



**Niagara Region**  
**Film Sector Profile**  
June 2023



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# Introduction

According to Profile 2022<sup>1</sup>, a report produced by the screen-based media production industry in Canada, the country's film and television production industry experienced a robust rebound in 2021/22, after the effects of the COVID-19 pandemic. The total volume of film and television production increased by 28% in 2021/22 to reach an all-time high of \$11.69 billion. The industry added over \$2.56 billion in production spending, taking it 21.8% higher than the previous high of \$9.60 billion in 2019/20. Every segment of Canada's film and television production industry contributed to this growth, although the biggest inputs came from the sub-sector of foreign location and service production and Canadian television production. Production cost inflation – including costs from mitigating the effects of COVID-19 – plus wage and price inflation across the Canadian economy contributed, in part, to the increased production volume; although the statistics for the number of projects indicates that the increased volume in 2021/22 was also very much linked to increased production activity.

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<sup>1</sup> Annual report published by the Canadian Media Producers Association in collaboration with the Association Québécoise de la production médiatique, the Department of Canadian Heritage and Telefilm Canada.

## The Emerging Sector Profiles

Niagara Region Economic Development retained Deloitte LLP to produce a sector profile for the film sector. This sector was one of a few key sectors identified in 'Niagara's 10 Year Economic Development Strategy 2022-2032'. This profile features the investment and growth potential of the film sector. This film sector profile was developed by defining the industries within the film industry including motion picture, sound recording, and artist and promoters. These industries were characterized using business and employment data and include support and supply businesses. From this broad overview, international, national, and local trends were considered to identify high potential areas relevant to Niagara's economy. The research also includes the perspectives of local stakeholders, as well as a review of existing literature. The data was pulled together to show a picture of the sector's future potential. This profile does not include a benchmarking of the film sector, and further research is needed to accurately identify employment directly linked to the film sector.

The following data sources were used in the development of this sector profile: Lightcast (formerly EMSI Economic Modeling) 2022, Vicinity Jobs 2022, FDI Markets, Statistics Canada, the Canadian Business Counts<sup>2</sup> June 2022, and data from IBIS World, Ontario Creates, the Canadian Motion Picture Association (MPA), and the Canadian Media Producers Association (CMPA)

## Investment Attraction Highlights

- According to Ontario Creates, the province's film and TV contributed more than \$3.15 billion to Ontario's economy in 2022, creating 45,891 high-value full-time equivalent direct and indirect jobs. The data tracked by Ontario Creates does not include commercial production or broadcaster in-house production, which was estimated at over \$1.4 billion in 2022, bringing Ontario's total production activity over \$4.5 billion for the year.<sup>3</sup>
- Ontario accounts for an estimated 42.5% of total industry establishments in 2021. Since the province implemented a tax credit in 2009, Ontario has become a hub for film and TV production in Canada and Globally.<sup>4</sup>
- Ontario Creates highlights the concerns about access to studio space and increased workforce pressures are key considerations in ensuring Ontario remains an attractive production location (e.g., Toronto is increasing its studio space by 65%

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<sup>2</sup> The June 2022 Canadian Business Counts were used to determine the total number of registered businesses in the Niagara Region. Statistics Canada's Canadian Business Counts Data provides a record of business establishments by industry and size. This data is collected from the Canada Revenue Agency (CRA). The business data collected for Niagara Region included all local businesses that met at least one of the three following criteria: Have an employee workforce for which they submit payroll remittances to CRA, or have a minimum of \$30,000 in annual sales revenue, or are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

<sup>3</sup> Ontario Creates, 2022 Film and Television Production Statistics by Format

<sup>4</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

over the next five years), and other communities such as Sudbury, Timmins and Salt Ste. Marie are developing studio spaces.<sup>5</sup>

- In 2022, a total of 419 film and TV project were produced in Ontario, 316 of these were domestic productions, and 103 were foreign productions. Most of these productions were television series, and television movies, mini-series, specials, and pilots.<sup>6</sup>
- Domestic production represents 38% of total Film and TV spending in Ontario, up from 34% in 2021<sup>7</sup>.
- The video production in Canada is expected to grow 4.5% by 2026 (compared to 2021). Key trends for the sector include the rapidly growth of digital format productions (streaming services), high international competition, and the decline in viewership for live TV.<sup>8</sup>

