

YUKON FILM PRODUCTION FUND

YUKON ECONOMIC DEVELOPMENT | REELYUKON.COM



To support a sustainable and competitive film and sound recording industry, the Yukon Film & Sound Commission administers the Yukon Film & Sound Incentive Programs on behalf of Yukon Government Department of Economic Development.



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SCOPE

This policy applies as follows:

- The *Film Production Fund* applies to production of films which are financially and creatively controlled by Yukon residents and Yukon corporations.

The following are not eligible projects under these programs:

- Sport broadcasts;
- Contract driven productions;
- Talk shows;
- Game shows;
- News programming;
- Awards presentations;
- Productions that solicit funds;
- Pornography.

PRINCIPLES

The Film and Sound Incentive Programs have been designed based on the following general principles. These principles will be used to guide operational decisions.

ECONOMIC SUSTAINABILITY

The private sector is the preferred engine of economic growth for the Yukon economy.

BALANCED INTERESTS

Funding requirements will reflect a fair balance between financial accountability for the expenditure of public funds and the administrative burden borne by fund applicants.

FAIRNESS AND IMPARTIALITY

Government funding shall not alter level playing fields in the business community by fostering unfair competition.

All funding applications will be treated in a fair and impartial manner and the processing of applications will be conducted as expeditiously as considerations of due diligence allow.

GOALS

The goals of all Film and Sound Programs are to:

1. Maintain and ultimately increase the level of total independent film and sound recording production and expenditure in Yukon;
2. Maximize Yukon employment opportunities resulting from film and sound recording production in Yukon;
3. Encourage sustainable growth in the Yukon film and sound recording production sector resulting in a stronger infrastructure of skills and services.

PROGRAM RESTRICTIONS

Program restrictions are intended to:

1. Encourage productions that genuinely benefit the Yukon economy;
2. Encourage sustainable growth in the Yukon film and sound recording production and production services sector;
3. Extend the number of productions that may participate by limiting the access any one production has to program funds;
4. Ensure accountability by requiring a full reporting of Yukon expenditures from each participating production.

To ensure that the funds paid out by this program best serve the purposes of the program, the Yukon Film & Sound Commission may, by means of a written statement to the applicant and the Deputy Head, reduce or decline an application on the basis that:

- A. In the case where there is – for whatever reason - a substantial difference between the information provided in the approval process and what later occurred;
- B. The situation being applied for is – in spirit or in specifics – clearly different from what the program was intended to accomplish.

DEFINITIONS

BROADCAST COMMITMENT:

Either one of a Broadcast development agreement or a Broadcast license.

BROADCAST DEVELOPMENT AGREEMENT:

A “broadcast development agreement” is a commitment by a licensed broadcaster or broadcasters to participate financially in the development of the project, and to broadcast the program within two years of completion at a time appropriate to its genre. The broadcaster participation must be in the form of a cash contribution. Service contributions, such as studio equipment or any other form do not constitute a cash contribution in order to fulfill the license fee requirements.

BROADCAST LICENSE:

A “broadcast license” is a commitment by a licensed broadcaster or broadcasters to participate financially in the production of the project. The broadcaster’s participation must be in the form of a cash contribution. Service contributions, such as studio equipment or any other form will not be accepted in order to fulfill the license fee requirements.

All licensed broadcasters are permissible. This includes all private, public and education broadcasters, as well as all specialty, pay and pay-per-view broadcasters.

CONTROLLING INTEREST:

“Controlling interest” means having, owning and maintaining throughout the course of the project or production, managerial, financial, logistical and creative influence in all production decisions.

DEPUTY HEAD:

“Deputy Head” means a member of the public service responsible for the Department of Economic Development.

DISTRIBUTION ARRANGEMENT:

A financial commitment from an approved distribution company in the form of a distribution advance or distribution guarantee for release in a major territory (e.g. Canada, US, UK, Germany, Japan or Australia).

DISTRIBUTION COMPANY

Any distributor recognized by Telefilm Canada unless otherwise approved by the Yukon Film & Sound Commission.

DOCUMENTARY:

A non-fiction representation of subject matter.

ELIGIBLE YUKON LABOUR:

Employment of Yukon labour as a member of the production crew; includes the dedicated labour component of production services hired by the production (such as the pilot’s wage on a helicopter rental, but not incidental labour such as hotel staff).

FILM:

Film includes television. Except where specifically indicated otherwise, film refers to any technology or method of capture that is universally accepted as being of broadcast quality.

