

OTHER ACTIVITIES OF NEW SOUTH WALES FILM CORPORATION

New South Wales Film Corporation provides important services both to Government, the film industry and the general public apart from its feature film activities. Some of these services are:-

1. Government Documentary Division ("GDD")

Employing four (4) staff, GDD carries out the Corporation's charter "to have the sole responsibility for the making, promotion, distribution and exhibition of short films and documentary films for or on behalf of any Department of the Government or any Statutory Body representing the Crown" [Section 11(1)(a)].

In 1985/86 the GDD was responsible for projects with a production value in excess of \$650,000. This financial year it is expected to exceed \$1,000,000. The subject matter of the films and videos is diverse and falls into three main categories:-

1. Training films for use within Government - i.e. occupational health and safety; work procedures; policy implementation - equal opportunity, work place harassment; integration of handicapped children into mainstream schools.
2. Educational/instructional films designed for specific audiences - often the clients of a department - i.e. lifestyle/AIDS in Prisons; road safety for children; drugs and alcohol; mandatory notification of sexual assault of children.
3. Information films directed to the general community - i.e. access to legal services; how roundabouts are used; how liquid and solid waste are handled. Some of these films are presented in foreign language versions for Australians from non-English speaking backgrounds.

GDD also plays an important role in promoting New South Wales to assist trade and tourism e.g. "The Premier State", "Arts in New South Wales".

Note: The Corporation now earns a 10% fee on productions carried out by GDD.

2. Film Exemption Scheme

The Corporation is an official lodgement delegate for the National Companies and Securities Commission and Corporate Affairs Commission of New South Wales to process and monitor the Film Exemption Scheme. This Scheme enables film producers to raise finance in the market place using a streamlined cost effective system rather than the time consuming and costly prospectus provisions.

This important responsibility involves protecting the New South Wales public especially in finance raising aspects. The workload arising from this function has increased substantially in the last few years with the present level of fund raising under this Scheme for which the Corporation does the necessary processing, being in excess of \$10 million annually.

3. Industry Assistance

The Corporation gives financial assistance each year to various trade guilds and organisations to assist in their activities including the Australian Writers' Guild, the Australian Film Institute, Students' Film Festivals, the National Screenwriters Conference and the Australian Screen Directors' Association.

4. Film Industry Issues

New South Wales Film Corporation is involved in constantly monitoring the Australian film industry particularly its activities in New South Wales. This involves frequent liaison with various private and public organisations with respect to appropriate assistance and regulations to protect the public and to foster the industry. Activities are undertaken as diverse as attending Intercorporation Meetings (all State Bodies and AFC), commissioning surveys (Morgan Gallup Poll) and dealing with the Corporate Affairs Commission of New South Wales.

5. Public Speaking and Information Dissemination

Executives of New South Wales Film Corporation regularly attend and give seminars to assist the film industry including seminars given at the Australian Film and Television School, investment seminars held in Sydney, Screen Producers' Association conference at Thredbo in November 1986 and the dissemination of information including legal advice with respect to the complex issues involved in film production e.g. Producers' manual being prepared by Australian Film and Television School. This service also involves the giving of speeches on the radio and various functions on behalf of the industry.

6. Work Experience

New South Wales Film Corporation regularly provides work experience for students interested in the film industry giving them a close look and explanation of production, legal, marketing and accounting departments.

7. General Advice

General legal, marketing and related advice is available to the public with respect to problems that may be experienced.

8. Marketing Facilities

The Corporation makes its Los Angeles and London facilities available to Australian film producers to assist them in their film packaging activities, marketing etc.

OTHER AUSTRALIAN GOVERNMENT FILM ORGANISATIONS

The 1970's saw the establishment of Government film bodies in all States and at the Commonwealth level. The first Government film organisation was the South Australian Film Corporation, established in 1972. The Australian Film Commission followed in 1975 and the Victorian Film Corporation in 1976 (reconstituted as Film Victoria in 1981). Government film bodies were established in Tasmania, Queensland and New South Wales in 1977 and in Western Australia in 1978.

The Tasmanian Film Corporation, was sold to the private sector in 1982, and the future of the Queensland Film Corporation is in some doubt as the enabling legislation lapses in late 1987.

The objectives and activities of the various film bodies differ markedly. Brief summaries are given below. The data is taken from published material produced by the relevant bodies and legislation, supplemented in some cases by discussions with representatives of the organisations.

1. South Australian Film Corporation

The South Australian Film Corporation, the first Australian Government film body, was established in 1972.

The Corporation initially consisted of three (3) members, but since 1975 has had a part-time Chairman and five (5) other members.

The Corporation is subject to the general control and direction of the Minister. A Director, appointed by the Minister, is responsible for administration of the Corporation.

The Corporation is given the specific function of undertaking the production of films and, unlike other Australian film bodies, operates its own film studio. The Corporation is involved in feature films, T.V. drama, T.V. mini-series and the production of documentaries.

In 1985-86, the Corporation received income from its activities of \$2.3 million. Expenditure was \$2.8 million. The operating deficit of \$578,000 was made up by a State Government Grant.

The Corporation's 1985-86 Annual Report notes that no feature films were commissioned during the year and, because of the uncertainty in the investment market due to changes in taxation concessions and income tax rates, it will for the immediate future, concentrate on production for television.

Unlike other Film Corporations, the South Australian body does not have funding to invest in the non-deductible items of a film budget.

