Susan Ward

NATIONAL CINEMA OR CREATIVE INDUSTRIES? FILM POLICY IN TRANSITION

Abstract

In 2002, 'film' consolidated a position within municipal governance as part of the Brisbane City Council's economic development program based on the 'new economy' understanding of the role of the city as the physical location of commercial and cultural activity. This positioning of film within the notion of industry clustering, and the acknowledgment that production technologies of film and television share a common ground with games development, and other forms of leisure software, represent a fundamental departure from the precepts of the traditional national cinema model. Are creative industries discourse and cluster logic opening up a new field of governance for film policy? How does this translate to the state and federal levels if policy is to become more accommodating to the structures and dynamics of specific regional locations? This paper examines two Queensland approaches to creative industries discourse and cluster logic as a way of understanding the impact this move to a 'global knowledge-based economy' will have on the traditional policy framework.

Debates over the character of Australian cinema and the directions it might take in internationalisation have been with us for just over a decade. There was considerable optimism during the days of the Keating Labor government's *Creative Nation* that we could steer the course of internationalisation to our cultural benefit. Today there is the sense that these cultural imperatives have become derailed by the pressures of industry development, technology advances and market liberalisation agendas. Yet, at the same time, the new digital age has brought with it a greater degree of integration between national and international cultural economies, tempering new ways of understanding about the media industries and their disconnection from place. Convergence has also caused governments worldwide to rethink film policy that acknowledges film and television as part of a much larger 'creative sector'. Part of this policy reframing derives from a new industry development logic that focuses on the spatial configurations of industry sectors within the global context, the specificities of location that may constitute competitive advantage, and how that information may be used to further the development of targeted industries such as film and television production.

These shifts in thinking about the film and television industries are appealing to regions such as Queensland which lack the advantages in infrastructure that underpin the traditional national cinema model. In 2002, 'film' consolidated a position within municipal governance as part of the Brisbane City Council's economic development program based on this 'new economy' understanding of the role of the city as the physical location of commercial and cultural activity. In 2004, the Queensland

Department of State Development launched its new economic development framework — *Creativity is Big Business: A Framework for the Future*. Both policy agendas signal government commitment to positioning Queensland's economic future within a global 'knowledge economy', and both documents announce allegiances to 'cluster logic' — a new form of thinking towards regional economic development that places emphasis on location and the critical mass of localised networks or linkages that integrate the various elements — organisations, knowledge resources and a highly skilled workforce — into a successful industry cluster. Both government initiatives are based on the same premise: that regional competitive advantage can be gained through innovation and creativity, the successful employment of creativity within the business environment, and the appropriate synergistic mix of people and institutions (particularly centres of tertiary education and research) that make this possible. This article examines these Queensland examples of policy formulations, suggesting that it is important to situate these attempts to articulate a 'creative industries' policy within a wider frame that points to the systematic failure of national cinema discourses to address the very real tensions and transformations taking place within the media industries.

A new framework for the screen industries?

For the last 30 years, the notion of national cinema has stood as the pre-eminent 'place'-based framework for film policy. Cinema, whether 'Hollywood' or not, is understood as the expression of a geographically situated culture. Nonetheless, this 'national' frame has posed a problem for internal territories and regions that have missed out in the spatial organisation of a national cultural economy (Ward, 2000; Gasher, 2002). During the 1980s, academics worldwide viewed national cinema, with its notions of nationhood and national identity, as suspect, representing one of the mechanisms by which national hegemony may be preserved. Dermody and Jacka's work (1988) discusses the subject of national cinema as a struggle between the possibilities of being genuinely authentic and symbolically rich in its cinematic allusion to the geographic and cultural specificities of place, and the practicalities of striving to make national cinema self-sustainable within the context of the national and international marketplace. Andrew Higson (1989) suggested at the time that, in the context of these struggles, the notion of national cinema subscribed to the sense of an ideal — what national cinema *ought* to be — products of a national culture or products of a particular mix of cultures that can be attributed to a specific geographical place. Because of its role in sustaining a national or regional identity, this social reflection activity has important political and social purposes which, if not prioritised over, have at least an equal standing with the entertainment function of commercial cinema. Consequently, the policy mechanisms of national cinema and the principles by which we, as an audience, continue to understand our own films and those of other nationalities, are based upon this perceived connection between film-making and its apparent site of production.

