



October 17, 2023

The Honourable Pascale St-Onge
Minister of Canadian Heritage, Deputy
House of Commons
Ottawa, Ontario
Canada
K1A 0A6

Dear Minister St-Onge,

We have come together as the Canadian film and television production industry's national unions, along with the Canadian Film and Television Commissions, to request your support in addressing the impacts of the ongoing SAG-AFTRA strike on Canadian film workers and the industry more broadly. The industry is facing extraordinary challenges and support is required to ensure the craftspeople, performers, creatives, innovators, employers, and all the Canadian talent who drive the industry's success are retained and the future of the industry is protected from the significant risks it faces.

Globally, the SAG-AFTRA strike has shut down most major productions in which SAG-AFTRA members were performing. In Canada, these productions are often referred to as foreign service production, and in 2021-2022 foreign service production made a direct spend of \$6.7 billion across the country and generated 141,000 FTE jobs, comprising 59% of Canada's total production workforce. The disruption to foreign service production has the potential to negatively impact domestic production as well. If the industry loses workforce because of the extended downturn, domestic production will be as affected as foreign service production. ([Source: Profile 2022 Economic Report on the Screen-based Industry in Canada](#))

The SAG-AFTRA strike was called on July 14, 2023, effectively shutting down all foreign service production. It joined the existing WGA strike, called on May 2, 2023, which is now resolved further to ratification. Despite the resolution of the WGA strike, production work cannot resume until the SAG-AFTRA strike is resolved, and it is not possible to project when this may be. Because the labour disruption was anticipated, production work started to slow down in early 2023. As a result, most of Canada's film workers and performers have been under- or unemployed for much of 2023, with no end in sight.

As the union for behind-the-scenes technicians and artisans (crew positions) across every province, the IATSE represents the majority of Canadian film workers. Across locals in English Canada, the IATSE is reporting decreased gross wages ranging from 89% to 95%. For Vancouver and Toronto locals alone, this represents a year-over-year decrease in wages of \$88,413,027. Due to a strong French-language film sector, Montreal IATSE local AQTIS 514 has been less affected but is still down. The Directors Guild of Canada reports a reduction of over \$105 million or 30% overall in national gross wages in the first three quarters of 2023, when compared to the first three quarters of 2022. NABET 700 Unifor reports it has kept 51% of their Membership working this year through domestic production, with a 50% loss in gross wages to date. ACTRA reports that work for performers across the country has diminished by 55%-85%, depending on the jurisdiction. ACTRA further reports that unionized performers across Canada have been doubly impacted with an ongoing 17-month long lockout by commercial advertising agencies. This

commercial lockout has not had the same amount of coverage as the strike affecting the film and television industry, but the effects of it are deep and devastating. The decrease in gross wages related to the SAG-AFTRA strike are severe across the country, though there are variances depending upon the amount of domestic production taking place regionally.

The serious impact to Canada's production industry will not end when the SAG-AFTRA strike concludes. The performers and crews who make the world-class productions that film in Canada have been experiencing extended and extreme financial hardship. Many are not eligible for or have exhausted their Employment Insurance benefits and are left without resources, and performers are not eligible for EI at all. Union members are reporting the loss of their apartments or houses, and other life-changing impacts. Without financial support to sustain them through this period, many may choose to leave for work in other industries. As a result, when the strike concludes and production resumes, Canada will not have the workforce needed to handle the amount of production work that will be available, extending the negative impact on Canada's industry and compromising its future.

Additionally, industry businesses such as equipment suppliers, post-production houses, animation and VFX companies have been hard hit as work dried up over this extended period. Still recovering from the challenges posed by the global pandemic, these companies are once again experiencing an extended and stark drop in business. This threatens their viability, and if business failures result, this will also inhibit the industry's ability to take on the business that would otherwise be available when production resumes.

