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COMMITTEE

ON

ECONOMIC DEVELOPMENT

Thursday, January 29, 2015

LEGISLATIVE COMMITTEES OFFICE

Nova Scotia Soundstage & Infrastructure

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ECONOMIC DEVELOPMENT COMMITTEE

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[Mr. Gordon Wilson was replaced by Mr. Iain Rankin]

In Attendance:

Mrs. Darlene Henry
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

WITNESSES

Nova Scotia Soundstage & Infrastructure

Ms. Lisa Bugden - President and CEO
Film & Creative Industries Nova Scotia

Mr. Richard Hadley - Branch Representative
ACTRA Maritimes

Mr. Gary Vermeir - Business Agent
IATSE Local 849

Mr. James Nicholson - Director
Directors Guild of Canada



House of Assembly
Nova Scotia

HALIFAX, THURSDAY, JANUARY 29, 2015

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT

9:30 A.M.

CHAIRMAN
Mr. Joachim Stroink

MR. CHAIRMAN: Good morning everyone. I'd like to call this meeting to order. I'd like to remind everybody to turn off their cellphones before we start.

I will now have the members of the committee introduce themselves.

[The committee members and witnesses introduced themselves.]

MR. CHAIRMAN: Thank you very much. Who wants to start this presentation?

MS. LISA BUGDEN: Mr. Chairman, I would like to begin the presentation. Thank you, ladies and gentlemen for this opportunity. We're delighted to be here to talk about Film & Creative Industries Nova Scotia, specifically our plan to grow the creative industries. I have a presentation here this morning and I would like to draw your attention to the screen.

Our agency is a 12-person agency. We fall under the Department of Economic and Rural Development and Tourism and are one of six sister agencies that specifically focuses on film and creative industries. We were created in April 2013, and we're now developing a five-year strategic plan which will be submitted to the minister by March 1, 2015. We have had extensive consultations with industry over the last year and a half, working with colleagues such as are represented here today, to understand the opportunity for film as well as creative industries in the province.

We have catalogued a number of challenges facing the creative industries, but I must say, based on my previous experience with Nova Scotia Business Inc., many of these challenges are not unique to the creative industries, they would be challenges that you would see across the board in other businesses and industry sectors. Perhaps the one issue that is paramount for these industries is the fact that many of our operators are sole proprietors and that comes with a number of challenges. Despite that, we see a number of opportunities and that really has informed our strategy.

We believe there is great opportunity to increase the contribution of the creative industries to the province. We see opportunities as well to create linkages with other sectors to drive innovation, and equally important for this province, to engage younger people in higher value jobs and to retain talent, which is so critical not only in Halifax, but across rural Nova Scotia as well. Many of the jurisdictions we studied also are using the creative industries, specifically film, to help transition the delivery of public services, education and health care as well.

Long-term planning really needs to address three critical issues and once again, these issues are important to many other business sectors. They include convergence, the melding of technologies as well as industries; digitalization, the movement to a digital platform; as well as globalization or international trade. These are consistent themes you'll see in many economic development plans. For us, we see film and television as a foundation industry, an industry that can inform and educate, create awareness, as well as support many other industries.

If you look at *The Chronicle Herald* today, the front page, you'll see *The Book of Negroes*, which was a project that we were happy to work on and I have some more detail, but that underscores the connection with film and other industries and the ability to drive traffic and promote, in this case, our province.

For some of the committee members here this snapshot - which is a little too big for the screen - is about the economic impact of Haven on the South Shore of Nova Scotia. So what we see here is a screen capture that highlights some of the specific economic impacts; in year four alone, \$244,000 spent on food. That's food bought in the local area, as well as \$252,000 on construction, painting, and scenic supplies. Those are basic inputs to a typical film or television production. This production has been ongoing for five years along the South Shore of Nova Scotia, which would make it one of the biggest employers in that area.

What's also exciting is the reach of programming. You'll see here just a snapshot of the more than 110 countries that are actually airing Haven as we speak. This is a wonderful opportunity and we find our tourism folks and friends along the South Shore get inquiries from people who want to know where "Haven, Nova Scotia" is.

This one is really exciting for us; this is *The Book of Negroes*, based on Lawrence Hill's award-winning novel, which has been turned into a six-part mini-series. What is

particularly important for us is that not only is it airing on CBC but in the next two weeks it will be airing on the Black Entertainment Network in the United States. BET has a potential catchment of 90 million households. We've partnered with the Nova Scotia Tourism Agency because they understand this provides a target-rich environment for them to promote the province, specifically cultural tourism.

This production also brought an international cast to the table, including two Academy Award winners, Cuba Gooding Jr. and Louis Gossett Jr., as well as Aunjanue Ellis, who has been in a number of leading productions. It was filmed in five different locations across the province and involved almost 100 to 125 crew and more than 975 cast members, so it was a significant project.

It debuted on CBC on January 7th to 1.7 million viewers. That's significant for the CBC: that means this was the highest debuted program by genre since 1990, and I'm sure we can all appreciate at that point that the universe was very different.

I'd like to take the last moments of my presentation to actually show you the clip in which you will see some wonderful images of Nova Scotia.

[A video presentation was shown.]

MS. BUGDEN: In that brief 30-second clip you saw Louisbourg, you saw Shelburne, and you saw Lunenburg. You also saw the work of cast and crew here who masterfully created a chapel, multiple buildings, marshalled a flotilla of wooden ships to masquerade as New York Harbor. It was quite an undertaking and now audiences not only in Canada but across North America - and we hope around the world - will see this because we're also an investor.

Last evening producers from the film actually gifted the prop you saw there, *The Book of Negroes*, to the Black Loyalist Heritage Centre to be part of their permanent collection. So we not only see the opportunity to promote but in this case we've actually done a number of things. We did a Making of the Book of Negroes as a mini documentary, and footage from that will actually be used by Tourism Nova Scotia, by Fortress Louisbourg, by the Black Cultural Centre, as well as the Black Loyalist Heritage Centre, to help promote and create a stronger digital presence for all these entities. That's really what we're talking about here: how do we harness the skills and technology that we have in the creative industries to support not only the other creative industries - music and publishing, which we're seeing increasingly - but also other industry sectors? Thank you very much for your time this morning.

MR. CHAIRMAN: We'll turn it over now to Mr. Hadley - are you next?

MR. RICHARD HADLEY: We're actually doing a joint presentation.

MR. CHAIRMAN: Okay, Mr. Vermeir, go for it.

MR. GARY VERMEIR: Good morning. We'd like to thank the Standing Committee on Economic Development for this opportunity to talk about the screen industries in our province. We're here today on behalf of the four unions that represent crew and cast on Nova Scotia's sets. I'll just ask Lisa to pass me the little clicker. We've got a few things to go up on the screen as well.

My name is Gary Vermeir and I'm here on behalf of the two IATSE locals represented in our industry - Local 667 and Local 849. My local, Local 849, represents 292 motion picture technicians in Nova Scotia, spanning a wide range of crafts from the hair, makeup, and wardrobe crew to the lighting and grip teams, set construction, paint and set decoration personnel, sound recordists, script supervisors, special effect technicians and props people, all the way through to the transport department. We hang the lights, we build the sets, design the costumes, and pump the fake blood on Nova Scotia's productions.

Our sister local - and we have Tim Storey here from Local 667 - represents camera personnel. Local 667 has 47 Nova Scotia members and represents directors, photography, camera operators and assistants, unit publicists, still photographers, video assists, digital engineers and technicians, data management techs, and so on. Camera personnel are some of the most highly trained of all the departmental crew on a shoot. These technicians are experts in the ever-advancing world of digital technology.

MR. JAMES NICHOLSON: My name is James Nicholson and I'm the business agent for the Atlantic Council of the Directors Guild of Canada, serving the needs of 120 members in Nova Scotia. We represent the key creative and logistical positions, including directors, assistant directors, production managers, production coordinators, location managers, production designers, art directors, and picture and sound editors. Our members take the vision of the screenwriter and create the look and feel of the finished product.

Our administrative members are responsible for budgeting and coordinating the project, leading the military-style operation that is a film set. Many of our members move up the ranks within the industry in roles as producers, directors, and screenwriters on their own projects.

MR. HADLEY: I'm Richard Hadley, the branch representative for the Maritimes branch of ACTRA. ACTRA has 439 full members in Nova Scotia and 154 apprentice members working towards full membership. Our members are principal performers, actors, singers, dancers, stunt performers, voice performers, background performers, and stand-ins. Our members are the faces on the screen, from the unsung background extras to the success stories like John Dunsworth, Ellen Page, and Mike Smith who are now known around the globe.

