

SUBMISSION BY
MEDIA, ENTERTAINMENT & ARTS ALLIANCE
TO
SCREEN AUSTRALIA
REGARDING
SCREEN AUSTRALIA'S DRAFT STATEMENT OF INTENT
SEPTEMBER 2008



The Media, Entertainment & Arts Alliance

The Media, Entertainment & Arts Alliance (Alliance) is the industrial and professional organisation representing the people who work in Australia's media and entertainment industries. Its membership includes journalists, artists, photographers, performers, symphony orchestra musicians and film, television and performing arts technicians.

Introduction

The Media, Entertainment & Arts Alliance (the Alliance) welcomes the opportunity to make comment in relation to Screen Australia's draft Statement of Intent for 2008/09.

Outsourcing

The Alliance notes that Screen Australia will be investigating ways of outsourcing program delivery. The Alliance takes the view that the problems with the production industry arise from the lack of resources available to it not from who is involved in the delivery of such resources. Screen Australia does not put forward any evidence to demonstrate that outsourcing programs will produce better results than if the programs remained within the Federal agency. The Alliance cannot see how shifting the decision making process for funding from Project Managers drawn from the industry to Producers will make a difference given that they will be either largely the same people or drawn from the pool of people who would have acted in those positions. Indeed, the Alliance would argue that at least within government such decisions are subject to government accountability procedures and rules. Further, it would be fallacious to suggest that outsourcing will lead to more market-driven projects and therefore more likely to have box-office success as most programs in the AFC and FFC required some form of market attachment anyway.

If the decision to outsource goes ahead, the Alliance is concerned to ensure that a number of issues be taken into account when both considering whether to outsource particular programs and developing the form such outsourcing takes.

The key issue of concern here is the potential restrictions placed on some filmmakers to access funding. There is the potential that some practitioners may be out of favour with a particular company and therefore may find it difficult to receive funding, for example, for the development of a project in a genre where only one company is funded. There is also the potential that competitor companies may feel that they could be at a disadvantage in the funding process. The Alliance acknowledges that such issues may have also occurred within government funding agencies however, as stated above, systems of government accountability to ensure procedural fairness and equity are in place. It is critical therefore when considering outsourcing that a framework of openness, accountability and procedural fairness is established.

The Alliance would also be concerned if through the outsourcing of any program in say the area of production, there is a decrease in the opportunities for crews including writers, directors and producers to work – through either the use of one crew or a small pool of crew members. Short film, low budget films and other programs traditionally supported by the antecedents of Screen Australia create an important developmental role for crews in the industry. It is important that this role is not taken away and that fewer developmental opportunities arise.

First time and emerging filmmakers

One of the key roles that Screen Australia needs to play in the industry under a regime heavily weighted towards a market driven tax offset is the need to support those areas that will not be able to access the Producer Offset so readily due to the specific market conditions faced by the screen industry. One area acknowledged as significantly important is the Indigenous area.

However, the Alliance feels that the one area that has been to some extent de-prioritised has been the development of first time filmmakers. In Screen Australia's stated Underlying Principle's, emerging filmmaker's are mentioned briefly:

"Our approach will include an enterprise development scheme to build a stronger production sector, a program to enable the industry to assist new talent, and an enhanced focus on script development."

Due to the structure of industry support, the Alliance believes that it is critically important that the development of first-time and emerging filmmakers be prioritised by Screen Australia. The Alliance supports measures by Screen Australia to assist enterprise development and build a sustainable industry – such principles should be infused in all the programs delivered by the agency. However, since the enterprise development and industry building role has been primarily bestowed upon the offset – a scheme to specifically assist producers build businesses – Screen Australia needs to focus upon those areas that will have difficulty accessing the Producer Offset. Emerging and first-time filmmakers are highly unlikely to be able to work on Producer Offset films given the market nature of the scheme and the high level of risk involved. And while bigger enterprises may have an increased capacity to train up first-time and emerging filmmakers themselves, it is highly likely that Screen Australia will need to remain very active in this area.

The Alliance would not support the potential 'outsourcing' of this role to state agencies whose role is largely to attract and retain production in their state; and vary in their support for emerging practitioner development.

The Alliance therefore recommends that Screen Australia make a stronger statement with regards to emerging filmmakers.

Diversity and Australian Screen Content

As a corollary to the last point, Screen Australia needs to focus on ensuring that there is diversity in screen output. The Alliance notes that the word 'diversity' is not used in the document. This is surprising given a number of the original statements made with regards to the organisation's role. The Former Minister for the Arts in announcing the establishment of Screen Australia stated that:

“The new agency will work with Australia’s film and television industry to ensure that audiences continue to benefit from a diverse range of engaging Australian film and television productions”

and further

“The new agency’s function will be to: ...