## Incentives

- Ontario offers a Film and Television Tax Credit (OFTTC). The OFTTC is a refundable tax credit based upon eligible Ontario labour expenditures incurred by a qualifying production company with respect to an eligible Ontario production. This tax credit is generally harmonized with the Canadian Film and Video Production Tax Credit. The OFTTC is generally calculated as 35% of the eligible Ontario labour expenditures. An enhanced credit rate of 40% on the first \$240,000 of qualifying labour expenditure is available for first-time producers. Productions that are shot in Ontario entirely outside of the Greater Toronto Area (GTA), or that have at least five location days in Ontario (in the case of a television series, the number of location days is at least equal to the number of episodes), and at least 85% of the location days in Ontario are outside the GTA, receive a 10% bonus on all Ontario labour expenditures incurred for the production. Wholly animated productions which create at least 85% of key animation in Ontario outside of the GTA qualify for the regional bonus.<sup>9</sup>
- Ontario Production Services Tax Credit (OPSTC). The OPSTC is a refundable tax credit based upon Ontario qualifying production expenditures (labour, service contracts and tangible property expenditures) incurred by a qualifying corporation with respect to an eligible film or television production. The OPSTC requirements are generally “harmonized” with the federal Film or Video Production Services Tax Credit administered by the Canadian Audio-Visual Certification Office of the Department of Canadian Heritage (CAVCO) and Canada Revenue Agency (CRA). The OPSTC is calculated as 21.5% of all qualifying production expenditures incurred

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<sup>5</sup> Ontario Creates Data represents expenditures of all productions using Ontario Creates-administered incentives and services. Data does not include television commercials, corporate videos, music videos, or broadcaster in-house production.

<sup>6</sup> Ontario Creates, 2022 Film and Television Production Statistics by Format

<sup>7</sup> Ibid.

<sup>8</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

<sup>9</sup> Ontario Creates. Tax Incentives

in Ontario. A qualifying corporation's Ontario labour expenditures, including Ontario labour paid under an eligible service contract, must be at least 25% of the qualifying production expenditures claimed. The OPSTC can be combined with the federal Film or Video Production Services Tax Credit of 16% of qualified Canadian labour expenditures. There are no per-project or annual corporate tax credit limits.<sup>10</sup>

- The Ontario Creates Film Fund is intended to increase the level of domestic feature film production in Ontario. It provides support to Ontario producers for feature film projects with development and production financing. Marketing and Distribution support is also available for films that have been supported via Film Fund-Production.<sup>11</sup>

### **The Film Sector in Niagara Region**

- St. Catharines launched FilmSTC on December 6, 2022, to support the creative economy and promote the city as a destination for film, TV and streaming industries. The Organization provides concierge services and connects film makers to ideal locations, resources, cast and crew, catering, transportation and accommodations.<sup>12</sup>
- The region has been the location for many films and TV series, some of the most relevant include A Christmas Story (1983), The Dead Zone (1983), Blues Brothers (1998), Bride of Chucky (1998), Pirates of the Caribbean: At World's End (2006), I Now Pronounce You Chuck & Larry (2007), The Love Guru (2008), Dead Before Dawn (2012), and, Self-Made: Inspired by the Life of Madam C.J. Walker (2020), among others.<sup>13</sup>
- Niagara Economic Development has created a Film Site to act as a conduit for location scouts to connect with municipal representatives when looking at new geographies for consideration for production. The site has been designed to amplify traffic to municipal sites as they are the overarching issuers of permits for production. The site also highlights incentives within the film space and provides imagery that is complimentary to unique sites within the region.
- The region's network of innovation centres such as Innovate Niagara, Spark Niagara and the Linc at Brock University complement the film sector and can support its future potential growth through their technology applications and talent.
- Outside of the film sector there are other parts of the creative sector that provide a support infrastructure and enhance the region's appeal. These include performing arts space like FirstOntario Performing Arts Centre, OLG Stage and the Shaw Festival Theatre.

