

ECONOMIC SECTOR PROFILE: FILM

CHILLIWACK, BRITISH COLUMBIA, CANADA

...the future of film.

"For filmmaking, Chilliwack is ideal for its unique locations and its facilities. In town there are hotels, shopping centres, restaurants, and office buildings. Within 30 minutes, you can be in the mountains, on a ski hill, by a raging river, by a crystal clear lake, on a holiday beach, or on a farm. And, Chilliwack's proximity to Vancouver means that production support is close at hand."

Bob Fugger, Film Producer & Director, Origin Pictures



FILMING IN BRITISH COLUMBIA

Film and television production spending in British Columbia in 2011 totaled \$2.2 billion.

The total number of projects increased to 281 in 2011 compared to 246 in 2010. The majority of activity was in feature film production, which totaled \$446 million in 2011. Domestic production spending in BC decreased slightly to \$208 million in 2011 from \$243 million in 2010. Some examples of film, television and animation productions shot in BC in 2011 include: Twilight Saga: Breaking Dawn; Diary of a Wimpy Kid 3; Million Dollar Neighbourhood; The Secret Circle; Monster High; and Ice Pilots.

British Columbia's film industry is also creating a significant economic impact in other industries including construction, tourism and small business sectors such as accounting services, vehicle rentals and gas stations. Also add the earnings of approximately 50,000 British Columbia film industry employees who put their money back into the economy.

FILM AND TELEVISION PRODUCTIONS

British Columbia is a viable, competitive and cost effective centre for production. There were 281 film and television productions shot in British Columbia in 2011. These included major feature films; movies -of-the-week; pilots; documentaries; mini series; TV series; and animation projects.

Productions in Chilliwack in 2011 included commercials for Tim Hortons, Walmart, A & W Restaurant, and Subaru. Also filmed in Chilliwack in 2011 were two RCMP training videos, a feature film teaser, and the fifth and final season of the highly popular Sci-Fi TV series, Eureka.

STRATEGIC ADVANTAGES

Chilliwack provides that any-town or small-town

feel without the costs of moving production people and equipment to remote locations. Other financial benefits to filming in Chilliwack include low location and permit costs and tax credits. Also, Chilliwack has a full support network of hotels, restaurants and large filming facilities. But what makes Chilliwack ideal is its multitude of filming locations: Canada Education Park, mountains, lakes, rivers, ski hills, farms, modern /historic sites, recreational facilities, industrial /office buildings, nightclubs, mansions to hovels, country roads, highways and more.

TAX CREDITS

The British Columbia Production Services Tax Credit (PSTC) encourages film, television and animation production in British Columbia and can be accessed by international and Canadian producers in BC. To support the continued growth of this industry, Budget 2010 included the following enhancements to film, television and digital media tax incentives:

- PSTC on labour costs for foreign productions increased to 33% from 25%.
- Qualified BC labour expenditures cap increased to 60% from 48% of production costs for domestic productions.
- Digital Animation or Visual Effects tax credit bonus increased to 17.5% from 15%.
- New BC Interactive Digital Media tax credit for interactive game development of 17.5% of qualifying BC labour costs.

The Production Services Tax Credit Program (PSTC) provides refundable tax credits to accredited production corporations who produce accredited film or video productions in BC. These credits are available to both domestic and foreign producers and there is no Canadian content

requirement.

PRODUCTION FACILITIES

British Columbia has over 70 post-production facilities, 60 shooting stages, a water tank facility and an extensive resource of equipment rentals. British Columbia is home to two of the largest film and television studio facilities in Canada and one of the largest special effects stages in North America. British Columbia has the ability to crew and service 40 projects simultaneously. We have a host of talented actors, script writers, site location scouts, producers, location managers, researchers, filming and production crews, post-production and ancillary services companies.

ECONOMICS

British Columbia is the third-largest film and television service production centre in North America, contributing more than \$1 billion dollars annually to BC's economy and providing an estimated 20,000 direct and 15,000 indirect jobs.

For information on local labour, unions, rates, immigration and work permits, visit the BC Film Commission at www.bcfilmcommission.com. For tax credit information, visit www.bcfilm.bc.ca.

For filming permits in the City of Chilliwack or for information on production support, contact the Chilliwack Film Commission at 604-792-7839.



www.chilliwackfilmcommission.com

CHILLIWACK, BRITISH COLUMBIA

Population Est. 92,308

...everything a business needs to succeed!

