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**Film Illawarra discussion paper: history,
funding, objectives and performance.**

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Foreword

This discussion paper will outline the structure and history of Film Illawarra (FI) and concentrate on the funding and funding criteria, goals and performance of FI thus far. Finding a clear path through this material has been problematic as there exist numerous drafts and rewrites of submission and organisational objectives, and further many of the funding schemes utilised earlier in the organisations' establishment have since been abandoned or amalgamated. In addition, with the current project manager having taken over in December 2001, and 5+ staff members having passed through since its inception in 1999, it is difficult to get clear information on why certain paths were pursued and others were abandoned. This paper is meant to be read as a precursor to honours level research, designed to spur thinking and encourage exploration and testing of ideas and hypotheses, research avenues and availability of information. As such it does not reach a profound conclusion, or a set of immediate tangible solutions and in sections hits an obstacle that was not completely overcome – these issues are addressed in the final section outlining the hindrances encountered, lessons learned, and areas warranting further exploration.

Introduction

Film Illawarra (FI) is one of five New South Wales regional film bodies¹ charged with promoting their local region for film and television production. It was formed in August 1999 out of a recognition the Illawarra region could benefit from increased production in the region, and that no existing body specifically advocated for the area immediately south of Sydney. FI was originally devised as a joint initiative between the University of Wollongong and Wollongong City Council, with the endorsement and financial support from the councils of Kiama, Shellharbour, Shoalhaven, Wingecarribee – and more recently Eurobodalla Shire Council.

FI was initially the brain child of Professor Sharon Bell of the University Of Wollongong (UOW). Following preliminary steering committee consultation, involving Prof. Bell, Mr Rod Oxley (General Manager Wollongong City Council), Dr Stephen Anderson, and representatives from the Illawarra Area Consultative Committee and Dept of State and Regional Development, FI was established and located in the UOW Faculty of Creative Arts building (it has since been relocated to the Faculty of Arts Building 19). FI's history can be compartmentalised into three stages, which represent funding application cycles: Stage one 1999-2000; stage two 2000-2002 and stage three 2002-current. Between 1999-2000 (Stage One – 'Film Making – Why not the Illawarra') FI received funding of \$54,279 from the Department of Workplace Relations and Small Business (DEWRSB) (now Department of Transport and Regional Services (DOTARS)), as well as in kind support from UOW. The University supplied an office and general furniture, equipment, phone lines and stationary as needed for a fully functioning office.

In the period 2000-2002 (Stage Two) the New South Wales Department of State and Regional Development (DRSD) provided \$75,000 funding, along with \$55,564 from DEWRSB and \$10,000pa from the Wollongong Council, with the aim of making the Illawarra a viable production destination.

¹ Film Broken Hill, Film Hunter, Film Illawarra, Film Mid North Coast and Northern Rivers Screenworks.
<http://filming.fto.nsw.gov.au/industryDirectory.asp?frmCategory=35&frmSubCategory=36&x=6&y=8>

2002 onwards sees the council support continue, whilst DEWRSB funding has fallen to \$38,158. The University's "in kind" support continues and includes provision of the office and infrastructure costs (computer, internet access, telephone, photocopying), links to the UOW digital media centre and hosting of the FI website on the UOW servers. The smaller Shoalhaven and Eurobodalla Councils have each contributed \$5,000 between 2002 and 2003.

Examining the developmental stages of FI, and the funding requirements of each, raises the question of what return each stakeholder expects on their investment? And how do they quantify this? Is it an act of goodwill or thought of as an investment in an intangible cultural benefit for the community? In the following sections I will examine the funding provided, and the stated objectives of the funding bodies to demonstrate what each group is hoping to realise from this association. As opposed to examining how FI evaluates its own performance and how the steering committee appraises the staff, the focus here will primarily be on whether the stated goals of the stake holders, the aims as expressed in the funding applications and the subsequent outcomes, all mesh.

Funding

In this section I will examine the various sources of current and previous finance, and consider the possible rationale of contributors: in the case of Governmental bodies this will involve examining their funding criteria and the submissions of FI, and for UOW and the Councils identifying areas of organisational policy which supports or contradicts support of FI.

New South Wales Department of State and Regional Development

"The New South Wales Department of State and Regional Development (DSRD) is the first point of contact within government for companies wishing to do business in Sydney and regional New South

Wales.”² As a Government funded body DSRD has specialized units dedicated to promoting regional industry development. Their Regional Development division has the stated goals to: relocate businesses to the State's regions; find new markets and expand business for regionally-based firms; and to develop regions as viable economic locations with strong regional leadership and strategic directions.³ Initially these goals seem somewhat misaligned as Film Illawarra does not directly generate employment or expenditure, it in turn seeks to develop regional industry as does the DSRD. However, the DSRD’s overriding imperative is “Facilitating economic growth to increase wealth and create and retain jobs...”⁴ So the DSRD may fund Film Illawarra to undertake the hands on work of attracting production, wealth and job creation in the specialized industry of film and television production.