Our members have held their own in scenes with international stars, as well as carrying the leading roles in locally produced films, series, web projects, and commercials. This year more of our members have been nominated for Canadian Screen Awards than ever before.

MR. VERMEIR: Over the past 20 years our organizations have grown in skill and experience as the Nova Scotia industry has developed and matured. For a region the size of ours, perched as we are on the edge of Nova Scotia, our industry is doing some remarkable things. Nova Scotia is, as they say, totally punching above its weight in terms of production output and production quality and creativity.

MR. NICHOLSON: Our crews can take much of the credit for the success. In an industry that breeds specialization in larger centres, many of our crew possess a wide range of expertise, enabling them to work in several departments and perform many jobs. This knowledge, flexibility, and interchangeability make Nova Scotian crews incredibly resourceful and co-operative, which has a big effect on the production's bottom line. We challenge you to find a crew anywhere in North America better at making \$1 look like \$3 on the screen, regardless of the type of screen or platform.

When we all began our careers in the industry, product was made for two kinds of screens: theatres and television. Today our product is seen on televisions, computers, and all manner of portable digital devices. Traditional film stock has given way to digital imaging. Production once only possible in Montreal or Toronto film labs - this is post-production - is now done to world-class standards by digital post-production and effects studios right here in Nova Scotia. Lighting and equipment is moving towards lighter, flexible LED instruments, and continuity is now coordinated on tablet computers.

Our crews have to stay on top of these innovations so our unions, in association with the local equipment rental houses, provide regular training. In fact, most of the training and professional development of crews is provided by the unions with no funding from the government.

MR. HADLEY: The talent of our crews and performers has impressed the Hollywood studios, who have the entire world to choose as locations, but who keep sending productions here to Nova Scotia. A case in point is *Lizzie Borden Took an Ax*, a Lifetime Sony TV movie shot here in the summer of 2013. The studio was so pleased with the experience and result that they greenlit an eight-episode *Lizzie Borden* series that is still shooting here, providing months of work for local crew and performers and spending millions of dollars in Nova Scotia.

Tom Selleck has shot eight of his *Jesse Stone* television movies here and the producers are very open to returning with more. When shooting in Nova Scotia, these productions provide foreign, direct investment into the province through the hiring of Nova Scotia labour and the purchasing of supplies.

As important as servicing projects for offshore producers is in our industry the real drivers of growth are locally produced television series created and shot in Nova Scotia by Nova Scotians. The Trailer Park Boys, Mr. D, Call Me Fitz, are examples of homegrown projects with a definite East Coast edge that attract millions of production dollars into the province and have won audiences all over the world.

The TV series Haven that just completed its fifth season on the South Shore is a U.S. production, but it has also brought on a Nova Scotian production company that maintains some ownership and rights of the co-venture. Over the years the series has acquired a greater Nova Scotia character as more local crew and performers have moved into key positions. The bluenose flavour has resulted in sales of this unique product to over 110 countries around the world.

MR. VERMEIR: Our people make good livings at this work. The average entry level wage under our agreement, IATSE 849, is \$23 per hour. Our agreement sets minimum wages based on the budget level of the production, but cast and crew are able to negotiate above these minimums. Those technicians with more experience can make over \$35 to \$40 an hour. Local 849's members earned in total an average of \$6.890 million each year over the past year. Local 667 members earned \$800,351 on Haven alone in 2013. The average daily earnings for a Local 849 member on Haven was \$393.

MR. NICHOLSON: In 2013, Nova Scotia residents of the Directors Guild of Canada grossed over \$4.8 million in salary and our organizations also provide our members with robust health benefits as well as a retirement plan. Members of IATC and DGC belong to a joint national retirement plan with over \$270 million in assets.

MR. VERMEIR: Our people buy houses, they raise families and start side businesses. Freelance film technicians are by nature entrepreneurs, always looking for new ways to market their skills. Many have spun off their crew careers into sideline companies providing vehicles, gear, props, et cetera to the film industry, or setting up shops, catering firms, and the like to fill the downtime between shows.

One example is Blair Higgins, soon to become a member of Local 849, who through his Hammonds Plains business, Loyalist Arms & Repairs, not only is the gun wrangler on Lizzie Borden, he also imports and exports replica vintage weapons to film companies and historical societies across North America.

Of course, the screen-based industry not only includes the traditional categories of theatrical and television production, but also commercial industry, documentaries, digital animation, lifestyle and educational productions, music videos, corporate video and digital training modules. It also includes the interactive world, computer gaming, digital marketing, web series, animation, visual effects, with a lot of overlap amongst the various subsectors. Much of this work is done under union contracts, much of it is not. All of this adds up to about 3,000 jobs in Nova Scotia, union and non-union.

Our members are a cornerstone of the cultural workforce in the province for whom the salaries earned in the screen-based industries make possible their work in other creative fields, including the visual arts, theatre, and music. If the unthinkable was to occur and the film industry was to fold its tent, other related cultural fields would take an enormous hit as well.

MR. NICHOLSON: Our members are kept very busy each production year. Sometimes we must scramble to recruit new members to keep up with the demand. To that end, DGC, IATSE 849 reach out to Nova Scotia Community College, NSCAD and Dalhousie, to introduce their students to careers in the Nova Scotia screen industry. ACTRA has a separate agreement that enables members to perform in NSCAD, NSCC, and the Atlantic Filmmakers Cooperative training and student projects. The Local 667 collective agreement requires a camera trainee on every production.

There are not a lot of barriers to joining this industry. Many of our positions don't require degrees. The unions provide much of the training that enables young workers to join our workforce and start making good salaries with benefits. Advancement is quick for those who work hard and learn fast.

MR. HADLEY: We enjoy labour peace within the Nova Scotia industry. Unlike in larger centres, there are no competing unions. The four crew and cast unions here work closely with each other and with producers. We sit side by side on the Film & Creative Industries Film Advisory Committee and as board members of Screen Nova Scotia which is the industry association.

I encourage you to read the Screen Nova Scotia position paper which was prepared for the Broten report and to meet with Marc Almon, the Chair of Screen Nova Scotia.

MR. NICHOLSON: The screen industry shows no signs of slowing down and we are incredibly grateful to the continued confidence shown by the Nova Scotia Government. The extension of the film industry tax credit means that our seasoned producers will continue to get serious projects greenlit while our crop of new filmmakers develop feature films that regularly attract international acclaim.

New models of distribution created by Netflix and Amazon are contributing to the insatiable appetite for quality content in this new, golden age of television, content that Nova Scotians continuously prove that we can provide. This multi-platform environment has also opened new windows for additional sales and revenue for older productions. However, this continued activity is dependent on the stability of competitive incentives provided by the provincial government. Localized tax incentives are the cost of doing business, not just in Canada but many American states, including California, where the tax credit program was recently expanded to \$330 million. Provinces remove these incentives at their peril. New Brunswick and Saskatchewan did so and quickly found themselves without a viable screen industry.

MR. VERMEIR: The lack of a dedicated soundstage facility affects our ability to offer full production services year-round. We have more work than we can handle in the summer and Fall, but production over the winter months remains limited to smaller projects and animation work due to the lack of facilities. Two of our largest employers, the series Haven and Mr. D, both shot in the summer in hockey or curling rinks, which naturally had to revert to hockey or curling rinks in the wintertime.

A true, permanent soundstage, whether purpose-built or housed in a renovated existing structure, would not only provide a place to shoot 12 months a year but would assist in attracting bigger projects - the higher budget feature films and series, which require standing sets and larger crews. It would also create the hub that our industry needs, the centre for all things film for training, production offices, communications, and the like.

MR. HADLEY: Every year the local film unions journey to Los Angeles to market our province. At every meeting the first question is, what is the tax credit in Nova Scotia; the second question is, what do you have for studio space?

Now we are always proud to answer the first question as our tax credit is solid and competitive and is now assured until 2020. However, we have always had to do some very uncomfortable tap dancing when we answer the second question.

It need not be this way. We all firmly believe that a formula can be developed whereby the various levels of government, in partnership with potential private investors, create this critical piece of infrastructure here in Halifax.

MR. NICHOLSON: We need only look to the Calgary Film Centre currently under construction in that city to see how such a partnership might be structured. With a Halifax soundstage serving as an industry hub near the airport, equipment houses and accommodations, the appeal of Nova Scotia as a production destination would increase enormously. We would continue to see location shooting in all our iconic communities: Chester, Lunenburg, Windsor, Louisbourg, and the many others as it is these locations that draw productions to Nova Scotia - yes, did I mention Truro? (Laughter)

It is heartbreaking for us to see a producer fall in love with a Nova Scotia location and then lose the show and those jobs to another jurisdiction where the studio space is applicable. Haven's recent occupation of the empty Rona building at Bayers Lake gave us a glimpse of what such a facility might look like - a true hub of activity with ample studio and construction space, a back lot and a space to house all production departments under one roof.

