

From: Becka Barker [REDACTED]
Sent: May-05-15 10:00 PM
To: Office of the Legislative Counsel; leg.office@novascotia.ca
Subject: Message to Law Amendments Committee--Film Tax Credit/Cultural Industries Support

To the Law Amendments Committee:

I am a mother with a young family living in Halifax (Halifax Chebucto). My husband and I work as much as we can (most of our income is through short-term contract positions), though between childcare, mortgage, and other unavoidable expenses, we have very little leftover after payday. When I hear phrases like "we simply cannot afford...", "making tough decisions," or "fiscal discipline," it really resonates with me. You might say that running my family's budget is like running my own little Nova Scotia: revenue sources seem to be forever shrinking, and my expenses are high. But, like everyone I know, I so desperately want to be here. Nowhere on earth has been home to me like Nova Scotia has. I knew it was home from the moment I first moved here 20 years ago.

My family has to get the best bang for the few bucks that we have to spend. We feel strongly that investing in local products and services gives us the best value and helps keep our money circulating back into Nova Scotia's tax coffers. My family's budget may be far smaller in scale than what you deal with on behalf of our province, but the nature of the decisions is the same. Sometimes, though, investing in what is local only reveals its excellent value when taking a long view.

Recently, the Liberals awarded RBC with \$22M to set up an operation that will bring 150-500 jobs to our province over a 10-year period. The rationale for giving RBC this money was that our province had to compete with other jurisdictions for the business. At first blush, this seems a reasonable explanation (even though RBC had over \$9 billion in profit last year); if RBC is able to create 500 jobs with \$60K salaries, our \$22M investment will have helped generate up to \$240M over ten years, according to the NSBI website.

But then I compare this situation to changes made to the NS Film Tax Credit. Before this budget, our province invested \$25M each year to the screen or film industry—which sounds like quite an expense—but that investment has generated millions more than the initial investment—anywhere from \$60M to over \$100M *each year*, depending upon whose numbers you use. Even though \$60M from an \$25M investment doesn't sound like an especially good ROI, over 10 years, this works out to be, most conservatively, \$350M. This means that even with conservative estimates, the NS Film Tax Credit prior to this budget actually gave us at least \$100M MORE than what our money to RBC would!

I agree that shoring up our province's tax base is a huge priority for us, and that we must spend our tax money wisely because—just as in my own household—we don't have a dollar to waste. The NS Film Tax Credit, as it has existed until now, was actually a significant contributor to NS tax coffers indirectly because it supported local labour and local businesses who provide everything productions need, from equipment rental to catering. These taxes being collected are coming from people who, like myself, so desperately want to be here and are committed to Nova Scotia. How committed is RBC? What anchors them, a company headquartered in Toronto with billions in profit, here with the rest of us?

The biggest issue around the proposed changes to the NS Film Tax Credit and the shutting down of Film and Creative Industries Nova Scotia is that it presumes the creative industries to be completely analogous to resource-based industries. They are not. It presumes that the people whose livelihoods depend on creative industries can keep participating in the NS economy at the same level. They cannot. It presumes that our knowledge economy will develop out of thin air without any real support or investment. It will not.

The jobs created through cultural industries such as the film industry are exactly what we need in Nova Scotia. They attract young, skilled workers and boost tourism. They do not rely on finite natural resources to thrive. They allow Nova Scotians to actively shape the media landscape, rather than just be passive consumers of it. But they do need support to grow. Without the investments we've made up to now, these industries will not continue to give us the returns—both direct and spin-off—that our province needs.

I teach budding filmmakers. I mentor emerging digital media professionals. Although I do not directly benefit from the film tax credit or the existence of FCINS, the changes to these supports in the provincial budget will have a very big impact on my ability to find enough teaching work. If I can't find enough teaching work, my family and I won't be able to continue living in Nova Scotia. I could teach filmmakers and digital media artists anywhere. I want to do it here.

Committee, I insist you revisit this issue before passing it into law. If the proposed changes become law, this government will be cementing its legacy as the government that didn't believe in Nova Scotians.

Yours very truly,

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