University of Wollongong

UOW provides in kind support in the form of an office and supplies, hosting the Film Illawarra website on their server, stationery and general office equipment, to the estimated value of \$38,269 p.a.⁵ At first glance, it would seem the university’s overriding imperative would be the improvement of academic facilities and teaching, and a body such as FI which is not directly linked to the student population perhaps lies outside its scope. Nevertheless, as a business the University would gain publicity for its involvement with Film Illawarra, and perhaps in time become known for its involvement in regional film production, thus facilitating higher student attendance and prestige. As shown below, the goal of increasing the technical capacity of the Illawarra film industry, and developing investment opportunities is only partially consistent with the University Mission.

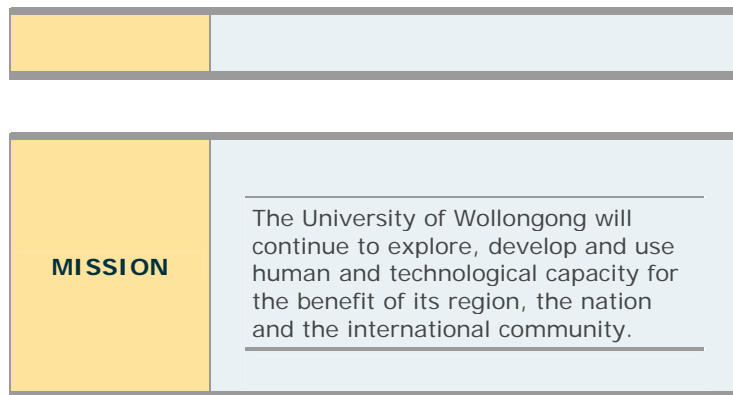
VISION	The University of Wollongong will enhance its position as a research institution with an international reputation for high quality, student-centred undergraduate and graduate education.
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² <http://www.business.nsw.gov.au/help.asp?cid=14>

³ <http://www.business.nsw.gov.au/help.asp?cid=14>

⁴ 2004-2007 strategic plan, p2. http://www.business.nsw.gov.au/sysfiles/download/DSRD_StrategicPlan_2004-2007.pdf

⁵ Based on estimate from David Sharpe for the 2005/6 period



(Source: <http://www.uow.edu.au/about/stratplan/2002/keystones.html>)

Whilst there is obviously an explicit concern for regional, national and international advancement, it is not worded to suggest an economic and industrial advancement focus per se – rather it is focused on technical and theoretical development which can be applied to the benefit of these groups. FI is funding is classified as research funding, which suggests that either FI, or UOW by extension, should be gathering information, or furthering the discipline, and this seems remiss. A clearer link would exist if FI were involved with pioneering new filmmaking techniques, or encouraging fringe filmmakers to gain funding – as this would be pushing the boundaries of prevailing technical standard and methodological competence. It would seem that given the initial seed for Film Illawarra was propagated by Professor Bell, Dean of Creative Arts, there was some clear link between the faculty objectives and the perceived role and benefits of FI as a concept – at least initially. However searching to obtain such departmental mission statements from 1998/9 has proven fruitless.

Department of Workplace Relations and Small Business / Transport and Regional Services

A degree of confusion remains over how and through which fund DWSRB funded FI and what the current status of the Department is now. FI documentation lists funding of \$54,279 from the DEWRSB for stage one of FI – and states that the Department (or funding subsidiary) has somehow morphed into the Department of Transport and Regional Services. I have been unable to find documentation on this from either Department website,⁶ and due to time constraints I have not heard back from email inquiries to either body. As a result, I have been unable to source archive material on the stated goals

⁶ <http://www.dotars.gov.au/> - <http://www.dewrsb.gov.au/>

and mission of these bodies at the time of funding to examine the match with FI's objectives. Instead I will briefly examine the current objective of these bodies as they seem appropriate to the FI case.

The DWSRB website outlines the Mission and Goals of the Department – see appendix item 1. There appears to be some overlap here in a focus on employment creation – however one must question the extent of this benefit. Whilst large productions speak of the number of local jobs created as a function of expenditure in the region, it would seem any actual rise in employment would be transitory if a constant stream of productions is not maintained – surely sporadic production does not boost and maintain employment levels over the medium to long term. It seems this would be a viable research project, scrutinizing the long term effects of film production, and how this is impacted by the frequency, size and extent to which local labour is utilised.⁷

For DOTARS I have briefly studied the new Regional Partnerships Program, which Project Manager of Film Illawarra David Sharpe stated is the new incarnation of the previous funding program. It should be noted that this is also a new program which does not mirror the funding situation when FI was applying. Appendix 2 contains a brief fact sheet on the program, and appendix 3 contains the guidelines covering its goals and selection criterion.

Local Councils

The involvement of the Wollongong city council, Kiama, Shellharbour, Shoalhaven, and the Eurobodalla Shire Council has been indispensable in the operation of FI. Apart from the financial and in kind support⁸, their willingness to deal with FI in developing a regional Film Policy may prove to be the greatest achievement of FI to date. In terms of attracting film production, this innovative policy

⁷ For example, the Canadian system allows runaway productions to locate there, but are only permitted to bring key production and acting personnel, the rest of the crew and extras etc are required to be Canadian citizens. It seems this system would generate a longer term option for those employed in secondary and periphery industries to production.