MR. VERMEIR: We firmly believe that with the continued confidence in our industry, careful analysis of the incentives needed to stay competitive and the addition of a soundstage, our industry will continue to grow. The many sectors of our industry are converging into a potent economic engine, which will attract young Nova Scotians and entice more professionals from beyond our borders to set up shop here. We've already

welcomed crews from Germany, Australia, and numerous other Canadian provinces into our ranks. Acclaimed performer and Oscar nominee Jane Alexander has relocated to Shelburne from the U.S.

With an industrial standard studio in place, we could be drawing larger numbers of skilled talent to Nova Scotia. We could be keeping them at work 12 months a year, and seeing Nova Scotia-shot productions winning awards and opening major film and television festivals around the world - oh wait, that part is already happening.

MR. NICHOLSON: We know that launching a soundstage is an audacious plan, but the Ivany report encouraged us to be bold. But until a permanent soundstage becomes a reality, I can assure you that our members will continue to magically turn gymnasiums, ice rinks, and all manner of industrial buildings into temporary studios. Thanks to our strong film tax credit and the solid support from Film & Creative Industries Nova Scotia, local producers will continue to inject millions of production dollars into the provincial economy, employ thousands of people, and export world-class projects.

MR. HADLEY: Every production shot in our province is exported for exhibition outside our borders and becomes an advertisement for Nova Scotia and a beacon for potential tourists. Our crews constantly have to wrangle the starry-eyed Haven or Trailer Park Boys fans who flock to Chester or Truro - you mentioned Truro - to watch their favourite shows get made.

The Book of Negroes production has established links with the Black Loyalist Heritage Centre in Shelburne so that U.S. audiences of this tale of shared American and Nova Scotia history can follow the path of their ancestors up to Birchtown.

MR. VERMEIR: We truly believe that the sky is the limit for our industry. We have the talent, the track record, the skills, and the experience. Look at the nominee list for the Canadian Screen Awards. Front and centre are more Nova Scotia names and productions than ever before. We have the know-how, we have the equipment - so a place to put it all would be the last piece of the puzzle. So let's talk. Let's work together to keep this industry growing and evolving so that it can become the economic engine for Nova Scotia that we are all convinced it can be. Thank you very much.

MR. CHAIRMAN: Thank you. We'll start with committee members asking questions and, Lenore, since this is your baby, you may start. Just one thing, please keep questions pointed - no long stories - to respect the witnesses' time. It would be greatly appreciated. Now I turn it over to Lenore.

MS. LENORE ZANN: Thank you for coming. It's really exciting to have you all here under one roof. I've been talking about a film studio for some time now. I know that we used to have the Electropolis and that was a rented building, and then they sold it. So when we talk about a film studio now, you mentioned by the airport. Is that partly to do

with the tax credit, so if something is shot without the bounds of Halifax, it's an extra 5 per cent tax credit?

MR. VERMEIR: I think essentially what we were talking about was, we've had experience in Nova Scotia with a film studio built in Sydney and it didn't work. We had experience with a film studio built in Shelburne, but they're too far away. The studio itself needs to be near the HRM, which is the production centre. Then it becomes the hub for all the location shooting that happens all over the province. So no, our suggestion really didn't have anything to do with the regional bonus. It just makes logistical sense.

MS. ZANN: I see, to be out there but . . .

MR. VERMEIR: To be in the HRM . . .

MR. CHAIRMAN: Order. Just to interrupt for two seconds - please, before you speak, let me introduce you just so Hansard can keep tabs of what's going on. Ms. Zann.

MS. ZANN: I know there are some soundstages that are really huge where you can even put water scenes. It would have a pool where you can do water scenes so that all those ship scenes - by the way, the wooden ships in your show were amazing. I don't know how they did it - just beautiful. What size of soundstage are we talking about that people would really like to see? Anybody in particular?

MR. NICHOLSON: Usually soundstage facilities in other cities consist of several stages of various sizes. We have had the private soundstage of Tour Tech, which has proved to be serviceable at times. It wasn't designed as a purpose-built studio, it was an industrial space that was taken and renovated.

Usually a soundstage is a series of offices that are large enough that perhaps more than one production could set themselves up in several buildings of anywhere from 10,000 to 30,000 square feet that need to be soundproof and have certain access for vehicles and electricity, which is why they almost always go out on the fringes of the city - for instance, in an industrial park, on the edge of an industrial park, where there would also be space to grow those spaces. Sometimes they start off with one or two soundstages and they build additional ones.

Quite often a production is in there not just for the time that they shoot but for many weeks, if not months, prior to shooting and after.

MR. HADLEY: I was recently in Toronto and was kind of granted a tour of the studios there, Pinewood. That facility was purpose-built. Basically it's just a big, large, soundproof space with offices that are all set up so production from away just turns up - the phones are there, the computers are there, they sit down and they can operate.

The equipment would come from equipment rental houses, there are construction facilities as part of it. Really it's that big space where you can set up that environment to shoot, where you can create an interior, you can create a streetscape. I was amazed at how fundamentally simple it was.

MR. CHAIRMAN: Thank you. I'll turn it over to Ms. MacFarlane.

MS. KARLA MACFARLANE: Thank you so much for coming today. It seems to be a very exciting industry to be in. I'm kind of envious, actually.

My question could be directed, I believe, to Mr. Nicholson or Mr. Hadley because you both spoke on the tax credit and that you felt it was fairly solid. I'm just wondering if you can elaborate more on how it compares with any tax credit incentives that may be provided throughout other provinces or jurisdictions within Canada. As well, with the recent fall in value of the Canada dollar, do you feel it will still attract production?

MR. NICHOLSON: I'll start first talking about the dollar; what is bad for some industries is good for others. I guess film and television is almost like a manufacturing industry and the three of us, plus our Local 667 colleague, will be travelling to Los Angeles in March. We expect there will be a lot of interest in terms of bringing projects to Nova Scotia this year, which is good because a few projects have completed their filming. It has always been a plus - when the dollar is low, American productions do come to Canada as a rule, and are attracted by the tax credit of Nova Scotia because it has traditionally been strong. I believe it is now amongst the strongest in the country.

In terms of exact comparisons to other provinces, I wouldn't be the best one to ask. Do any of my colleagues here want to field that one?

MS. BUGDEN: In terms of its base rate, Nova Scotia is certainly on par with Manitoba; when you consider the composition of our respective industries, they are very similar both in terms of population and in terms of scale and volume.

There are other things that must be considered in the context of the tax credit itself, specifically our geographic location. We operate outside of major decision makers in both Toronto in the Canadian industry but specifically Los Angeles in the North American industry. For so many of those individuals, we are quite a distance away. There is no direct flight from Halifax to Los Angeles. So that's part of creating a structure, creating an incentive that actually can compete internationally.

MR. CHAIRMAN: Mr. Rankin.

MR. IAIN RANKIN: I'll continue on with the tax credit. I'm just looking at some numbers here and I see that it's broken down. For the Canadian totals you have \$2.7 billion in provincial and local taxes, do you happen to have the provincial numbers? Do you have a sense of how much tax revenue it is bringing into the province?

MS. BUGDEN: Mr. Chairman, if I may, the most recent statistics that we have - and they're detailed in our accountability report from 2013-14 - indicate that the tax credit, which our operation administers on behalf of the Department of Finance and Treasury Board, totalled \$20.7 million last year. Equally important is to consider that in the context of the production volume which was logged at \$139 million last year.

MR. VERMEIR: I think it also bears mention that those are important numbers, but that's not the entire industry. There is so much activity and there's so much product that is generated that does not go through the tax credit system.

The tax credit enables us to keep crews here, to keep the talent here, and when they're not working on projects under the tax credit system, they're working on corporate video, they're working on commercials, they're working on any number of other types of production that also generate economic activity. I think there is sometimes a tendency to just focus in on the in-and-out that goes through the tax credit system, but that is the base upon which the larger industry is structured.

MR. HADLEY: I think you also can take a look at what happens when a jurisdiction does not have a competitive tax credit, and the prime examples of that would be New Brunswick and Saskatchewan. New Brunswick falls under our jurisdiction and frankly, when the tax credit went, talent left that province in droves. In fact, one producer who is set up in Nova Scotia now, the last project he worked on won an international Emmy. That kind of talent leaves.