In response to these serious challenges to the long-term strength of Canada's production workforce, businesses, and industry more broadly, we make the following requests:

1) Funding to Support and Retain the Film Production Workforce in Canada

In response to the COVID crisis, the Department of Canadian Heritage provided \$16 mil in funding to The AFC for their Reactivation Program. The AFC is 'the lifeline for Canada's entertainment industry'. The \$16 mil is fully spent and reported on. It is a relevant benchmark for the current request because it was intended to support workforce retention nationally during an extended period of shut down. Also, in that situation, unions and guilds contributed financially to The AFC to help support their members, and that is true at this time as well. In 2023, unions are reporting they have donated over \$1 million, not including substantial donations directly from union locals.

2) Sustain Businesses Through this Prolonged Period of Tightly Constrained Revenue by Extending CEBA

Companies related to film and television production who were fortunate enough to access CEBA during the global pandemic will be greatly challenged regarding repayment on original timelines because they are experiencing extreme precarity due to the ongoing strike. The following proposals could help sustain these vitally important employers and innovators.

- Extend repayment deadline to December 31, 2030 (current deadline is December 31, 2026)
- Remove interest fees (5% from January 19, 2024) on outstanding loan balances.
- Extend date of loan forgiveness eligibility to end of 2024 (currently January 18, 2024).

- Increase CEBA loan forgiveness rates to 50% (currently 25% on loan of \$40,000 and 33% on loan of \$60,000) to incentivize faster principal repayments by implementing a decreasing annual forgiveness rate between 2023 and 2030.

We believe these measures will meaningfully support Canada's film and television production industry workers and independent businesses through an extraordinarily challenging time. Canada is fortunate to have a diversified production industry with two major sources of activity: domestic and foreign service production. In 2021 as the industry began to emerge from the COVID-19 pandemic, domestic production was the first business to resume. And throughout this current period of labour disruption, domestic production has remained active, again proving its value both economically and culturally. Government support for the domestic industry is deeply valued, and the future of this important industry will be advanced by continued and growing support.

Canada's film and television production industry is a success story from the perspective of creative excellence, economic and employment impact, inclusion and equity, sustainability initiatives, and export. This is in part due to substantial investments made by all levels government in all aspects of this industry. As it faces this exceptional challenge, further investment is required to protect the achievements of the investments made to date, to enable a future for the industry that is competitive and poised for greater success, and to support the craftspeople, performers and innovators who are so deeply committed to film and television production in Canada.

We would be pleased to answer any questions you have and would welcome the opportunity to meet virtually to discuss these matters.

Best regards,

ACTRA (Alliance of Canadian Cinema, Television and Radio & Artists)

Marie Kelly, National Executive Director

DGC (Directors Guild of Canada)

Dave Forget, National Executive Director

IATSE (International Alliance of Theatrical Stage Employees)

John Lewis, Director of Canadian Affairs & International Vice-President

WGC (Writers Guild of Canada)

Victoria Shein, Executive Director

NABET 700- M-UNIFOR

Peggy Kyriakidou, President

CFTC (CANADIAN FILM & TELEVISION COMMISSIONS)

Chanelle Routhier, Co-Creator & Co-Chair

Luke Azevedo, Chairman

SUPPORTING FILM COMMISSIONS:

Calgary Economic Development
City of Brampton's Film & TV Office
City of Toronto
Creative BC
Creative Saskatchewan
Durham Region Film Commission
Edmonton Screen Industries Office
Film Laurentides
Kootenay Regional Film Commission
Manitoba Film Commission
Montréal Film and Television Commission
Okanagan Film Commission
Ottawa Film Office
Picture NL
Promotion Saguenay
Quebec Film & Television Council
Screen Nova Scotia
The City of Greater Sudbury
Thompson-Nicola Film Commission
Vancouver Film Commission
Vancouver Island North Film Commission
Vancouver Island South Film and Media Commission

Cc: The Hon. Justin Trudeau
Prime Minister of Canada, Deputy
justin.trudeau@parl.gc.ca

The Hon. Chrystia Freeland
Deputy Prime Minister and
Minister of Finance
chrystia.freeland@parl.gc.ca

The Hon. Randy Boissonnault
Minister of Employment, Workforce
Development and Official Languages
randy.boissonnault@parl.gc.ca