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<sup>10</sup> Ibid.

<sup>11</sup> Ontario Creates. Tax Incentives

<sup>12</sup> FilmSTC.ca

<sup>13</sup> IMDb





# Film Sector Overview

According to the Motion Picture Association of Canada (MPA), the film and television production industry in Canada consists of four key segments: The Canadian Television Production segment, Canadian Theatrical Feature Film Production, Foreign Location and Service Production (FLS), and Broadcaster In-house Production.<sup>14</sup>

## Defining the Film Sector

The film sector in Canada is primarily defined by industries under NAICS 512 “motion picture and sound recording industries”. This industry comprises establishments primarily engaged in producing and distributing video and audio recordings or providing related services, such as post-production services, exhibition services, and motion picture processing and developing services. Sound recording studios are also included.<sup>15</sup>

Other sectors included in the film sector as a direct support for film industries are promoters of performing arts, and independents artist, writers, and performers. For this

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<sup>14</sup> Canadian Motion Picture Association: Profile 2021: Economic Report on the Screen-Based Media Production Industry in Canada

<sup>15</sup> Statistics Canada, North American Industry Classification System (NAICS) Canada 2012



analysis, the codes shown below were used to collect employment and business counts and other numbers for the sector. These numbers were collected by Deloitte using Lightcast Economic Modelling<sup>16</sup>.

Figure 1 – Film Sector NAICS

<b>Industry</b>	<b>NAICS</b>	<b>Description</b>
<b>Information and cultural Industries</b>	5121	Motion picture and video industries
	5122	Sound recording industries
<b>Arts, entertainment, and recreation</b>	7113	Promoters of performing arts, sports
	7115	Independent artists, writers and performers

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<sup>16</sup> Employment figures have not been independently verified by Deloitte.

# Sector Trends

## The Niagara Region Advantage

- The Film sector is continuously growing in the region. For example, the City of St. Catharines says it has received about 40 film enquiries in 2021, compared to just 12 in 2019 and 10 in 2018.<sup>17</sup>
- The Niagara region has a number of assets to attract film production, these include institutional buildings, natural resources, industrial properties (operating and vacant), heritage assets, rural land and urban centres.
- The region itself has not experienced fatigue or over-used locations/areas that can often hinder attraction of productions into a jurisdiction.
- Hamilton is a hub for filming (2nd busiest city in Ontario) and with Niagara being right next door there are dozens of productions that could capitalize on driving a little further down the QEW and into Niagara.
- A 2021 study conducted by NetCredit using IMDb Advanced Search reviewed movies from 1900 to 2020 and sorted the results based on country and location. Niagara Falls received 142 movie credits on the platform, being Canada’s leading film location.<sup>18 19</sup>

## Employment and Business Structure in Niagara Region

Overall, the employment in the film sector in the Niagara region reached 934 jobs in 2022. Most of the jobs in the core industries were in motion picture and video industries (409 jobs or 44% of industry jobs), and independent artists, writers and performers (370 jobs or 40% of industry jobs). The motion picture and video industries include business subsectors such as production, distribution, exhibition, and post-production and other motion picture and video industries; this means that employment from this sector in the region may not be directly linked to film production, but more exhibition facilities (e.g., movie theatres).

Figure 2 – Employment Film Sector and Supply Chain, Niagara Region, 2022

Description	Employment 2022	%
<b>Total Film</b>	934	100%
<b>Motion picture and video industries</b>	409	44%
<b>Independent artists, writers and performers</b>	370	40%

<sup>17</sup> The Standard, Niagara needs to pursue bigger role on screen, November 2021

<sup>18</sup> InSauga, Niagara Region, Study reveals Niagara Falls is Canada’s leading film location, February 2022

