

pre-sale. According to Australian Film Commission tax lawyer Michael Frankel, many of the problems producers now face are due to their own inexperience in an industry that has not been around very long and which is changing rapidly as Australian films grow in stature. Since July, 1982, and the legislation of the New Companies Act, for example, producers are required to draw up a trust deed and register their company, at a cost of twenty to one hundred thousand dollars. With the forthcoming ministerial announcement of the two-year completion clause, such pre-pro-

duction headaches will become surmountable. This year, the cost and time involved in formulating a legal prospectus has stopped many producers dead in their tracks.

Optimism in the industry is increasing as industry people, led by the Film Action Group and assisted by the AFC, are finding the support necessary in government Ministers Howard and McVeigh. The support of the Australian government in ensuring the continued viability of the film industry is not surprising, for with the birth of Australian cinema comes a pride in Australian



A U S T R A L I A

culture which goes hand in hand with the "Advance Australia" theme being trumpeted on every front.

Whatever the current state of the

Australian film industry, there are lessons to be learned from the Australians in their continuing perseverance for political support, their self-recognition as a powerful lobby group, and their collective sense of integrity. There is a refusal to accept that international recognition necessitates Americanisation of the Australian cinema, either in terms of funding, content or creative control. The genuine belief of the industry at large is that the current downturn in its fortunes is a temporary one, for the industry knows where it is heading. And there is nowhere to go but up. ●

On the eve of the new amendments to Australian tax legislation, director Fred Schepisi was well into pre-production on *The Iceman*, an American picture produced by Norman Jewison, and preparing to shoot on location in British Columbia. Schepisi has long taken one of the strongest stands on the issue of national cinema; his *Devil's Playground* and *The Chant of Jimmy Blacksmith* were pioneer pictures on the Australian film scene, both strongly representative of that sense of "national self" he views as intrinsic to any country's film industry. His American-financed *Barbarosa* received high critical acclaim, and he is the only one of the Australian feature directors to take up long-term residence in the States. He nevertheless remains passionate about the situation back home, and met with Cinema Canada in Los Angeles last December to offer his thoughts on government film incentives, movie con men, and the "Canadian experience."

Cinema Canada: How do you view last year's "slump" situation in Australia?

Fred Schepisi: I think what happened is fairly clear. The government tried to protect itself against abuses of the taxation incentive by people both inside and outside Australia, but it didn't listen enough to what the industry was telling it. So it set up impossible restrictions: things had to be started and completed within a financial year. That's folly. If all the pictures are being shot within a specific period of time, you've got to have more crews than if production was spread out over the whole year. So you're forced to look into other areas for production and post-production people. That alone had to cause production of a lot of pictures that weren't necessarily up to normal technical standards; a lot of directors had to be used who hadn't directed before, or couldn't direct very well, and that went all the way down through the crews. You can see it in the films.

And that combined with the fact that every lawyer and accountant who wanted to follow the "Canadian example" started to become producers. They got scripts that were very amateurish, very below standard, and they thought they could rewrite, or produce them. So you got a lot of people who were not at the core of the film industry trying to make money out of it, and put deals together. And the deals and manipulation of the tax money were much more important than the pictures that were being produced - similar to what happened in Canada. We had a rush to production: 35 pictures

in one year. It has to fall over. No one's going to release the junk. So that's going to affect distribution attitudes to films, because they'll be able to say: "Well, it's not working." It's going to affect investors' attitudes, because they might want a tax write-off, but they also wouldn't mind making money; part of the clever aspect of the Australian tax incentive is the other 50% holiday on revenues... So you could predict the whole thing. Unfortunately, you can't stop people taking advantage of it. It has to be structured in such a way so that those people take a back seat. They may provide the money, but they don't control the picture.

Cinema Canada: Can that kind of thing be legislated?

Fred Schepisi: It should be. I think you can do it, to a certain extent. I think that maybe the experience itself will have sorted that out anyway; a lot of people have had their fingers burned, and will look at going about the process in a different way. But you have to spread production over a couple of years. A proper picture



takes two years from inception to the time it gets into the theatres, and that's if you're lucky. The intense period of production takes a year. But you don't say: "I want to do a movie," and then have the script written in three days, or a month, and then rush into pre-production at the same time. That's completely nonsensical.

I think it should be worked around some kind of penalty. Something that catches up with people if they don't sell or distribute the picture: a retroactive penalty. There's got to be ways around it, but not a time factor. Because if I'm going to invest in a movie, and then hang onto my money until the twenty-eighth day of June, I'm going to force you to produce in a very bad way. That's not what the incentive was set up for. It was set up to encourage propagation of our culture in a very popular medium. The whole "industry" thing is really supplementary.

There's only a certain capacity you can reach in Australia: personally, I think it's about 15 good theatrical movies a year, and probably 26 tele-movies, and whatever other "fodder" is produced for television. And by "fodder," I don't mean to dispense with mini-series, for which Australia seems to be getting quite a reputation. - the quality stuff.

The whole legislation thing was a reaction against what happened in Canada. It certainly kept out the Americans, much to their horror; they came away abusing us, saying "What stupid people, they didn't want to take advantage of our knowledge." But it didn't protect against the same charlatans from within Australia. In fact, it seemed to promote them. I hope they frame the amendments in a sensible way. Given the experience of every other country in the world, there are some sensible ways to do it. There is probably no way to completely eliminate the charlatans, or the "get-rich-quickers," but I think you can keep them to a minimum.

Cinema Canada: So you feel that one way or the other the industry will make it over this hump?

Fred Schepisi: Oh, yeah. If not, they'll just go back to the government

Fred Schepisi:

Boom, bust and the "tax trap"

system they had before. But I'm sure it'll pull through. It means too much to the Australian government in international publicity value. Apart from everything else, the popularity of Australian pictures has made it easier for embassies in other areas, like the introduction of manufactured goods into markets. The glamour has opened doors. There's an understanding now that Australia isn't a large desert with a lot of kangaroos bounding around. There are intelligent, thinking people there.

And I think Canada could be the same. I think your mistake - apart from taxation incentive mistakes - was this move to make bloody American pictures. Make Canadian pictures. I used to say this in Australia: make Australian pictures. Have international themes, but make Australian pictures, indigenous pictures about yourselves. And they'll be the pictures that succeed. All this "mid-Pacific" or "mid-Atlantic" stuff: it goes nowhere. You don't fool anyone.

Cinema Canada: But there are some differences. To our mind, the Australians have a much stronger sense of self than we do; the "Anglo-Canadian experience" doesn't seem to coalesce into anything... a fragmented people with a bewildering proximity to the United States. We like to form committees to lead "national cultural debates," like Applebert.

Fred Schepisi: Yeah, I heard about that. And if they drop the National Film Board, they're off their heads. The image those shorts give of Canada around the world is absolutely extraordinary. And if they drop that, they're destroying the greatest piece of "propaganda" equipment they could ever get.

But that whole business about Canadians not having any national identity: it's just not true. You are an entirely different race of people from the Americans. You're affected by the nationalism within the country, the split between French and English. You're affected by your ties to England, by the fact that you are frequently independent of the U.S. in political matters, such as Cuba. You're incredibly chauvinistic about how clever you are in business, and how you come down to the States and manipulate American money. Believe me, Canadians have a great sense of themselves, a great pride. And those are all the things that can be in your films. Then you wouldn't be kidding anyone. The films would be made with a soul and a purpose, and they'd probably be a lot more acceptable. That's my belief.

Barbara Samuels ●