However, with the internationalisation of Australian film-makers and film-making, this connection has become a little more tenuous. During the early 1990s, the Queensland state government set a new precedent by unhinging the industrial

development function from the rhetorical undercarriage of film and media policy to pursue regional economic development based on a production services model and the growing trend for globally dispersed international production. Attempts to internationalise Australian production also led to the tweaking of policy instruments to redefine Australian content by the relationship between the film production process and the cultural and geographical *origins* of its creative team. Furthermore, in today's multicultural society, communal identity is no longer defined by geographical place. Group identity has become virtual, defined by lifestyle choices, ethnicity, gender, sexual or political orientations. And, with today's trans-national movement in people and capital, coupled with an increasing universality in the aesthetics, images, and cultural references of cinema, this demarcation between the 'national' and the other has become increasingly problematic (O'Regan and Venkatasawmy, 1999).

As an example of such contested terrains, the Australian Film Commission (AFC) defines 'Australian' as those productions under Australian creative control, which by definition includes *Moulin Rouge, Babe* and *Peter Pan*, which were creatively controlled by Australians though they were funded by offshore capital with an orientation to the international market. On the other hand, television drama and movies of the week produced by the Coote-Hayes production company on the Gold Coast[1] are by and large creatively controlled by Australians across production and often post-production, yet they are contested by the AFC and other guild industry organisations as foreign.[2] As an industry development authority that foregrounds employment, skills and professional development, the Pacific Film and Television Commission (PFTC) is concerned that AFC classifications fail to acknowledge the role of Australian creativity in various forms of international production, and sees few differences between 'foreign' productions shot (and sometimes post-produced) in Australia predominately using local crew (including directors and heads of departments),[3] and 'co-productions', which the AFC defines as those productions where the creative control is 'shared' between Australians and foreigners. The PFTC suggests that neither the AFC nor its own classifications are able to 'capture the great diversity and fluidity that is found in the film industry', nor the significance of local creativity in the production services sector (PFTC, 2002: 12).

Needless to say, Australia's increasing economic dependence on servicing other people's pictures has been accompanied by a growing unease based on perceptions that this trend has permitted a serious decline in government commitment to the various instruments of intervention that support the development of local content. Industry development rationales, on the other hand, uphold the benefits of international production for raising the international competitiveness of local industry by upgrading the physical infrastructure, for increasing employment and skills, even for raising the benchmark for acceptable production standards to a level that appeared out of reach to a service sector dependent on the domestic market. This discordance between such industry development agendas and the national cinema framework (with its implicit assumptions about Hollywood's dominance over smaller, more fragile domestic economies) has also created a significant void in academic

engagement with the phenomenon of international production in Australia, or elsewhere. Hence there is very little known about the nature, character and scope of international production, and consequently little debate about appropriate ways of understanding or talking about this significant phenomenon.

For example, Mike Gasher's study *Hollywood North: Feature Film Production in British Columbia* (2002) is the first sustained analysis of a discrete region within a nation state as a site of cultural production and a service economy. It is also remarkable for the parallels that can be drawn between British Colombia and Queensland, as both regions are positioned peripheral to the main production centres of their indigenous cinema, and thus experience similar conditions of exclusion despite a national policy emphasis on cultural development. One of the interesting aspects of this book is Gasher's struggle to find a conceptual framework that can accommodate the parameters of his study. He decides to discard conventional frameworks that uphold the notion of national cinemas in favour of 'make[ing] sense of particular cinemas in their own terms' (2002: 11). He identifies a correlation between Hollywood's growing preference for a production model of dispersed flexible specialisation and Vancouver's increasing reorientation to servicing this international production. He assesses film policy initiatives undertaken to diversify the region's economy, the easy fit of a provincial government's ambitions for tourism alongside a production service economy, and consequently the government's proactive stance on studio provision, and in marketing the province as a location for international production. Yet it is only a partial profile sketched from an attention to government policy and discourse, with national cinema as his reference point. His view does not include any of the specifics on the growth or makeup of industry infrastructure in the regional location, in the kinds of specialisation that have taken root, in the modes of production that have been used, or in ways in which local creative networks may have benefited (or not) from this new production environment. Nor does his analysis of British Columbia's regional cinema evaluate the possible aesthetic influences of this new production milieu, even if it may be in terms of how a limited regional cinema may feel compelled to distance itself from 'Hollywood North'.