- *Provide Australian and international audiences with a diverse range of engaging and important Australian screen productions”*

Diversity is an important element of Screen Australia’s role. Federal industry support has now been weighted towards the market-driven Producer Offset Scheme. The Alliance supports this scheme to develop the industry, and the Alliance also supports Screen Australia’s acknowledgment that Australian films need to attract audiences – “Without an audience there will be no viable industry.”

However, the Alliance feels that Screen Australia needs to acknowledge the realities of the market. Just as Indigenous Content is recognised as a “critical and unique aspect of Australian screen culture” – a sentiment the Alliance supports – other areas of Australian audiovisual production including some forms of documentary making, children’s productions, new media productions and animations will not necessarily be supported by the market despite being culturally important. Screen Australia needs to support these productions to ensure that such diversity is maintained. The Alliance recommends that Screen Australia acknowledge this fundamental role in its Statement of Intent.

Enterprise and Professional Development

The Alliance supports Screen Australia’s seeking to help “develop a more sustainable Australian Screen Industry.” The Alliance recommends that Screen Australia take a holistic approach to ensuring this development of sustainable businesses by ensuring that all productions and production companies funded by the Federal Agency that at the very least minimum employment standards are met in engaging performers and crew. A truly sustainable industry (at a macro level) and sustainable enterprises (at a micro level) requires realistic employment practices that ensure that performers and crew are not exploited.

Rewarding Achievement

The Alliance notes that:

“Screen Australia is giving consideration to introducing a bonus for small to medium feature films that achieve a measure of success at the box office”

The Alliance in principle supports this however the Alliance suggests that this may be an outdated way of measuring success given new distribution forms via DVD, the Internet and subscription television. The Alliance would support the definition of success being broadened to take into account the realities of the changing market as well as critical success.

New Media

The Alliance notes that Screen Australia will focus on:

“embedding digital and new media considerations in all aspects of the Agency’s work.”

To this end applicants will be assessed on the strength of their “new media linkages” and:

“Screen Australia will support the funding of relevant marketing, cross-platform and new media elements of programs.”

The Alliance supports this wholistic – 360 degree – approach to funding. However the Alliance would be concerned if new media production is seen to be solely a marketing tool or add-on/addendum to productions. New media content production remains fledgling in Australia and without significant support to assist in the development of it, the digital industry will be left behind.

The Alliance understands that Screen Australia has already made moves to develop an Innovation Fund – to be referred to in the final Statement of Intent. The Innovation fund, the Alliance understands would:

- *“be used to support innovative activities across the entire industry from industry development to audience development*
- *respond to ideas from the industry and require some matching from other parties*
- *one focus could be cross media platforms and ensuring the greatest audience for Australian content.”*

The Alliance would support such a fund being established.

Marketing and Distribution

The Alliance supports Screen Australia:

“...providing a greatly enhanced web portal for access, content and information about Australian film, TV and new media production and history and in so doing support and promote the development of screen culture in Australia.”

However the Alliance recommends that the duplication that has occurred in the past is avoided. The Alliance believes that Screen Australia needs to work closely with the National Film and Sound Archive and its portal australianscreenonline.com. This should be acknowledged in the Statement of Intent.

The Alliance notes that there is no reference in the Statement of Intent to the residual screen culture support activities such as the Regional Digital Screen Network. The Alliance supports their continuation and expansion in order to garner outcomes identified in the Statement of Intent. To this end the Alliance believes that they should at the very least be referred to in the Statement of Intent, particularly given that the Screen Australia Act 2008 (as quoted in the Statement of Intent) states that Screen Australia should “Support and promote the development of screen culture in Australia.”

The Alliance further notes that the Screen Australia Library (formerly the Film Australia Library) is not mentioned in the Statement of Intent. The Alliance feels that Screen Australia needs to make a statement with regards to the future of the Library either in the Statement of Intent or elsewhere. The Alliance believes that the Library has been well-resourced, well managed and maintained and been accessible to the industry. The Statement of Intent should acknowledge the Library as an important resource for the documentary sector.

Working with others

The Alliance notes that there is no reference in the Statement of Intent to the Research area, or the Policy area.

The Alliance believes that the statistical and research functions that have been returned to Screen Australia are critically important for the development of the industry. This work needs to be acknowledged in the Statement of Intent by providing a statement regarding plans for the area.

Under the Statement of Expectations for the AFTRS the Minister requests that the AFTRS:

“develop and publish a three-year research plan which includes details of any joint collaboration with Screen Australia and will be cognisant of broad stakeholder requirements.”

The Alliance notes that research is not mentioned in the Statement of Expectations with regards to Screen Australia. However, the Alliance believes that given the transference of the research functions back to Screen Australia that this function needs to be at the very least acknowledged.