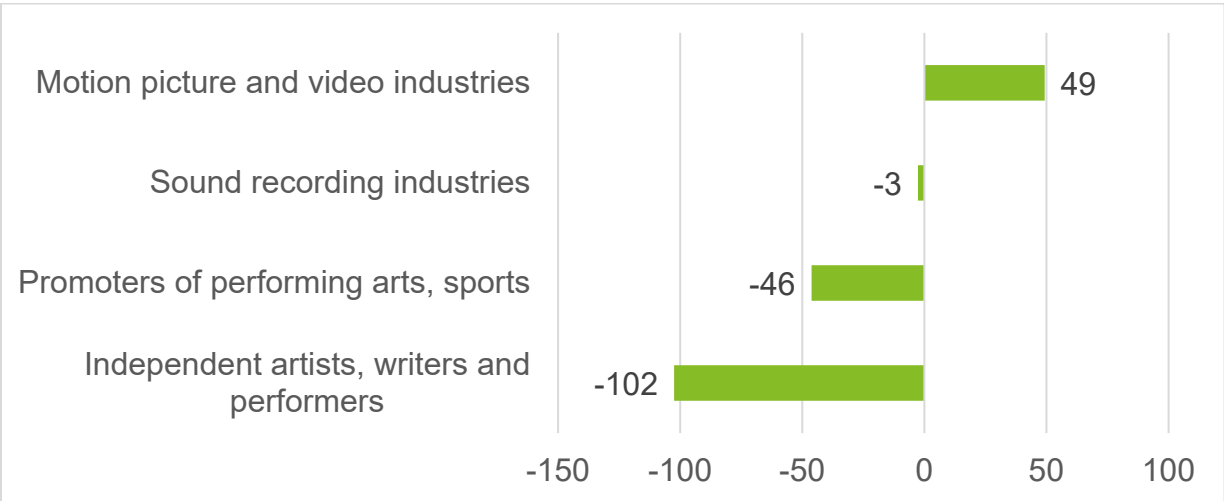
<sup>19</sup> NetCredit, February 2021

Description	Employment 2022	%
Promoters of performing arts, sports	140	15%
Sound recording industries	15	2%

Source: Lightcast, 2022 - Datarun 2022.

The overall film sector in the Niagara Region is projected to see an employment decline in three out of its four sectors. The film industry is projected to decline by 102 jobs by 2028: representing an 11% decline. The only industry subsector projected to growth is motion picture and video industries; this sector is projected to add an additional 49 jobs (a 12% growth). Figure 3, below, illustrates this.

Figure 3 – Employment Change, Film Sector, Niagara Region, 2022-2028



Source: Lightcast, 2022- Datarun 2022.1

A total of 322 businesses in the film sector were recorded in Niagara Region by June 2022. Most of these businesses were businesses without employees making more than \$30,000 in sales (263 businesses fall under this category). The largest film businesses in the Region are independent artists, writers, and performers (165 businesses or 51% of all businesses in the sector), and motion picture and video industries (98 businesses or 30% of all businesses in the sector). It is important to highlight that most of the businesses with employees in the film industries employed less than 10 people (85% of businesses with employees).

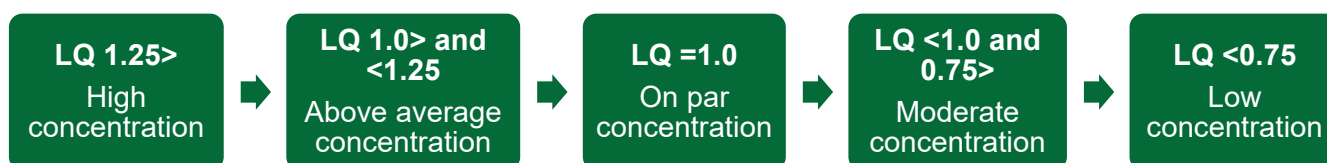
Figure 4 – Business Counts, Film Sector, Niagara Region, June 2022

Description	1-9 Employees	10 or more Employees	Without Employees	Total
<b>Total Film Sector</b>	<b>50</b>	<b>9</b>	<b>263</b>	<b>322</b>
<b>Independent artists, writers and performers</b>	15	0	150	165
<b>Motion picture and video industries</b>	23	7	68	98
<b>Promoters of performing arts, sports and similar events</b>	10	2	30	42
<b>Sound recording industries</b>	2	0	15	17

Source: Canadian Business Counts, June 2022 | Provided by Niagara Region

### Location Quotient

As part of the economic baseline analysis, a Location Quotient (LQ) Analysis was completed to determine the concentration of employment in the film sector in Niagara region and relative to the province. The location quotient reveals what makes a region unique, in this case in comparison with other communities in Ontario. The following chart shows common LQ Classifications to interpret the figures in Figure 5.



