



## Film, Television and Digital Media Development Contribution Policy

Government of Nunavut

Department of Economic Development and Transportation

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### POLICY STATEMENT AND PURPOSE

The Government of Nunavut is committed to supporting community-based sustainable economies, culture and the arts, and the use of the Inuit language by fostering the development of film, television and digital media, and the participation of Nunavummiut in the Industry.

The Government of Nunavut is committed to promoting the increased participation of Nunavummiut in the film, television and digital media industry, and to supporting the production of high quality work, including work that celebrates the Inuit language and culture, and to marketing their work in across Canada and around the world.

### PRINCIPLES

This policy is based on the following principles:

- Development activities supported by this policy, including those undertaken by the Nunavut Film Development Corporation, will respect and adhere to the Inuit societal values of:
  - *Pilimmaksarniq/Pijariuqsarniq* (development of skills),
  - *Qanuqtuurniq* (being innovative and resourceful),
  - *Piliriqatigiinniq* (working together),
  - *Tunnganarniq* (fostering good spirit by being open, welcoming and inclusive), and
  - *Ajiiqatigiinniq* (decision making through discussion and consensus).
- Funds will be directed toward funding proposals that support Industry growth and socio-economic benefits for Nunavummiut.
- Funds will support the development and promotion of Inuit language, culture, and traditions, and Nunavut's natural and traditional landscapes.
- Funds will leverage resources from other levels of government, non-governmental organizations and the private sector.
- Decisions on funding will be reported to the public, and all decision-making processes will be fair, transparent and without conflict of interest.

# FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT CONTRIBUTION POLICY

## APPLICATION

This policy establishes the general terms and conditions by which support for the film, television and digital media Industry will be provided by the Department through:

1. Nunavut Film Development Corporation Operations Fund (Schedule A); and
2. Film, Television and Digital Media Development Fund (Schedule B).

## DEFINITIONS

See Appendix A, *page 10*.

## ROLES AND RESPONSIBILITIES

### Minister of Economic Development and Transportation

The Minister is accountable for the overall program results.

The Minister will ensure that the Annual Report of the Nunavut Film Development Corporation is made available to the public.

The Minister may delegate her authority with respect to this policy to the Deputy Head of the Department.

The Minister may appoint a Nunavut Film Commissioner to lead the Nunavut Film Commission.

### Department of Economic Development and Transportation

The Deputy Head of the Department may exercise his or her powers and responsibilities under this policy through a designated lead official.

The Deputy Head may authorize the Corporation to provide Contributions to eligible Projects under Schedule B through an annual Contribution Agreement.

The Deputy Head may strike a committee to review any aspect of the Corporation's governance, proposed activities, Policy Manual, Annual Report or other reporting.

The Deputy Head may convene an Industry Advisory Forum, as described below (see *page 5*).

### Nunavut Film Development Corporation

Through the annual Contribution Agreement, the Corporation will be required to:

- Discharge the responsibilities set out for the Corporation in this policy;
- Ensure, through its Contribution Agreements, that recipients of funding for Projects are required to comply with this policy;
- Submit to the Department a copy of its governance documents (including, but not limited to, articles of incorporation and by-laws) and a list of directors, and submit any changes to these documents to the Department at the earliest convenience; and
- Make the Corporation's Policy Manual available to the public, on the Corporation's website and upon request by a member of the public.

# FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT CONTRIBUTION POLICY

## GENERAL CONDITIONS

- All relevant provisions contained in the *Financial Administration Act* and the Financial Administration Manual shall apply to the financial administration of all Contributions issued by the Department.

