



UK FILM COUNCIL: 'UK FILM: DIGITAL INNOVATION & CREATIVE EXCELLENCE' – BECTU COMMENTS

1. BECTU is the trade union for workers (other than performers and journalists) in the film, broadcasting and live entertainment sectors. Our comments focus on specific issues rather than providing a full consultation response.

Q1: Do you agree with our analysis of the challenges facing film?

2. We note and can agree with UKFC's list of the particular challenges facing film, including:
 - 'the economic downturn'
 - 'the impact of digital'
 - 'the gradual collapse of the traditional business models'
3. However, against this background, we place greatest emphasis on the specific crisis facing UK-originated film production at mid-range budget levels of £3-10m. We believe this is the heartland of British film production. It is where the skills of our domestic workforce are developed and employed across all departments. Culturally and creatively, this is where we have built our film tradition.
4. We distinguish this from two other segments of our production sector:
 - Inward investment in high budget US originated productions: We welcome the current high level of such investment and continue to support the UKFC's work in this area. Ultimately, however, such investment decisions are outside of our control and we have never sought to position our domestic film industry purely as a service provider for Hollywood productions.
 - Low and micro budget productions: We recognise this as a training ground for creativity and talent. Equally, however, we have never seen this as a viable and sustainable business model for our production sector as a whole. There are serious concerns about exploitation, especially of young people and new entrants. Precisely because of a 'work for little or nothing' ethos, this area is less vulnerable to general economic trends – but for all the wrong reasons.
5. We believe UKFC should have a clear and explicit focus on UK mid-range productions. There are now real difficulties arising from the

reduction in investment from broadcasters/financial institutions/private investors; from the lack of pre-sales; from the tailing off of the DVD market; and from the lack as yet of any new business model for the emerging digital environment. We would like to see support from the UKFC for this area both in financial terms and in helping to develop future strategies.

Q3: Do you agree with our proposed policy priorities for the next period?

Q4: Do you agree with our proposed funding priorities for the next period?

6. Our response to Q1 above could to a large extent be taken as a comment on future policy priorities. With that as background, we now focus on the specific proposals set out in 'The next three years' section of the consultation paper.

7. The Film Production Fund

Our ongoing concern – both in relation to existing UKFC production funds and any future fund – is about the terms and conditions of the workforce. If productions are supported by public investment of this sort, we believe that, as a quid pro quo, there should be a strong and explicit commitment to abide by prevailing collective agreements; not to undercut or circumvent the national minimum wage; and not to evade the Working Time Regulations by upfront waivers. The cynical exploitation of the workforce is no basis on which to build a sustainable domestic production sector and beneficiaries of public funds should be held accountable for their record in this area.

8. Film Skills Fund

- We acknowledge UKFC's strong and ongoing contribution of funding for training delivered via Skillset.
- We strongly support measures 'to ensure a high-quality production workforce'. We believe craft and technical skills-training for the workforce as a whole should be a higher funding priority than the Screen Academy/higher education-based provision for above-the-line areas.
- We are concerned that the proposed budget for the Film Skills Fund is significantly less than that for the Innovation Fund – which will benefit SMEs and corporate interests rather than the domestic workforce and its skillsbase. We believe that providing 'training for new technologies' through the Skills Fund is a more appropriate focus for the UKFC's contribution to a transition to the digital age.
- We, as always, support the objective 'to invest in new entrants' schemes'. In this respect, we hope that FT2's vital and continuing contribution in the area of structured new-entrant training will be acknowledged through UKFC support.

9. Fiscal Measures

- We support the UKFC's efforts to address the problems arising from the 'use and consume' provisions of our system of tax credits.
- As we have already made clear, we have an additional concern about the use of incoming non-EU labour in the context of the new Points-Based System. We believe that the failure of the tax credit to provide a disincentive in this area serves to undermine the public investment in skills and training which is of such value to the industry.

10. Intellectual Property/Film Theft

- We strongly support measures to combat piracy through our association with the Creative Coalition Campaign and our backing for the technical measures against illegal copying and downloading proposed in the Digital Economy Bill.

11. Environmental Sustainability

- We support the aim of developing a British Standard for film and environmental sustainability

12. Distribution And Exhibition

- We acknowledge UKFC's work in developing the Digital Screen Network.
- We believe future support in this area should focus on assisting our non-commercial exhibition outlets in making the transition to digital cinema.
- We do not believe financial support should be provided to the major commercial cinema chains, which are financially well-equipped to invest in digital technology without receiving public funds.

13. British Film Institute

- We note that the document excludes discussion of the merger issue and we therefore forego comment in this response.
- While supporting the creation of a National Film Centre, we regard this as a discrete project over and above the ongoing activities of the BFI. In respect of the latter, we are aware that the organisation has now been held to a standstill budget for a number of years. We therefore believe consideration should be given to increased annual funding for ongoing activities.

14. Diversity and Inclusion

- As a trade union with a strong track record in this area, especially through our 'Move On Up' project, we look to UKFC to work with us in making progress towards this objective.

Q9 Do you believe that UKFC's current remit should be extended to cover video games?

15. We have an interest in this area as the TUC-accredited union for this sector and with an existing base of members there. We would support a constructive intervention by UKFC in this area, especially given the growth of production driven by the games sector.
16. However, we also believe there are serious IP concerns about the practices of the games sector – where fans are encouraged to provide their ideas and software to companies for free. We would resist any notion that similar practices should develop in our sector or should be regarded, for example, as a model for micro-budget film-making.