Overall, Niagara region has a low concentration of businesses in the film sector. A high concentration is seen in the promotion of performing arts, sports. The low concentration of businesses might not be a particular characteristic for Niagara region, as IBIS World states, this sector is characterized by a low level of market share concentration. The industry is largely fragmented due to many of its operators focusing on specialized markets such as TV or theatrical production.<sup>20</sup>

Figure 5 – Business Concentrations (Location Quotients), Film Sector, Niagara Region, June 2022

Description	Ontario LQ
<b>Total Film Sector</b>	0.67
<b>Promoters of performing arts, sports</b>	1.49
<b>Independent artists, writers and performers</b>	0.82
<b>Sound recording industries</b>	0.80
<b>Motion picture and video industries</b>	0.42

Source: Canadian Business Counts, June 2022 | Provided by Niagara Region

<sup>20</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

## Job Demand

Between January 1, 2020, to December 31, 2022, a total of 14 job postings in industries related to the film sector were recorded in the Niagara region. Almost all job postings were in motion picture industries (12 job postings). At a more detailed look, most of these job postings were required for theatres operation (cast members and leaders), and for positions at local cinemas.

Figure 6 – Job Demand (Job Postings) by Industry Sector (Film Sector), Niagara Region, January 1, 2020, to December 31, 2022

NAICS	2020	2021	2022	Total Postings	%
<b>Total Film Sector</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>14</b>	<b>100%</b>
<b>Motion Picture and Video Industries</b>	0	6	6	12	86%
<b>Sound Recording Industries</b>	2	0	0	2	14%

Source: Vicinity Jobs

## Foreign Investment in Production

Foreign investment in production (FIIP) counts the value of international financial participation in the film and television production industry in Canada. This includes presales and distribution advances, and Canadian distributors' financing of Canadian film and TV programs. FIIP excludes the amount of revenue earned from the distribution of completed Canadian films and TV programs to foreign broadcasters and distributors. According to the Canadian Motion Picture Association, the total value of foreign investment in production in Canada decreased slightly by 0.5% to \$6.05 billion. Furthermore, FIIP contributes to approximately 28% of the total financing for Canadian content production with foreign presales and advances accounting for 15% (or \$412 million).<sup>21</sup>

## Foreign Location and Service (FLS) Production in Canada

The foreign location and service (FLS) production segment is primarily comprised of films and television programs filmed in Canada mainly by foreign producers with the involvement of Canadian-based service producers. This includes the visual effects (VFX) work done by Canadian VFX studios for foreign films and television programs. For the majority of FLS projects, the copyright is held by non-Canadian producers; however, for approximately 5% to 10% of projects, the copyright is held by Canadians. In recent years, Canada's FLS production segment has contributed to numerous films that achieved successful global box office runs. Canada has also become a destination for many television series commissioned by US networks or subscription video on demand services.<sup>22</sup>

<sup>21</sup> Canadian Motion Picture Association, Profile 2021: Economic Report on the Screen-Based Media Production Industry in Canada

<sup>22</sup> Ibid.

Important highlights from foreign location and service production in Canada include:

- The total volume of FLS production in Canada increased slightly by 0.4% to an all-time high of \$5.27 billion, stimulating \$6.5 billion in GDP for the Canadian economy. The total volume of FLS television series production increased by 12.6% to an all-time high of \$3.45 billion. The total volume of FLS feature film production decreased by 17.4% to \$1.39 billion.
- Work in FLS production created 129,180 Canadian jobs, accounting for 60% of total jobs, and generated \$5.2 billion in labour income.
- The copyright for 79% of FLS projects was held by persons or companies based in the U.S.
- Ontario accounted for 35% of the total volume of FLS production in Canada, behind British Columbia.
- Most recent figures from the Canadian Media Producers Association (CMPA), shows that in 2022, the total sum of production budgets in Canada reached \$11.69 billion. \$6.71 billion of this total sum corresponded to FLS. In both cases, the figures represented more than 27% growth compared to 2021.<sup>23</sup>