The following general conditions also apply to the Corporation and to recipients of funding administered by the Corporation under Schedule B. The Corporation will include appropriate stipulations in its agreements with funding recipients to ensure that:

- The *Access to Information and Protection of Privacy Act* applies to all aspects of the content, financial management, and general performance of any agreement signed under this policy;
- Contributions are one-time only, with a reporting period from April 1 to March 31 of each fiscal year;
- A recipient of a Contribution under this policy shall apply the funding to expenditures made by the end of the fiscal year in which the Contribution was made, and shall repay or account for the Contribution within 60 days of fiscal year-end;
- Where a recipient is unable to account for the Contribution by the end of the fiscal year in which the Contribution is made, and intends to complete the Project in the subsequent year, the Corporation may agree to provide a second Contribution in the subsequent year equal to the amount repaid from the first Contribution;
- The Department, or the Corporation in the case of Contributions under Schedule B:
  - may terminate, suspend or reduce the scope of an agreement under this policy if the recipient fails to comply with the terms of the agreement.
  - is only responsible for the amount provided and not for any shortfalls or deficits; and,
- In their use of funding provided under this policy, the Corporation and recipients must comply with the spirit and intent of the *Nunavummi Nangminiqaqtunik Ikajuuti* (NNI) Policy, and must provide reasonable assistance to Inuit, Nunavut and Local businesses to enable them to compete for contracts that use program funds. Assistance will take the form of inclusive bid solicitation and preferential bid criteria.

## ELIGIBILITY

Schedule A: Eligibility is limited to the Nunavut Film Development Corporation.

Schedule B: Eligibility is limited to Projects by Nunavut Production Companies or Nunavut Co-productions, as defined in this policy.

Eligibility for funding under this policy does not guarantee subsequent approval for financial assistance of any kind.

## INELIGIBLE PRODUCTIONS

The following categories of productions are ineligible for funding under this program:

- News, current events or public affairs programs;
- Programs that include weather or market reports;

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- Talk shows;
- Sports events or activities;
- Galas or award shows;
- Productions that solicit funds;
- Pornography;
- Advertising and commercials;
- Industrial, corporate or institutional productions; and,
- Productions, other than documentaries, which substantially consist of stock footage.

### **INDUSTRY ADVISORY FORUM**

The Minister may, with 30 days' notice to Industry representatives and the Corporation, convene an Industry Advisory Forum. Attendance at the Industry Advisory Forum shall be open to the public and any person with an interest in the film, television or digital media Industry may participate.

The Minister may offer attendants at the Forum the opportunity to discuss the Corporation's activities and performance as well as the Government of Nunavut's approach to providing support for the development of the Industry.

Within 60 days of each Industry Advisory Forum so convened, the Corporation will submit a report on the proceedings and recommended action items to the Minister. The report will be made available to the public.

### **AUDIT**

The Department may audit the financial records and affairs of the Corporation to verify the use of the Contribution provided under this policy. The Corporation will agree to permit access to all books, electronic information and systems, statements and other documents regardless of their nature to the Department or its agents for these purposes.

The Corporation will ensure that Contribution Agreements with recipients provide for the audit of financial records and affairs of recipients to verify the use of Contributions. Recipients will be required to agree to permit access to all books, electronic information and systems, statements and other documents regardless of their nature, to the Corporation or its agents, for such purposes.

### **PREROGATIVE OF THE EXECUTIVE COUNCIL**

Nothing in this policy shall in any way be construed to limit the prerogative of the Executive Council to make decisions or to take actions, respecting contributions for film, television and digital media by the Government of Nunavut, outside the provisions of this policy.

### **SUNSET**

This policy will be effective from May 8, 2017 until March 31, 2021.

## FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT CONTRIBUTION POLICY

### SCHEDULE A: NUNAVUT FILM DEVELOPMENT CORPORATION OPERATIONS FUND

<b>Purpose</b>	<p>The Nunavut Film Development Corporation Operations Fund contributes funding to help offset the operations and maintenance and salary costs of the Corporation. The Department partners with the Corporation to provide film, television, and digital media development programs.</p> <p>The Corporation contributes to the Government's commitment to increase support for culture and the arts, and to support community-based, sustainable economies.</p> <p>The Corporation's operations will focus on the following core functions:</p> <ol style="list-style-type: none"><li>1. Deliver the Film, Television and Digital Media Development Fund, consistent with the objectives set out in the Corporation's Policy Manual;</li><li>2. Promote the growth of Nunavut's current and emerging film, television and digital media Industry sectors through liaison and public relations activities with Industry associations, the private sector, and key stakeholders;</li><li>3. Develop strategic plans and priorities to support labour force development and skills training by the film, television and digital media Industry;</li><li>4. Collect statistical information for annual reporting of program funding outcomes, including the development of an Industry tracking framework and social impacts/benefits tracking framework, to document and evaluate the development of the film, television and digital media Industry; and,</li><li>5. Operate the Nunavut Film Commission.</li></ol>
<b>Review</b>	<p>The Department will review the annual funding proposal from the Corporation. The Deputy Head, or designated lead official, may sign a Contribution Agreement including budgets for Schedule A and Schedule B.</p>
<b>Supporting Data</b>	<p>The provision of annual operational funding is contingent upon review and approval of a funding proposal, including an acceptable budget and business plan, and the completion of an annual Contribution Agreement.</p> <p>Operational funding for the Nunavut Film Commission will be presented separately from the Corporation's other activities.</p> <p>The Corporation will adhere to the governance, program administration and accountability requirements set out in this</p>

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policy, unless a variance is approved by the Department.

### **Amount**

Of the amount appropriated by the Legislative Assembly annually for this program, a maximum of 30% may be allocated to the operations and maintenance of the Corporation.

Financial assistance will be provided only to the limit and availability of funding allocated to this program within the approved Main Estimates of the Government of Nunavut's annual budget.

Eligibility for funding under this policy does not guarantee subsequent approval for financial assistance of any kind.

### **Payment**

Contribution Agreement payments will be provided in installments based on the working capital requirements of the Corporation.

### **Accountability**

The Corporation will provide the Annual Report to the Department no later than September 30 in the fiscal year immediately following the fiscal year in which the funding was received.

The Corporation will publish its Annual Reports on the Corporation's website as soon as practicable but no later than October 31 following the end of the fiscal year in which funding was received.

Annual Reports will detail all the activities of the Corporation during the fiscal year, including:

1. Audited financial statements;
2. A detailed list of all Projects funded under the Film, Television and Digital Media Development Fund, including recipients, project descriptions, funding amounts and outcomes;
3. Outreach activities undertaken to advance each of the five core functions of the Corporation;
4. Production volumes, including levels of production by Nunavut Production Companies, including types of productions, film days, etc., as well as the use of Nunavut-based service providers;
5. Employment statistics, including Inuit participation;
6. Trend analysis to quantify the level of Industry size;
7. Number and types of inquiries, and number of inquiries converted to activities;
8. A section on the Nunavut Film Commission containing the following information:
  - Production volumes, including levels of Foreign Location Service (FLS) production within the territory and types of

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- productions, film days, etc.;
- Employment statistics for FLS productions, including Inuit participation;
- Multi-year data and trend analysis of the level of FLS production;
- Specific information on assistance provided to FLS productions; and,
- Number and types of inquiries, including those from out-of-territory and out-of-country production companies that are converted to new activities.

If the Corporation fails to adhere to the accountability requirements, the matter will be addressed in the negotiation of the subsequent year's Contribution Agreement, including through (but not limited to) stricter payment terms for operational funding.

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### SCHEDULE B: FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT FUND

<b>Purpose</b>	<p>The Film, Television and Digital Media Development Fund provides support for Nunavut-based productions and co-productions for:</p> <ol style="list-style-type: none"><li>1. Marketing Assistance;</li><li>2. Professional and Industry Development Training; and,</li><li>3. Nunavut Spend Incentive.</li></ol> <p>Eligible productions are intended for television, cinema, videotape, digital media or non-theatrical formats.</p>
<b>Review</b>	<p>Review of Project funding proposals will be conducted by the Corporation using the Policy Manual described in Appendix B of this policy.</p>
<b>Supporting Data</b>	<p>Applicants must submit to the Corporation a completed and signed application form, as well as the supporting information required to assess eligibility and need. This includes, at minimum:</p> <ul style="list-style-type: none"><li>• Project description, budget, timelines and resources required;</li><li>• Proof of eligibility, including status as a Nunavut Production Company or Nunavut Co-production;</li><li>• Level of Nunavut Spend;</li><li>• Demonstrable commitment to the film, television and digital media Industry in terms of sufficient years and/or scale of contribution to the Industry in Nunavut; and,</li><li>• Any other information deemed necessary by the Corporation to assess the application.</li></ul>
<b>Amount</b>	<p>Financial assistance will be provided only to the limit and availability of funding allocated to this program within the Main Estimates of the Government of Nunavut's annual budget.</p> <p>That portion of the program budget set out in the Main Estimates that is not allocated to Schedule A shall be allocated to this schedule.</p> <p>The Corporation's Policy Manual will indicate how the level of funding for Projects is calculated, including, where applicable, details of any formulas used, and allowable types or classes of expenditures.</p> <p>Projects selected to receive Contributions under this policy may be funded at a level below the amount requested.</p>