MATCHED LABOUR:

Where a foreign production brings in their own crew persons and the Human Resources Development Canada’s Foreign Workers Office requires them to hire a Canadian equivalent. This person must have appropriate experience in the same department at the task. Where a Yukon crewmember is given the “matching position,” it will be considered a career development – and hence training – opportunity.

MINISTER:

An Executive Council member designated as the Minister of Economic Development.

REALITY TELEVISION:

A dramatic, unscripted production that follows real people in real or artificial context for a period of time.

REBATE CLAIM:

Application made to the Yukon Film & Sound Commission for rebate under the Film and Sound Incentive Programs.

TRAVEL REBATE:

Payment made to a production company as partial reimbursement for travel costs between Vancouver or Edmonton or Calgary and Whitehorse.

YUKON EXPENDITURE:

Monies paid to a Yukon person or business for goods or services related to the Yukon portion of a film or sound production.

YUKON RESIDENT:

A person who has resided in Yukon for at least one year (365 days) prior to the date of application and maintains a valid Yukon Health Care Insurance Plan registration.

YUKON BUSINESS:

The definition of Yukon Business shall be the same as is defined in the Contract Regulations and Contracting Directive.

YUKON FILM & SOUND COMMISSION:

The Yukon Film & Sound Commission is a unit within the Department of Economic Development's that seeks to develop indigenous and location filmmaking and sound recording in an environmentally, socially and economically responsible manner.

YUKON LABOUR:

Dedicated labour by a person who resides in the Yukon and has maintained a valid Yukon Health Care Insurance Plan registration for at least ninety (90) days.

ROLES AND RESPONSIBILITIES

MINISTER OF ECONOMIC DEVELOPMENT

The Minister may table a copy of the annual report at the next ensuing session of the Legislative Assembly.

DEPUTY HEAD OF ECONOMIC DEVELOPMENT:

The Deputy Head shall receive from the Yukon Film & Sound Commission, by June 30th each year:

- An annual report on the status of the Yukon Film and Sound Incentive Programs (including names and number of applicants, project information, approved amount and project status);
- Recommendations regarding any proposed changes to the Yukon Film and Sound Incentive Programs;

The Deputy Head shall receive an appeal regarding a decision made pursuant to this policy.

- Upon receipt of an appeal, the Deputy Head shall seek the guidance of the Yukon Film & Sound Commission or any professional organization as may be necessary to assist with the decision making.
- The Deputy Head shall make the decision regarding the appeal and shall give written notice of that decision to the appellant and to the Yukon Film & Sound Commission. The decision of the Deputy Head will be final.

YUKON FILM & SOUND COMMISSION:

The Yukon Film & Sound Commission shall administer and maintain the Yukon Film and Sound Incentive Programs.

Within the approved policy framework the Yukon Film & Sound Commission shall determine application procedures and time frames for establishing payment procedures for funding under the programs.

PROGRAM FRAMEWORK

PURPOSE

The purpose of the program is to encourage the growth and development of the Yukon Film industry through the provision of non-repayable financial contributions to assist with the costs of producing a film in the Yukon.

Production is the component of the filmmaking process during which the project is being captured on film or videotape, and includes post-production work.

OBJECTIVES

The objectives of the Film Production Fund are:

- Development of local skills and expertise required for the production of film in the Yukon, particularly “above the line” skills, such as those at the director/producer level.
- To increase the number of films, both local and offshore, produced in the Yukon.
- Development of the Yukon film Industry into an internationally competitive industry.

ELIGIBLE APPLICANTS

The following are eligible to apply to the Film Production Fund:

- A Yukon corporation which owns controlling interest in the project and Film production is a major, not peripheral activity of their business.
- For this fund, a Yukon corporation is defined as a corporation that is a Yukon registered company which is majority beneficially owned by Yukon residents.
- In the case of co-productions, the Yukon producer must satisfy the preceding qualifications, and any co-production company must be registered in the Yukon. In addition, the Yukon producer must participate as a full partner in the production, and demonstrate a significant degree of financial and creative control and receive a corresponding share of the revenues of the production at terms no less favourable than those of any of the non-Yukon resident partners.

Recipients under this program are not eligible to apply for rebates of Yukon expenditures under the Yukon Film Location Incentive Program

INELIGIBLE APPLICANTS

Distributors, broadcasters and broadcast affiliates are not eligible to apply.

