



Response to Screen Australia Statement of Intent

30th September 2008

This response has been compiled by the Australian Cinematographers Society, the nation's peak organisation for cinematographers with over 1200 members and an active branch in every State and Territory.

The ACS encourages and supports the development of a diverse and sustainable film & television industry and creative sector and, in broad terms, it supports the introduction of the Producer Offset and many of the changes proposed by Screen Australia in its Statement of Intent. In particular, it supports and encourages the apparent key shift from highly prescriptive funding rounds to results-based funding, and from one-off funding for projects to funding of viable private sector enterprises based on track record and future plans.

Overall, our strongest response to Screen Australia's SOI, and our strongest recommendation for creating a more sustainable industry, is for a substantial shift from funding within Government to funding beyond Government, from in-house to outsourcing – including training, screen culture events, professional advice and assessments and, of course, production.

Key Recommendations

MINIMUM BUREAUCRACY

A much higher proportion of government funding must reach the industry it is intending to assist than has occurred in the past. To be effective and of most benefit, a minimum target, perhaps 85%, should be set.

GREATER ROLE FOR INDUSTRY

The industry guilds and the private sector should be given greater responsibility to do what government agencies have, in some cases, tried to do in the past – from making films to running screen culture or training events to assessing new projects. We believe that the private sector and the guilds can generally accomplish these with greater efficiency and greater sensitivity to the market and to the community.

FUNDING FOR INDUSTRY GUILDS

Peak industry bodies should receive direct financial support from Screen Australia, with limited acquittal requirements, determined by some equitable means such as matching subscription income dollar for dollar.

These guilds have arisen through democratic processes and can provide high value per dollar of investment.

INDUSTRY CONSULTATION

The Guilds propose that Screen Australia should go well beyond any basic level of industry consultation with all peak industry bodies. Even this has been notably lacking in the past, particularly in the development of plans for Screen Australia. We are proposing that industry guilds should be key partners with Screen Australia at all decision-making levels.

SIMPLE ACQUITTALS

The results accomplished by the industry, whether they be completed productions or successful training or screen culture events, should become the primary form of acquittal of government funding. Paperwork requirements should be kept to a minimum, allowing more time to be spent on productive outcomes.

LESS PRESCRIPTIVE FUNDING

Prescriptive funding, determined by a government agency, should be avoided as much as possible. Decisions based on creative judgments should also not be made solely within a government agency, and projects should certainly never be in the position of

being rejected by a single individual. Most importantly, creative decisions should be left to the film-makers.

INDUSTRY TRAINING

In this industry, as in many, the best and most cost-effective training is often on the job; it often also leads directly to ongoing employment. There should be a shift in funding (as well as in mindset) from government training to industry training initiatives, and non-governmental organisations (whether private sector companies or guilds) should be given financial incentives to develop training programs and to provide apprenticeships.

BENEFITS FOR ALL

Cinematographers, along with many other industry practitioners, may not benefit directly or immediately from the Producer Offset and do not usually receive ongoing revenue from productions (or any form of “back-end split”). The ACS also does not have the clout of the union- or monopoly-style structures that exist in other countries or markets.

As the industry adjusts to the Producer Offset, there is likely to be a period or time lag where producers are able to build up their position and strength within the industry, but where the benefits of the offset are not passed on to all members of a production team. Screen Australia should ensure that minimum industry standard conditions and wages are applied in all budgets it oversees.

FUNDING FOR AUSTRALIANS

Government funding, whether direct or via the Producer Offset, should seek to maximise the number of Australians that benefit from it and to encourage producers to employ Australians. Payments to non-Australian creative personnel, including composers, cinematographers, editors and sound crew, should not be included in QAPE. The Government should also put in place measures to ensure that funding provided to the sector, via Screen Australia, free-to-air broadcasters, and other agencies is directed towards Australian productions and film-makers.

WHOLE OF AUSTRALIA

More attention (and funding) must be focussed on regional Australia, possibly through a broadening or replication of schemes currently in place for indigenous film-makers. Current funding, despite being federal, favours Sydney and a few other capital cities and it accentuates the disincentives for setting up a film-making enterprises outside a few capital cities, even though such enterprises can be economically viable.

WHOLE OF GOVERNMENT APPROACH

Screen Australia should take on a much broader mantle than its predecessors. The film and television industry is not just about providing a direct economic return, nor is it purely about “culture”; this industry has a unique and extraordinary range of benefits to Australia, including major benefits to each of the following portfolios: Tourism, Environment, Aboriginal Affairs, Health, Education (especially early childhood education) and many more. Unless Screen Australia oversees all policies and government funding to this sector, there will inevitably continue to be great inefficiencies, duplication, competition between government and the private sector, tenders allocated by departments without appropriate technical expertise and, perhaps most importantly, the value of this sector will continue to be grossly underestimated.

