



14 November 2008

Dr Ruth Harley
Chief Executive Officer
Screen Australia
GPO Box 3984
Sydney NSW 2001

Dear Dr Harley,

SBS would like to thank Screen Australia for the invitation to comment on its Draft Program Guidelines for January to June 2009. SBS welcomes the opportunity to contribute views on the agency's programs and the many areas of common interest between Screen Australia and SBS.

These proposed Program Guidelines build on a strong tradition of productive and successful collaboration between the previous Australian film funding agencies and SBS.

National, public interest broadcasters such as SBS have a significant interest in ensuring that the Australian production sector is active and sustainable and that Australian audiences are well served by diverse, relevant and creative local screen cultures and content.

SBS is encouraged by many aspects of the Guidelines, for example the focus on audience development evidenced by Screen Australia's willingness to earmark an amount of agency financing in each production budget for marketing and cross platform elements. However, we are concerned that some deficiencies in the proposed approach will undermine the broader, common goal of creating a successful and sustainable sector.

We have grouped our main comments on the proposed Guidelines into general production and development areas and have outlined below some major points that require further exploration and discussion in the development of the programs:

1. Documentary Programs

SBS is pleased to see some consistencies in approach with previous production financing guidelines in the domestic and international documentary programs, which have enabled SBS to produce significant documentary strands in the past. These strands have enabled SBS to make an important contribution to Australian cultural life, have been critically acclaimed and successful with audiences.

SBS supports the requirement for a broadcaster attachment for National Documentary Program projects. SBS also supports the increase in documentary development funding levels.

SBS believes that, while initiatives should be open to all players, Screen Australia should allow itself the flexibility of entering into agreements with broadcasters or allocating envelopes of funds for production slates. This would allow for greater certainty for producers and projects and assist in audience development for high quality Australian documentary.

SBS is concerned that the Screen Australia investment caps (including the Producer Offset) for the domestic documentary program limit Australian documentaries to total budgets of less than \$350,000 for a one-off and less than \$900,000 for a documentary series. This would seriously limit the budgets and scope of significant projects that should form part of Australia's domestic documentary offerings. Major projects such as *First Australians*, which will have long term impact on the Australian consciousness, should be able to apply through this door. We should not be relying on overseas broadcasters, often with a very small interest in a project, to determine what is made as serious documentary in Australia. This would be the case if only international door documentaries remain uncapped, and would limit locally relevant Australian documentary to small scale projects only. SBS believes that the caps should be removed. By requiring a licence fee from broadcasters to match Screen Australia's investment 50:50, a natural limit is already set on the levels in this program, as broadcasters will not squander licence fees.

Additionally, the requirement that for subsequent series 'the ask' of Screen Australia is 'substantially lower' in terms of percentage and quantum investment than for the previous program should be moderated by cultural value. While this kind of measure may work in the commercial sector, the costs do not suddenly drop for documentaries in the fields of history, science and other forms of public interest programming and additional revenue streams may not be available.

2. Development Programs – TV Drama

SBS notes that the development program has no reference to TV drama development. As Screen Australia will be aware, TV drama underpins the production industry and is highly significant in terms of audiences, employment and impact.

Federal public subsidy is required for early stages of development for TV drama series, a crucial part of Australia's screen industries. Early, higher-risk stage development funding for series would enable greater creative diversity of ideas and more opportunities for creative teams. SBS proposes that development funding for drama at similar levels to that of feature films – around \$30,000 to \$50,000 to develop script and character outlines and a series bible – should be accessible to projects that have an initial expression of interest from a broadcaster, before the major broadcaster investment (often of hundreds of thousands of dollars for script development) is committed. It would increase the likelihood of success, particularly for more distinctive, innovative series proposals.

Screen Australia will also be aware that TV drama in Australia requires both broadcaster commitment and Screen Australia funds to get made. Partnerships and collaborations should be formed from development stages to ensure that scarce resources are expended



on productions that are likely to gain the support of both Screen Australia and broadcasters.

SBS believes that joint funding of drama development by broadcasters and Screen Australia will deliver the highest success ratio. A door must be left open to Screen Australia funding of TV drama development, even if this simply takes the form of matched funds with broadcasters and state agencies.

Development funding is currently available at federal, as well as state, level for documentary and feature development but not for TV drama. To ignore the significance of TV drama for the creative and economic sustainability of our industry would be short sighted.

3. Low-budget Television Drama Program

SBS is heartened to see that Screen Australia has continued the Low-budget Television Drama Program from the former AFC. This Program is important for supporting riskier low budget production with talented creative teams and fresh ideas. SBS has utilised this fund for narrative comedy drama series such as *Bogan Pride* and *Wilfred*.

