on June 12th.

"We are deeply grateful that Premier McGuinty recognizes that Ontario’s film and television industry provides jobs for thousands and thousands of people and generates billions of dollars in economic spin-off," said Ron Haney, DGC Ontario’s CEO and Executive Director.

Haney said the announcement creates a level playing field for Ontario to compete for foreign service work and that over \$200 million USD in production has already confirmed it will stay in the province as a result.

"It’s not just the foreign work," he added. "Canadian domestic production relies on a strong infrastructure and without this move, our infrastructure was headed towards a collapse."

Ontario's creative and entertainment sector is the third largest in North America by employment after California and New York, with more than 276,000 jobs. Industry research indicates that film and television production generates approximately \$2 billion annually for the provincial economy.

The Directors Guild of Canada - Ontario (DGC Ontario) is a provincial labour organization that represents over 1,400 key creative and logistical personnel in the film and television industry covering all areas of direction, design, production and editing. The DGC Ontario negotiates and administers collective agreements and lobbies extensively on issues of concern for members.