There was one feature film that I was connected with that shot there since the tax credit left and that was purely there for location, location, location. In Saskatchewan, the industry totally died to the extent that Corner Gas, the feature film, almost didn't happen in Saskatchewan where the actual series had happened, to the extent that the Government of Saskatchewan actually had to come in with a huge chunk of cash to save face to keep that project in Saskatchewan, so they actually became an investor in that film, it's the only reason it was shot there, it would have gone somewhere else.

MR. RANKIN: I'm just looking at the statement you're showing, which is impressive, that it went from \$6 million to \$135 million, as you say, this past year. So after it was initialized are there any other factors that you see that are contributing to that sustainable growth year after year?

MR. VERMEIR: To the growth of the industry?

MR. RANKIN: Yes, because, of course, since it has been in, even though it hasn't been enhanced say from 2011 or 2012, it is still seeing growth. Do you attribute that to residual growth within the tax credit envelope or are there any other factors that are helping the industry here?

MR. VERMEIR: I would say one of the main factors is the growth of the indigenous industry. We now have production companies and producers here that have long co-production and international co-production track records. We now have producers here who are producing hit TV series that are not just selling here, but are selling around the world.

I think from the initial days of the tax credit when the industry was small and finding its feet, we're now at a much more mature, experienced, and connected industry with producers with track records. So the combination of the unique locations that we offer - Haven looks like nothing else on television - producers that the industry, Hollywood, London, Toronto have confidence in, crew and cast that now have very lengthy CVs, and a tax credit that is still competitive means that we're global players, despite the fact that we're perched on the edge of the planet and you have to change planes in Chicago.

MR. CHAIRMAN: I'll turn it over to Ms. Peterson-Rafuse.

HON. DENISE PETERSON-RAFUSE: This question is for whoever wants to jump first to answer it. I am extremely pleased with all the work that you do in our province. I have had the opportunity to experience, at the grassroots level coming from Chester, what Haven means to a community, and quite a wide range of communities and the economic stimulus is absolutely amazing. So I'm proud that when we were in government that we created the Film & Creative Industries, along with improving the tax credit, and pleased that the current government has continued that because I think it's absolutely essential.

So what I'm hearing on the main wish list is for a soundstage, which is the next big step for us. I think there's an argument to be made that during a downturn in the economy certainly your industry is the one that the investments need to go to because there are so many spinoffs. Has there been a financial analysis and calculation of the cost of the soundstage - who the potential partners would be in that cost?

MS. BUGDEN: If I may, we certainly believe that a dedicated soundstage facility would add significantly to the industry. We also understand the financial pressures that government is under. If we look to the Calgary model, we see that a partnership model is perhaps the best way to go. We've had discussions with potential investors about what that might mean in Nova Scotia, and continue to do so because we understand that it is important to bring the private sector to the table and to have their investment in place.

There had been two previous studies done on a soundstage. I would suggest that both of those are out of date at this point. To my colleague's point, it is about understanding what we could do with perhaps an existing structure and updating it that makes sense. For the broader creative industries, we agree that having a hub - a focal point, a facility that brings and layers in animation and other creative components - would be wonderful in terms of the entire creative economy.

MS. PETERSON-RAFUSE: That would lead me into - what are the next steps? What can we do as believers in having a dedicated hub model soundstage in the Province of Nova Scotia? What can we do to drive that process forward to get you to the next step?

MS. BUGDEN: There are a number of things. Certainly money is helpful, but land - a divestiture of existing facilities. Those things could be positive contributions to an overall development of this nature.

We'd like to see it as something that might be an investment attraction play where you might have a private sector investor interested who could also bring production activity to the table as well as money. It really is about bringing all of these facets together to develop an asset that makes sense for our industry.

MR. CHAIRMAN: Mr. Lohr.

MR. JOHN LOHR: I would like to compliment you on the quality of your presentation. It felt a little bit theatrical there too. (Laughter) I did enjoy that. I'm just wondering, when I read through the package that we were provided, there was a fair bit of talk about the soundstage - I think 2008, 2009, 2010, 2011 - and then there really wasn't anything in the newspaper clippings past that date really. I guess this would be to you, Ms. Bugden - I'm just wondering what happened to the conversation about the soundstage. Was it only from the public's point of view that it went away - maybe not from your point of view? What happened in those last three or four years that it hasn't been in the news cycle?

MS. BUGDEN: Mr. Chairman, I'd like to start off, but I'm new in this role. Our agency, as an amalgamated agency, is 20 months old and I'm about the same vintage, so I'll start, but would defer to my colleagues here. I think there have been ongoing discussions about a soundstage. Certainly we've had discussions around the film advisory committee table, which these gentlemen sit at, and certainly have had discussions with private investors.

I defer to my colleagues to talk about the history.

MR. VERMEIR: Yes, I think the conversation has continued but I think there have been periods when our focus has had to go towards preserving the tax credit. That's where the focus is, when we hear rumblings or rumours that perhaps the tax credit is going to be altered or dispensed with or whatever, that's where our focus goes.

Now that we have had some assurances that we're good until 2020 in terms of the tax credit, and now that we're shooting a TV series in this weather, I think the issue of a soundstage has come to the fore once again. Last January we had two children's productions shooting in the wintertime, both of them in converted industrial buildings. Again it's an area of production that's relatively new to us. It showed us the potential of being able to attract more of that kind of work to Nova Scotia if we have the facility.

I've also posited that there was a lot of controversy surrounding the soundstage in Shelburne and it attracted a lot of headlines.

MR. LOHR: Could I just follow up? I can appreciate what you're saying, those points. What jumps to my mind is why, with the volume of business that you've been talking about, hasn't a private enterprise just done the soundstage? That's what I would wonder.

MR. NICHOLSON: I'll take a stab at it - I'd say a couple of factors. One is that a lot of producers tend to work in silos in terms of their own projects and when they're involved in a big, long-term project, especially returning series, it takes a lot of effort, I would suggest, to put together the planning to actually come up with a proposal for a soundstage. I think at this point nobody is really, quite frankly, taking the lead on that.

One organization that we're all part of is called Screen Nova Scotia. This came from - I don't want to say ashes - the previous organization, which was called the Nova Scotia Motion Picture Industry Association. This is a pan-industry organization that has members such as my colleagues here today - producers, technicians, actors, equipment houses, basically all stakeholders in the industry are eligible to join.

I believe it will be one of our mandates to push that forward in terms of trying to create a committee that would ultimately drive this sort of project, the idea of putting the soundstage proposal together in the near future.

MR. HADLEY: I think the issue, too, is that you have these incredibly talented people who are putting together a project. It doesn't take months, it can take years to bring a project to fruition. The tax credit, I have to say the fact that it is established until 2020 and we can promote that when we're away, means that I think actually larger projects will consider us because they have much longer lead times.

I think our industry, once that production starts, it's a train. I don't know, I honestly have never worked in an industry with more hard-working, more dedicated people, crew, actors. Once that train starts, all you're doing is trying to get it to the station. That means that our most talented people who are working really hard, and they are working a lot, actually are concentrating on that and it's really tough then to work on something that is not their specialty, which is constructing a facility.

MR. VERMEIR: Just quickly, and again to go back to James' point, this is why we have reconstituted Screen Nova Scotia, to take on those sort of larger, overarching issues for our industry while the individual producers work mightily to get their productions up and running.

MR. LOHR: Maybe I shouldn't be offering you speculative answers to my own question but something Ms. Bugden said which was a surprise to me, the industry being dominated by sole proprietors or small businesses - individual small companies or sole

proprietorships - I wonder if that is a challenge, that the soundstage is a massive investment, the industry is dominated by small businesses, very creative people so maybe lack of capital or that type of thing, because on the outside we don't tend to view your industry that way. We view it as very well-financed and projects are multi-million dollar. Do you know what I mean? That would be the way I would see it.

MR. HADLEY: What's happening in that sense is you've got a local producer who becomes a partner with an international producer who is bringing that money in, so that small producer is the person who understands Nova Scotia - that local person who is hooking up that money from away into the Nova Scotia infrastructure - of talent, crew, location, government. It tends to be that single proprietor with maybe one or two staff, and then some larger companies that have much more staff. It's surprising that we are dominated by single proprietors.

MR. CHAIRMAN: Mr. Jessome.

MR. BEN JESSOME: Jumping in a different direction here. Can you elaborate a little bit about your relationship with other industries, for example, partnering with the tourism side of Nova Scotia's efforts?

MS. BUGDEN: In addition to tourism, one of the things that we understand and explore is something that's very important for our economy going forward. I often use the example of the National Shipbuilding Procurement Strategy and how one of the elements that I think will benefit this province most is the prospect of developing simulation and simulated training to support the actual production of the vessels to supply the Canadian Navy.