⁸ The Wollongong City Council established a position for film liaison designated as in-kind support for FI.

which streamlines application procedures is likely to become an industry standard in the long term, however in the shorter term it offers a discernable advantage to the Illawarra.

When considering how the local councils justify this financial support (which is essentially rate-payers money), one has to consider both the cultural and economic benefits hypothesised. Whilst I personally question the cultural benefit of film production, especially given the nature of recent productions, the Wollongong City Council has a cultural policy which seeks the elevation of Wollongong's cultural diversity.⁹ Unfortunately, multiple emails and calls to try to obtain a copy of this document and get into contact with the relevant officer have not yielded any results. It seems that the variety of overseas commercials that have been filmed in the region provides a benefit to the various locations, which whilst is somewhat intangible, remains more public than that exposure gained through larger film productions.¹⁰

In terms of financial value, producers and advocates are quick to rattle off potential regional spends, in the understanding that a simple economic cost benefit analysis can justify regional support. For example, the *A Mans Gotta Do* shoot boasts a regional spend of \$353,764¹¹ which translates to \$466,968 when the industry standard economic multiplier of 1.32 is applied¹². However, the rationality of comparing direct funding such as that provided by the councils to the administration of FI and the total flow on effect of reported expenditure is questionable. Whilst this offers easy points of comparison – what was spent on FI operation, and what was spent locally from a film production FI attracted, this figure does not represent a clear level of benefit to the community, and there is no tested

⁹ <http://www.wollongong.nsw.gov.au/Index.html>

¹⁰ The fact that the majority of features shot here tend to focus on suburban dysfunction and are commercially unsuccessful, combine in a situation which does not seem to provide much value culturally or in terms of increased regional recognition.

¹¹ FTO Annual Report, p73. (Estimate) Available from: <http://www.fto.nsw.gov.au/sysfiles/attachment/arep0203.pdf>

¹² The Department of Communications, Information Technology and the Arts states an economic multiplier of 1.32. This means that once the follow on expenditure from the in surge of funds has been accounted for, it is finally 1.32 times the original sum.

(http://www.dcita.gov.au/arts/councils/cultural_ministers_council/media_releases_and_publications/multipliers_for_culture_related_industries_2001#Limitations20multipliers)

and reliable method to check that this money significantly benefited the region – which leaves filmmakers free to assert such claims. Depending on which purposes and organizations the funds were spent, it may be the case that the majority of revenue quickly moved out of the region to business headquarters, and that a large section of transitory employment generated was filled with skilled workers residing outside the Illawarra region.

Suggestions for further research

In this concluding section I wish to outline some issues that have come up in the course of this project which would warrant further investigation. As the title implies, this is a possible to-do list, rather than a set of explanations and solutions. It should first be recorded that I encountered several frustrations in the process of researching this project. Sifting through the raft of material supplied by Project Manager David Sharpe was very time consuming, and sometimes felt like I was chasing my tail, with multiple re-drafts and threads ending abruptly and resuming on a tangent. I must thank David for all of his assistance though, without his close cooperation and patience with my incessant questioning this would have been much more difficult. Further, my attempts to obtain information from various other sources were not very successful. I believe that in future endeavours it would be more fruitful to approach the bodies in person, as email and telephoning led nowhere. The difficulties faced in obtaining economic and historical information seem to be common, and are complicated when looking at media and culture industries where attempts to quantify cultural and social advances are seemingly impractical; nevertheless statements comparing economic investment and socio-cultural benefit are recurrent in this industry.

Future Research.

- 1) Beyond simple funding arrangements, what is relationship with the other community stakeholders, such as voluntary extras and community groups, as well as the local media? The Illawarra Mercury, being the leading local daily newspaper has the capacity to provide valuable advertising and coverage for Film Illawarra projects and potentially sway public opinion in

terms of spinning possible inconveniences of a shoot in favour of benefits to the local community. Alternatively, they could turn against FI and argue it is a waste of local ratepayer's money, and a negative impact on the Illawarra – however they as yet haven't taken this route: why?

- 2) How satisfied are the stake holders with the result FI has achieved thus far? What tangible goals can the outcomes of FI be measured against to justify future funding?
- 3) What possible avenues of income generation exist to facilitate FI moving toward a self-funding arrangement?
- 4) More generally, it seems a comprehensive review of Australian film financing procedures and priorities could highlight numerous areas for revision. A comparative analysis comparing the Australian, New Zealand and Canadian systems could possibly yield a new, fourth approach which would best suit the Australian and prevailing market situation. Such a study ought to include an analysis of the various levels of financing in Australia (federal, state and local). Given the various types of production being chased, and the differing goals of these film bodies, without a united approach there seems a significant potential for these bodies to working to the detriment each other.

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