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- Payment** Specific payment terms and conditions will be contained in a Contribution Agreement.
- In the event that eligible costs are less than the amount set out in the Contribution Agreement, the surplus will be repayable to the Corporation. The Corporation will return such repayments to the Government of Nunavut.
- Contribution Agreements with recipients shall include the following requirements:
- All recipients of a Contribution shall be required to account for the use program funds through appropriate financial reporting as well as a report on the Project's outcome compared to the funding proposal.
  - All recipients shall agree to public disclosure and to allow agents of the Corporation and the Department access to the Project site or premises to inspect all books and other financial information related to the Project and to obtain any information necessary for evaluating the success of the Project.
  - Recipients who fail to meet the accountability requirements will be ineligible for future contributions under any of the Department's contribution programs.
- Appeals** The Corporation will provide applicants the opportunity to appeal a funding decision using appeal procedures set out in the Corporation's Policy Manual (see Appendix B).
- Credit** All productions which access funding under this Schedule will be required to provide screen and promotional material credit to the Government of Nunavut.
- Specific terms will vary depending on the Project and medium and will be contained in the Contribution Agreement between the Corporation and the applicant, in a form agreed upon by the Department and the Corporation.

# FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT CONTRIBUTION POLICY

## **APPENDIX A: DEFINITIONS**

### Contribution

For the purposes of this policy a Contribution is a transfer payment made to a recipient under this policy, for which neither the Government nor the Corporation will receive any goods or services. Contributions are conditional on performance or achievement and are subject to audit.

### Contribution Agreement

A contractual agreement between two parties, which outlines the obligations and reporting responsibilities of the parties involved.

### Corporation

The Nunavut Film Development Corporation.

### Department

The Department of Economic Development and Transportation.

### Digital Media

Audiovisual, multimedia, or interactive content that is designed for and delivered primarily on a digital network or platform. A more precise definition may be provided in the Corporation's Policy Manual.

### Film

Except where specifically indicated otherwise, film refers to audiovisual productions that use film, video or digital media.

### Funding Proposal

May refer to either a) an annual business plan prepared by the Corporation and submitted to the Department, b) a proposal submitted to the Corporation, seeking funding for a Project.

### Foreign Location Service (FLS) Production

A visiting, fully-funded production that seeks locations for their film in Nunavut.

### Industry

Refers to all those persons, non-governmental organizations, associations and businesses involved in film, television and digital media.

### Inuit Language

Also known as Inuktitut; includes both Inuinnaqtun and Inuktitut.

### Local Labour

Labour performed by a Nunavut Resident.

### Nunavut Co-production

A Project produced by an out-of-territory or out-of-country Production Company in collaboration with a Nunavut Production Company, and which meets all of the following criteria:

- The funding proposals must be submitted by the Nunavut Production Company;

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- Shares in the copyright of the Project should be commensurate with the Nunavut portion of total investment in the Project;
- Private investment and co-productions will be assessed according to the particular co-financing arrangements;
- The Nunavut producer(s)/Production Company should enjoy beneficial and equitable ownership of completed Projects; and
- Co-productions with public agencies, public producers, institutions and public or private broadcasters may be eligible, based on significant share in corporate control, copyright, management and creative decision-making and the ownership in the completed Project commensurate with the percentage of the Corporation's investment and with demonstrated control in overall production that takes place in Nunavut.

