

Toronto - "Hollywood North"

Making Movies - Canada's Fast-Growing Industry

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A former mining surveyor with the National Coal Board in England, Naish McHugh came to Canada in 1957 and worked in the same capacity in gold and uranium mines in Northern Ontario. Commencing his service with the City of Toronto in 1959, he served his term of articles as an Ontario Land Surveyor with the City Surveyor. His involvement with local survey work on the residential redevelopment areas of the inner-city during the 1960's led to a position of Development Officer with the former City Development Department. Harbour Square and the Railway Lands development (formerly Metro Centre) were some of his co-ordination responsibilities. In 1976, he was designated the first City of Toronto Industrial Development Officer. He is now Industrial Liaison Manager with the Economic Development Division of the Planning and Development Department, with the added responsibility of Film Liaison since 1979. He has a BA in Urban Studies and was in the original group of recipients of the Economic Development Certification (Ec.D.) in 1983.

In recent years, Canada has experienced a new phenomenon which draws much media attention - "movie-making". In many cities across the country but particularly Toronto, famous stars are seen, almost on a daily basis, with an accompanying small army of personnel, trucks, mobile homes and mountains of equipment as film and television crews go about their business of production "on location". This article looks at both the Canadian and American contributions to what has become one of the fastest growing industries in Canada that produces enormous benefits directly and indirectly for the whole economy and why Toronto has become the capital of the Film and Television Industry in Canada.

"Hollywood North"

"Lights" - "Camera" - "Action" - expressions commonly associated with Hollywood are now frequently heard all over Canada and especially in Vancouver, Calgary, Toronto and Montreal. Film (and television) production has become a major growth industry in this country, creating thousands of jobs and generating significant economic benefits for the whole economy. Toronto leads the way in total

overall production and has become the third largest film and television production centre in North America, after Los Angeles and New York and has been dubbed "Hollywood North".

The rationale for the emergence of this high-profile industry on the Canadian scene, particularly in Toronto, is twofold. One set of reasons forms the basis for Canadian production and another set for foreign, being mostly American, production.

The Canadian Context

As in other countries, there has long been a desire in this country to establish an indigenous industry that would manifest our own culture through the medium of film (this is now extended to videotape as well). Attaining such an objective has been almost impossible given the tremendous stream of American movies and other entertainment fare that flows seemingly uncontrolled across the world's largest undefended border. With the advent of television, the Canadian Broadcasting Corporation attained some measure of success in this area and prior to this, it was mostly the National Film Board that gave expression to the talents of Canadian film-makers, but even then generally only

in the areas of documentary and animation films. Otherwise, in order to achieve recognition, talented Canadians had to leave Canada for Hollywood, New York or even overseas because of the lack of opportunity here. Consequently, prior to the late 1970's, very few Canadian movies and only the odd U.S. production was shot here, using the limited crews and facilities that were available.

Mainly through the efforts of the Federal Government, however, in the late 70's, the aspirations of all who had striven for an indigenous industry seemed to have become a reality. The earlier creation of the Canadian Film Development Corporation to provide initial funding and other assistance to Canadian producers, together with various other Federal programmes to encourage private investment in Canadian films (the Capital Cost Allowance was a tax shelter allowing a 100% write-off in one year of monies invested in films) resulted in a "boom" in Canadian film production in 1979 and 1980. In Toronto alone, over 40 feature films were made during this period. Unfortunately, the "boom" was not to last as the films themselves were, with few exceptions, poorly made imitations of American movies that never got shown. This was the fault of the system that, unwittingly, encouraged lawyers, doctors and tax accountants to become instant producers. Unfamiliarity with the complexities of securing distribution deals lead to their downfall. Consequently, the investors were badly burned and raising money for film production in Canada was next to impossible for several successive years thereafter.

The positive effect of the "boom" was that the "instant producers" soon departed the scene, leaving a small but viable number of real film-makers with good track records. More importantly, the existing limited infrastructure was greatly expanded, especially in Toronto, and all involved gained valuable practical experience. Not only that, all of this activity gained the attention of American and other foreign producers and made them aware of the capabilities of Canadian skills and the suitability of Canadian locations. While there was a hiatus of a couple of years after 1980 when very little production occurred, this infrastructure was still sufficiently intact, when production started on its meteoric rise in 1983, to fulfill its role and it has never looked back.