Simulation involves the same technical, the same creative know-how that is involved in digital gaming. What we see here in our local industry is that those people - many of whom started in the film and television world - are bringing to the table what they learned and what is part of that industry to create realistic and rich simulations. Simulation, for instance, is not just isolated to the military. It is used in everything from high crane elevation to brain surgery. It's the way that kids learn today is through simulated learning, so that's a really tangible example of the crossover and connection between the industries.

MR. VERMEIR: Another great example would be Current Studios, formerly known as Ad-Dispatch, where Nathan Kroll is using his company - they're using a lot of the technology for animation, for visual effects for gaming, and connecting that with what they call augmented reality marketing whereby you could go to your local Target store - while they still exist - with your cellphone because you've got the app on your cellphone that they've created - take a picture of a free-standing display of the latest Marvel toy. When you click on it with your camera, suddenly you've got a movie of you standing next to an animated Iron Man. Or you buy the Batman bedspread and you click on it with your iPad and you're going to see a movie take place on that bedspread that is triggered by the patterns on the bedspread.

He's got Major League Baseball as a client. I think he's got Marvel as a client. It's amazing this technology and how successful he has been, and he comes out of the television and film world. So the overlaps -it's all about communication. It's what our industry is about. It's about telling stories, and that applies not just to the entertainment world but to the business world as well.

MR. CHAIRMAN: Ms. Zann.

MS. ZANN: I'd like to answer that question as well and continue on with questions with you. I was going to say, one of the interesting conversations that Ms. Bugden and I had at the beginning of the meeting is the fact that, for instance, the Book of Negroes - it's on the cover of *The Chronicle Herald* today. It's doing so well in the amount of audience that is watching it. The beauty of film and television and even digital animation is that it's seen all around the world, and even in advertisement, like for instance, the one for Newfoundland and Labrador. Everybody has seen that advertisement for Newfoundland and Labrador. It makes you want to go to Newfoundland and Labrador because it's so beautiful.

When I lived out in British Columbia, there were tourists who wanted to go to see The Beachcombers facilities when it hadn't even been in production for 20 years or something, but everybody wanted to go to see The Beachcombers and Molly's Reach and Relic's wreck or whatever. It becomes a real tourist industry.

The same with Anne of Green Gables, Emily of New Moon, you can name a million shows that have been shot wherever they are in Canada or elsewhere and it creates a thriving environment for people to want to come and see from around the world. The more beautiful shots and intrigue and interesting, mysterious things like Oak Island, for instance, where my colleague comes from, that's a show right now where there's a lot of people watching that show; many, many episodes about Oak Island and the treasures there make people want to come to the place where it takes place.

I'm from Australia originally. Until Crocodile Dundee, my accent was a funny little accent in school, but once Crocodile Dundee came forward, everybody wanted to go to Australia - "That ain't a knife, this is a knife." So I think it really is a tool that any thinking country or government can use to attract people and bring them to our shores.

As an industry, it's a young industry. People get excited, young kids get excited, they want to get involved in animation, and they want to get involved in film, TV, writing, acting, and performing. So I think the more money we can invest in this industry, the better off our province will be because a lot of the old industries are dying.

MR. CHAIRMAN: Ms. Zann, do you have a question, please?

MS. ZANN: So my question is . . .

MR. CHAIRMAN: Finally.

MS. ZANN: . . . what would you have to say about that summary, about why this industry is important and why we can't really afford to miss an opportunity of building a soundstage to increase the success for this industry in Nova Scotia?

MS. BUGDEN: If I may start - thank you for the question. We're painting a vision, we're developing a strategy that really sees the creative industries as being more integrated and connected to the overall economy of this province and, as a small province, I think it's important for us to the points you referenced about attracting younger people and creating opportunities and attracting visitors. These are all elements that we are considering as part of our strategy.

We also recognize that it is about leveraging investment. We need net new in this province and that's really one of our goals as well, to understand how we use these industries proactively and positively to attract that kind of investment going forward.

I'll defer to my colleagues who have much more depth in the film and television industry, but certainly they have stated on numerous occasions that this would be a positive element or addition to our infrastructure.

MR. HADLEY: It's the missing piece of the puzzle. It's the question that is difficult to answer. If you are sitting with HBO in Los Angeles and you are sitting across from - and we've done this with the executive producer of Game of Thrones, they are excited about something. They are excited about the tax credit and they are excited about the talent pool, they are excited about the crews. Then they ask about the studios and you start talking about what you did in a hockey rink, it's a really tough thing to get over, frankly because it's an industry about image. It will say something about how seriously this community takes this industry.

We're working at a disadvantage, we have our arm tied behind our back. Even then - what was it, 57 nominations at the Canadian Screen Awards, everything from technical to local actors being nominated for Best Actor and Best Actress awards. Three of the comedies this year that were nominated for Best Comedy are Nova Scotia productions.

My colleagues, when I talk to them across the country or when I meet with them - what's happening there? It's like it's exciting and come onboard.

MR. VERMEIR: The other thing I would say is back when I started my career in film, everything we shot had to do with lighthouses and fishermen, all that sort of Nova Scotia stuff. Since then we have shot a Viking village in a science fiction feature, we've shot a science fiction series. We shot a movie for National Geographic on Darwin where Nova Scotia was Kent, it was London, it was the Galapagos Islands - we can be anywhere

now. We have the ability and the magic to turn Nova Scotia into everything from Moscow to Salt Lake City to the moon. One of the tools, one of the arrows we need in our quiver to be able to make that magic is a proper studio.

MR. CHAIRMAN: I just skipped Mr. Jessome - he had a follow-up question - and then we'll go to Ms. MacFarlane.

MR. JESSOME: It actually kind of builds on Ms. Zann's points about it being a somewhat youthful industry. I'm wondering how jobs in your industry are marketed to potential employees and, furthermore, you mentioned internships and things of that nature built into your contracts. Is there an appetite to expand that capacity or to build on that portion of your employees?

MR. VERMEIR: The short answer is yes. We have already worked out - Local 849 has worked out a mentor process with the students at the Nova Scotia Community College Screen Arts program. We all go in and speak to the film students at NSCAD. We're starting to reach out now even sort of further along up the food chain into the arts degree people at Dalhousie and high schools. We're also trying to reach out now to a lot of the other training programs - in my case, electricians, carpenters, that sort of thing.

Yesterday was a great networking event for me at The Book of Negroes screening because there is a community that we would love to be reaching further into and getting involved. We just saw the Black stories TV series that Bill MacGillivray is shooting now at CBC.

So yes, we're trying to reach out. We need more people. A lot of our people who started - IATSE 849 is 25 years old this year. A lot of the folks who were there at the beginning are starting to move on and we need new blood, and we need people who have that ability to not only do the hands-on hanging of lights and hammering of nails, but the whole digital aspect of that that is now working hand in hand in our industry. So yes, we're out there pounding on a lot of doors trying to make people aware of the opportunities that exist in our industry.

MR. JESSOME: Just a follow-up - how do we help out in that respect?

MR. VERMEIR: I would love to have the opportunity to get into schools and talk at their career days or whatever. I think there's a lot more overlap that my members could have with the film clubs and the video clubs and the theatre clubs in the high schools of Nova Scotia. I think there's probably a lot more that we could do hand in glove with the Department of Labour and Advanced Education. We'd be happy to talk to people about that.

MR. CHAIRMAN: Ms. MacFarlane.

MS. MACFARLANE: I believe, Ms. Bugden, you mentioned that the last time a feasibility study was done was around 2011. I'm just wondering - what was the outcome of that? You said that it was possibly outdated though, so if we were to conduct a new feasibility study today, what would that cost be and who would pay for that?

MS. BUGDEN: My understanding - and I have read that study - it was based on a purpose-built model. What we're talking about here is the potential to look at an existing structure and modify that structure. It could even be a building with a long-term lease, for instance, that would help create a different cost structure - something that might be more affordable.

I think what's also really important is to understand where and how much we could get from the private sector to do something like this. As my colleagues indicated, Calgary - and the model is behind us here - is embarking on an interesting project now, and I think it's very different from what we've seen in other cities but it's something to explore. Rather than a full-blown feasibility it could be about working with the City of Calgary to understand exactly how they brought these elements together and what it will mean at the end of the day.

MS. MACFARLANE: Just to follow up with that, I believe in a feasibility study but I guess just to clarify, I'm just trying to put my finger on where the funds would come to conduct that because if there's taxpayers' money being invested into a soundstage - which I do support and believe Nova Scotia needs - I think we just need to know where the money would be generated in order to conduct a feasibility study that would show the projections and the outcome and the benefits to Nova Scotians.