Background

Australian Cinematographers Society

The ACS is Australia’s peak organisation for cinematographers, with over 1200 members and an active branch in every State and Territory. Founded 50 years ago, it looks after the interests of cinematographers, recognizing excellence through its awards and internationally-recognised accreditation, conducting workshops, training and screenings throughout the country, keeping members informed about the industry and changing technology through a quarterly magazine and regular newsletters, and providing professional and social networking opportunities.

Specific responses to Screen Australia SOI

a. Producer Offset

One key area “not addressed by the Offset” is cashflow, especially for a company’s or individual’s first film. Screen Australia should put in place measures to ensure that productions that would get better long-term results by not giving away equity up-front are provided with cash-flow options via the agency.

We also question the logic of the current 20/40 split in Offset rates. To base this substantial split upon whether or not a production achieves a moderate theatrical release appears to be arbitrary, and not in step with the stated aims of achieving a diverse and sustainable industry.

A more logical alternative would be to provide differing offset rates based on the level of creative and financial ownership of a production. The maximum 40% offset could then be made available, for instance, to productions where all key creatives are Australian and where the rights to exploit a production remain wholly owned by an Australian entity.

b. Enterprise and professional development

The Guilds agree that it is essential to transfer more resources “back into the sector” and to place a greater emphasis on building up existing companies, and supporting individuals, that have already achieved success and have plans for the future. Screen Australia should not seek to prescribe the size of the entities it supports. The diverse products of our industry may be successfully created by individuals and by companies of many sizes.

Whilst Screen Australia may identify areas it perceives as being of particular importance, e.g. script development, it should adopt a much more consultative and less prescriptive approach. It should not try to second-guess the market-place or allow government bureaucrats to make individual, and inevitably arbitrary, decisions about what might work or what might be important; industry guilds or private sector companies are likely to be better at doing that because they are in more immediate contact with the industry itself or because they get immediate feedback via their hip-pockets.

We support the idea that building viable screen businesses, which may be small or individually based and not necessarily larger companies, should be a high priority. Where appropriate, single grants to companies, with a single acquittal requirement, should replace the plethora of small grants with onerous acquittal requirements – travel grants, production grants, development grants – previously available.

The SOI's intention in referring to "production houses to produce slates of short productions using emerging talent" is unclear.

Diversity of production and peer or industry assessment will be two key elements of any successful new strategy.

c. National Interest Programming

We applaud Screen Australia's commitment to documentaries, and the proposed shift from an executive producer model to a commissioning editor model. But we remain concerned about any film-making or creative decision-making roles that Screen Australia seeks to maintain in-house. With any such in-house activities comes the likelihood of the government competing with the private sector and therefore undermining its own attempts to develop the most sustainable possible industry.

We suggest two options:

Option 1: We would support moves to giving industry greater responsibility. Screen Australia should not think of itself as making films – that is the role of industry. Screen Australia's role should be about facilitating what the industry does, not doing it itself.

Option 2: We would encourage Screen Australia to consider a broader definition of "national interest". Films may be of national interest in many ways; they may have a strong role to play in tourism, environment, health or aboriginal affairs as well as what we broadly term "culture".

Instead of creating "history initiatives" or "cultural initiatives" that might compete with productions from the private sector, up-front funding could be provided to companies whose own initiatives are in the "national interest" in the broadest sense.

d. Marketing and Distribution

We would agree that marketing and distribution are key elements of any successful production and that this area may have been somewhat overlooked in the past. Previous agencies, however, have been overly prescriptive and arbitrary in determining financial support in this area.

We would again encourage Screen Australia to support the choices of successful film-makers (rather than dictating them) and to support, equally, film-makers across all genres and in all parts of Australia. Experienced film-makers are likely to know their part of the industry better than any government agency.

e. Reward Achievement

We agree that track record should play a significant role in funding decisions. If there are to be rewards for achievement, then these should be applicable across all genres and not confined to feature films as implied by the SOI.

f. More Industry and External Involvement

We support the general principle of outsourcing wherever appropriate. We believe that Screen Australia's role should be that of a facilitator and that it should rely increasingly upon ready-made partners within the industry – private sector companies and industry guilds that have been built up, in some cases, over a period of 50 or more years.

g. Cooperation with other agencies

It is essential, of course, to avoid duplication, but we do not believe this and other problems will be avoided by mere "cooperation between agencies". We would encourage Screen Australia to go further than simple "cooperation" with other agencies and to adopt a broader mantle. We have therefore expanded below upon one possible broader vision for our industry.