Learning its lesson from the "boom and bust" situation it had previously created, the Federal Government reshaped the Canadian Film Development Corporation into "Telefilm Canada" and provided a multi-million dollar "Broadcast Fund", aimed at encouraging and assisting more Canadian programming for television. This has been highly successful due to its strict require-

ments for Canadian content and Canadian participation but with flexibility to allow Canadian producers to have foreign co-ventures, providing that "Canadian" certification is obtained. Modeled on this success, a new funding programme has recently been introduced by Telefilm Canada to encourage and assist in the production of Canadian feature films; pre-arranged distribution guarantees, of course, are a must this time. Several of the Provinces have also established similar programmes for the benefit of their local industry and there are even some Private Sector funds that can be tapped by prospective producers or even screenwriters in the early stages of a project.

The end result of all of this is the production of feature films and television shows which, while Canadian in content, have world-wide appeal and have won international, critical acclaim. "Anne of Green Gables", the most successful mini-series ever shown on the CBC; "Dancing in the Dark", selected for the 1986 Cannes Film Festival; "Night Heat", a long-running TV series and now on prime-time; "I Have Heard the Mermaids Singing", an award winner at the 1987 Cannes Film Festival; "The Kids of DeGrassi Street", seen by children all over the world; and "Adderly", another prime-time series success; are just a few of such productions made in Toronto and, it is also the home of Nelvana Limited, Canada's largest animation company and the creators of the very popular "Care Bears" movies.

It appears then, that a truly Canadian film and television industry is here to stay and those talented Canadians involved, actors, directors, writers and so on, seem able to attain their successes here and are not forced to leave Canada, as was the case in the past when there was no such industry to speak of.

"Runaway Production"

As far as American production is concerned, however, there has been a growing trend over the last decade to make movies, whether for theatre or television, on location outside of Hollywood and the greater Los Angeles area. Escalating studio costs, mainly due to the demands of unions and guilds, diminishing fees paid to producers by the television networks, restrictive rules and regulations and excessive fees imposed by local authorities, the elimination of U.S. Federal tax incentives coupled with the need for realism demanded by today's sophisticated audiences have all contributed to what California calls "runaway production". American producers, whether from the major studios and networks or independent, are now shopping around North America to find the most

appropriate locations demanded by their scripts, but which also afford the best economic bargain for their (relatively speaking) limited dollars.

Practically every state in the Union, as well as most major cities have been joined by several Canadian provinces and cities in competing for this business. In the U.S. "Film Commissioners" have been appointed to attract production to their local jurisdictions and to help to expedite it once it is there, by cutting red tape and solving any location-al problems that arise. Although in Canada the titles are different (in Toronto it is Film Liaison), the roles of such designated officials are very similar to their U.S. counterparts.

The reasons for this competition for production are two-fold - economic benefits and job creation. Today, an average American feature film has a budget in excess of \$10 million, and takes about 8 weeks to shoot, while a TV movie budget is around \$2.5 million and is shot in approximately four weeks. Other than the key personnel, the rest of the crews, actors and staff are hired locally (if available) and can generate, on an average 2,500 man-days per production. If the total production is shot in one community as much as 60% of that budget can be spent there. Crews are hired, (actors and extras too), materials bought (every kind of building material for "set" construction), vehicles and equipment rented, warehouse and office space leased, fees paid for specific locations and accommodation acquired for anyone coming from outside the community. With an average production crew of 70 actors and extras will boost this figure - the provision of meals alone means an expenditure of several thousand dollars daily (Union agreements require meals of high standard served on a regular basis). All such expenditures are direct dollars so with the multiplier affect, the overall impact can be as much as three-fold.

A film or television production, therefore, can have the same economic impact on a community in a matter of weeks that is equivalent to a good-sized, manufacturing industry operating for a full year. In addition, it is clean, non-polluting and only temporarily disruptive, yet can also be a tourist attraction and possibly provide future, promotional benefits for the community from the publicity created by its presence, especially when high-profile stars and directors are involved. Even if only a segment is to be shot, it can provide some of these benefits and if producers have a good experience, they are likely to return for some future production requirement.

The U.S. Film Commissioners are very aggressive in their efforts to attract this business, and incentives offered include free location scouting ser-

VICES, free police assistance, refunds on state taxes for every dollar spent in the state by the production company, and, of course, no union demands in the "right to work" states, together with a promise of full support by the state governor or city mayor.

Despite such attractive offerings, Canadian production centres, especially Toronto, have found themselves in a strong competitive position to reap the benefits of American "runaway production". Of particular significance is the fact that cost savings on most goods and services (compared to Los Angeles or New York) coupled with the current dollar exchange rate can save American producers up to 30% on a production budget.

The above-mentioned reasons for competing for American production, of course, apply to Canadian production too. Although as a general rule Canadian production budgets are not as large as American budgets, the resultant benefits are still significant. It is also possible for municipalities other than the existing production centres to gain a piece of this action. Obviously, closeness to a production centre will be in a municipality's favour, but not always.

