

HOLLYWOOD OR BUST: THE PLIGHT OF THE AUSTRALIAN FILM INDUSTRY

Like other minor film industries, the Australian film industry has always understood that it will never threaten American hegemony over the global film culture. Instead, and again like other minor industries, Australian film-makers have attempted to repair global cinema's total neglect of Australia, and to make a modest living from the crumbs of the American and European art-house market as well as the mainstream home audience. The history of these endeavours since the beginning of the so-called 'revival' of the early 1970s is one of considerable success. In fact, the very success it has begun to enjoy in American markets, largely through *Crocodile Dundee*, may now put the whole cultural and commercial project in jeopardy. *Crocodile Dundee's* success has blurred the distinction between indigenous and international films, challenging an industry view that held the two categories to be mutually exclusive. This, in addition to major shifts in Australian producers' funding practices, has placed the industry at something of a crossroads. The industrial and institutional decisions made in the next year could, in the worst scenario, mean the death of an Australian industry, or, alternatively, spell out the terms for its survival.

There is a lesson in the Australian experience for other national film industries. Given Australia's relative marginality, however, there is limited awareness of these experiences outside English-speaking countries. Some background, then, is in order.

Australia was among the first countries to develop a film industry. An Australian film, *Soldiers of the Cross* (1901), has some claim to being the first full-length feature in the world - although it was not a continuous film but a mixture of slides, film, music and spoken commentary. *The Story of The Kelly Gang* (1906) has slightly stronger claims to being the longest narrative film to that date in the world. Whatever the validity of such claims, Australian film-makers responded quickly to overseas developments and for the first twenty years of this century enjoyed significant local success. However, increasingly during the 1920s and certainly with the arrival of sound, the industry languished. As the quality of American imports improved, that of the local industry gradually declined; vertical integration (the practice of combining the production, distribution and exhibition of films within one organisation) progressively froze out all but British and American imports; and by the end of World War II Australia had lost its last feature production company. For the next twenty years, Australia was a cheap location for foreign productions (*On The Beach*), British or American co-productions of Australian stories (*The Sundowners*, *Smiley*), and the occasional brave attempt to revive the Australian feature (*Three in One*). Attempts to maintain feature production dwindled into an attempt to keep the local newsreel industry alive, but when television arrived in 1956 even the newsreels began to disappear.

During the first half of the 1960s, the Federal government expressed some interest in determining if a film industry would be viable in Australia. The development of television in Australia had highlighted the need for the policing of foreign content on Australian screens, as well as emphasising the importance of a film industry in supplying the infrastructure and the work force for television and theatrical drama. Both forms were just beginning to develop at the time. Australian drama, in particular, can be seen to suddenly find its voices and its audiences in the late 1960s. Film industries can operate as 'feeder' industries, supplying a wide range of arts-related occupations with work: writers, set designers, graphic designers, actors, sound engineers, script editors, camera operators and many others. As Australia had restricted the use of foreign advertisements on television - all television commercials shown in Australia had to be shot in Australia - a small film industry had grown up within the advertising sector. Peter Weir and Fred Schepisi are among the directors who worked on advertisements, even well into the 1980s. However, the potential of this group was clearly not exhausted by working on commercials. There were, then, strong industrial and economic arguments which suggested that an Australian film industry would benefit existing and related industries in the arts, media, and entertainment. Film also occupied a unique position as a cultural product; it was pervasive like other mass media but, unlike television, it was also seen as an art form, a legitimate cultural expression. At the end of the 1960s, the economic arguments for an Australian film industry were reinforced by another factor; an increasingly powerful nationalist mythology came to recognise film as the most desirable medium for projecting an image of the new confidence and maturity seen to mark contemporary Australian culture and society.

In 1969, there were no feature film production companies operating permanently in Australia, no government film financing outside the federal documentary unit, The Commonwealth Film Unit (later called Film Australia), and drama production for Australian television was very limited. Fully equipped studios, such as those of Artransa in Sydney, survived by shooting advertisements. British and American cultural hegemony was so entrenched that there was some audience resistance to Australian voices and images in the media. It was only in 1967, eleven years after the introduction of television, that Australian-made programmes finally dominated the top ten rating television programmes for the year. It was within such a context, as a result of several government inquiries and the personal interest of the Prime Minister of the day, John Gorton, that the first major government intervention into the Australian film culture occurred.

