

RESPONSE TO SUPPORTING AUSTRALIAN
STORIES ON SCREEN OPTION PAPER

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By

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About the author

Kingston Anderson was most recently the CEO of the Australian Directors Guild and Australian Screen Directors Authorship Collection Society. THE ADG represents over 700 Australia directors including BAZ LUHRMANN, GILLIAN ARMSTRONG, PETER WEIR and PHILLIP NOYCE to name a few. He comes from a theatre and film background working as a theatre director, film and television producer as well as a consultant for screen organisations across Australia. He was the Film commissioner for the state of New South Wales in Australia and has served on a number of boards including the ASSOCIATION OF FILM COMMISSIONS INTERNATIONAL (AFCI) the AUSTRALIAN INTERNATIONAL DOCUMENTARY CONFERENCE (AIDC) and the AUSTRALIAN COPYRIGHT COUNCIL (ACC). He has been a judge for the documentary category of the Australian Walkeley Awards, the AACTA's, the Australian Subscription Television & Radio Association Awards and on the jury for the Oceania Film Festival . He has produced a number of documentary programs for Australian television including the series "TAXI SCHOOL" for SBS Television Australia and 'A FRONTIER CONVERSATION' and 'KULKA' for National Indigenous Television (NITV). He was also one of the producers on the SBS drama "AFTERSHOCKS" about the devastating Newcastle earthquake that was based on a verbatim account of events. This film won the Best Actor Award at the Australian Film Institute Awards for its lead Jeremy Sims. He is currently producing for his company WONDERLAND PRODUCTIONS and has a slate of documentary, drama and comedy projects in various stages of development and production.

About Wonderland Productions

Wonderland Productions is owned by Claire Haywood and Kingston Anderson. Company credits include the ob-doc series *Taxi School* for SBS (2008), *Kulka* for NITV (2010) and the true crime series *Frozen Lies* for Foxtel (2019). Feature credits include the award-winning documentary *The Pink House* which has screened at Sydney Film Festival, DOCNYC 2017, San Francisco Indiefest 2018 and on SBS and UKTV.

Learning from the past

As the options paper has outlined we are at a critical stage of the development of the screen industry with the Australian Competition and Consumer Commission's (ACCC) clear recommendation that the government should look at:

“whether there should be Australian content obligations on subscription video-on-demand services.”¹

This is not the first time that the government has looked into the Australian screen industry and regulated to ensure that Australians are able to access Australian content. In the 1960's the government intervened to ensure Australian commercials were made in Australia. This initially started as 100% of all TV commercials but has been modified over the years. Under the Broadcasting Services Act (BSA), a standard must be in place to ensure that the majority of advertisements on commercial television are Australian made². The effect of the standard is that at least 80 per cent of the total advertising time (between 6.00 am and midnight) is occupied by Australian-produced advertisements.

The government again intervened in the television industry in the 1970's with legislation ensuring that a proportion of commercial free-to-air television was Australian. This mandated that at least 50% of Australian commercial free-to-air television was Australian and required specific quotas across drama, children's and documentary content. This was also enshrined in the BSA.

These two significant interventions contributed to the creation of a major screen industry. It also coincided with the development of agencies such as the Australian Film Commission (AFC) that funded new Australian films. The government also established the first national film school and along with other support mechanisms ensured the development and establishment of a significant Australian screen industry. This is outlined clearly in the options paper. What is not clear in the options paper is what the environment was like before these interventions were made. It also does not outline the flow on effects that the creation of a viable screen production industry had on the development of an export services market that has seen the growth of major studio complexes and a successful service industry for offshore production. I will outline this development in the next part of my submission.

As recent news reports have shown, the amount of Australian content on the new Streaming Video-on-Demand (SVOD) services such as Netflix, STAN, Amazon Prime, Apple TV, Disney +, etc is less than 2% of the total streaming

¹ Supporting Australian Stories on our Screens Options Paper, 2020. p.4

² Broadcasting Services (Australian Content in Advertising) Standard 2018.

content. As stated in their study of current Australian content on the Netflix streaming service:

“With an estimated audience of 11 million Australians, Netflix is the clear market leader. While its catalogue available to Australian users carries more than 5000 titles, only 1.7% of these are Australian. Of these 82 titles, most are TV series, with a smaller number of movies and documentaries. Netflix’s overall local content level has changed little since 2017.”³

There is an important comparison to be made here with commercial free-to-air television in the 1960’s. At a time when there were no content regulation on the commercial networks in Australia (10, 9 & 7) the amount of Australian content across drama, children’s and documentary was less than 2%.⁴ The same percentage we are seeing with no regulation on SVOD.

It is clear from history that without government intervention to ensure Australian content is seen on all screens, we will return to the 1960’s when seeing an Australia drama, documentary or children’s program on commercial television was like winning Lotto.

³ Crunching the numbers on streaming services’ local content: static growth, but more original productions by Ramon Lobatoe & Alexa Scarlata, RMIT University, Melbourne. IF Magazine. 31 October 2019.

