



Screen Producers And Directors Association

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Gaming Review Team
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Submission on the Gaming Reform In New Zealand discussion document

Introduction

1. This submission is from the Screen Producers and Directors Association of New Zealand (SPADA).
2. SPADA is the foremost screen production industry organisation representing film and television producers and directors in New Zealand. We have over 250 company and individual members. Our mission statement is to be *the leading advocate for a robust screen production industry which strives to enhance the diversity of screen culture in New Zealand*. An operating arm of SPADA is Film New Zealand, which markets New Zealand offshore as a filming location for foreign producers.
3. This submission has been approved by SPADA's Executive, a board annually elected by its members.

Comment

4. We appreciate the comprehensive nature of the review. Our interest is in a specific area raised as part of section 2.15 *Mechanisms for the Distribution of Gaming Profits*. Two questions raised in 2.15.5 are:
 - 4.1 *Is it desirable for the three statutory bodies and the community projects that are funded through the distribution committees to have to rely on an income stream that is not guaranteed? If not, what alternatives are there?*

- 4.2 *Should any bodies receive preferential treatment, in terms of guaranteed levels of income, over the community projects funded by the distribution committees?*
5. The New Zealand Film Commission (the NZFC) was established in 1978 as a result of many years of work by the film industry and those interested in New Zealand film culture. Its establishment recognised the importance of New Zealand feature films as a form of popular cultural expression. Over twenty years later, the film industry (which is aligned to the television industry in many areas) is recognised as a key new industry for New Zealand. Screen production now involves around half a billion dollars of production financing and \$455 million foreign exchange and it involves over 14,000 jobs.¹
 6. A key driver of this growth is the financing made available from the NZFC. It funds first films, which allow film makers to establish a reputation from which they can then attract foreign funding for subsequent films (eg. Peter Jackson, Sam Pillsbury, Lee Tamahori, Jane Campion).
 7. The NZFC also contributes finance towards important works of cultural merit which can rarely attract foreign funding without evidence of domestic support (eg. *What Becomes Of The Broken Hearted*, *Scarflies*, *The Price Of Milk* and the upcoming *Crooked Earth*). Additional information on the complexities of production financing and the vital contribution of domestic funding sources can be supplied on request. Put simply, we would not have a feature film industry without the NZFC.
 8. The screen production industry has never been entirely happy with the NZFC being reliant on Lotteries proceeds. However it has long been recognised as a practical solution to a difficult political problem. As the Lotteries Grants Board will know only too well, it has been difficult to secure guaranteed Crown funding for any arts or cultural pursuit over the years. Thus Lotteries Commission funding is a pragmatic solution. While the amount is not guaranteed, the NZFC nevertheless knows that funding itself is guaranteed. This allows it to operate across financial years in an activity which is time consuming and difficult, and provides a degree of certainty to film makers as they develop their projects.

Conclusion

9. We do not believe that it is at all likely that the Government will allocate significant extra funding for film investment in the foreseeable future. We know that we are in an industry which is attracting considerable political and business interest in its growth potential, for both forex and employment, and it would be absurd to threaten a key existing funding stream.

¹ Source: Colmar Brunton *Survey of Screen Production 2000*

10. Therefore our response to your questions is:

10.1 No, it is not desirable that the NZFC's income stream is not guaranteed, but

10.2 There are no realistic alternatives (and no entity's income is guaranteed)

10.3 Yes, the NZFC should, *indeed must*, receive preferential treatment by virtue of the critical nature of its work, its successful track record and the absolute need for certainty as it goes about its business both in New Zealand and offshore.

Please contact me in additional information is required. We cannot stress enough how important the current structure is to the development and growth of a major industry in New Zealand and its cultural product.

Yours sincerely

Jane Wrightson
Chief Executive

[sent unsigned by email transmission]