ELIGIBLE PROJECTS & ACTIVITIES

Production includes post-production work.

The following activities are eligible:

- Filming in Yukon. All production cash expenses expended in Yukon consistent with the standards established by Telefilm Canada;
 - Expenses related to personnel will be determined on the basis of the actual amount paid to the employee directly attributable to the production, including salary and benefits.
- Filming outside the territory may be allowable within the spirit and intent of the program, recognizing that certain productions require shooting outside Yukon, but this must be pre-approved.
- Corporate overhead and producer fees directly related to the project are eligible but may not exceed 15% each of the total budget or 30% combined.

The following expenses are not eligible:

- Any costs that were considered in determining a funding allocation for the same project under the Yukon Film Development Fund will not be considered under this program.
- Goods and Services Tax
- Capital costs
- Non-cash expenditures, such as, in-kind contributions, contributed labour, materials or services and deferred expenses are not an eligible expense for the purpose of calculating the amount of assistance under this program unless they have been pre-approved by the Yukon Film & Sound Commission.
- Prizes, awards, rewards and gifts

INELIGIBLE PROJECTS

Ineligible productions include sport broadcasts, instructional programs, game shows, news, current affairs programming, infomercials, infotainment, commercials, industrials, amateur video, and pornography.

YUKON FILM PRODUCTION FUND

OUTCOMES

The intended outcomes of Film Production Fund activities include:

- Development of domestic producer skills.
- Development of the Yukon film industry into an internationally competitive industry.
- An increase the number of films, both local and offshore, produced in the Yukon.

FUNDING / CONTRIBUTION LEVELS

The maximum project contribution from this fund is \$500,000. Additional funds may be available through other Government of Yukon programs for economic development based on economic impact analysis. The production company is encouraged to contact the Film & Sound Commission for additional details.

- For productions solely controlled by a Yukon resident or corporation, the contributions will be based on 30 % of Yukon expenditures or 30 % of total production costs whichever is the lesser.
- For co-productions the contribution will be based on 30 % of Yukon expenditures or 20 % of total production costs whichever is lesser. The cost of a creative position may be deemed a Yukon cost if they mentor at least one Yukon Labour. The creative positions eligible for this purpose include eligible Yukon Labour in the following positions:

<ul style="list-style-type: none"> • Director • Scriptwriter • Resident In A Lead Role • Production Manager • Director Of Photography • Camera Operator • Director Of Sound • Production Designer (Art Director) • Picture Editor • Line Producer • Key Grip 	<ul style="list-style-type: none"> • Gaffer • Continuity • Production Accountant • 1st Assistant Director • Sound Editor • Performer(S) In Speaking Roles • Location Manager • Costume Designer • Set Decorator • Key Makeup Artist • Props Master
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INTAKES

Applications will be accepted on an on-going basis throughout the year, but application must be made prior to commencement of the project. Only one application at a time will be considered from an applicant.

Applications must include:

- A completed and signed application form
- A description of the company, its structure and ownership and incorporation documents, including the names and addresses of shareholders, demonstrating to the Yukon Film & Sound Commission's satisfaction that the company meets all company and production eligibility requirements;
- A copy of the final and shooting script
- A list of key creative personnel engaged for the project including their biographies and primary residence addresses;
- Cast and Crew list indicating citizenship & residency
- Commitments from broadcasters and/or distributors;
- Production and post-production schedule indicating:
 - pre-production start date
 - date and number of shooting days
 - all shooting locations (city and country)
 - projected delivery dates for rough cut, fine cut, release print and final audited cost report
- The total Production budget in the Telefilm format;
- The financing plan, evidencing the terms, conditions and value of the financial contributions
- The Yukon budget in Telefilm format.
- Copies of Co-production agreements
- Marketing plan

Applications must be complete and include all necessary documentation at time of submission.

Processing of applications will be conducted as expeditiously as considerations of due diligence allow.

ASSESSMENT CRITERIA

Applications will first be screened on the basis of the following mandatory criteria:

- The applicant is an eligible applicant as described in Eligible Applicant above.
- The proposed activities comply with the criteria for eligible activities set out in Eligible Projects and Activities above.
- Projects must be supported by a broadcast license with a licensed broadcaster or a distribution arrangement.
- Applicants must provide evidence that the total financing required for the film production will be in place prior to the start of production. Approval of funding under the Yukon Film Production program will be conditional until all the required financing has been secured.
- Any financial obligations to the Government of Yukon by the proponent must be in good standing.

