

Toronto's Film Industry: Protecting a Valuable Asset

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Introduction

This presentation is in response to Economic and Community Development Committee item EC6.1 requesting the Film Commissioner and Director, Entertainment Industries to present to the Planning and Housing Committee on the importance of the film industry.

Planning plays a critical role in the film industry and Film Office and Planning staff consistently collaborate.

Economic Impact, Growth, and Achievements

Film and television production provided a direct spend of **\$2.6 billion** in Toronto in 2022, and employs well over **30,000** Torontonians. **70%** of this business is international, **30%** domestic.

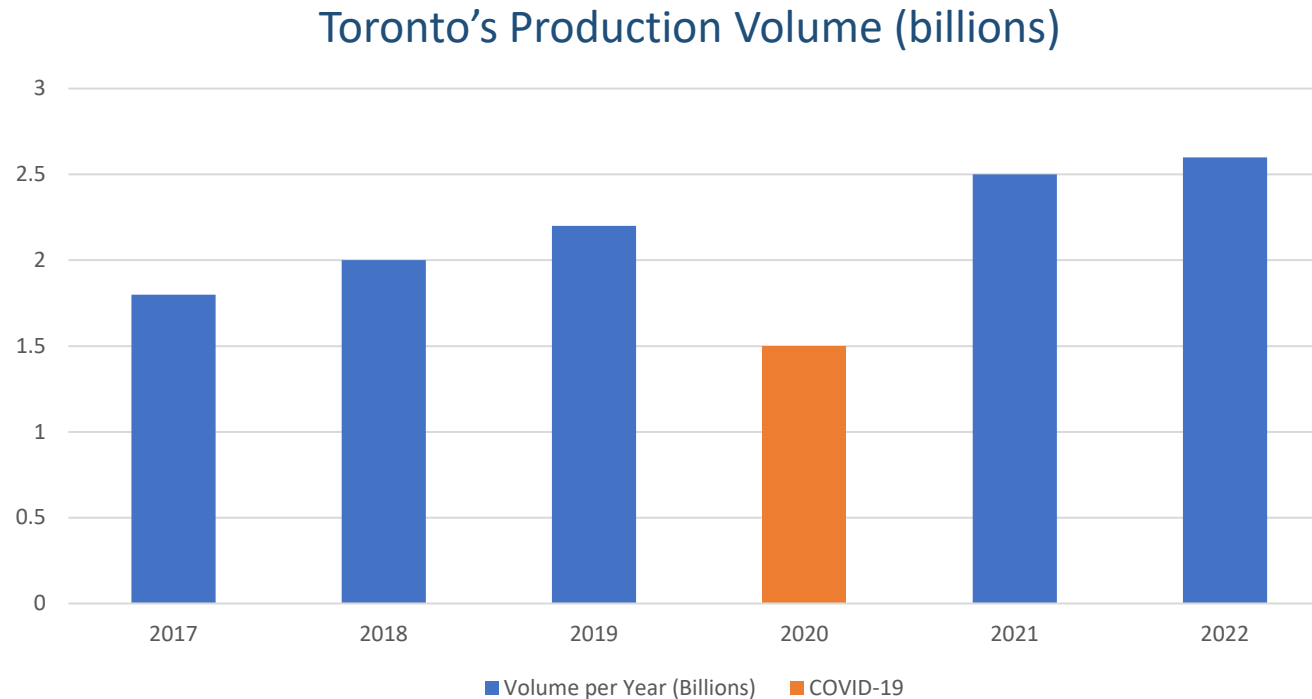
Toronto has over **2.8 million** square feet of studio space and is growing, with investments from domestic and global studio developers such as Pinewood and Hackman Capital Partners / MBS who recently invested hundreds of millions of dollars in building or expanding studio space in Toronto.

Dominant global players in virtual production, post-production, and VFX such as DNeg, Rodeo FX, and Pixomondo have also recently invested in Toronto by opening facilities here.



Economic Impact, Growth and Achievements

Production volume in Toronto has shown consistent growth, from **\$1.7 billion in 2017 to \$2.6 billion in 2022**. The global pandemic, impacting 2020 in particular, was the sole disruption to years of robust growth



Economic Impact, Growth and Achievements

Toronto is the **5th largest** production centre in North America.

In 2021, Toronto was named the **second-best city in North America** for filmmakers by MovieMaker Magazine.

In August 2023, The Hollywood Reporter's ranking of the **top fifteen film schools in the world** included **two Toronto film schools**.