### Nunavut Film Commission

A program of the Corporation intended to carry out five core functions:

1. Marketing Nunavut's film, television and digital media Industry to national and international Industry associations, other national and international jurisdictions, the national and international private sector, and key stakeholders;
2. Developing strategic plans and marketing priorities to support Nunavut's role as a world-class circumpolar filming location;
3. Ensuring that national and international location managers and production crews are made aware of permitting and licensing requirements, cultural sensitivities, service suppliers, community capabilities, and other considerations unique to operating in Nunavut;
4. Maintaining a location library, and offer a location scouting service; and,
5. Collecting statistical information for annual reporting on Foreign Location Service (FLS) productions in the territory, and document and evaluate the economic impact of FLS productions within the territory.

### Nunavut Production Company

A business whose principal activity is the production of film, television or digital media programs, products or services, which complies with the legal requirements to carry on business in Nunavut, and meets any of the following criteria:

- Is a limited company with at least 51 per cent of the company's voting shares owned by Nunavut Residents;
- Is a corporation without share capital with at least 51 per cent of the members being Nunavut Residents;
- Is a cooperative in which at least 51 per cent of the members are Nunavut Residents;
- Is a sole proprietorship, the proprietor of which is a Nunavut Resident;
- Is a society in which at least 51 per cent of the members are Nunavut Residents;

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- Is a partnership, the majority interest in which is held by Nunavut Residents and in which the majority benefits accrue to Nunavut Residents; or,
- A business conducting operations in Nunavut that is on the list of Inuit Firms maintained by Nunavut Tunngavik Inc. and which complies with the legal requirements to carry on a business in Nunavut.

A Nunavut Production Company must also:

- Maintain a registered office in Nunavut on an annual basis for the primary purpose of operating the subject business;
- Maintain a Resident Manager within Nunavut; and,
- Undertake the majority of its day-to-day operations within Nunavut.

### Nunavut Resident

A person residing in Nunavut and in possession of a valid photo identification issued by the Government of Nunavut, or a corporation with at least 51 per cent ownership by Nunavut Residents (or in the case of societies or not-for-profit corporations, 51 per cent of its members being Nunavut Residents).

### Nunavut Spend

Expenditures on goods and services purchased and consumed in Nunavut.

### Policy Manual

The Corporation's Manual of Program Policies and Administrative Procedures, as described in Appendix B.

### Project

A project financially supported by the Corporation through a Contribution to a third party and using funds provided by the Department under this policy.

## FILM, TELEVISION AND DIGITAL MEDIA DEVELOPMENT CONTRIBUTION POLICY

### APPENDIX B: Manual of Program Policies and Administrative Procedures

The Corporation's board of directors shall approve a Manual of Program Policies and Administrative Procedures (Policy Manual) to govern its administration of the Film, Television and Digital Media Development Fund. The Policy Manual must be consistent with this policy and shall include:

- Records and information management protocols;
- Financial management procedures, including spending authorization levels, travel expenses, accounting and reporting;
- Code of conduct and conflict of interest guidelines;
- Communications guidelines, including how credit is provided to the Government of Nunavut for productions funded under this program;
- Program monitoring practices;
- Evaluation framework to measure the outcomes of program funding;
- Detailed definitions of Local Labour and Nunavut Spend; and
- Appeals process.

The Policy Manual will be consistent with those directives of the Government of Nunavut's Financial Administration Manual pertaining to grants and contributions and shall include:

- Application procedures for each program;
- Purpose and eligibility criteria for each funding program, including evaluation processes (including review of eligibility) and timelines;
- Supporting data required in any program application;
- Accountability requirements expected of the recipient, including the Government's right to conduct an audit, the obligations and accountabilities of the parties involved and the consequences of failing to adhere to these conditions;
- Maximum amount payable to each recipient and the method used to determine the maximum amount payable, including details of any formulas used;
- Appropriate provisions for the Corporation to terminate the agreement and withdraw from the Project if the original objectives are not being met;
- Provision for the repayment of any surplus funds;
- A provision that the Government's liability is limited to the amount of funding authorized and that the Government will not be responsible for any shortfalls or deficits;
- Conditions to be met before a payment is made and the schedule or basis of payment;
- Allowable costs and the types or classes of expenditures eligible for reimbursement; and
- Level of funding and method of payment.