Ben Goldsmith and Tom O'Regan faced similar challenges in finding an appropriate conceptual framework for their AFC-commissioned work *Cinema Cities, Media Cities: The Contemporary International Studio Complex* (2003). However, their study moves beyond the national cinema paradigm by acknowledging a significant sphere of cultural production that has no borders: sources of finance are most likely to be global; the 'talent' behind and in front of the cameras is liable to be contracted from anywhere; the various elements of post-production are subcontracted out to firms that may coexist in a variety of locations; and distribution is not only global but also 'co-ordinated and managed for global release' (2003: 11). They also note the disparities between the unproductive parallelism of the Australian policy context constructed via the two logics of national cinema and industry development, and other countries that have proactively managed this relationship between local and international industries:

> Sometimes the two 'industries' sit happily adjacent to each other; sometimes they are indifferent and even antagonistic to each other; at other times they seem to exist in a synergistic and complementary arrangement. (2003: 83)

They suggest that Australia might benefit from a policy environment that comprehends the diversity and scope of international production so as to 'permit the better co-ordination of local and international production' (2003: 84).

Goldsmith and O'Regan's study explores the potential role of the studio complex as the 'active link for convergence of international and local production' (2003: 82). In their 'Locomotives and Stargates: Inner-City Complexes in Sydney, Melbourne and Toronto' (2004), they examine the interplay between studio complexes that are tuned in to the flows of international production and various agendas for urban development. Their critical understanding of the interconnections between the local and global is based on economic geography and the work of cultural geographer Allen J. Scott, who discusses the close correlation in this new phase of capitalism between the 'geography of culture' and the 'geography of economic activity' that tends to privilege certain places over others. He introduces a new lens to the understanding of place as the 'locus of dense human relationships'. Cities, in their role as nodes of cultural and economic activity, provide the setting for a rapprochement in understanding towards culture that is more place-bound, and a universally shared culture that exists as a 'pattern of non-place globalised events and experiences' (2004: 3). In this new environment, cities are located at the crossroads in a 'tense force-field of local and global relationships':

> place, culture, and economy are symbiotic of one another, and in modern capitalism this symbiosis is re-emerging in powerful new forms as expressed in the cultural economies of certain key cities. At the same time, the more specific cultural identities and economic order of these cities condense out on the landscape, the more they come to enjoy monopoly powers of place (expressed in place-specific process and production configurations) that enhance their competitive advantages and provide their cultural-products industries with an edge in wider national and international markets. (2004: 5)

Scott's (2000) theorisation of the spatial, regional dynamics of the global cultural economy, and the strategic importance of cultural competencies and institutional characteristics of place, suggests that the management of cities will either become a strategic new area of governance for content development or, conversely, instrumentalities at the federal and state level will have to be more in tune with the particularities of regions in lieu of current national models of production dispensation that may be neutral to place but nonetheless favour certain places within the nation.

The creative industries paradigm

In its suggestions to the Queensland state government on the possible new directions for regional film policy, the Pacific Film and Television Commission (2002) stated that, given the converging relationship between film/television with other media forms and the failure of the national cinema model (in which New South Wales

and Victoria dominate, 'due to the historical and largely federally funded investment over the last 40 years'), what is needed is a new vision for film (2002: 2). This is not a statement supporting the abdication of responsibilities of state government to participate in the development of local content. Given the recent hiatus in international production, the PFTC was well aware that the 'winners are those that generate and control the delivery of ideas' (2002: 1). Queensland's (and Australia's) integration into the global ecology of international production seems to indicate that a new policy model is required — one that nonetheless continues to prioritise local content development. But it is a defence that tends to be articulated with less emphasis on issues of national or regional identity and more on the need to ensure continued economic stability and prosperity based on the ownership and control of intellectual property.