Between 1969 and 1971 a government film financing institution (the Australian Film Development Commission), and a federally funded training institution (the Australian Film and Television School) were established, and a range of other concessions and incentives were introduced to encourage local production. Initially, the major effect of this boost to local production was to highlight the problems Australian films experienced in winning distribution and exhibition. At the time, there were two major distributors in the country, Hoyts and Greater Union; neither were Australian owned. An investigation by the Tariff Board - which had been set up to protect industries

from 'unfair' competition - made threatening noises about the need to limit foreign ownership and break up the distribution monopolies. As a result of such pressure, some improvement, and some diversification of exhibition outlets, made it easier for Australian films to gain major release in Australia. However, the problem has never been entirely satisfactorily resolved. The Australian industry simply cannot supply the distributors with enough features for them to risk breaking arrangements with the American suppliers. Despite such problems, during 1970-3 a number of films made with government assistance managed to return a profit at the box office: *Stork* and *Alvin Purple* are the most prominent.

The institutional structure established between 1969-1975 operated (and still operates) very much as a large cultural bank. Film-makers approached the Australian Film Development Commission (later to be called the Australian Film Commission) with the outlines of their projects. Their suitability, track record, and viability were assessed at this and every succeeding stage. Once the project was favourably assessed, the AFDC/AFC then advanced funds to develop the script further or prepare a budget. Once past this stage, the AFDC/AFC could decide to invest in the project through further seed money, a loan, or a straight grant aimed at completing the film. On average, half the budgets from this period came from private sources - even if this meant mortgaging the film-maker's personal assets, such as a house. These were not yet Hollywood-scale budgets. The most critically acclaimed film of the period, *Picnic at Hanging Rock*, was made for less than half a million dollars, and that was almost double the average budget for Australian films made in that year (1975). *Towering Inferno*, a Hollywood success of that year, cost \$14 million US.

Between 1969 and 1975 the government film institutions (the federal AFDC was soon replicated by separate state authorities such as the South Australian Film Corporation and Film Victoria) provided as much as 60% of the total budget in some cases, and as little as 20% in others. In the same period, support from the industry itself - that is, the private sector of the television companies and the distribution/exhibition chains - was derisory. It hit a high of 28% of film budgets in 1970 and dropped to a low of 2% in 1973. Private industry was not prepared to gamble, and this is highlighted in the dramatic increase of industry investment - up from 4% in 1974 to 46% in 1975 - in the year of the critical successes of *Picnic at Hanging Rock* and *Sunday Too Far Away*.

This structure was often administered in a bizarre and *ad hoc* manner (1), but it got the industry under way. The first films to catch the attention of the newly delivered Australian audience were the so-called 'ocker' (2) comedies: *Stork*, *Alvin Purple* and *The Adventures of Barry McKenzie*. The ocker films represented a male, populist, and cheerfully vulgar view of Australian society. Australian social practices and idiosyncrasies were celebrated for their own sake rather than for their possible contribution to world culture. Beer, sex and bodily functions large in the action. These films offered a very specific definition of Australian-ness.

It is at this point we can see the ideology behind the film institutions click into place. The initial institutional support for Australian film assumed

that the industry would occupy itself by making 'frankly commercial' films for a local and overseas market. The ocker films were certainly commercial and at least *Barry McKenzie* was successful in Britain. But the critics and the funding bodies were appalled, both by the films and by their success. In the ocker films, all the hopes of establishing an image of Australia as a land of sophistication equal to the centres of Europe were dashed. Instead, the version of Australia represented in these films was the kind of place most of the Eurocentric critics and government film assessors wished they did not inhabit. The specificity of the films' depiction of contemporary Australian popular culture was an embarrassment to people who had no commitment to it in the first place but had rather hoped to help the nation transcend it. The cultural project had back-fired. In a 1975 report on the industry, the institutional rhetoric underwent a crucial change. According to the new rubric, what Australia needed were 'quality' films which could be the cultural flagships of the nation. Financial success was no longer the primary object (few Australian films made since the revival have returned significant profits), but cultural capital was.

Although the government film financing bodies were never organised enough to be in any way conspiratorial, there was remarkable unanimity about the kinds of films which state and federal film commissions supported over the next five years. Instead of more 'ocker' comedies, we had what Dermody and Jacka have called the 'AFC Genre' (3), a national film style determined by the preferences of the funding bodies and greeted critically as a source of national pride. Representative are films like *Picnic at Hanging Rock*: visually stylish, low key, highly aestheticised period dramas which offered the visual exotic of the Australian scenery coupled with moderately symbolic and open-ended narrative forms. Australia was caught in the amber of its history, its present credentials implied by the style and sensibility of its filmic representation of the past. The obsession with historical drama seemed designed to establish that Australia *had* a history and therefore *was* a culture. The key films from the period (*Picnic*, *Sunday Too Far Away*, *My Brilliant Career*, *Newsfront*) deferred to European standards of cinematic taste rather than to American objectives of entertainment; the models were the French *nouvelle vague* and the BBC historical TV drama. Beautiful and untroubling films, they were politically conservative and, despite their obsession with Australian history, they said little about contemporary Australia. In the years 1971-77, out of 87 Australian features made, less than 10 (if we exclude the ocker comedies) dealt with contemporary Australian subjects with any degree of seriousness. Formally, films which moved outside the boundaries of the AFC genre and into Hollywood genres - action, or adventure, for instance - were reviled by the critics and spurned by the government institutions (although, they did attract the audiences). *Mad Max* is relatively unique for its time because it was made with no government support at all.

