

SUBMISSION TO THE ECONOMIC, DEVELOPMENT, SCIENCE AND INNOVATION SELECT COMMITTEE

Aotearoa New Zealand Public Media Bill

06 SEPTEMBER 2022

Introduction

- The Committee Staff of the Economic, Development, Science, and Innovation Committee (Committee) have sought feedback on the Aotearoa New Zealand Public Media Bill (Bill), and the Screen Production and Development Association of New Zealand (SPADA) welcomes the opportunity to make a submission regarding the Bill on behalf of its members.
- 2. SPADA is the professional membership association of New Zealand screen producers, established in 1982. SPADA represents the interests of producers and production companies on all issues that affect the commercial and creative aspects of independent screen production in Aotearoa New Zealand. Its membership includes leading independent producers and production companies working in film, television, TVC, animation and interactive media, as well as professional service providers.
- 3. SPADA supports the Bill's intent to strengthen the delivery of public media services to New Zealanders, and the inclusion of the Charter within the Aotearoa New Zealand Public Media (ANZPM) legislation to ensure it remains a central tenet of the entity.
- 4. However, SPADA believes the Charter needs to more clearly articulate the entity's obligation to work constructively and collaboratively with the broader media ecosystem, to ensure the ongoing cultural and economic wellbeing of the independent screen production sector.
- 5. The Aotearoa New Zealand screen sector is a dynamic ecosystem comprised of many parts. It includes the industries that produce, distribute, and monetise film and television content of all kinds for domestic and international audiences. It spans New Zealand producers and creatives responsible for development, production, distribution, and exhibition of original content for local and international audiences. It is within this wider ecosystem that the new entity will operate, and the screen production sector therefore requires more prominence and consideration within the bill and the charter.

Supporting the broader media ecosystem

- 6. In the February 2022 <u>Cabinet Paper</u> it was agreed "that the Bill place an obligation on the entity to work collaboratively with the independent screen sector to help support the diversity, capability, and sustainability of the broader media ecosystem". The Cabinet Paper also addressed concerns about the entity's potential impact on the broader sector, however, there is not a clear directive in the Charter that directs the entity to do so. Other jurisdictions have included clauses to address these concerns (e.g. the <u>BBC Charter</u> has regard for its adverse impacts as well as having regard to promote positive impacts on the wider market.)
- 7. The types of good faith engagement and considerations that SPADA would expect in this regard would include notifying producers of any significant changes to commissioning policies, working collaboratively with the funding agencies, not negatively impacting the level of internal versus external production, and fair discussion on terms of trade.

Importance of Local Drama to the long-term sustainability of the screen sector

8. SPADA is also concerned the Charter does not acknowledge the critical importance of funding New Zealand scripted drama (drama, comedy, children's drama), which is the foundation of a long-term sustainable and resilient domestic screen industry. Due to the costs associated with this genre it is one of the most vulnerable, and therefore funding needs to be ring-fenced in some way.

- 9. We currently anticipate low budget drama will continue to be funded by NZ On Air or the new entity, and higher budget New Zealand Screen Production Grant/international co-productions will continue to thrive. However, mid-tier drama (budgets of around \$6-7 million per series) will be at risk if money to fully fund it is not ring-fenced by the new entity and NZOA. Mid-tier drama requires this level of support because it represents and supports:
 - stories that are more New Zealand-centric and are less likely to attract international financing
 - delivering a consistent level of local drama to New Zealanders which sustains and builds local audiences
 - diverse voices and practitioners
 - emerging practitioners who are not yet experienced enough or resourced enough to access international financing/markets and
 - a key role in capability building and providing training and development opportunities.
- 10. Higher budget drama takes more time to finance and is delivered to audiences sporadically. Mid-tier drama can be delivered consistently (ideally three a year) which makes it recognised, respected, and loved by New Zealand audiences. It is critical this consistent delivery of midtier New Zealand drama for local audiences is maintained; as this is how we build a strong and distinctive New Zealand identify, how we help prevent "cultural cringe", and how we make it as natural to watch a New Zealand drama as it is an international one.
- 11. There is also a strong financial imperative to safeguarding this genre. The New Zealand screen industry is a delicately balanced ecosystem from new, experimental, inexpensive web drama to the middle tier, to New Zealand co-productions, to big international shows all these drama productions contribute to the health and vitality of the entire ecosystem. This system supports training and upskilling to career progression to growth and expansion of businesses to reinvestment to attracting international financing it will help ensure the self-sustaining nature of the sector, so more stories can be made and seen on our screens. Within this ecosystem the removal of one tier would have a detrimental impact overall.
- 12. SPADA believes the entity should have responsibility for contributing to a sustainable and resilient independent screen sector, so that it must consider the importance of scripted drama to the screen sector; and how best to support it either through ring-fencing of funding or implementing appropriate commissioning frameworks.