MS. BUGDEN: Our operating budget is very tight so for us to be able to embark on a feasibility study, I'm afraid I don't have details on how much it would cost. I could explore and return back to the committee but I'm not capable of doing that at this point.

MS. MACFARLANE: Just a follow-up question with that and then I'll be done. Have there been any discussions yet with Invest Nova Scotia and possibly funding a feasibility study?

MS. BUGDEN: Not at this point.

MR. CHAIRMAN: Ms. Treen.

MS. JOYCE TREEN: Thank you for your presentation, it was really interesting. I see a lot of filming activity in my communities of Cow Bay-Eastern Passage. They are down there quite a bit and our community really enjoys seeing it all and all the activity and stuff it brings, it's really nice.

My question is, we've talked about high schools and we've talked about the community college with their programs they offer, what would the importance of our local universities be in your industry?

MR. VERMEIR: Certainly we see a lot of people coming into our wardrobe department from the costume studies at Dalhousie and again, the film component at NSCAD. It is interesting, film is one of those industries that people, once they get a touch of, sometimes find themselves in it for the long haul in the most unusual and unexpected ways. We will often have people sign up at our union because they really want to go to work in hair and makeup and then wind up being a grip and being a grip as a career, just because they've discovered it, they didn't know it existed before, and they really liked doing it.

We are seeing people who perhaps started on one career path out of university but somehow wind up tripping over our industry, and the next thing you know they're a screenwriter or they're a producer or they're working in one of the crew unions.

The fact that all those universities are here and those young people are here is an enormous resource for us and for the industry, and again is one of the reasons why it makes sense to have a film industry here - because we've got these bright young people who are learning these technical skills and suddenly are realizing: I can put it to work in film.

MR. HADLEY: We have a program whereby graduates from the theatre programs of Dalhousie and Acadia can join our union upon graduation, as an apprentice. What that affords them is the opportunity to work on sets right away and also to access our training opportunities. Theatre programs don't often concentrate on the techniques that are required for film and television. It has been very successful right across the country and I think it's very effective.

MR. CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: My question is with respect to all the tie-ins in terms of the industry that film and creative industry has in the province. You showed how Haven affected our community in the broader basis in everything from the food services to vehicle rentals. I'm just wondering, now that you can move beyond the tax credit, as you mentioned it has been a focus to make sure that it has been maintained, and there is a direction towards a soundstage, do you have the capacity to be able to do an analysis in the province of the different non-profit to businesses that are affected by the industry?

I'm thinking in terms of, say, the Ross Farm Museum. Many people do not know that Ross Farm over the years has had many projects related to the film industry - to reconstruct and rebuild something of the historic period of time that might be filmed during a show. Part of the process for you to move towards a soundstage, I would think, would be to educate the general public to get their support. The way you get that support is for there

to be an understanding that there is a direct link between having a soundstage and possible employment in rural Nova Scotia.

That also ties in very well with the Ivany report. We don't need to be going out there trying to uncover our own resources - we know what it is. It's the film and creative industries. We have them so we don't have to discover them; we just have to be able to promote them and move forward.

So I guess my question is that those are some of the research projects that will support going forward with data and information, but if you don't have the resources to do it, then your hands are tied. So I guess my question is, can you do it or do you need assistance from government in terms of doing some of these analyses and reports to build a case for the economic benefits of having a soundstage?

MS. BUGDEN: I'll draw the committee's attention to Page 13 of the submission from Film & Creative Industries where we talk about the importance of measurement analysis. We have long recognized the need for good data. We've been challenged in bringing good data to the table, and I think the creative industries as a whole have been challenged, but you'll notice we've developed four research cornerstones.

One is something called the Cultural Satellite Account, which is a federal-provincial initiative that my colleagues at the Department of Communities, Culture and Heritage have led, not only on behalf of the Government of Nova Scotia but across Canada as well. It's going to provide us with the ability to look at Stats Canada data and then compare the creative industries against other industries. It will also give us some very important and meaningful data in terms of the labour market here in this province.

I think that's very important for us to understand what we currently have. As these gentlemen have indicated, they can tell you what their members are doing, but we don't have the broader picture of individuals who are involved on the fringes, if you will, of these industries or connected somehow. It's important to have that picture so that, to your point, we can round out the impact of the industries.

There's also another project that is called the Cultural Index and that is measuring Nova Scotians' impressions of and what is their belief in the importance of the creative industries and in culture in the province. I think that's equally important in terms of a research input to understand what Nova Scotians believe to be important.

So all of these things, coupled with an asset map which is, what existing structures we have. By structures, I also consider a recording studio, if you will, that musicians might use as an asset as well. What do we have in this province? So we are gathering that information. Our goal is really to help establish a strong baseline for film and creative industries so we can report with more detail and with more clarity on the impact of these industries.

So to put a fine point on your question, we have a small agency - 12 individuals. A lot of what we do when we talk about measurement is understand where we can extract data from other sources because our capacity is limited to do so. What we've been doing - and I think this is an important approach to take and it's something that makes sense across government - is working with partners in government, whether it be Finance and Treasury Board, Communities, Culture and Heritage, or even Labour and Advanced Education - to bring their data to the table so we have a full picture of what exactly the impact is.

MR. VERMEIR: We're learning as well about gathering our own information. Certainly the position paper that the unions put together as a policy statement for the Broten report was a real exercise for us in just generating our own statistics. We've kind of moved along year after year servicing our members, but the idea of actually analyzing our own stats and being able to come up with our own numbers, in terms of the economic impact that our members have on the Nova Scotia economy, is relatively new for us. We're just learning how to do that and are gathering information from folks like yourselves and Film & Creative Industries as to what kind of information is useful and how to present it. Hopefully we'll become more adept at that as well.

MR. HADLEY: I think what's also rather difficult is it's that tentacle effect of this industry that is difficult to measure. My members work in film and television, and they also work in games and commercials. The Marvel project that was talked about, that was Nova Scotia voices across North America, in your Walmart store.

It's hard to collect that kind of data and then because it's a commercial industry and the commercial industry isn't included in your stats, so it's separate. It's also, for instance, for actors - for performers - film television is really important because without it, without having that job that makes you \$1,000 per day, you may not be able to actually afford to go do a show in Parrsboro for two months that pays \$500 per week. It's looking at those cultural connections that it's really difficult to measure.

My members aren't just actors. They're not sitting around waiting. They create plays. They create tourism opportunities. I have members who run theatre companies around the province every summer. How do you measure that? How do you measure that somebody is going to Windsor that day to see a show and what did they spend? It's really a tough thing.

MS. PETERSON-RAFUSE: I guess what I'm trying to establish - what I see is that each one of your organizations has targeted areas to focus on; the piece that I'm missing is sort of an umbrella group that's going to assist you to bring those all together with a strategy. Say if the first big need, what we're hearing today, is a soundstage. I know that you mentioned Screen Nova Scotia that could be a potential umbrella group. That's what I'm just trying to find out today. Are there things that we need to do to advocate on your behalf to have an organized manner? Because if it's appropriate, I would like to have you come back, even if it's in a year, saying, here is the plan and here is the date.

We can often talk about where we'd like to go, but there needs to be some kind of strategic plan that shows the partnerships and how government can be a part of that partnership. So I guess I'm asking, should it be government that creates that umbrella to help drive the process or should that come from a collaboration of your organizations that don't have a lot of resources? Do you understand the question I'm asking?

MR. VERMEIR: Absolutely. Again, this is the hope for Screen Nova Scotia. We've raised the membership fees to join in order to start to build a bit of a war chest. We just hired an administrator, but that is the idea behind Screen Nova Scotia - that it will be all aspects of the industry speaking in one voice and having the resources to hire the researchers and to gain those statistics, and to put that all together.

My union is a union of freelancers. Film producers are entrepreneurs. Everybody kind of gets squirrelled away in their own little corner and doing their own thing, trying to pay the bills, and so it's really important that we have Screen Nova Scotia that drags us out of our little offices and sits us around a table and says, how do we as an industry proceed? I think we've been very pleased with the progress that Screen Nova Scotia has made in the past year. Our chairman has been working diligently and we have already struck a committee to actually look at the whole issue of the soundstage and to look at the future of the tax credit.

I would be happy to come back and speak to this body again and I certainly would propose that Marc, the Chair of Screen Nova Scotia, be included in any such discussion. Thank you.

MR. CHAIRMAN: Mr. Lohr.

MR. LOHR: It's interesting that that line of questioning goes that way because that was my question in a different form - my question was, who is the applicant? I see three unions and an association, and I've been involved in associations to know how shoestring they are. I'm not as familiar with unions but I can appreciate what you say about your union. We can all agree that this needs to be done or it would be a great thing. The future looks very good with the low dollar and the stability of the tax credit.