The technological evolution of the industry leverages Toronto's status as a **global tech leader**.

A [June 2022 PwC Report](#) commissioned by Economic Development and Culture indicated that Toronto's film production industry is a **high growth sector** that will have an outsized role in driving Toronto's future economic growth. It also identified film production as a sector where **equity deserving groups have higher than average employment**, and that more focus by EDC has the potential to improve economic and employment outcomes.

Economic Impact, Growth and Achievements



Toronto and region is Canada's capital for English-language domestic production, creating cultural value and civic pride:

- Canada's broadcasters, streamers, unions, funders, trade associations and biggest production companies are substantially located in Toronto.
- **64%** of production shot outside Quebec is shot in Ontario
- Toronto is the home of **TIFF, Hot Docs, ImagineNative, ReelAsian**, and many other film festivals.
- The strength of Toronto's film industry supports the local creative industries it aligns with such as music, creative technologies, theatre, and book publishing, supporting the vibrancy of the whole sector.

How the City Supports this Sector

The **City of Toronto Film Office** is housed within Economic Development and Culture.

The Film Office benefits from the advice, support, and guidance of the **Toronto Film, Television and Digital Media Board**, a Council Advisory Body reporting to Council through the Economic and Community Development Committee.



How the City Supports this Sector

The City of Toronto Film Office provides permits for filming and sector development services including:

- Supporting growth to investment, infrastructure and studios with CreateTO, City Planning, and Toronto Global
- Workforce development with unions and community groups to meet industry needs and support diversity, equity and inclusion
- Climate action to green the production process
- Promoting the jurisdiction to draw production business to Toronto
- Community and industry relations



Challenges to the Industry in Toronto

Despite its achievements and its economic, employment, cultural, and social value, Toronto's film industry faces challenges.

70% of Toronto's production volume is from international production, which is highly mobile, with progressively more jurisdictions competing for its benefits. In Canada alone, new soundstages are being built around Calgary and Halifax, and Vancouver is expanding. In the U.S., jurisdictions such as Atlanta and Albuquerque are investing, and succeeding.

Meeting the challenges Toronto's industry faces will be essential to maintaining the City's competitive position, leveraging the investment made to date, increasing jobs, and growing production volume.

Challenges to the Industry in Toronto

1) Retaining Employment Lands and Incentivizing Investment

Toronto's production volume can only be maintained or grow with the protection of employment lands. Annual production volume, jobs, and economic impact relate directly to the amount of available studio space. **Significant amounts of production spend and jobs are turned away from Toronto** each year because Toronto doesn't have enough studio space.

Employment lands are necessary to attract studio builds as studio uses are not compatible with mixed use zoning. Studio developers can invest anywhere in the world, and where they go, production follows.

Toronto is a leading production hub because of the world-class talent and crews, excellent studios, and competitive provincial tax credit. Studio developers have shown they will invest in Toronto if there is available land at a viable price. Competitive incentives are an important part of the package.

Challenges to the Industry in Toronto

2) Impact of WGA and SAG-AFTRA Strikes on Toronto's Industry

Production started to slow at the **end of 2022** as the WGA strike was anticipated. With the announcement of the SAG-AFTRA strike in July, 2023, production dropped dramatically.

A snapshot of the current period year over year showed an **80% drop in the number of active productions** in Toronto, the number of working Directors Guild of Canada - Ontario members was **down by 71%**, and IATSE 873 reports a comparative gross **wages decrease of 89%**. Domestic production and commercials account for current activity.

There is no foreseeable end to the strike, and Toronto is at risk of permanently losing workforce to other industries. Small businesses in the industry (production suppliers and vendors, etc.) and their employees are at risk, as the global pandemic also destabilized production revenue. These risks, if not addressed, could impede the recovery and growth of Toronto's industry for many years.

How the City can Help

The City can help protect the future of the production industry by taking these actions:

Protect employment lands and maintain means to encourage investments in creative infrastructure.

Support workforce retention through the strikes by advocating for financial supports for film industry workers and businesses impacted by the strikes.

Support the promotion of Toronto as a competitive production hub, inclusive workforce development upon full resumption of production, and **climate action** to green production by **ensuring adequate resources**.



That's a Wrap



The film industry offers a triple bottom line: positive impacts that are economic, creative, and social.

It is a high-growth industry with high employment of equity-deserving groups.

The City of Toronto has shown exceptional commitment and has driven strong results.

Responding to the challenges facing the industry now will ensure the success story continues to contribute to Toronto's future.

Thank You!

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