

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
ATTORNEY-GENERAL'S PORTFOLIO

**Group: 2**

**Program: 2.1**

**Question No. SBE14/203**

**Senator Collins asked the following questions at the hearing on 20 November 2014:**

1. The NFSA has published a draft Strategic Plan 2014-15/2016-17 for consultation and comment. What has been the reaction to the draft Strategic Plan?
2. The Strategic Plan projects significant losses over coming years and states that "if not addressed the NFSA's financial position will become increasingly unsustainable". How do you propose to fund those losses?
3. 30 staff positions were abolished in April 2014. What services were reduced or discontinued as a result of those staff reductions?
4. Digitisation of the collection is clearly an urgent requirement. The Plan states that "a significant equity injection is required to establish infrastructure to digitise a critical mass of film, broadcast and recorded sound..." What amount of money do you estimate is required?
5. You have set out, under the "Need to respond" section, a list of key changes that are required. What do these mean in practical terms in relation to services that you will provide?
6. What plans do you have for revenue raising, in relation to commercial activities, sponsorship, and philanthropy? What relationship do you have with Creative Partnerships Australia? 5
7. I note the answer to a question on notice (QON 21) from the Committee that loans from the Screen Lending Collection in 2012-13 totalled 1962 titles, which were screened to audiences of approx. 55 000. There were 180 client bodies, of which approx. half, or 90, were Film Societies. The income from this services (fees charged) was approx. \$30 000, offset against costs of approx. \$280 000. Will the NFSA maintain the Screen Lending Collection? Will it continue to support the large number of Film Societies around the country – estimated at 175, with approx. 25000 members?
8. The Minister wrote a letter to Sharon Bird MP 22 September 2014:

'The NFSA has advised me that it remains committed to sharing its national audio-visual collection with the public. Reports that Australia's film societies and other community organisations will no longer have access to its collections are incorrect. Under the NFSA's new structure, the non-theatrical screen lending collection service will be part of a new Collection Reference Service. It will continue to provide reference and lending services to the public as part of a new integrated model.'

Further to a recent email survey, will film societies be consulted during policy development relating to the 'new integrated model' referred to in Senator Brandis's letter, and when will this model commence operating?

9. Beyond 30 June 2015, will the NFSA resume acquiring and renewing non-theatrical licenses for titles already held in the NTLC?
10. Beyond 30 June 2015, will the NFSA resume acquiring additional titles and their non-theatrical licences?
11. Beyond 30 June 2015, will the NFSA consult with national representative bodies before reviewing film society loan fees?
12. Will NFSA address deficiencies in the Non-Theatrical Lending Collection by including more great films of the world and works of the great directors?

**The answer to the honourable senator's questions are as follows:**

1. Stakeholders have taken a strong interest in the NFSA Draft Strategic Plan 2014-17, having participated in two rounds of national stakeholder consultation sessions regarding the Plan. Workshops were held in Sydney, Brisbane, Canberra, Perth and Melbourne. Transcripts from the first round of stakeholder engagement sessions are online at;  
<http://www.nfsa.gov.au/about/corporate/strategic-plan-2014-15-to-2016-17/>
2. The savings made through the reduction of approximately 30 staff positions in the April 2014 restructure were required to ensure that the NFSA's forecast spending is in line with these PBS forecasts.
3. Discontinued services at the NFSA as a result of the restructure 2014 include:

<b>Service/Program</b>	<b>Status</b>
Big Screen	Discontinued since November 2014
School Screen	Discontinued since 30 June 2014
NFSA Library	Discontinued since 30 June 2014
NFSA Shop	Discontinued since 30 June 2014. Retail activities now focus on expanding the existing online shop.
Arc cinema program	Reduced in scope since 31 August 2014.
Acton Exhibition Gallery	Active exhibition program discontinued in July 2014.
Scholars and Artists in Residence	Discontinued since 31 December 2014
Screening Loans (including the NTLC)	Will discontinue in current form. Existing screening loan commitments and new bookings under current system will continue unchanged until end of 2015. A new business model is in development.

Overall a range of programs have necessarily evolved as a result of the restructure. The NFSA has sought to streamline its operations, and weighed off the need for investment in capacity building in key areas (for example, digital collection management) against

services and activities considered less of a priority. Therefore, non-core activities are reduced in scope while core service delivery is maintained.

4. The NFSA is currently developing an internal position paper outlining the funding requirements for digitisation of audiovisual materials across the National Collecting Institutions which hold such materials, to establish what resources and activities are required to achieve good public outcomes from digitisation activities.
5. All of these actions will ensure NFSA can maintain a strong focus on its core activities, reduce non-core services or activities, deliver services more efficiently and effectively and increase its capacity to attract private sector support.
6. Part 1 - The NFSA has implemented a range of measures in 2014-15, to increase its ability to recover costs and increase revenue. These include, but are not limited to:
  - a review of Collection Reference fee structure, and adjustment of usage fees to match services provided
  - an EOI process to test the market for commercial partnerships to distribute audiovisual products from the Collection
  - an EOI to test the market in the ACT for commercial partnerships to use NFSA controlled venues
  - staff development activities to increase capabilities to attract to private sector support

Part 2 - NFSA is in communication regularly with Creative Partnerships Australia as part of portfolio agency meetings.

7. Part 1 – Yes. The NFSA will maintain the physical collection of film titles from the National Lending Collection on a range of carriers in accordance with the NFSA Collection Policy. Part 2 - The NFSA entered into a consultation process regarding the future of the National Lending Collection on 6 May 2014 to provide users of the collection with an opportunity to provide input into the development of a potential new business model for handling non-theatrical loans to a wide range of clients. Existing screening loan commitments and new bookings under current system will continue unchanged until end of 2015.
8. Yes. See answer to Question 7. The new business model will commence operating 1 July 2015.
9. The answer to this question is subject to the outcome of the NTLC consultation process and development of the new business model – see answer to Question 7.
10. The answer to this question is subject to the outcome of the NTLC consultation process and development of the new business model – see answer to Question 7.
11. Yes.
12. To what extent a Lending Collection maintained by a national collecting institution using public funds should licence international, non-Australian film titles, which are in commercial distribution, is subject to the ongoing consultation and business development process (see answer to Question 7).