EFFICIENT GLOBAL ACCESS AND A WORLD CLASS INFRASTRUCTURE

Chilliwack, British Columbia maintains well-established economic, cultural, communications and transportation ties with Asian, American and European markets. Located on the Trans Canada Highway, the city is only 20 minutes away from a USA border crossing and Abbotsford's International Airport, 90 minutes from Vancouver's International Airport and one hour from the nearest shipping sea port.



DYNAMIC AND DIVERSE ECONOMY

Chilliwack's economic strength is based on the success of established resource sectors such as agriculture, food processing and forestry. However, recent dramatic growth in technology and knowledge-based industries is bringing new diversity and energy to the community, creating numerous investment and business opportunities.

UNBEATABLE QUALITY OF LIFE

Chilliwack is one of the world's most desirable places to live and work... with the country life and proximity to major urban centers, a mild climate, gorgeous scenery and a low cost of living.

QUALIFIED WORKFORCE

Chilliwack's first rate education system, supported by the University of the Fraser Valley and other advanced education opportunities, provide a wealth of qualified local talent. In fact 66 percent of British Columbia's employees have post secondary education with 21 percent holding a university degree.

BUSINESS - FRIENDLY GOVERNMENT

Chilliwack holds a reputation for being the most business-friendly community in the province. Our Municipal Government believes that the strength of our local economy is a direct result of assistance to business. They have a commitment to satisfy the needs of business, to reduce tax costs and go the extra mile to ensure quick approvals.

COMPETITIVE BUSINESS COSTS AND INCENTIVES

Chilliwack is one of the most cost-competitive locations for business. Municipal taxation and provincial tax cuts are reducing business costs and increasing Chilliwack's competitiveness. Since 2001, the provincial government has introduced dramatic changes designed to strengthen the economy and make British Columbia the best place to invest in North America.

REDUCING TAXES TO ATTRACT INVESTMENT AND TALENT

- **Thirty-one provincial tax relief measures** including a 30 percent cut in the corporate income tax rate, elimination of the general capital tax and a 25 percent cut in personal income tax rates.
- **New or enhanced tax credits** and exemptions for software development, manufacturing, mining, oil and gas, film and TV production, new media and international financing activities.
- **Employer-paid payroll taxes** average about 50 percent lower than in the US.
- **No property taxes on machinery, equipment** and other non-real estate assets, unlike most US jurisdictions.
- **Federal and provincial research and development tax credit programs.**

Federal	BC	WA	OR	CA
Corporate Tax				
\$50,000 - \$75,000	11%	25%	25%	25%
\$75,000 - \$100,000	11%	34%	34%	34%
\$100,000 - \$335,000	11%	39%	39%	39%
\$335,000 - \$500,000	11%	34%	34%	34%
\$500,000 - \$10M	115%	34%	34%	34%
Provincial / State Corporate Tax				
\$0 - \$250,000	2.5%	N/A	6.6%	8.84%
\$250,000 - \$500,000	2.5%	N/A	7.6%	8.84%
\$500,000 and over	10%	N/A	7.6%	8.84%

Source: Province of BC, 2012 / WA, OR, and CA States, 2012

Provincial

Corporate Tax	BC	AB	ON
Income			
General	10%	10%	11.5%
Mfg. & Processing	10%	10%	11%
Small Business	2.5%	3%	4.5%

Source: Province of BC, AB and ON, 2012

UTILITIES

In British Columbia, hydroelectric power is our most reliable (99.923%) and biggest source of energy. BC Hydro (a Provincial Crown Corporation) serves 94% of all of British Columbia's residents including Chilliwack. Gas distribution throughout British Columbia is provided by Fortis BC. Natural gas from the Peace River region is transmitted by pipeline to Chilliwack through to Vancouver.

ELECTRICITY AND GAS RATES

HYDRO RATES	Business (under 35kWh for 2 mo.)
Basic/Minimum Charge:	18.53 cents per day
	All kWh: \$0.0881 kWh
Rate Rider:	2.5% applied to all charges before taxes and levies

*different rates available for different consumption uses.

Source: BC Hydro, 2012

GAS RATES

Small Commercial Rate 2 (less than 2,000 GJ annually)	
Basic Charge per day	\$0.8161
Delivery Charge per GJ	\$2.896
Midstream Charge per GJ	\$1.352
Cost of Gas per GJ	\$4.005

*different rates available for different consumption uses.

Source: Fortis BC, 2012



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