That 'need' has been fulfilled by a new association of ideas coalescing around the key concept of 'creative industries'. These ideas refer to the increased activity around the commodification of culture; perceptions of epochal change based on the effects of digitisation and convergence; the assumption that content creation is the growth industry of the twenty-first century; and the idea that the creative industries (of which the film and television industries are an intrinsic part) will take centre stage in this 'new economy' that is increasingly 'informational, global and networked' (Flew, 2002: 114). The underlying premise of this 'creative industries' discourse is the notion that human society is transforming into a new era of development in which creativity has a central input in 'all sectors where design and content form the basis of competitive advantage in global economic markets' (2002: 114). Writers such as Flew (2002) and Healey (2002) have traced the thematic links of creative industries discourse from Daniel Bell's original notion of the post-industrial society in the 1970s characterised by a social/economic shift from an economic system of mass production to a society where services represent the dominant form of employment, through the 1990s perception of an information economy, to the latest incarnation as the knowledge-based economy where society and economic wealth are now organised around advances in information and communication technology, and the application of knowledge, innovation and creativity (Flew, 2002: 31; Healey, 2002: 90). The meteoric rise of creative industries discourse worldwide indicates that it is an association of ideas that has found its historical moment as it enables policy-making to engage with cultural and economic transformations that are taking place on a global scale.

Creative industries discourse opens up cultural development initiatives to recognise the importance of existing and emerging forms of cultural commodification that have hitherto existed outside direct government support. It also recognises the converging relationships between film/television production and other forms of content delivery, and offers the promise of growth by adopting a new stance towards the global economy and the commodification of culture in a 'neutral' language that avoids the polemics of national cinema. And it recognises the myriad practices, technologies, fields of specialisation and commercial practices that tend to be collapsed into the idea of 'film-making', as well as the commonalities in technology and skill sets that can be applied across a number of industry sectors.

This logic acknowledges that creativity is not something that only artists or the creative team (writer, director and producer) do, but also — by hitching it to innovation — recognises the contribution of 'practitioners' and the importance of creativity as an application relevant to all the various elements of specialisation involved in content production. It also recognises the importance of universities as knowledge incubators, and as innovators of intellectual property in an environment where research is expected to have commercial outcomes. Furthermore, it pays attention to geography, thereby having a natural affinity with regional development agendas.

Most critical attention to date has been focused on identifying the commercial and collaborative potential of 'creativity', how this association between creative industries and subsidised art may be managed, and whether the creative policy 'template' leans towards more traditional arts-based thinking or a digital content/ software/production services notion (O'Connor, 1999; O'Regan, 2001a; Flew, 2002; Cunningham, 2003). Yet the inclusion of film and television production in the creative industries paradigm, and the corresponding logic of cluster development, provokes another interesting set of issues. For a start, it is a radical departure from past policy frameworks that have tended to focus on the development of 'top-down' infrastructure related to subsidising local content, orchestrating the domestic market in the national interest, or providing studio infrastructure to attract the top end of production in order to generate the multiplier effects that would secure the development of smaller enterprises at the lower end. How would an attention to cluster logic in a place such as Queensland progress the development of the film and television industries when it is the external links to the nodal centres of distribution and financing that count? What are the implications for state and national film policy if it is to become more accommodating to the structures and dynamics of specific regional locations? And how are the various areas of governance — state and federal — to interrelate? As a way of contributing to this debate, this article examines two policy formulations at the level of municipal and state governance based on creative industries discourse and cluster logic.

Creative city

Charles Landry, in *The Creative City: A Toolkit for Urban Innovators* (2000), poses ways of rejuvenating cities to take their place within the new global economy of the twenty-first century, suggesting that urban renewal and the desired outcome of 'a creative city' are predicated on a fundamental change in mindset, a clarity of purpose, and a culture that encourages creativity and visionary thinking. Richard Florida, in *The Rise of the Creative Class* (2002), extols similar civic virtues of a creative city and the importance of urban renewal that focuses on livability, fostering tolerance and nurturing dynamic, creative milieux that can lead to a successful mix of entrepreneurialism and cutting-edge innovation.

