



**PRESS RELEASE**

*For immediate release*

Support for Quebec film studios  
**Quebecor calls on political parties to commit to  
maintaining the film production services tax credit**

**Montréal, September 26, 2018** — Quebecor has joined its voice to that of a major U.S. producer, whose comments were reported in a Montréal daily this morning, and is urging Québec’s political parties to make a formal pledge to maintain the predictability of the Film or Video Production Services Tax Credit and support the continued development of Québec’s thriving filming industry.

“We have been pleading our case to the Couillard government for more than a year, to no avail,” said Pierre Karl Péladeau, President and CEO of Quebecor. “All we’re asking for is the fiscal predictability we need to be able to invest some \$40 million to build new MELS studios in order to meet the needs of the producers who are knocking on our door, creating hundreds of new jobs in the process. Without such guarantees, studios such as MELS are at the mercy of shifting government policies, such as the cuts in business tax credits in 2014, that would make Québec less attractive on the highly competitive film production market. If our governments were able to extend written guarantees regarding tax credits to companies such as Ubisoft and Warner in the video game industry, why wasn’t the Liberal government able to do the same for an industry as important as film and TV production?”

While 23 foreign films were shot in Québec last year, generating direct expenditures of \$383 million, up 28.5% from 2016 and 440% from 2009, Québec currently accounts for only 11% of foreign film productions in Canada, compared with 62% for British Columbia and 23% for Ontario.

While the supply of film studios in Québec is stagnant, the rest of Canada and the rest of the world are expanding their facilities. After acquiring Pinewood Toronto Studios in March 2018, Bell announced plans to add more than 170,000 square feet. This month, plans were announced for the construction of First Studios City, a \$100-million facility in the Toronto suburb of Markham which will include the largest soundstage in Canada. Meanwhile, important investments in film studios are also being made around the world, including by the state of Georgia, which now has facilities measuring millions of square feet that are attracting dozens of major productions per year.

It should also be noted that foreign productions that choose to shoot in Ontario rather than Québec can currently take advantage of a 21.5% film production tax credit (compared with 20% in Québec) and an 18% computer animation and special effects tax credit (compared with 16% in Québec).

“Given the significant positive economic impact of foreign film productions, including on Quebec’s trade balance, and the cultural importance of having a vibrant film and video production industry to provide work for our creative talents, actors, technicians and other workers, there is an urgent need for action. We can’t just sit on our hands while our Canadian and foreign competitors eat our lunch. On the eve of the elections, we are therefore calling on all the parties to do for the film production industry what has been done for the video game industry and provide the necessary predictability by making a formal commitment to maintaining the Film or Video Production Services Tax Credit for the duration of their term of office,” Mr. Péladeau concluded.

### **About Quebecor**

Quebecor, a Canadian leader in telecommunications, entertainment, news media and culture, is one of the best-performing integrated communications companies in the industry. Driven by their determination to deliver the best possible customer experience, all of Quebecor’s subsidiaries and brands are differentiated by their high-quality, multiplatform, convergent products and services.

Québec-based Quebecor (TSX: QBR.A, QBR.B) employs more than 10,000 people in Canada.

A family business founded in 1950, Quebecor is strongly committed to the community. Every year, it actively supports more than 400 organizations in the vital fields of culture, health, education, the environment and entrepreneurship.

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### **Information:**

Quebecor

514-380-4572

[medias@quebecor.com](mailto:medias@quebecor.com)