First and foremost, producers are looking for suitable locations and conditions to represent their script needs. They will "scout" many potential locations. So any unique location or "look" that the municipality has should be noted. For example, perhaps the main street could readily represent a typical turn-of-the-century small town because of the number and type of historical buildings it has preserved. Large mansions with large rooms are always in demand. A military camp, or other institutional buildings such as a prison, can often be a key production location. A municipality's main industry, like mining, or a major industrial complex, like a steel-mill, often have that "look" a producer is seeking. Obviously, local tourist attractions could fill this bill. One other item to note, especially if close to a production centre, is any large vacant industrial buildings that could be used as studio space. All such information, together with available accommodations, restaurants and possible suppliers of appropriate goods and services should be compiled and forwarded with photographs, if possible, to the relevant provincial body responsible for promoting and marketing the province as a film and television production centre. All of this can be done at very little expense and some of the information will already be available for other purposes. If the municipality is the subject of a location scout, then it is important to have someone available as a guide and if production does occur, someone to act as a liaison and to coordinate the activities. Who knows, when the credits roll on some future feature or television movie, your municipality's

name could be up there in lights along with the stars.

Canada's Film Capital

In 1983, Toronto saw 21 film and television productions spend some \$30 million from total budgets of \$54 million. There has been a quantum leap in growth each year since, with 1986 reaching 102 productions, having budgets totalling \$280 million, of which approximately \$180 million was infused into the economy and many thousands of jobs were created. Again, this is direct dollars spent, so the multiplier effect implies a much greater economic impact. The first six months of 1987 have kept up the hectic pace of 1986, especially in American production.

Why has Toronto become the third largest production centre in North America? Apart from the aforementioned economic advantages, it so happens that Toronto has everything that a producer needs for film or television production.

Obviously, only certain production centres have experienced crews available, otherwise the producers must bring personnel with them - the same goes for equipment and supplies - all of which is extremely costly. Being the largest city in Canada, however, Toronto is the natural centre for the headquarters of the unions, guilds and associations that provide the talent and technical expertise needed for production. Consequently, most of the major Canadian production companies are located here as is the English-language headquarters of the Canadian Broadcasting Corporation and other private sector network headquarters. In fact, 70% of location production in Toronto is Canadian, but the overall expenditures on American production is higher than that of the Canadian production. By way of comparison, Vancouver deals almost totally with American productions; very little in the way of Canadian production occurs there.

As mentioned previously, not only are there experienced crews, but, with a choice of three unions to draw on in Toronto, producers can negotiate certain concessions that save time and money, e.g. a five-day week starting on a Thursday, without Sunday overtime charge - this enables the securing of locations that may only be available on weekends. In the United States, one union predominates and any concessions are rare. According to the American producers, Toronto's crews are second-to-none in technical and creative expertise, are cooperative and have an enthusiasm for their work that is rarely seen in Los Angeles or New York. It should be noted, however, that Canadian Immigration officials do work closely with the unions to limit

the number of U.S. personnel brought in by American producers, in order to protect Canadian jobs.

An enormous talent pool (there are over 100 professional theatres in Toronto) provides actors for, not only the numerous supporting roles in film and television productions, but many major roles as well. Special companies also provide extras for crowd scenes and bit-parts. Some of the more familiar members of the Toronto Branch of ACTRA (the actors union) that have appeared in recent American productions made in Toronto are: Helen Shaver, John Candy, Jackie Burroughs, Martin Short, Kim Cattrall and Jan Rubes. These and many more, of course, are also stars in recent Canadian productions in Toronto. The depth of this talent pool also encompasses many of Canada's best screen writers, composers and musicians.

A full range of pre-production, production and post-production services for both film and videotape are available. For pre-production, being the financial centre of Canada, Toronto has the financial, legal and insurance specialists necessary for putting together the complex deals that bring the action to the theatre and television screens. For television, in particular, many American producers co-venture with Canadian producers for shows seen on both U.S. and Canadian networks, especially for Pay TV. As already noted, the highly successful police series "Night Heat", now seen during prime-time, on CBS and CTV, is just one example of such an arrangement - it is also shot exclusively in Toronto. In fact, it is said that one out of every four movies for U.S. cable networks is shot in Toronto, mostly the result of such co-ventures.

Production and post-production facilities include over 20 studios large and small comprising over a third of a million square feet of stage and facility space; one even has a 40-acre back-lot where large-scale outdoor sets can be erected and underwater tank facilities can be used for special effects. State-of-the-art processing laboratories for both film and tape, the latest in computer graphics, animation houses and the most sophisticated sound mixing studios are all available in Toronto. (Imax and Omnimax 70mm film systems as well as "Colorization" - the process of adding colour to old black and white movies by tape computerization are by Toronto inventors). Everything in equipment from cameras to lights; the necessary supplies whether film or tape; and other essential services from make-up to wardrobe, (not to mention the specialized transportation trucks and trailers to haul all of this as well as housing the stars) are provided by an ever-growing number of service companies.