Accordingly, this visionary precept of the 'creative city' sits alongside the Brisbane City Council's economic development agenda for *Living in Brisbane 2010* — a new 'framework for action' defined by attention to 'industry networks or clusters' (Brisbane City Council, 2002: 11). This is a policy technology developed

by Harvard Business School economist Michel Porter (1998) and embraced by governments worldwide because it provides an analytical framework for understanding and furthering the growth of targeted industry sectors on the premise that 'the enduring competitive advantages in a global economy lie increasingly in local things — knowledge, relationships, motivation — that distant rivals cannot match' (Porter, 1998: 78).

A successful industry cluster is defined by localised networks or linkages that integrate organisations, knowledge resources and a highly skilled workforce so that, collectively, these various elements constitute a sustainable critical mass. Clustering promotes regional competitiveness by 'increasing the productivity of companies based in the area' (through the co-location of specialist labour pools, training, specialist services and technology); 'by driving the pace and direction of innovation' (by the quick takeup of strategic information via formal and informal communication networks); and 'by stimulating new businesses which expand and strengthen the cluster itself' (Porter, 1998: 80). Economic development authorities such as regional governments, for example, may use this understanding of regional dynamics to identify emerging industry clusters or networks of businesses, and then to address the deficiencies in infrastructure and intra-firm culture that retard their growth.

The Brisbane City Council (2002) selected the creative industries sector (along with a number of others, such as biotechnology, tourism, aviation, construction and development) to be subjected to its cluster development program. The creative industries sector was subdivided into six sub-sectors,[4] and each sub-sector encouraged to formally aggregate as legal entities to receive administrative support from the council in the facilitation of meetings, guidance through the development of a business plan, in communicating strategic information to members, and in the provision of a grant to pursue certain activities (2002: 16). The Brisbane City Council's overall aim for the creative industries sector is to 'increase the level of creative industries production that is created and owned locally', with an implied assumption that intellectual property is the outcome of artistic creativity (2002: 17). Nevertheless, there was also a certain element of uncertainty in the outcomes due to the city council's light-touch approach that aimed to facilitate the process, but step outside any decision-making.

There are two particular results of this clustering exercise that warrant attention, not only because the models of cluster aggregation demonstrate quite different characteristics and objectives, but because these examples of 'aggregation' provoke new ways of thinking about creative industry clusters, and what they might mean in terms of a complementary policy framework at a state and federal level. Film City Inc. (www.brisbanefilmcity.com) is the cluster group that was created to represent the film industry in Southeast Queensland, and Fantastic Queensland (www.fantasticqueensland.com), is essentially a group of writers banded together under the banner of speculative fiction.

Film City Inc.

Film City Inc. was originally incorporated as Brisbane Film City Inc. but, due to an approach from the Gold Coast City Council, the geographic boundaries were

expanded to take in the adjacent Gold Coast, Sunshine Coast and Ipswich councils, thereby including key infrastructure such as the urban and natural environs used for location shooting, Warner Roadshow Studios, key service providers located on the studio precinct, and a significant proportion of the production workforce who live on the Gold Coast — hence Film City Inc. Although the Brisbane City Council's original objective was to promote an industry cluster that would eventually prosper on the 'generation and exploitation of intellectual property', to date the greater proportion of active membership, including the executive committee, comprises enterprises and individuals from the production services sector. So far, group activities have been directed to marketing initiatives — broaching new markets such as Bollywood, and developing a showreel that promotes the expertise of the local service sector and the plasticity of the local environment — and to developing a website that acts as a portal to businesses represented under the umbrella of Film City. The organisation has organised collective public liability insurance cover that cuts costs to individual members, and instituted regular forums with key speakers from a diversity of backgrounds, including representatives from the Department of State Development introducing its creative industries strategies, and a representative from the Screen Services Association of Victoria — an organisation that successfully lobbied the Victorian state government for the establishment of Central City Studios in Melbourne.

Given the current crises within the production services sector, the major focus of the group has been on short-term solutions to its members' shared predicament. Consequently, Film City Inc. has not presented an agenda which would attract those sectors of the production community more concerned with content creation. It has aggregated businesses and personnel from the Gold Coast (many of whom had originally relocated from Sydney and Melbourne during the 1990s) with Brisbane industry, moving on from the previous situation where there was a sense of a division between the two locations. The slump in production activity has meant that personnel from the Gold Coast have had the time to commute between the two cities — something that was inconceivable during the hectic scheduling of international productions. Perhaps the most significant advantage under the new industry development regime has been the establishment of formal links between the production service sector and municipal and state governments.