## Global Market Drivers

Global expenditure on screen production reached approximately \$177 billion in 2019, and likely would have been higher in 2020 if not for COVID-19. It is estimated that the global screen sector value chain supports over 14 million jobs, and had an estimated economic impact of \$414 billion, with \$177 billion of direct output and \$237 billion of indirect and induced output.<sup>24</sup> After a hard 2020, the global entertainment and media revenue increase by 10.4% in 2021<sup>25</sup>. In 2022, the industry is expected to grow 7.3%, and it should reach a 4.6% CAGR through 2026.<sup>26</sup>

North America has the largest entertainment and media per capita spending at \$2,229, which is double that in Western Europe (\$1,158). On the other hand, Asia-Pacific (which has the largest entertainment and media revenue) has a per capita spend of only \$224.<sup>27</sup>

## Investment Trends & Location Factors

According to IBIS World, the Film, TV and Video Production industry in Canada is characterized by a low level of market share concentration. No individual company was expected to generate 5% or more of total industry revenue by 2021. The industry is

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<sup>23</sup> Canadian Media Producers Association, Economic Report on the Screen-Based Media Production Industry in Canada, Profile 2022

<sup>24</sup> Ontario Creates | Olsberg SPI, Global Screen Production – The Impact of Film and Television Production on Economic Recovery from COVID-19, June 25, 2020, pp. 5-6.

<sup>25</sup> Amount also includes music and video games development.

<sup>26</sup> PWC, Perspectives from the Global Entertainment & Media Outlook 2022–2026

<sup>27</sup> Ibid.



largely fragmented due to many of its operators focusing on specialized markets such as TV or theatrical production. Moreover, the industry consists of many independent production companies that have a limited number of in-house operations. Further constraining market share concentration, many broadcasters, who are excluded from the scope of this industry, have included in-house production facilities in their operations, primarily to provide news, sports and current affairs programming. According to the latest data available from Statistics Canada, there are over 17,000 establishments dedicated to the industry's range of operations, with 96% of establishments employing less than five people, demonstrating the extent of fragmentation. These trends have intensified competition for the industry and limited the extent to which small production companies can enter the market.<sup>28</sup>

IBIS World identifies 250 Key Success Factors for a business. The most important for the film, TV and video production sector are:<sup>29</sup>

- Effective cost controls: Production companies must effectively manage costs and budgets to ensure that they meet clients' specifications and contractual arrangements.
- Access to multiskilled and flexible workforce: It is necessary to have access to the right skills across all areas, including producers, directors, actors and all support staff.
- Ability to manage external (outsourcing) contracts: Producers often outsource tasks and must be able to manage subcontractors in the film production process, including all pre and postproduction areas.
- Ability to quickly adopt new technology: Production companies must use various technologies to improve the outcome and costs where available.
- TV producers rely on distributors and an increasing variety of platform providers, such as broadcast TV, cable, on demand, websites and applications, to show content to audiences. As a result, many companies are becoming more vertically integrated i.e., well-connected from production to post-production and distribution).
- The industry will continue to need to invest in technology and services, in addition to other costs related to providing catering, make-up and production sets.

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<sup>28</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

<sup>29</sup> Ibid.