I'm looking at that Calgary model there, I think who is the private investor, who is the anchor tenant, that's what is missing. Maybe you're looking at us to find that person and we're looking at you to find the champion for this, right? Would anybody comment on that?

MS. BUGDEN: I look at that model and the private investor, as these gentlemen have said, it's part of the work that our agency does, as well as what they're doing in Los Angeles, is working with those investors to understand who has the potential and who is interested. That's one of our goals too, to find a private sector investor because we know how critical it is, a model such as this, and then an anchor tenant. Those two pieces were

key to the Calgary success, so that's critical for us going forward as well. It is something that needs to be done in collaboration.

MR. LOHR: Government isn't going to run it and I can appreciate that your four organizations don't really want to run it either - you are part of it but you are not so I can see that.

My second question, which is a little bit on a different tone - Ms. Bugden, you represent the creative economy, too, right? I realize that what we're talking about is maybe - I realize how huge that creative economy is and we're talking in film and in this model we're talking about a fairly narrow slice of that huge creative economy, so how do you see this project benefiting that overall creative economy?

MS. BUGDEN: I'd say that the film and television industry is a foundational industry to the creative economy. We see numerous examples from the way that musicians and writers use film as a vehicle to create a digital profile of their industry to engage audiences and to promote their work. We see that extending into many other businesses that need to be more export-oriented. This is the way in which you bridge the gap, this is the way you can take your product to market without actually having to be in that market or begin to precondition potential buyers and audiences, so I'd say film is foundational in that way.

For me it is about making sure that we continue to harness that capacity to support the growth of the other creative industries. As I said at the beginning of my presentation, what we've observed is not unique to the creative economy, these are issues that face many other industries and it's important that Nova Scotia businesses have the ability to export successfully and have the ability to connect with buyers and promote their products and their services. That's where I see this industry being critical on the go-forward.

MR. HADLEY: I think one of the things that I was quite amazed at when I was at Pinewood Studios in Toronto and getting my tour around the 14 stages, of course I only went into three of them to see the different sizes, when asked how many people does it take to run this, that facility has only 12 full-time employees and that includes 24-hour security.

What happens is the facility is simply a place for these people to go in and work because really you're just renting the space. That's when you get the William F. Whites of the world to come running in and put up the equipment and the actors come in and the crew comes in and they lay the cable and the cameramen come in and they start shooting it and the people in the office are working. It's not a huge cost to run, once it's running, and I was surprised by that.

MR. CHAIRMAN: Mr. Rankin.

MR. RANKIN: Just a quick question and talking about another slice of the creative industry but very close to film would be, last year there was a friend of my family who came down, Robert Frank, and he is world-famous. I'm just wondering if your groups had anything to do with trying to network the people who would come out for something like that - like capitalizing on our local talents. He's not originally from here, but owns land in Mabou on the coastline and has a strong connection to here.

What I noticed when I went is that the Rankins were all there because we know him and then other than that I think it was probably mostly students from NSCAD who were all amazed at the work - having one of the most famous photography books in the world - but how come the outer community didn't know? Like there was probably only a couple hundred people there and he's just such a world-famous guy.

I'm just wondering if we're missing a networking opportunity to capitalize on. That's just one example that I know of, but people around the table probably know of some others that we could do better to showcase and make sure that people actually know about those types of things. Maybe you didn't even know, but I assume somebody there knows.

MR. HADLEY: I did know about it prior to the event - I think it was like two days before.

MR. RANKIN: I guess another question off that topic - back to this centre you're talking about, in the Calgary instance, who does handle operating costs? Is the government operating it similar to the way a convention centre works here?

MR. VERMEIR: My understanding is - and correct me if I'm wrong - the province put \$5 million into the establishment of the soundstage. That's it. That's their contribution and they basically - that was the condition - we will give you this money, but that's it, the tap is turned off. The rest of the money came from the local chamber of commerce and the municipality and now it's up to William F. White, which is an international film equipment rental company, to manage the studio, to run it, to market it, and to draw in the clients and the tenants, which seems to me to be a very sensible formula for putting that together.

MR. RANKIN: I would surmise that flowed through the city. The city was the applicant to the province.

MS. BUGDEN: That's correct. The province actually called for an RFP or expressions of interest, and what happened was the City of Calgary put together a consortium, which won the process and was able to secure the one-time \$5 million contribution from the province.

MR. CHAIRMAN: We have about five minutes left. We can either go one quick question round or if you guys have closing statements.

MR. VERMEIR: We did put together a very short video just to give you a sense of some of the stuff that we've been talking about, so with the chairman's permission, I'd love to fire that up.

MR. CHAIRMAN: Go ahead.

[A video presentation was shown.]

MR. CHAIRMAN: Thank you. I'd just like to take the opportunity to thank the witnesses for their time and their presentation. It was quite informative.

I will now call a five-minute recess before we hit Committee Business. Again, thank you for your time.

[11:01 a.m. The committee recessed.]

[11:07 a.m. The committee reconvened.]

MR. CHAIRMAN: I call this meeting back to order and go to Committee Business: (i) Agenda setting - which also kind of falls into (ii) and (iii) - so we'll start with our items from the list of potential witnesses put forward.

What I'm asking is that each Party put one forward, probably the first one off each one's list to put forward, so that we can approve it and move it forward to agenda setting. We'll start with the Liberals to put a motion forward for the first topic. Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: I move that we invite the Canadian Federation of Independent Business to come before us.

MR. CHAIRMAN: And the chamber of commerce.

MS. LOHNES-CROFT: And the chamber of commerce.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

It is unanimous, so this would be the first one.

The first one for the PCs and the NDP are similar, so if we can put those motions forward. Ms. MacFarlane.

MS. MACFARLANE: Yes, I'd like to move that we have as a witness Nova Star Cruises, along with ERDT officials, to come and be witnesses.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

Are you guys okay with that? Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: We would also like to request that what Karla said about the ERDT officials, we would like to have the deputy minister, please, as part of that.

MR. CHAIRMAN: We will try to ask to bring him forward.

MS. PETERSON-RAFUSE: Thank you.

MR. CHAIRMAN: From there (ii) and (iii) were also kind of part of agenda setting, so I'd like to deal with those items also. If we want to have further discussion about those, starting with Bell Aliant - Ms. MacFarlane or Mr. Lohr?

MR. LOHR: We're still on agenda setting?

MR. CHAIRMAN: Well (ii) and (iii) are part of agenda setting.

MR. LOHR: So we're done with this then? Bell Aliant isn't on this, is it?

MR. CHAIRMAN: Well you brought this letter forward, a letter from the Honourable Jamie Baillie asking the committee to consider inviting these officials to discuss what impact privatization at Bell Aliant will have on the economy and what we can do to save jobs. This was a letter put forward - we've never really addressed it. I'm asking that we address this now.

MR. LOHR: I don't know if the time has gone by on that. Our second thing would be Irving Shipbuilding, I think.

MR. CHAIRMAN: Sorry, Mr. Lohr, I just want to address this letter. Ms. MacFarlane, you had a comment about this?

MS. MACFARLANE: I just wanted to indicate that we believe possibly the time has passed with regard to it, and we would be interested in having Irving Shipbuilding as a witness.

MR. CHAIRMAN: Thank you. Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: I just want to say that we would support that.

MR. CHAIRMAN: We'll strike that off the agenda. Also (iii), Discussion regarding inviting ERDT officials to discuss Social Finance: Keep Capital in Communities, CEDIFs, Social enterprise and other community funding models - that was one of ours. We tried to put that forward and it was voted down because there was no interest in bringing them in at that time, and that mixed up our whole meeting schedule. So I'd like to put that back on the agenda and then we'll deal with the shipbuilding one first. If we can have a motion to pass this forward because I'd like to put this on the table as a discussion. Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: I'm a little confused about what you're presenting. Are you presenting in the order of the witnesses?

MR. CHAIRMAN: Right now, yes, because we've had one from the Liberals, and then both you guys put one forward and we've both accepted that one. The Bell Aliant one was cancelled off, so now I'm bringing this one forward. Then the Irving Shipbuilding will come forward after that.

MS. PETERSON-RAFUSE: So the Irving Shipbuilding would be coming forward from the PC caucus?

MR. CHAIRMAN: Yes.

MS. PETERSON-RAFUSE: So if they have an interest to have Nova Star Cruises before that, they have the opportunity to exercise that?

MR. CHAIRMAN: Nova Star Cruises is No. 2.

MS. PETERSON-RAFUSE: Oh, this is after that - I'm sorry.

MR. CHAIRMAN: Yes, this is way after that. So we've done Nos. 1 and 2, this is No. 3, and then No. 4 would be Irving Shipbuilding.