In addition, Toronto is a cosmopolitan city of international renown that can cater to a full range of accommodations and other needs for stars, producers and crews. So far, Tom Selleck, Ted Danson, Kathleen Turner, Burt Reynolds, Christopher Reeve, Cher, Jerry Lewis, Susan Lucci, Dick van Dyke, Redd Foxx, Debbie Reynolds, Robert Young and Patty Duke are just some of the top American stars that called Toronto "home" in 1987. It is said that Hollywood industry VIP's have more chance of bumping into each other in Toronto these days, than they do in Los Angeles!!

Being such a world-class city, Toronto can also provide a multitude of diverse "locations" that adapt to time and place. From its historic neighbourhoods and turn-of-the-century factories to its towering skyscrapers and futuristic architecture, Toronto's locations have doubled for New York, Boston, Chicago, Washington, Vienna, Warsaw, Tokyo and even Tehran and Siberia. The fact that it is less congested and less noisy, as well as being cleaner and safer than the two major U.S. production centres, makes "location shooting" in Toronto that much easier.

Toronto Film Liaison (contained within the Economic Development Division of the City of Toronto Planning and Development Department) was established to service the industry and to ensure that the public interest is also served. This service is provided free of charge as an incentive to the industry but certain out-of-pocket expenses are charged for, as is Police assistance. Four staff coordinate all civic and agency inputs to secure approvals to shoot on location on streets, parks and other civic properties and obtain the use of civic equipment and services, arrange for Police assistance, liaise with other levels of government and the private sector for other locations, goods and services and finally issues the necessary permits. This is no mean task as each production has the appearance of an army unit with about 100 personnel, 20 production vehicles (tractor-trailers, generators, etc.) and tons of equipment, which have to be moved around in and fitted into the regular busy activity of a major city. In 1986, location filming permits were issued for over 2,700 different locations in Toronto. Consequently, it is no longer an event of unusual interest and attraction, but just something that is expected as part of the usual business day (and night) of the city.

As already indicated, the growth in production is reflected in the growth of the supporting infrastructure. In this regard, the Film Liaison staff encourages and assists in the establishment of new, and expanded, production facilities in the city. In many cases, new life is being given to old industrial buildings by such uses, being readily convertible,

which in turn improves the character of and helps to revitalize the city's industrial districts.

Although working closely with its counterpart at the Province (the Ontario Film Development Corporation) whose major role is that of promoting and marketing Ontario, Toronto Film Liaison promotes Toronto itself, mainly by advertising in the many Canadian, American and other foreign trade publications such as "Variety", "Hollywood Reporter", "Millimeter", "Screen International", "Cinema Canada" and "Playback". Other marketing ventures are also entered into, generally in conjunction with the OFDC, in particular, participation at the American Film Market Locations Exposition in Los Angeles. This is sponsored by the Association of Film Commissioners (both Toronto and Ontario are members) and is a trade show where government representatives can display the production potential of their respective jurisdictions to an audience of international decision-makers in the film and television industry.

One other factor has played a key role in Toronto's success as a major production centre and that is the production of television commercials.

With the coming to television and the need for television commercials, a number of companies were formed that specialized in commercial production. To all intents and purposes, although it does not have their high profile, a television commercial is a short-form version of a feature or television movie, involving a smaller production unit. The same professional and technical expertise is required, however, using all of the same techniques and equipment. Over the last thirty years or so, Toronto's commercial production-companies have been the training ground for many members of the film and television industry. In addition, much of the infrastructure developed in response to the requirements of commercial production.

This sector too has experienced tremendous growth as the individual companies developed a reputation for excellence and now is second only to New York in volume of commercials produced. Annual business is estimated to be around \$150 million, much of which is "export" business as more and more U.S. advertising agencies discover that they can still obtain top-quality production while benefiting from the economic advantages Toronto commercial producers have to offer.

Conclusion

The Canadian Film and Television Industry is alive and well and living in various major cities across Canada, but especially in Toronto. Although

this industry is vulnerable to changes in various economic and cultural policies, both domestic and foreign, there is current optimism that at long last the industry has achieved the degree of stability that will enable Toronto to maintain its role of leading Canada to even greater successes, in what is considered to be the glamorous business of making movies, in all of its different forms. From "Hogtown" to "Hollywood North" - that's show-biz!!