

SUBMISSION
BY
MEDIA ENTERTAINMENT AND ARTS ALLIANCE
TO
DEPARTMENT OF COMMUNICATIONS, INFORMATION TECHNOLOGY
AND THE ARTS
REGARDING
PROPOSED AMENDMENT TO THE INTERNATIONAL FILM CO-
PRODUCTION PROGRAM

JULY 2007

The Media Entertainment and Arts Alliance

The Media Entertainment and Arts Alliance (Alliance) is the industrial and professional organisation representing the people who work in Australia's media and entertainment industries. Its membership includes journalists, artists, photographers, performers, symphony orchestra musicians and film, television and performing arts technicians.

The Media, Entertainment & Arts Alliance appreciates the opportunity to comment on the proposal to allow film co-production treaties to accommodate participation by third party nationals to enable the utilisation of lower wage film economies for post-production, visual and digital effects work.

The Alliance recognises that there are circumstances wherein the use of third party nationals might be necessary – for instance, the filming of some sequences in a third country for scripting reasons. However, the Alliance is opposed to accommodating the engagement of third country nationals by virtue of lower wages being available in the third country than the wages that pertain in the countries party to the co-production treaty.

The official International Film Co-production Program has both an economic and cultural underpinning. It has been designed to allow for the production of programs that might not otherwise be made. It is designed to allow for the production of programs of cultural relevance to the co-producing parties and to foster the development of the industries in each country.

This proposal undermines the economic rationale for the program – namely to foster the industries of the co-producing countries.

At the behest of the Department of Communications, Information Technology and the Arts, in January 2004, the Australian Film Commission released its *Policy for entering new Film Co-production arrangements and the review of existing arrangements* in respect of the International Co-production Program. The Alliance believes this Policy sets out appropriate criteria for co-production arrangements and understands it has been approved by DCITA. The criteria include the requirement that consideration be given to employment conditions:

Comparable Employment Conditions

Note that it is a requirement of Australia's current Treaty arrangements that "conditions of work ... in each co-producing country are in broad terms comparable." For this reason, it is important to be aware of work conditions of cast and film crew in the proposed co-producing country to ensure that this comparability can be met.

Note that Australia's Administrative Arrangements with France and New Zealand do not require this comparability but such criteria should be assessed in any new administrative arrangement which Australia enters.

The proposal to allow for work to be undertaken in third countries solely to reduce costs by engaging personnel in low wage countries contradicts the intention of the Comparable Employment Conditions criterion in the Policy.

It is difficult to see why the government would seek on the one hand to introduce and manage arrangements that foster Australia's screen industry while on the other support offshoring of work to low wage economies within the same support framework. This proposal is all the more surprising coming as it does in the wake of the government's new initiative for supporting the postproduction, digital and visual effects sector in Australia announced in this year's Federal budget.

The Alliance notes the work proposed for offshoring to a third country is to be non-creative. This, however, is to also ignore the benefits such work offers to Australians in the industry and in particular to those at entry level.

The Alliance cannot support this proposal.