MS. PETERSON-RAFUSE: Okay, thank you.

MR. CHAIRMAN: Would someone put a motion forward to have this group come forward.

MR. JESSOME: I so move.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

The next one is Irving Shipbuilding.

MS. MACFARLANE: Yes, we would like to have Irving Shipbuilding come in and give an update on their contract, so that would be our choice for No. 2.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

Great - this is a nice, friendly meeting. (Laughter) Based on that, that's four topics that will take us for four months, so we'll just leave it at that for now as things can change.

The next item of business: Time limits for questions by caucus. There was a motion put forward that we put time limits of 20 minutes per each. If there's time remaining after that then we'll divide it into three. That motion was put forward. You guys requested that you'd go back to your caucuses to discuss this to get approval. I'm wondering where we sit.

MR. LOHR: We have discussed this. What we would like to see is that there would be uniform rules across all committees. I know that we have sent a letter to the House of Assembly Management Commission asking them to look into that, so I think we would like to see this deferred to the overall question of how do all the committees function and what are the rules. I think that would make more sense so that would be easier for us. Most of us sit on more than one committee and it would just . . .

MR. CHAIRMAN: I know that Veterans Affairs did this the last time they met with the 20 minutes and it worked very well.

MR. LOHR: But we have sent a letter to the House of Assembly Management Commission, asking for uniform rules across all committees.

MR. CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: Our position would be the same as the PC caucus' position - exactly what you said, yes.

MR. CHAIRMAN: Are there any comments over here? So we'll all vote in favour of that - sorry, I put the motion forward that we go with Mr. Lohr's recommendation.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

Ms. Lohnes-Croft.

MS. LOHNES-CROFT: So going forward we will do the former format?

MR. CHAIRMAN: Yes, until changes are made.

The next item of business: Frequency of meetings as well as agreement not to meet during House sessions - tentatively, right now, we're trying to meet once a month. Again, a lot of stuff happens so technically, in the next month of February, our meeting would have been on February 26th, but due to an out-of-town caucus, that now has to be cancelled. So we can either cancel for the month of February or the date of the 19th is available. I would ask that you guys quickly check your calendars and see if we can meet on the 19th, as Resources has cancelled that time. So February 19th is okay - 9:30 a.m., the same time.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

Next is during House sessions, as soon as the House sits, that we cancel meetings, which I think is the smartest thing for us to do.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

The last one: Cancellation of meetings/substitutions of witnesses. Right now as it sits, if a meeting has to be cancelled then it has to go to a unanimous vote via email, there has to be 100 per cent approval. There's a motion forward from the last meeting to request that the chairman can make the cancellation of meetings without unanimous consent or to substitute the witness so that time is not wasted. I'd like to see if we can have approval for that. Mr. Lohr.

MR. LOHR: Would that also be something that might be more uniform in terms of how the committees would operate, but I guess that's my one comment.

My other comment would be I would like us to have the ability, where we have three or a number of potential topics, if one for some reason couldn't make it that we could move another topic up, rather than cancel the meeting. Those are my two comments.

MR. CHAIRMAN: Mr. Jessome.

MR. JESSOME: I think this should be referred to the House of Assembly Management Commission and note that perhaps we should have a set number of witnesses to consider at each meeting, versus having one or two and running the risk of not meeting

the timeline requirements, just again as part of an overarching Management Commission initiative.

MS. LOHNES-CROFT: Not to argue with you, but a lot of preparation goes into the presentations that witnesses give and to have people on hold isn't very realistic or fair, I don't think. They put a lot of effort into their presentations, they often do PowerPoints. Some of them have to commit so committing them to more than one date may be challenging.

MR. CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: Is this something that can be deferred to the same question that John asked about, which we just agreed on, that there should be uniformity in our committees, there should be consistency, so there needs to be a decision made between all Parties on that?

MR. CHAIRMAN: I'm somewhat in agreement with you, I just don't want to run into a situation where we come to a meeting and there's nothing to talk about again. I mean that was a big waste of time but there was no other option. I want to be very clear that if we do this, this might take some time, it's not going to happen overnight, and we might run into this situation again. I just throw that out there.

MS. PETERSON-RAFUSE: So you're looking for an interim solution and not one that is permanent?

MR. CHAIRMAN: Yes.

MS. PETERSON-RAFUSE: And may I ask what the difficulty is with the email exchange?

MR. CHAIRMAN: The last time we had an organization or group cancel, what we did in sort of wasting time and wasting this potential to use this setting, we asked if we could bring in CEDIF as another agreement - not CEDIF, the social finance and social entrepreneurship. That was voted down because there wasn't a unanimous decision, so the meeting came forward that there was no desire to cancel the meeting and no desire to have a witness come to the table, because it was very short notice, but that was the one that we could find. So in turn, we showed up for the meeting and nothing happened because there was nothing to discuss. That's what I'm trying to avoid, to avoid taxpayers wasting money.

MS. PETERSON-RAFUSE: Another question is, was CEDIF a witness that was brought forth by . . .

MR. CHAIRMAN: It was brought forth by myself but because of ongoing negotiations that are confidential, we were not able to discuss at that time in this forum.

MS. PETERSON-RAFUSE: So if the decision was given to you, Mr. Chairman, would that mean that there would be some type of rotation system to that decision making, like we just did, we had a conversation about each Party taking a turn with their witnesses?

MR. CHAIRMAN: Yes, Ms. Peterson-Rafuse, I could totally accept that. I'm just trying to find ways that are not going to waste time.

MS. PETERSON-RAFUSE: Right, I understand.

MR. CHAIRMAN: Mr. Lohr.

MR. LOHR: Mr. Chairman, I feel that it is a fundamental question to the way all the committees operate, and we should just leave it and continue to operate as we have so far. I mean, the odds of your situation arising again are fairly low so I think in the interim month or two, we can function and maybe we'll get an answer out of HAMC.

MR. CHAIRMAN: I'm fully aware of that, Mr. Lohr, and if you guys are okay with that, understanding that a meeting may be cancelled again because we don't have unanimous consent via email, then that is something that if you would like to acknowledge that that is something that you're comfortable with - I'm not but if you are, then we can move forward with that.

MR. LOHR: Well no, I'm not comfortable with what happened there at all and I'm not really sure exactly why that did happen.

MR. CHAIRMAN: I can explain it to you again, Mr. Lohr.

MR. LOHR: No, and I understand, but I just think I would be comfortable with the fact that as soon as the chairman is aware there's a problem with a witness, then the next witness in line gets contacted and brought forward. That would be my opinion. That's what you're saying to do?

MR. CHAIRMAN: Mr. Lohr, that's what we tried but due to the fact that . . .

MR. LOHR: But we're on the same wavelength then.

MR. CHAIRMAN: We're on the same wavelength, but because it was not unanimous consent via email, then we were not able to do what we just did because there wasn't unanimous consent because one individual said no.

MR. LOHR: So that happened, but I just think the unanimous consent rule is a fundamental rule and it should be the same with all the committees. I think we should defer to the House of Assembly . . .

MR. CHAIRMAN: I'm just going to turn it over to Gordon.

MR. GORDON HEBB: It's my understanding that the issue of why the inability to substitute other witnesses - it was not a witness that had been approved by the committee. If it had been a witness that had been approved by the committee, I don't think there would have been an issue. So if there are other ones, I don't think there would have been an issue.

MR. LOHR: So it's incumbent upon us to have a number of witnesses approved and then it can be substituted. I realize that it is not so easy for a witness, like the last day. It is a big deal to be prepared and everything for a witness, I understand that.

MR. CHAIRMAN: Right, and that's why I put ERDT forward because they were ready and prepared to come in and do this presentation.

MR. LOHR: I appreciate you as chairman doing that - I think that would have been the right thing to do.

MR. CHAIRMAN: But again, that's what we tried and it was voted down and that's what the situation is and that's what I'm trying to avoid here.

I ask this committee for an interim - it likely won't happen but in the interim, until this process gets changed, can we please vote for unanimous - sorry, Mr. Jessome.

MR. JESSOME: I so move.

MR. CHAIRMAN: And Mr. Jessome puts that forward - hold on.

MR. LOHR: What is the motion?

MR. CHAIRMAN: The motion is that we have the ability, as an interim, on your suggestion, that we can do this process, that the chairman of this committee can either cancel or change the witnesses, first going to the list, and if the list is not available, then to put another witness forward so that we can at least have a presentation or something of substance that can help the economy of Nova Scotia.

Is it agreed?

It is agreed.

Thank you very much. We are adjourned.

[The committee adjourned at 11:25 a.m.]