## Outlook

According to IBIS World, the film sector (including movie, TV and video production) is going through a growing stage of its economic cycle. This is characterized by a growth in the industry participation, growth rates above the rise of the overall economy and changing products and services.<sup>30</sup>

The film sector value added (IVA)<sup>31</sup>, will experience an annual growth of 1.6% until 2026. For instance, the Canadian GDP growth rate was estimated at 1.9% during the same time. An IVA that is growing in line with the economy is indicative of a strong sector. However, it is important to highlight that the film sector was particularly affected by the COVID-19 Pandemic. The sector is expected to grow and recover the growth rate in the upcoming years; the number of businesses is projected to rise an annualized 3.1% to 2026, further lending confidence to the industry's status as a growing sector.<sup>32</sup> The industry has also benefited from new digital streaming technology, services including Netflix, Amazon Prime, and Disney Plus, have provided an alternative source of revenue for the domestic industry, and also an increase in demand for new content as these services compete against each other to capture new subscribers.<sup>33</sup>

## Recruitment Zones

FDi intelligence reported that the foreign direct investment projects in the film sector reached 97 in 2020. The United States was the leading destination globally, according to greenfield investment tracker fDi Markets. Foreign companies involved in motion pictures and sound recording announced a total of 15 projects in the United States, up from 6 the previous year. The United Kingdom (12), France (6), Germany (6), Canada (5) and Australia (5).<sup>34</sup>

The Massachusetts Film Office also identifies the following cities as key locations for production companies: Los Angeles (California), New York City (New York), Albuquerque (New Mexico), Atlanta (Georgia), Austin (Texas), Chicago (Illinois), Vancouver (British Columbia), Toronto (Ontario), Philadelphia (Pennsylvania), Montreal (Quebec), and Miami (Florida).<sup>35</sup> Other important film hubs outside North America include London (UK), Mumbai (India), Chennai (India), Hong Kong, and Sydney (Australia).

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<sup>30</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

<sup>31</sup> The industry value added (IVA) measures an industry's contribution to the overall Canadian economy.

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

<sup>34</sup> FDi intelligence. Streaming platforms drive continued global investment. March 2021

<sup>35</sup> Massachusetts Film Office, 2021

Figure 7 – Film Production Hubs



Source: Google My Maps

# SWOT Analysis

The following is an overview of the strengths, weaknesses, opportunities, and threats that face the film Sector in Niagara. This SWOT analysis utilizes the background research that was completed for the sector, as well as engagement from key stakeholders from the film sector in Niagara region and industry associations.

Sector SWOT	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Niagara region has a variety of locations that production companies could want including institutional, natural resources, industrial properties (operating and vacant), heritage assets, rural land and urban centres.</li> <li>• Availability of serviced land for new film studio development.</li> <li>• Niagara region has not experienced fatigue or over-used locations/areas that can often hinder attraction of productions into a jurisdiction.</li> <li>• Niagara College offers the Broadcasting – Radio, Television and Film (Film Production) program; the Broadcasting – Radio, Television and Film (Television Production); and Acting for Film and Digital Media on its Welland Campus. In addition, Brock University offers programs in Film Studies. These programs prepare talent that could meet the needs of producers and filming companies in Niagara region.</li> <li>• The region’s network of innovation centres such as Innovate Niagara, Spark Niagara can support its future potential growth through their technology applications and talent.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of film studio infrastructure such as studio spaces, production facilities, and post-production facilities in the region. Currently, only one Studio space is identified by Ontario Creates.</li> <li>• Employment in the sector is low and is mostly connected to film exhibition venues (i.e., movie theatres).</li> <li>• Currently, Niagara is comparatively unknown to producers, location scouts and location managers.</li> <li>• There is a large capacity for the film sector, but many of the assets including workforce are in the Toronto/GTA region and it is more challenging to get those representatives down to Niagara region.</li> <li>• Access to local talent is not necessarily readily available.</li> <li>• Poor funding and support for the industry in the region.</li> <li>• Despite the variety of locations on offer there are still some limitations in accessing appropriate public land for filming and private land is often inaccessible.</li> <li>• Suitable accommodation is available in some communities in the region (e.g., Niagara Falls), but less tourism-oriented communities may lack of</li> </ul>