⁴ <https://makeitaustralian.com/past-campaigns>

Industry Development

I mentioned earlier in this response that the growth of an export services industry did not come about by chance. It was the development of a successful and highly trained screen production industry in the 1960's and 1970's that attracted some of the biggest international productions to seriously look at Australia as a place to produce large scale productions. In particular, as US productions started to look for alternatives around the world, Australia was reaching a level of screen production that was equivalent to anything that the US had to offer. This was seen by our internationally successful productions heralding a wealth of new talent both in front of and behind the camera. Names like Peter Weir, Mel Gibson, Gillian Armstrong, Dean Semmler, Geoffrey Rush, Judy Davis, Scott Hicks and many more in areas such as design, cinematography, directing, acting and producing.

The low Australian dollar attracted attention and the first productions started in Australia. This led to the building of studios on the Gold Coast that secured larger productions. Incentives followed and an international production service business was born. If you survey the figures collected by Screen Australia in their annual production report it clearly shows a growth in this area. This was then supported by the building of studios in Sydney, Melbourne and Adelaide.

As someone who was tasked by the NSW Government to investigate and promote the use of NSW facilities for overseas production there was one constant response to the question "Why do you make your movies in Australia?"- Crews, trained crews. Without the professional crews that we had developed there would be no international productions like The Matrix, Thor, Peter Rabbit, Mission Impossible filming in Australia. Incentives and the low dollar play a part in this equation but many nations in our region such as Fiji, New Zealand and Korea have pitched for this international production with much better incentives and great exchange rates. But they were unable to match our level of crew and infrastructure.

So what does this have to do with incentives for local production? Why don't we just have huge incentives for overseas shows? The answer is again crew. All Australian crew are trained on the job. Where do they get those first job, on Australian shows. That is why we have developed such a strong international standing and why we attract the sort of productions that employ hundreds of Australians and spend millions of dollars.

So without local production there is no overseas production. There are no pathways for training on the job. In fact our system of production is much admired by US producer's as we are more efficient in our use of crew and with the same level of expertise as the US.

As we have seen over the past 20 years, many other countries have increased their infrastructure to attract these productions. Most notably in eastern Europe. But our main challenger is New Zealand and even though they also have a strong crew base and good infrastructure, they still rely on Australian crew and talent. The best example of this is Lord of the Rings

which was shot by an Australian, has an Australian producer and many other crew as well as a wealth of Australian talent in front of the camera. All who learnt their craft on Australia shows.

If we want to continue to develop our industry and maintain a strong export market we must always have a strong local production industry. One does not exist without the other.

The Best Model

I would recommend that **Model 3: Significant** would be the most suitable with some modifications. These modifications are to do with existing obligations that we have as part of the Australian/USA Free Trade Agreement. Under that agreement if we were to reduce the Australian content quotas that already exist for the Commercial free-to-air broadcasters we would not be able to implement any new obligations on these broadcasters. My fear is that should the government abolish the current content quotas then the commercial networks would argue for no obligations.

Broadcasters have stated publicly that they will not produce any children's content and in industry discussions have told production companies that they would not invest in Australian drama if the quotas were not in place. So although I agree with a platform neutral approach, I believe we must maintain the current quotas on commercial broadcasters.

Furthermore I believe these obligations should apply to all broadcasters and should include the ABC and SBS.

To establish platform-neutral, future facing obligations and incentives that take into account individual platform offerings and audience engagement. I would therefore propose the following:

All commercial content service providers (including subscription services) require investment in a percentage of revenue into new Australian content, under one of three implementation approaches:

- invest a percentage of Australian revenue into Australian content that must be made available on their Australian services, or make an equivalent contribution to a new Australian Production Fund (APF)
- negotiate individual Australian content investment plans in line with expectations set by the ACMA.
- all free-to-air broadcasters adhere to the current minimum standards for Australian content (50% and mandated sub-quotas) across all their free-to-air platforms.

Offsets:

I do not support a single flat rate Offset for all platforms. I support two offset rates that recognize the importance of Australian content over that from overseas. The rates I would recommend would be as follows:

Producer Offset – For Australian production only and not available to networks or streaming services but only available to Australian production companies whether they produce television or feature films. The rate would be set at 40%.

Location & PDV Offset – For offshore and non-Australian productions of film or television with modified thresholds. The rate would be set at 30%.

Screen Australia:

It is also important that we support all levels of production. Screen Australia is the most important part of this support. Additional Funding for Screen Australia in order to support the development of new Australian scripted content and businesses that will meet audience demand across all platforms, as well as a more streamlined process for direct production investment across state and federal agencies is vital.

Support of the Australian Screen Industry Guilds and Screen Associations submission.

I support the submission of Australian Screen Industry Guilds and Screen Organisations and recommend it to the government. These organisations represents some 30,000 screen industry professionals and their consensus view should be included in any future discussions and decisions.

ASIG membership consists of:

APRA AMCOS
Australian Film Institute
Australian Directors Guild
Australian Writers' Guild
Australian Cinematographers Society
Australian Screen Editors
Australian Guild of Screen Composers
Casting Guild of Australia
Australian Screen Sound Guild
Australian Production Designers Guild
Australian Screen Directors Authorship Collection Society
Australian Writers' Guild Authorship Collection Society
Media Entertainment & Arts Alliance
Screenworks
Screenrights
Screen Producers Australia
Visual Effects Society
Women in Film & Television