2. Australian Film Commission

The role of the Australian Film Commission is far broader than that of the State Government film bodies. As a Commonwealth body its responsibilities include: providing development funding and investment in film and T.V. projects, encouraging innovations and supporting developing film makers and independent film organisations, and making films in the national interest and films on behalf of Government bodies.

The Commission consists of a part-time Chairman, six (6) part-time Commissioners and a full-time Chief Executive Officer. The Commission has a staff of over 200 and in 1985-86 had annual income of approximately \$31 million, of which \$20 million was appropriated by Parliament and \$11 million was revenue. Excluding Film Australia, the Commission receives approximately \$14 million from the Government plus about \$6 million in revenue, for film development.

Under its legislation, the Australian Film Commission is given considerable autonomy in carrying out its functions. The Minister may not give directions to the Corporation on particular projects and must table a copy of any other direction given, in Parliament. (The New South Wales Film Corporation Act contains a similar provision.)

The Australian Film Commission has offices in Sydney, Melbourne, Canberra, Los Angeles and London.

3. Film Victoria

The Victorian Film Corporation was established in 1975. In 1981, the Film Victoria Act abolished the Corporation and established Film Victoria.

The Corporation of Film Victoria is made up of a part-time Chairman and 10 part-time members.

The Chairman, as a matter of policy, is not to be directly associated with the film industry. Members, however, represent film industry interests. The Chief Executive Officer is appointed by the Corporation and attends its meetings, but does not have voting rights.

Film Victoria legislation specifies "The Corporation shall carry out its functions in an efficient and economical manner and subject to the general direction and control of the Minister". The Corporation cannot make a loan or grant without prior approval of the Minister.

Film Victoria is also charged to give preference to persons, corporations and associations having their principal places of business in Victoria. In practice, this means that financial support given to individual T.V. and film projects must be justified in terms of benefits accruing to Victoria, such as increasing employment, attracting skills and talent to the State etc.

The film industry was targetted as a key industry under the Victorian Economic Strategy program, announced in 1984. Under the strategy the Government's aim is for Film Victoria to become self-financing over a period of time.

Film Victoria has developed a Corporate Strategy Plan, revolving around four (4) key program areas:

- . Talent and Ideas Development
- . Production Financing
- . Facilities and Amenities Support and Development
- . Marketing

Film Victoria received a Capital allocation of \$3.65 million in 1986-87. It also receives income from return on investments, repayment of loans, interest on funds etc. of around \$2.3 million annually.

The Corporation has a considerable involvement in T.V. projects, with about 50% of the capital grant of \$3.65 million being allocated to T.V. mini-series and tele-movies. In 1984-85, the Corporation invested in nine (9) feature films, 11 T.V. mini-series and three (3) T.V. movies.

Film Victoria's policy is that staff cannot be associated with film/T.V. projects while they are employed by the Corporation. Corporation members must disclose any interest and cannot vote or take part in deliberations where they have any interest.

4. Tasmanian Film Corporation

The Tasmanian Film Corporation was established in 1977. It consisted of the Director and from four (4) to six (6) members and was subject to the control and direction of the Minister.

The legislative functions of the Corporation were to produce, distribute and sell films, and it was empowered to make loans, grants and other forms of financial assistance for films and T.V. programmes. The Corporation produced documentaries for Government and private sponsors, television commercials and a small number of feature films and T.V. series.

The Tasmanian Film Corporation was sold by the Government in 1982.

5. Queensland Film Corporation

The Corporation was established by the Queensland Film Industry Development Act of 1977. This Act contained a sunset clause and was to remain in force for only 10 years. The legislation will lapse in October, 1987.

The Corporation is "subject to the general control and direction of the Minister". Its legislative functions are to encourage the development of the Queensland film industry and to administer State financial assistance to the film industry.

The Corporation consists of 10 members, representing a variety of interests, with the Co-ordinator, Department of Culture, National Parks and Recreation, holding the office of Chairman.

The Corporation is charged with reviewing applications for financial assistance having regard to "whether the provision of such assistance will contribute to the development of the film industry in the State".

The Corporation makes recommendations for financial assistance to the Minister, who makes the final decision.

The Corporation is involved in feature films, T.V. movies, T.V. mini-series and documentary projects. It invests in script development, provides production and marketing loans as well as investing in projects. In 1985-86 a total of \$1.3 million was provided by the Corporation as loans or investments.

6. Film Council of Western Australia

The Film Council of Western Australia was established in 1978, with the general aim of fostering the development of a film industry in that State.

It was established as an Association and forms part of the Western Australian Department of the Arts.

The Council is made up of five (5) Councillors, appointed by the Minister. Councillors are appointed from the film industry and provide advice and make recommendations. All decisions on grants to film projects are subject to the approval of the Minister.

The Film Council has a staff of only two (2), a director and a secretary, and has an operating budget of \$509,000 for 1986-87.

Under its charter the Council cannot invest in films, but provides grants for script and project development. The Council is involved in both T.V. and film projects and also gives travel grants to Western Australian's wishing to gain experience in film making in the Eastern States.

TRANSCRIPTS OF EVIDENCE

Witnesses Before Public Hearings

<u>Name of Witness</u>	<u>Date of Hearing</u>	<u>Page</u>
Film Corporation of New South Wales	23 February, 1987	1
* Mr Paul Riomfalvy, Chairman		
* Mr Danny Collins, Marketing & Sales Executive		
* Ms Jenny Woods, General Manager		
* Mr James Henderson, Financial Controller		
* Mr Lyndon Sayer-Jones, Legal Advisor	15 April, 1987	73