## LIES AND STATISTICS

Like film, statistics tell a story and while most of us seek some fantasy and a happy ending, this story highlights the realities of our local film industry, which is internationally renowned but fully dependent on government subsidy.

This week the Australian Film Commission (AFC) released its latest drama production survey, which tracks over a financial year production of feature films and TV drama programs (mini-series, telemovies and series/serials).

On the surface, things seem rosy for the Australian film and television production sector. The survey found thirty-four feature films and 62 TV drama programs (independent and in-house) were made in Australia in 2000/01; total *expenditure* in Australia increased by six per cent to \$608 million. The number of hours of Australian TV drama rose by 16 per cent to 639. Spending by foreign drama productions in Australia went up by \$87 million to \$191 million.

Another look at the figures reveals a flipside to what is occurring in our film and TV industry. The *value* of Australian drama production dropped by 11 per cent to \$319 million, with 26 Australian feature films produced as compared to 31 in the previous year. Australian TV drama production remained steady, but without the boost provided by a high-budget film such as the previous year's *Moulin Rouge*, the value of Australian feature production actually fell by 35 per cent. The average cost per hour of Australian TV drama fell to its lowest level in four years. To cope with tightening budgets more television is being made in-house by networks to the detriment of the independent production sector.

Large-scale, internationally-funded film productions along the lines of *Babe*, *Moulin Rouge* and *Holy Smoke* provide a major boost to film industry figures from year to year. Without them, what remains is the bedrock of the Australian film industry – government funding.

Government sources, mainly the Australian Film Finance Corporation, provided 53 per cent of the funding for this year's films (\$43.5 million), with 27 per cent coming from overseas and 20 per cent from Australian industry and private sources. Foreign investors contributed \$22 million to 11 titles this year compared to \$81 million to nine titles last year. This absence of a high-budget foreign-funded Australian feature in 2000/01 reinforces the importance of government sources of finance to the national feature slate.

The increase in funding to the industry announced recently by the Federal Government is extremely timely. The industry depends on adequate funding by Government if it is to continue to be an important exponent of Australian culture and to compete in an increasingly globalised marketplace. The AFC considers it vital to collate and publish industry statistics but also to focus on the less measurable aspects of industry performance such as diversity, innovation and quality. The current array of Australian film and television just celebrated at the Australian Film Institute awards includes some exceptional feature films that Australians are flocking to see.

AUSTRALIAN FINANCIAL REVIEW, 17/11/2001, p51