SBS would seek to clarify that, under the new Guidelines:

- There is no budget cap on production budgets for the low-budget program.
- Second series would be eligible. The Television Drama Program supports second series and there shouldn't be discrimination against low-budget drama. If a series is successful, with regard to critical acclaim and audiences, then the funding agency should reward success by supporting additional series.
- Producers would be able to apply at any time. This would be the same application timing principles as for mainstream features.
- Screen Australia is prepared to contribute additional funds for multi-platform, interactive delivery of projects – this requires additional levels of production and should make projects eligible for increased funding.

4. Distinctively Australian Drama Programs

SBS questions why the importance of 'certain intrinsically Australian programs that may not necessarily have the potential to travel' would be recognised only in the children's drama area. Adult TV drama faces similar issues in terms of local relevance and international appeal and is a crucial part of Australian screens telling our own stories.

Under the proposed criteria for eligibility for drama in the Guidelines many of the successful Australian drama series of late may not get up due to the requirement for marketplace attachments.

5. The Making History Initiative

SBS notes that the Guidelines stipulate the Making History initiative is tied to productions with the ABC only. As set out in our comments on the Screen Australia Statement of Intent, we would strongly advocate for these funds to apply equally to relevant high quality projects attached to any Australian broadcaster. The Guidelines stipulate that the Making History initiative is responsible for 'national history and identity' content areas. SBS believes that Australian national identity should be informed by a range of cultural perspectives, not restricted to the content commissioned by one broadcaster.

SBS's Charter objectives ensure that a diversity of perspectives and a range of significant views on Australian history would be included in content produced through the program. SBS has made significant recent contribution to Australian history in landmark documentary series such as *First Australians* and *Who Do You Think You Are?* as well as many one-off projects such as *Hoover's Gold* and *Dark Science*. SBS has committed to the development of a new large scale documentary series on the history of Australian immigration and multiculturalism to commence in 2009. SBS believes projects such as these should be able to access the Making History funds. The aim should be to increase the amount of high quality Australian history on Australian screens and any project that successfully addresses the aims of the initiative should be eligible for funding.

6. Indigenous Program and Proposed CALD Program

SBS supports the maintenance of the Indigenous program, which will continue to diversify content and build new competencies in the Australian film and television sector to tell important stories from Indigenous Australian perspectives.

SBS believes this model should be extended to the creation of a program for culturally and linguistically diverse (CALD) practitioners and projects. Australia is an increasingly diverse and culturally complex society. According to the 2006 ABS Census 24 per cent of Australians were born overseas and 26 per cent of the Australian born have at least one parent born overseas. Over 200 languages are spoken in Australia and 16 per cent of the population (3.1 million people) speak a language other than English at home, an increase of 10 per cent since 2001.

Culturally and linguistically diverse Australians are still under-represented in Australia's film and television industry and the stories of multicultural Australia are a small but significant part of Australian film and television content. SBS believes that for Australian screen culture to be a creative reflection of contemporary Australia, a dedicated program for programs reflective of the cultural diversity of multicultural Australian life should be initiated. Again, SBS believes that projects with any broadcast partner that successfully address the program criteria should be eligible for funding under this initiative.

7. The Enterprise Program

SBS supports the development of a healthy independent sector in which producers and productions companies are supported to produce quality work and are able to earn sufficient returns to ensure sustainability.

However, the Enterprise Program runs the risk of creating super production companies driven by economic imperatives alone. Funding only a few, better-established production companies (some of which have significant overseas ownership) may effectively dilute funding for a broad base of independent producers who create distinctive and diverse content.

If partnerships with these major producers are the only means by which new or emerging producers can obtain access to funds, many may feel an imperative to take ideas for commercially attractive projects rather than projects such as *East West 101* or *The Circuit*. This may limit the tendency of our industry to tell rich and resonant stories, including those that reflect multicultural and Indigenous Australia, privileging more commercial format television.



Currently SBS engages with many different independent production companies in the sector. SBS has long played a significant role in nurturing talent in the industry and triggering agency partnerships. SBS would wish to see mechanisms for measurement of the mentoring or talent-development function of the production companies supported by the Enterprise Program.

8. Cultural Value

Finally, SBS notes that 'cultural value' is not referenced in these Guidelines, despite being an important element of Screen Australia's Statement of Intent and the Minister's Statement of Expectations. The SBS Charter requires us to make unique contributions to in Australian screen content and ensures we are in a position to work towards a good understanding of cultural value the Australian context.

SBS would be keen to meet directly with Screen Australia in relation to these guidelines. It is clear that refinements will be necessary in changes of this magnitude and SBS has a major stake in ensuring the success of the programs and levers for a strong, sustainable and vibrant independent production sector. We hope that a meeting can be arranged as soon as is convenient.

Best regards,



Bruce Meagher
Director
Strategy and Communications