The Alliance believes that the research area needs to be resourced adequately to ensure that the work it has undertaken in the past continues. The Alliance supports the concept of closer collaboration between the research area of Screen Australia and the research functions of the AFTRS. Furthermore, the Alliance believes it would be a positive step to identify and consult with the industry on research priorities including the development of market intelligence.

Furthermore, another issue of concern to the industry is the sharing of information. A number of members of the industry are being asked up to three times for the same information from Screen Australia – a co-production utilising the producer offset will need to provide the same information to the Producer Offset section of Screen Australia, the Co-Production section and the Research section for statistical purposes such as the data-gathering for the National Drama Survey. The Alliance understands the need for privacy but believes that systems could be put in place to ensure that commercially sensitive material is not released.

The Alliance points to the UK where the Department for Culture and Sport and the UK Film Council have developed a Memorandum of Understanding on Information Sharing between the two organisations. The purpose of the Memorandum is specifically to put into place a formal mechanism for the sharing of information in relation to the issuing of a 'Certificate of British Nature of a Film.' The information shared includes all information on all co-production and cultural test application forms. Certification Information is also allowed to be shared with the UKFC's Research and Statistics Unit ("RSU") in order to provide research data and market intelligence. Information collected by the RSU is however anonymised and aggregated so that individual films cannot be identified. With further respect to privacy concerns the agreement acknowledges the two organisation's legal obligations under the Human Rights Act 1998 (UK), the Data Protection Act 1998 (UK) and the common law duty of confidentiality

The Alliance believes that such an arrangement should be reached within the separate departments of Screen Australia and that the Statement of Intent refer to this.

The Alliance believes the function undertaken by the Policy area of Screen Australia's antecedent organisation, the Australian Film Commission, played an important role within the screen industry. The Alliance believes that this function – in whatever shape it will take, be it strategic planning or policy development – needs to be acknowledged, identified and clarified within the Statement of Intent.

Administering the Producer Offset

The draft Statement of Intent states the following:

"In addition during the year Screen Australia will be monitoring the use of the offset and consulting with industry on issues arising."

The Alliance is pleased that Screen Australia will be consulting with the industry on issues arising from the administration of the Producer Offset.

The Alliance has lingering concerns regarding the release of information relating to the Producer Offset. The Alliance understands that Screen Australia has been advised that it cannot disclose the names of specific productions in receipt of the Producer Offset due to the privacy provisions of the Tax Act. The Alliance argues that such information is important to know.

Firstly, the Industry has an interest in knowing which productions received Producer Offset support and therefore meet the Significant Australian Content test currently in place. As has already been clear there are a significant number of productions that are “borderline” with regards to whether they could be considered “Australian” for the purposes of the Producer Offset. The industry and members of the Alliance have a keen interest in knowing that bona fide Australian productions are being certified. Without this knowledge, certain productions that the industry or the Alliance would consider to be not Australian could be deemed Australian by Screen Australia. However, the industry will be none the wiser given the secrecy of the information.

In the light of there being no points test as occurs in the UK and now in New Zealand, and the lack of known precedents, there will be continuing uncertainty for producers in the application process increasing in administration and work for both the industry and the organisation itself.

In the UK, films that are certified British¹ and eligible to apply for UK Film Council funding and for the benefits of the UK's tax relief system are publicly listed on the UK Film Council's website: <http://www.ukfilmcouncil.org.uk/ctproductions>. There is no evidence that in the UK transparency inhibits investment. By having a points test and providing the names of those films, the industry is assured that the cultural test is working. The Alliance acknowledges that the right to privacy is an important principle but suggests that if the UK Government is able to release a list of the titles of films, then Australia should be able to find a way too.

The Alliance recommends that Screen Australia include in its Statement of Intent, a statement that, following the principles of open government, it will seek to be as open as possible with the functioning of the Producer Offset and the Significant Australian Content test. Furthermore that it will examine ways to release information to the industry with regards to those productions in receipt of the Offset.

The Alliance is also concerned with the balance of support being directed towards cashflowing or co-investing in Producer Offset productions versus supporting those other areas that Screen Australia is charged with supporting. There is a risk that the amount of funding directed to those latter areas will be under pressure to be re-

¹ Under either the Cultural Test of the Films Act 1985, the European Convention on Cinematographic Co-productions or one of the UK's official bilateral co-production treaties are

directed to be co-invested in Producer Offset productions. The Alliance recommends that Screen Australia acknowledge this and state that this funding will be explicitly quarantined to ensure that the important developmental work of the agency is not undermined.

Lindfield site

The Alliance notes that the Statement of Intent makes no reference to the Lindfield Site. The Alliance believes that Screen Australia needs to make a statement with regards to the future of the site either in the Statement of Intent or elsewhere. The Alliance believes that there is value in maintaining the site as a low budget alternative production studio and office complex that will assist the development of the industry. The Alliance also understands that demand for the studio and office space is high.