It is hard not to see the 'screening of Australia' as a complex exercise involving not only the screening of an image on film but also a 'screening out', the funding of certain kinds of films: those which were European in their aesthetic assumptions and which constructed a national image through landscape or history rather than through contemporary, urban, cultural

forms. In the AFC genre there was a deep ideological resistance to contemporary versions of the nation.

These patterns have become less pronounced since 1977. Changes in the funding policies increased film-makers' reliance on private backing, and changes in the tax laws offered substantial incentives (at least until 1987) for investors to use film as a means of writing off high tax liabilities. Further, film's onerous responsibility as the cultural flagship was partially withdrawn as the potential of the television mini-series became apparent. The American success of the mini-series, *A Town Like Alice*, alerted even the most Eurocentric to the potential of the U.S. market and hastened the application of film funding guidelines to television production - from which television had hitherto been excluded. Now, television production can attract government finance in the same way as film, and (at the time of writing) made-for-TV movies are seen as something of a threat to the theatrical industry. Predictably enough, since 1980 Australian television has witnessed history repeating itself as a parade of AFC genre mini-series swept across the nation's TV screens - albeit competing with the tougher, more critical and contemporary productions such as Kennedy-Miller's stylish *Vietnam*.

As government support for the film industry has declined, and as its importance as a cultural project has diminished, the role of the private investor has become increasingly important to Australian films. Australian films have encouraged private investment by earning profits which had previously seemed unlikely. A successful arthouse film like *Picnic at Hanging Rock* ultimately broke even through continual seasons in Australia, Europe and America, but *The Man From Snowy River* and *Mad Max I* and *II* both returned their budgets in Australian exhibition and more than doubled this result in the U.S.A. and elsewhere. Respectable returns of 9 or 10 million dollars now seem quite possible for modestly produced films which are aimed at a mainstream popular audience. The role of the American cable station, Home Box Office, and other cable networks sales, as well as video rights, now provide a range of opportunities for commercial Australian films.

As the federal institutional support was withdrawn, tax concessions were introduced to encourage private investment. The so-called 10BA concessions offered, initially, a 130% tax deduction for any money invested in an Australian film, and a 33% exemption from tax on any income from that investment. The 10BA arrangement has been tinkered with since. At one point it stipulated that returns should occur within the same year as the original investment; films rarely go from funding to production to exhibition within one year and this did inspire some 'quickie' productions which hurt the industry and encouraged the wrong kind of investors. However, the role of film investment is assured within Australian business culture as long as the tax concessions remain.

The partial withdrawal of government institutions from the industry has been motivated, simply, by an unwillingness to keep pouring money in. The industry is now asked to pursue commercial viability. Yet, and at the same time, it is universally recognised that an industry as small as the Australian one cannot survive without some kind of subsidy. The response to this dilemma has wrought considerable and possibly profound changes to the

nature of the industry and the films it produces. An index of this is the perception of Australian film now current overseas. In 1980, Australian film would have been known - if at all - for the AFC genre films. In 1987, the Australian industry is known for the *Mad Max* trilogy, *The Man From Snowy River*, or, particularly, *Crocodile Dundee*. Its most recognisable stars are not Jack Thompson or Judy Davis but Bryan Brown, Paul Hogan, and Mel Gibson. All the signs point to Australian cinema having dipped its toes into the mainstream, making genre pictures which compete for the same audience as American films - not only in Australia but also elsewhere.

In many respects this is admirable. However, Australia cannot win a competition with Hollywood. Australian film-makers cannot keep pace with Hollywood budgets and if they try they will bankrupt the industry. Australia does not have the same enormous economy of stars and images through which our actors, directors and stories can circulate. The local industry is, ironically, structurally dependent upon American producers and distributors in order for our films to get seen in the first place - not only in the lucrative American market but also in the home market. If we ever do reach a position of genuine competitiveness, Australia is open to commercial retaliation which could snuff the industry out. It has happened before. So, it is important that the Australian film industry determines the appropriate commercial and aesthetic strategy to employ if it is to prosper without threatening American markets or without losing its indigenous audience.