Market Impact / Supporting a sustainable and resilient independent domestic screen production sector

13. To address the concerns detailed in SPADA's submission we propose the following changes to the Bill:

(a) Subpart 5—Duties, Clause 17 – Collaboration with Media Entities

14. Clause 17 appears to be a catch-all for how the entity will engage with the media sector, however, the definition of "Media Entities" is narrow, and does not reflect the independent production sector or the broader media ecosystem in which it operates. SPADA supports changes to Clause 17, to include a broader more clearly articulated definition under Interpretations.

Inclusion of a new objective - Subpart 2 Charter - 11 Objectives

- 15. Under Objectives (1) the purpose of the ANZPM is to contribute to
 - (a) strong and distinctive New Zealand identity; and
 - (b) valued, visible, and flourishing te reo Māori and tikanga Māori; and
 - (c) an inclusive, enriched, and connected society; and
 - (d) a healthy, informed, and participative democracy.
- 16. SPADA proposes the inclusion of a new objective: the ANZPM is to contribute to -
 - (e) a sustainable and resilient independent domestic screen production sector
- 17. And under (2):

A sustainable and resilient independent domestic screen production sector

- (m) work collaboratively with the independent screen sector to help support the diversity, capability, and sustainability of the broader media ecosystem:
- (n) ensure reasonable provision is made to assist in the production of scripted drama (including children's drama); and
- (o) ensure that its commercial activities do not distort the market or gain an unfair competitive advantage.
- 18. SPADA believes the addition of this objective will:
 - ensure delivery of the ANZPM's objectives to the people of Aotearoa New Zealand
 - shape the entity's market behaviours and its potential impact on the broader media ecosystem
 - ensure consideration of the current funding landscape and the negative impact changes to the funding of scripted drama would have on the sustainability of the domestic screen sector
 - support the need for the entity to generate revenue, and balance that with its Public Media outcomes; and
 - support its responsibility for capability building and upskilling of the sector.
- 19. Having a culturally rich, creatively innovative, and economically viable screen production sector is integral to bringing our stories to the screen. It is also imperative to the delivery of the entity's objectives, particularly its commitment to contribute to a 'strong and distinctive New Zealand identity'. It is through our stories that we see ourselves, it is through our stories that we are enriched, feel included, valued, visible and in turn flourish.

Adequate funding for NZ On Air and ANZPM

20. Key to the success of the ANZPM and the health of the wider media ecosystem will be adequate funding. If a re-allocation of NZ On Air funding occurs, an increase to its funding is required to ensure production continuity and to build capacity into the wider media ecosystem. This in turn will support the goals and objectives of the ANZPM. It is for the same reason that the ANZPM needs to be adequately funded so that it can deliver on its Charter and contribute to a flourishing and rich media ecosystem for Aotearoa New Zealand.

Other

- 21. SPADA believes the:
 - entity should have a role building capability and providing training and development opportunities.
 - first review of the Charter should be earlier than five years as currently drafted, given there may need to be some adjustments made once the new entity's board and CEO have been appointed and the entity established.
 - Bill should ensure at least two board members have public media expertise.
- 22. We also note that neither the draft legislation nor the Charter mentions ANZPM having a sustainability policy. Both Radio New Zealand and TVNZ have such policies, and we would suggest that this carries through to the new entity, which could combine with the production sector's new "Greenlit" policies currently being developed for sustainable productions.

In Conclusion

- 23. SPADA supports the ongoing cultural and economic wellbeing of the independent screen production sector and supports the need for the Bill to clearly articulate the ANZPM's obligation to "do no harm', and to work constructively and collaboratively with the broader media ecosystem. If the ANZPM contributes to a sustainable and resilient independent screen sector this "duty of care" would go some way to addressing the concerns raised in this submission.
- 24. The ANZPM will have key relationships across the media landscape and SPADA believes one of its most important ones will be with the independent production sector. Without a strong, collaborative relationship in place the future health and resilience of the sector may be at risk: which in turn may impact the future health and resilience of the new entity, and its ability to deliver on its key outcomes.
- 25. Whilst there are challenges ahead, SPADA also sees this as an opportunity for our public media landscape, our independent screen production sector and for Aotearoa New Zealand audiences.
- 26. SPADA would also like to request the opportunity to also present an Oral Submission to the Committee.

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