	quality accommodations suitable for production crews.
Opportunities	Threats
<ul style="list-style-type: none"> <li>• The growth of digital streaming service has created an increasing demand for digital content; thus, opening opportunities to attract and retain film and TV production in Niagara Region.</li> <li>• Cost of producing in Canada remains lower than in the U.S., this is the result of lower exchange rates and several tax incentives that allow production companies to save money on labour and production costs.</li> <li>• When it comes to the film sector, Niagara Economic Development is ideally positioned to deliver services including attraction and marketing of international film production to the region.</li> <li>• Niagara Region Economic Development should drive the coordination, promotion and marketing efforts for the region to attract film and TV production to the region.</li> <li>• Growing the number of locations on the Ontario Creates Location Library is a free way to promote the viable properties for filming across the region.</li> <li>• Hamilton is a hub for filming and with Niagara being right next door there are dozens of productions that could capitalize on driving a little further down the QEW and into Niagara region. Given its success Hamilton could also be explored as a potential model.</li> </ul>	<ul style="list-style-type: none"> <li>• TV and video production companies rely heavily on tax credits from provincial and federal government to cover their production and labour expenditures. This may create opportunities when government expenditure and investment in the sector increases but may also create a volatile market if government support ceases.<sup>36</sup></li> <li>• Due to a favourable tax credit system for film producers together with a weak dollar during the period that lowered the relative cost of operations, many film production companies have expanded their operations in Canada, thereby increasing the competition in the industry within the country.<sup>37</sup></li> <li>• The expectations of the film industry in many cases are for short turnaround times and quick decisions to requests being made; there needs to be a commitment from relevant staff to review and provide comments/approval in a timely manner.</li> <li>• Cast and crew on the majority of productions are members of the Guilds and Unions that have limitations on travel and distance from production offices (Location Zones) that can be travelled before additional costs are incurred to off-set the time/distance that cast and crew travel. Per diem, flat rate fees, accommodations, mileage, etc. are all</li> </ul>

<sup>36</sup> IBIS World. Movie, TV and Video Production in Canada – Industry Report 51211CA

<sup>37</sup> Ibid.

<ul style="list-style-type: none"> <li>• Development of policies and plans that would support the large-scale investment that might come in the longer term and support the recognized use of a film studio in Niagara.</li> <li>• Develop tax incentives or grants that reduce cost for production companies to work in Niagara Region.</li> <li>• Create opportunities to work with existing businesses to support the niche of the film industry. Also, to work on business and investment attraction with those existing companies in the GTA will give Niagara the pillars to provide solid support to productions across southern Ontario.</li> <li>• Opportunity to explore the development of the Niagara Film Commission. Where dedicated staff can oversee the filming inquiries and promote the region as a place for filming.</li> <li>• Create an inventory of locations and assets available in the region for filming.</li> <li>• Integrate tourism and the film sector by attracting additional film festivals or develop film location tours throughout the region.</li> <li>• Encourage networking of local film businesses.</li> </ul>	<p>additional costs that productions have to incur when choosing to film at locations outside the Zones. These additional costs are a barrier to filming in Niagara because regardless of the production, if the cast and crew is unionized it is outside the Zone.</p> <ul style="list-style-type: none"> <li>• There is not a centralized initiative around the film sector that involves all communities in the region.</li> <li>• Conversations around this sector have been taking place for over a decade. There has been a lack of interest from some communities to pursue this sector.</li> <li>• Competition from other established Canadian film hubs such as Toronto, Montreal, and Vancouver</li> <li>• Complexity and time needed for permits for film can be disincentive to film in Niagara Region</li> </ul>
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# Conclusion

Niagara region has a growing reputation in the film sector, particularly as a prime location for film shoots, as evidenced by the growth in the number of enquiries from production companies in recent years.

However, if the region is to build on this potential and develop the critical mass needed to attract other types of investment in the film sector then key steps need to be taken. These steps include: increasing the awareness of film location options in the region, developing closer working relationships with partners such as Ontario Creates, exploring the potential of a local film fund that could mitigate costs and offering a comprehensive concierge service that includes arranging accommodations and connections to businesses and talent in the region.

The development of a Niagara Film Commission could help promote and advocate for the region, manage a local fund and run the concierge service. Its evolution would be an indication that Niagara region is invested in this sector.

The task will be not be easy, not least because the sector is highly competitive within Ontario, Canada and internationally. However, if Niagara can build on its current success and reputation, it would allow it to also explore the potential to attract complementary investments in the film sector such as small studio spaces and technology companies that are part of the film industry.



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