



19 September, 2003

Mr Chris Pyne MP Chair, House of Representatives Standing Committee on Communications, Information Technology and the Arts Parliament House Canberra ACT 2600

Dear Chris,

# Future Opportunities for Australia's Film, Animation, Special Effects and Electronic Games Industries – Additional Information

I refer to AusFILM's presentation on 4 September 2003 to your Standing Committee in support of our written submission.

# **Television Tax Offset**

AusFILM would like to emphasise the urgent need to extend the 12.5% refundable tax offset to television series production. There are signs of recovery in the international television production slate and off-shore productions are heading for destinations such as New Zealand where incentives for television series operate. Anecdotal advice from Los Angeles tells us that large studios are preventing producers from considering Australia as a production destination because of the lack of an incentive.

## **Film Friendly Policy**

We are pleased that your Committee took particular interest in our proposal for the Federal Government to adopt a "film friendly" policy. Set out below is further information as to what such a policy could encompass.

We propose that all Federal Government departments, statutory authorities and agencies adopt a policy of being "film friendly" in order to support and facilitate film and television production. This policy would require active support and timely assistance to the industry where applications are made to government related to the production of film and television.

The film industry is a very mobile one and the decisions on where to base a production are made not only on consideration of financial benefits, but also on issues such as the ease and expense of location shooting. For instance, in 1999 Mission Impossible 2 asked the City of

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#### Los Angeles Office

Austrade, Century Plaza Towers 2049 Century Park East, 19<sup>th</sup> Floor Los Angeles CA 90067 USA T: 1 310 229 4833 F: 1 310 277 2258 Sydney for approval to block a section of the CBD around Governor Phillip Tower for a two month period for night shoots starting from 4pm to 5am. This approval was given by the Premier's Department in consultation with the City of Sydney and other key government agencies including STA, RTA and the police. (This location request was later changed and, the street access was not required.) The speed of the approval gave the films producers the confidence to base their production in NSW and spend in excess of \$US80 million in that State. They trusted that they would receive every support the government could provide to access locations, government buildings and public property and for streets to be closed as required.

What may be required in some instances is a "round table" meeting of federal government departments or agencies involved in the provision of locations, services or permits for production.

The film friendly policy would relate to many areas of government including:

- Access to Commonwealth Government-owned locations, such as defence properties, national parks and airports.
- Access to personnel and equipment if required eg. military personnel as extras and specialists
- Importation of goods for use as props or filmmaking gear.
- importation of personnel
- firearms regulations
- ensuring that there is no "veto" of script content. eg. Departments should not be able to object to the depiction of someone being killed on their property because they believe this portrays their service as "unsafe" and refuse permission to use locations or request script changes that are not appropriate for the film or program being produced. This is in effect a kind of censorship that is not appropriate.

The NSW Film and Television Office spent a number of years developing their filming protocol and this has been copied by a number of countries including New Zealand. The NSW protocol is being used as the standard reference internationally and a copy is attached. The Melbourne Film Office has also developed a number of bilateral agreements with local government and others to facilitate filming in Melbourne and a sample selection of those agreements is also attached. The MFO has also developed a number of web sites with state and local government departments where permits can be obtained on-line. A good example can be found at

http://www.parkweb.vic.gov.au/1process.cfm?subj=0&publication=16

### 423 Visas

Another issue of immediate concern is the proposed change to the 423 visa. This visa allows for a speedy process in approving the entry of media and film staff for projects to be shown outside Australia such as television commercials (TVCs). The proposal to incorporate the 423 visa category into the 420 (Entertainment) visa means that the relevant union, the MEAA, will also need to be consulted about the importation of personnel when previously this was not the case with 423 Visas. This would add an unnecessary approval and additional delay – of up to 10 days- for a quick-turn around production that may involve only a 3 day film shoot.

Off-shore television commercial production was worth more than \$200 million to Australia in 2001/002. Any impediments to using Australia as a location for these kinds of productions means that producers are likely to avoid Australia.

Finally, I am enclosing, as requested, a copy of the report prepared by Moneypenny Services for DCITA entitled "Final Destination". This report compares the cost of making a feature film in Australia and Canada, and Australia compares very favourably. However, with the lack of incentive for television series production the comparison would be substantially in Canada's favour for television series production.

Please contact AusFILM's CEO Trisha Rothkrans or me of you require any additional information.

Yours sincerely,

an Robertson Chair