

STATE AND TERRITORY SCREEN AGENCY FORUM FEEDBACK ON SCREEN AUSTRALIA'S BLUEPRINT FOR SMALL SCREEN FUNDING

The State and Territory Screen Agency Forum (The Agency Forum) refers to its submission of August 2010 and generally supports Screen Australia's Blueprint (the Blueprint).

The Agency Forum has some specific comments as follows:

Overview

- As the Conroy Convergence Review is pending, with broader changes and debate anticipated, it is preferable that changes to existing practice in the television industry be minimized, where possible, due to the interdependence of Screen Australia support and other types of regulation of the Australian industry.
- The Agency Forum believes that clarity and certainty about Screen Australia funding levels for each area of television production and funding round dates is important, given the substantial impact on plans by the production and broadcasting sector.
- We encourage Screen Australia to develop a process with the Agency Forum for on-going collaboration on policy and mechanisms for support and development of independent screen production, including setting and maintaining terms of trade for investment.

Licence fee levels

- The Agency Forum supports Screen Australia's key role in using its investment funding to establish and maintain minimum broadcast licence fee levels.
- The Agency Forum supports Screen Australia's proposal for a one-off increase in licence fees, with annual reviews.
- However, we are concerned to ensure that these licence fee levels are not rigid in their application. We propose that where a broadcaster can clearly articulate rationale and exceptional circumstances for a lesser licence fee than the minimum to be paid, Screen Australia should retain the discretion to accept such terms (eg. different production methods, development of new talent etc). We would support a list of criteria being developed by Screen Australia and the broadcasters for such exceptional circumstances, and would be willing to assist in the development of this criteria should this be considered useful.

Project Assessment

Factual Programs:

- The Agency Forum acknowledges that Screen Australia faces the challenge of allocating limited funding for factual programs, and that current demand well exceeds current resources. It is acknowledged that it is in this context that Screen Australia is proposing the introduction of assessment criteria for factual programs.
- The Agency Forum is concerned that a move by Screen Australia to introduce greater assessment criteria in its decision making would disrupt the well established structure of factual financing, undermine the formal commissioning process of broadcasters, and create unnecessary uncertainty within the sector. On this basis we do not support Screen Australia taking its proposed approach.
- We would submit that a simpler approach could be agreed between Screen Australia and broadcasters.
- To avoid over-subscription and obtain certainty and transparency, the Agency Forum believes it is preferable that up-front allocations to broadcasters be agreed on the basis of a 40/40/20 split to SBS/ABC/Other Broadcasters.
- This would reduce pressure on Screen Australia's available funding because it would make broadcasters prioritize those projects seeking funding from Screen Australia – and potentially also State and Territory agencies – and to clearly articulate the rationale for seeking such funding.
- This would also be less likely to interrupt the continuity of the process of investment in factual development and provide greater certainty to production enterprises.
- In addition, under the Forum's proposed model – the marketplace would determine which projects should be further developed, leading to efficiencies in these scarce resources. The Forum considers that under Screen Australia's proposal the enforced competition between broadcasters will force producers and agencies to spend significantly higher levels on development funding, for projects that will have less likelihood of success in getting full finance.
- In respect of international documentaries - the collapsing of the international and domestic doors is not supported by the Forum because the conditions affecting international production are very different from domestic productions.
- International door productions have traditionally principally been selected market place criteria. These are conditions which producers, and their

overseas partners and buyers understand. Adding a further layer of assessment will create uncertainty which will unnecessarily disadvantage Australian producers compared to producers from other countries in securing overseas commitments in what is an increasingly competitive international market place.

- International productions bring in considerable export dollars to the industry which sustains businesses, as well as the livelihood of practitioners at all levels. Any reduction in international production would result in a considerable reduction in funding to the industry.
- In summary, the Agency Forum considers the primacy of the relationship between the independent sector and the commissioning broadcasters to be fundamental to the solidity of this sector. Screen Australia has a crucial role in developing an overarching policy and strategy for the sector, and setting investment criteria in line with the broad commercial and cultural objectives that it identifies. However, the Forum does not support Screen Australia taking an active role in slate management for factual programs across Australia, as this would simply create unnecessary duplication and uncertainty within the sector.

Television Drama:

- The Agency Forum acknowledges the significant increase over the last year in television drama seeking funding from Screen Australia and potentially also State and Territory agencies.
- We propose that assessment criteria for drama programs focus on a range of criteria, including the cultural significance of the production and production activity, the national impact of the production activity and the significance of the production in making the screen enterprise more robust.

Series

- The Agency Forum does not support Screen Australia's proposal that in order to fund a diverse slate of Australian drama, Screen Australia funds the first 13 episodes of a series only.
- We believe that it is unlikely that finance will be able to be secured for some successful series to replace Screen Australia's finance in future series (especially from public broadcasters), despite the fact that they have had strong cultural and audience outcomes. It is essential for increased screen enterprise financial viability and audience development that successful series be supported. Further, in a world of fragmenting markets, "brand" is critical and "brands" in television are developed through repeat series.
- The ability to invest in repeat series is also fundamental to creating sustainable production companies.

- The Agency Forum submits that series that have exceeded 13 episodes should be considered on a case by case basis.

Foreign Formats

- The Agency Forum acknowledges and supports Screen Australia's desire to support the development of Australian-owned intellectual property, which clearly underpins its proposal to no longer support factual projects based on foreign formats. The Agency Forum believes that preference should be given to Australian developed formats.
- However, the Agency Forum believes that some productions based on non-Australian owned formats, such as the Australian series of "Who Do You Think You Are" are not only examples of international series that have been able to have local cultural impact, but demonstrate the ability to give increased viability to production companies, as well as develop essential international creative and financial partnerships. The Agency Forum would therefore encourage consideration of foreign-owned formats on a case by case basis.

Submitted on 10 February 2011

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