We believe that Screen Australia should also not assume that work should be done by agencies. Screen Australia should always look first to see what is being done, or can be done, by the private sector and by industry guilds before attempting something itself.

It will find that, as with productions, training and screen culture events may be better and more sustainably run at more of a grass-roots level, i.e. by private sector companies and industry guilds, rather than by relatively costly government agencies.

A broader vision for Screen Australia a whole-of-government approach

AUSTRALIAN GOVERNMENT FUNDING – FOR AUSTRALIANS

The issue: At present, Australian Government funding or other support is routinely being provided for audiovisual productions made by overseas film-makers (especially in factual programming) that compete with Australian productions.

Statement: In the absence of coordination between all government departments, it is commonplace for one department, such as Tourism, to provide financial and logistic support to overseas productions that are in direct competition with productions that are being, or could be made by Australians.

The FFC and other agencies have in the past, similarly, provided Australian funds for overseas film-makers that have caused the loss of income for Australian film-makers and production companies.

Recommendation: that the Government puts measures in place to ensure that funding provided to the sector, via Screen Australia, free-to-air broadcasters, and other agencies is directed towards Australian, not overseas, productions and film-makers.

WHOLE OF GOVERNMENT APPROACH

The issue: This sector plays a part in almost every government portfolio, yet there is little coordination across portfolios. Money is often spent on this sector by one department in competition or conflict with the aims of another. As just one example of the lack of coordination, various government departments routinely provide logistic or even financial support to overseas film-makers who do not possess valid work visas and are not entitled to work in Australia, let alone receive Australian Government funding. At present DIAC regards its role as being to facilitate visa requests, with little consideration for the sometimes-negative impact of its decisions on the Australian film and television industry.

Statement: A fresh, whole of government approach is required for the film and television industry, and for this branch of the creative sector in general. This industry plays a part in almost every government portfolio, creating products that play a significant role in everything from education to defence, from tourism to the environment. These products – films, TV programs, videos, webcasts etc. – have created Australia's image overseas for decades. Today, these audiovisual products are increasingly becoming the public, and international, face of every other Australian industry.

At present, there appears to be little coordination across portfolios: government tenders for audiovisual products are awarded by departments with little or no expertise in the sector; tourism agencies routinely support overseas projects without reference to products already being created by Australians.

Screen Australia needs to be a one-stop-shop that oversees all government expenditure on audiovisual productions. Whilst it should continue to support productions of cultural importance that might not otherwise be made for economic reasons, it is important to recognise that this is but one of many roles and benefits provided by this sector.

Unlike the farming or mining sector, whose aims are relatively clear, the products of this sector have extremely diverse functions: films and TV programmes provide the most cost-effective international marketing, upon which our tourism sector relies; some promote the environment; some send health messages to the remotest communities in the country; they record our history and help preserve our cultures; they provide the priceless service of creating an international identity for Australia, from which all industries and exporters benefit; and they create some of Australia's most widespread and successful exports – films and TV programmes that reach 100 countries. Not to mention, of course, the role that entertainment itself plays in the lives of all Australians.

The most common thread in this diverse range of functions perhaps is “Communication” and we would encourage the Government to consider linking Screen Australia and our sector more closely with the Broadband, Communications and the Digital Economy portfolio.

Recommendations:

i) that the Government undertake a review of all direct and indirect expenditure on audiovisual productions by all departments with a view to enabling Screen Australia to play a coordinating role, to provide (via industry) expertise lacking in other departments, and to avoid repetition or competition with existing work being undertaken by industry practitioners;

ii) that, in the longer term, the Government consider if the audiovisual sector and Screen Australia would be better placed in a Department of Communications or in a new Ministry for Creative Industries, following the lead of other developed nations and recognising the primary function of the sector as well as its economic value;

iii) that Screen Australia be required to vet, and provide recommendations to DIAC on, all applications for visas by overseas film-makers to ensure that there are no conflicts with the broader aims of the agency and to ensure the best possible economic outcome for Australia. [Note: this should not remove the need for the MEAA to provide its advice

also. But it is an essential element of proper coordination across Government in a sector where immigration regulations are routinely ignored or avoided].

iv) that funding for Screen Australia be supplemented with funds from other agencies that benefit from the products of this sector: e.g. education, health, environment and, especially, tourism.

We must express some concern about the timescale provided for the industry, and for volunteer organisations in particular, to respond to a document that seeks to do nothing less than guide the future of our entire industry. We are also concerned that Screen Australia appears to be continuing with internal reforms independently of any consultative process. We hope that Screen Australia will fully consider both the broader and the more specific recommendations of this submission prior to establishing its new operations and we look forward to working closely with Screen Australia to accomplish this.