The criteria against which an application will be assessed will include:

- Written demonstration of how the project will achieve one or more of the stated objectives of the Film Production Fund;
- Written demonstration of how the applicant proposes to use and / or develop Yukon talent, personnel, services and facilities.
- Success of previous projects undertaken by the same applicant assisted by the Film Development Fund or any other fund administered by the Department of Economic Development.

APPROVAL AUTHORITIES

PROJECT OFFICERS

Project officers are the first point of contact for all applicants. They will be available year round and provide support and advice on the funding program. Each application will be assigned to a project officer who will work with clients to ensure that all the information has been provided for full project consideration.

Since some projects may impact government operations, or the applicants are client groups of other YG departments, project officers may involve other departments. YG departments who have an interest in specific projects will be requested to verify information and provide their perspective on projects on an 'as-needed' basis.

The project officers will be responsible for preparing an assessment of the application including a recommendation for approval/disapproval.

APPROVAL AUTHORITIES

The Film & Sound Commissioner will be the approval authority for applications within the Departmental signing authority of the Commissioner's position. For applications above that signing authority, the approval authority will be the Minister of Economic Development.

The Film & Sound Commissioner may convene a panel as required, with membership as appropriate to provide advice to the Commissioner or the Minister, regarding application approval.

- A letter of commitment, also known as a letter of comfort, will be issued confirming eligibility and approval of assistance with an estimate of the level of assistance based on the budget submitted. The letter will detail any terms and conditions that must be satisfied prior to the approval becoming effective. The letter may be used by the applicant to support applications for financing from financial institutions and the federal government.
- Once all conditions of a conditional approval have been satisfied a contribution agreement or funding contract will be issued for acceptance by the applicant.

ACCOUNTABILITY FRAMEWORK

BASIC REPORTING REQUIREMENTS

Reporting requirements for funding recipients are intended to obtain information necessary to meet Government financial obligations while recognizing the costs that such reporting place upon recipients. Project financial reporting requirements will be relevant to the level of funding received and will not place unnecessary burdens on recipients.

Upon completion of the project the applicant will provide the Yukon Film & Sound Commission with a complete production report on or before the due date stipulated in the contribution agreement. This report must include:

- A video or DVD copy of the finished production, including proper credit to the Yukon Government;
- A report that outlines the total expenses incurred on the project.
- A detailed Yukon expenditure report in a form acceptable to the Yukon Film & Sound Commission.
- A list of all personnel engaged on the project, including job titles and proof of residency (Yukon Health Care Card).
- A declaration stating that the production was completed as outlined in the original application.

The Yukon Film & Sound Commission will verify the final production report and conduct an internal verification of the detailed Yukon expenditure list for all projects.

ADDITIONAL / FOLLOW-UP REPORTING REQUIREMENTS

Funding recipients shall:

- Maintain all project financial, personnel, and performance information records for a minimum of three years following the completion of the project.
- Upon written request, and with appropriate notice, provide authorized representatives of the Yukon Government

with access to the project work site(s), for up to one-year following completion of the project and with access to relevant records for a minimum of three years following the completion of the project.

- Participate in interviews, focus groups, or other reasonable information gathering activities, in conjunction with a program evaluation of the Film Production Fund.

Verification and evaluation reports shall be made public, within a reasonable time of completion, with the exception of any information protected under the Access to Information and Protection of Privacy Act.

FINANCIAL PROCEDURES

Project funds will be disbursed according to the following conditions:

- The funding must be used solely for the purposes described in the application, and approved by the Yukon Film & Sound Commission. If the funding is used for any other purpose or if there is a major change in the project the recipient may be required to return all of the funds unless the new use of funds or the change is submitted in writing to and approved by the Yukon Film & Sound Commission prior to the change.
- Recipients must give funding credit in the manner prescribed by the Yukon Film & Sound Commission.
- The assistance will be paid to the applicant in accordance with a payment schedule developed with the applicant but will not exceed 75% of the approved level of assistance until the project is complete. The 25% hold back will be paid upon receipt of the final report as stipulated in the contribution agreement.
- The Yukon Film & Sound Commission or its authorized representative may examine the recipient's financial and other records to ensure that the contribution is being, or was, used for its intended purpose.

IF YOU HAVE ANY QUESTIONS OR NEED ADDITION INFORMATION, PLEASE CONTACT:

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