There is also the ideological problem. The same arguments which dogged the ocker films, about the nature of the national image they represented, have arisen around *The Man From Snowy River* and *Crocodile Dundee*. While both were harmless and entertaining films, they are also, in a sense, 'official' representations of the Australian culture and thus are asked to bear more than the usual responsibilities of entertainment. They have been attacked for exactly the same reasons the ocker films were attacked: it is disputed that they are 'art'; that they are accurate representations of Australia; and that they are appropriate recipients of tax-payers' money. In both cases, the producers' attempt to discover how an American audience might receive their film was seen as 'selling out', turning out Americanised representations of Australia. Of course, how one defines 'the nation' in any medium of representation is an ideological matter, not something to be settled by empirical methods. The arguments circulating around *Crocodile Dundee* (4) propose the virtues of the aesthetic over the commercial, and the necessity for indigenous rather than international films. Although these are genuine issues, their deployment onto such a target reveals them to be simply strategies in the battle for the national image, which once again seems on the verge of escaping the institutions for the arena of the popular audience.

There is a strong case to be put which supports the existence of a national film industry in Australia on broadly cultural - that is, not exclusively aesthetic - grounds. As a post-colonial nation which is the ground for successive waves of cultural domination from the United Kingdom and the United States, Australia faces the danger that its dominant narrative images, even its 'dreams' (5), are not its own. A culture needs to represent itself in story.

Folk tales, myths, popular television, popular fiction, and films occur in older cultures and their value is only rarely dependent upon purely aesthetic justification. In Australia, there has been little interest in folklore, and since it is a post-industrial culture there is little chance of any emerging naturally. Most film and television is imported. There is almost no government or commercial support for Australian popular fiction, although literary fiction is widely and effectively subsidised by the federal government and by publishers. In such a context, the cultural potential of the film industry is vast. The arguments around which versions of Australia should be represented cannot obscure this fact.

However, if the ideological argument may operate as a diversionary tactic, this is not to say that the issues it raises are entirely irrelevant to the industry. The contradictions proposed between the imperatives of art and entertainment, and the arguments over the virtues of indigenous rather than international films have to be addressed by individual film-makers at the level of practice. They have to decide, with each film, how to reconcile these conflicting positions. Not surprisingly, the industry is divided between two bodies of opinion. One body proposes the importance of making films about what you know and for audiences you know. They argue that a good film made in such a way need not be unmarketable overseas but, rather, would have the kind of freshness that won Australian films its reputation anyway. The opposing view holds that shutting out part of our potential market by emphasising the Australian-ness of our pictures is commercial suicide. In general, the first position has a strong nationalist investment in the cultural project of Australian film, while the second, internationalist, position sees it primarily as a business venture. Ironically, the economic conditions are marginally in favour of the nationalists, since international films require Hollywood production values, recognisable stars and budgets that would absolutely require box office success. To enter the U.S. market in the hope of generating such success every time would be to encounter certain disappointment.

Despite the lure of the commercial success enjoyed by *Crocodile Dundee*, and despite the gold rush mentality it has suddenly introduced into sections of the industry, it is clear that the Australian industry has won loyalty from its local audience *because* of its Australian-ness. However, this does not mean audiences have as narrow a conception of what constitutes an Australian film as some of the film financing bodies. *Gallipoli*, *Razorback*, and *Mad Max II* are *all* Australian films for the local audience. But the loyalty of the local audience emphasises the cultural importance of the industry and indicates, I suspect, that the audiences themselves care relatively little about the overseas success enjoyed by the Australian films they watch. To the Australian audience, it is of primary importance that the industry *survives*. The current mixture of low budget features, middle budget television movies and series, and the occasional brave bid for local and overseas mainstream success, seems to offer the best chance for survival without preempting or prescribing just what kinds of films Australian film-makers should produce. The grim qualification to this, however, is the knowledge that these film-makers themselves live with: that a withdrawal of tax concessions or a major

box office failure of one of these brave bids for commercial success could send yet another national film industry into oblivion.

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NOTES

- (1) For an account of this see Susan Dermody and Elizabeth Jacka, *The Screening of Australia, Volume One: Anatomy of a Film Industry*, Sydney, Currency Press, 1987.
- (2) «Ocker» is a term used to describe a paradigm of male Australian-ness which includes loud, possibly drunken behaviour, hedonistic and unthinking lifestyles, and a disinterest in the life of culture or the intellect.
- (3) *Screening of Australia*, Chapter 3.
- (4) For example, both issues of *Meanjin* so far this year (1987) have included attacks on *Crocodile Dundee* from one perspective or another. It is rare for any films to be given attention by this magazine.
- (5) A representative example of this argument can be found in Tom Weir's 1958 article 'No Daydreams of Our Own: The Film as National Self-Expression', reprinted in Albert Moran and Tom O'Regan, *An Australian Film Reader*, Sydney, Currency Press, 1986.