

**ORAL SUBMISSION TO THE EDUCATION AND WORKFORCE
COMMITTEE**

24 June 2020

Kia ora – my name is Sandy Gildea - I am the Executive Director of SPADA; and with me today is Julie Crengle - Principal at Crengle, Shreve and Ratner.

Thank you for our time with you today: we will use it to provide more context to our written submission - that details significant concerns regarding the flexibility and workability of the Bill in its current draft - and the severe consequences and economic impact COVID-19 has had on the screen sector.

As a member of the Film Industry Working Group SPADA supported the key elements of the package of recommendations that were delivered to Government in October 2018. However, since March of this year - we have not had time to reflect or take in the enormity of COVID-19 – let alone take the time consider the implications of the Bill for a sector that will look vastly different post COVID-19 than it did when the Film Industry Working Group first met - now over 18 months ago - to discuss the agreed recommendations – upon which this Bill has been drafted.

BACKGROUND

Established in 1982, SPADA is a non-profit membership-based organisation representing key producers and production companies in the New Zealand screen industry. Whilst SPADA's membership ranges from emerging producers to larger production companies – like most sectors in NZ – the majority of our members are small to medium sized enterprises.

SPADA plays a pivotal role in informing government and key stakeholders on key policy that impacts the screen industry. It ensures government is properly informed on industry issues, and responds to requests for advice as needed, for example on proposed or existing New Zealand screen production incentives, co-production treaties, trans-pacific negotiations, government agency arrangements relating to the industry, policy and regulatory settings (including media regulation) and public service broadcasting.

Supporting a safe, robust and sustainable domestic screen industry means SPADA has been involved in the **development of key Industry Codes of Practice.**

These include working with Equity NZ on the Guidelines for the Engagement of Cast – THE PINK BOOK; these guidelines were re-negotiated over a three-year period – and in 2014 were finalised as the **SPADA/Equity Individual Performance Agreement and Backend Agreement** (for use on NZ based and funded film and TV drama programs).

SPADA worked with the Screen Industry Guild on the new 2017 edition of the BLUE BOOK. The BLUE BOOK provides a reference document of best-practice processes for the engagement of freelance crew members in the New Zealand screen production industry.

SPADA also worked closely with the Screen Industry Guild on the SCREENSAFE working group over a three-year period to update the 1992 Code of Practice for H&S to create a new set of Guidelines that reflected the Health and Safety at Work Act 2015.

The new Guidelines outline legal and moral responsibilities - as well as provide procedures for identifying potential health and safety hazards and risks - and to encourage and promote a robust safety culture.

As ScreenSafe's H&S work neared completion the MeToo movement emerged and work started with the newly formed Screen Women's Action Group on the development of Sexual Harassment guidelines and resources. SPADA also endorsed Equity's new "Intimacy Guidelines for Stage and Screen" which were launched this week.

OTHER WORK

SPADA HAS ALSO made a submission to, and appeared before, the Public Media Ministerial Advisory Group - and is engaged with the Government's Copyright Act Review process.

SPADA is a member of the **2030 Screen Sector Strategy Facilitation Group**; and **the pan sector COVID-19 Action Group.**

As mentioned earlier, SPADA was also a member of the Film Industry Working Group.

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SPADA has a long and tested record of advocating for a safe and healthy work environment – an environment that we believe underpins a robust and sustainable domestic screen sector – it is this sector that has been hit extremely hard due to the shut-down.

COVID 19

In 2017/2018 the New Zealand screen industry contributed \$1.0 billion to the New Zealand economy – and provided over 15,000 jobs. When New Zealand went into lockdown - **98%** of screen workers were out of work.

In an MCH's report ON THE "Impact of COVID-19 on the Arts and Creative Sector" a sector to which we belong -

...according to modelling undertaken by Infometrics, the arts and creative sector will be hit disproportionately hard by the COVID-19 recession. They forecast a decline of 11.7% in employment in the sector and a 16.4% contraction in GDP in the year to March 2021. This compares to declines of 9.8% in employment and 8.0% in GDP across the New Zealand economy.

Having witnessed the enormous amount of work that has gone on behind the scenes over the last few months – it is disappointing to listen to some of the previous submissions from the sector that ignore the reality we find ourselves in - and the very real challenges producers are facing right now.

As one senior producer put it – "While every role in our industry is important - if you don't have producers securing funding and making productions happen, you don't have an industry." Without productions there are no jobs - or opportunities to build the capability and capacity of the industry both locally and internationally. That is a simple fact.

During COVID-19 SPADA worked closely with its membership as well as key funding agencies and government officials on key work that helped support the sector during lockdown and then helped support producers get productions back up as soon as the restrictions were lifted – and get people back into jobs.

That key work included:

- input and advise on funding support and stimulus / recovery packages
- the development of health and safety standard and protocols
- collection of key data to help inform immigration discussions – with a closed border affecting key cast and crew returning to New Zealand; and
- working on an insurance underwriting paper for New Zealand productions.

CURRENT SITUATION

Whilst a number of productions are now back up and running, **TWO** key issues continue to affect the sector's return to full capacity: the closed **borders** and a major **insurance issue** with regard to third party financing.

Due to the pandemic, insurers worldwide are no longer willing to write any new policies for productions without excluding coverage for losses related to communicable diseases. Given financing is conditional on insurance, this poses a major hurdle for New Zealand's independent producers in attracting and securing third-party finance.

RESOURCING

Returning to an issue that was raised throughout the 18 months of negotiations - the FIWG repeatedly recommended govt support resourcing of the collective bargaining process.

The FIWG also acknowledged that SPADA faced an even greater resourcing challenge given it has to undertake collective bargaining with multiple parties.

With the financial impact of COVID on the sector; the question of resourcing is even more problematic.

WRAP UP

To stress once again - since March we have not had time to reflect or take in the enormity of this unprecedented event – let alone take the time consider the implications of the Bill for a sector that will look vastly different post COVID than it did when the Film Industry Working Group first met over 18 months ago to discuss the agreed recommendations – and upon which this Bill has been drafted.

SPADA believes it could take at least two years for the screen industry to recover; many production companies will struggle to survive; and we simply do not know what the “new normal” will be for the industry.

FINAL PARA

What we do know is that it will be a challenge.

SPADA believes it is not in the interests of the screen sector to introduce the prospect of complex industrial negotiations while the industry is struggling – and people are ill-equipped and under resourced to engage – and considers the Bill should be halted until the shape, size and needs of the screen industry post-Covid are known.

THANK YOU.