Film City Inc.'s status as an industry cluster is contentious. Perhaps a more appropriate classification would be a business association. Film City, in its present form, represents just one link in the value chain of a more complex production system dominated by distribution interests located elsewhere. In this case, the film and television services industry exists as a satellite or industrial district dependent on the more successful 'cluster' based in Los Angeles, or any other major media city such as Sydney where financial and distribution organisations have aggregated in one specific, small region due to advantages in proximity. A large part of Queensland's growth in post-production capacities and local expertise has been due to the existence of key intermediaries such as Jeff Hayes and Greg Coote, whose personal networks functioned as the direct link between their chosen production headquarters on the Gold Coast and the key domain of television finance

and distribution in Los Angeles.[5] The clustering exercise may have had incremental effects by improving collaborations between firms in the procurement of tenders for production and post-production services, but ultimately the vitality of the local production environment has less to do with the interaction of firms and individuals within a specific location and more to do with the establishment of personalised links with external sources of finance and distribution, and ultimately to forces that lie outside local control (Coe, 2001).

Film Fantastic

Fantastic Queensland presents a different variation on the cluster model. Comprising creators of speculative fiction (science fiction, horror or fantasy), the group's initial energy has been focused on securing a position for its writers within the international publishing arena. However, its long-term vision as a cluster group encompasses a broad cross-section of the creative industries, from writers, illustrators, graphic designers and animation artists to film-makers and computer game developers. As a cluster, it provides a number of geographic advantages, such as the special effects and design expertise within the international production services sector, the existence of a significant cluster of game development companies, including one of Australia's larger games development companies, Krome Studios, and the establishment of the Gold Coast's annual film festival, Film Fantastic, which celebrates this important genre in popular entertainment. Fantastic Queensland has recently received funding support from the state funding body, Arts Queensland, to establish more formal links between its writing constituency and the computer games industry.

Consequently, Fantastic Queensland presents a model of industry formation based on collaboration and linkages across industry sectors that hitherto had been treated as separate silo formations. As such, it represents a form of cluster development that is quite apposite to a convergent environment. If Queensland's long-term prosperity is based on the creation and exploitation of intellectual property, Fantastic Queensland presents an opportunity to create a niche within a difficult domestic audio-visual market (where speculative fiction has tended to be overlooked as part of our national cinema), in a mode of popular entertainment that has significantly more international appeal — particularly in areas such as Asia, which also represents a major market for computer games.

A focus on an entertainment genre provides opportunities for commercial exploitation over a number of delivery platforms, including future broadband technologies and the bundling of various products under a common brand. It is a model that facilitates collaboration and linkages along numerous trajectories that may have beneficial spin-offs, such as generating the creative impetus to push the boundaries of existing technological fields in web design, DVD, game engines and so on. It demands a complex web of intra-regional, intra-national and international networking relations, presenting a more comprehensive model of what a successful industry cluster should be that could be usefully extended to other genres of popular entertainment such as children's content.

Film City Inc. and Fantastic Queensland are just two examples of artificial aggregation undertaken through the Brisbane City Council. Perhaps a study of the other cluster groups will throw up other interesting variations. Whereas Film City

Inc. offers a service economy model, Fantastic Queensland does take the development of intellectual property in content as its starting point, offering exploitation over a number of delivery platforms, the bundling of products under a common brand, and a lateral and diversified approach to cluster development. In fact, it is a cluster model that compares on one level with the Los Angeles-based entertainment 'cluster', but unfortunately not in terms of the most critical aspect — the concentration and scale of Hollywood's multimedia distribution networks and the subsequent cross-merchandising of intellectual property over a range of media forms. It is, however, illustrative of the way this 'new economy' works, which is not about artists or film-makers suddenly finding a greater demand for their creative input, but rather about the concentrated ownership and control of ideas.

The Brisbane City Council's creative industries approach sits within an economic development framework alongside related policies that bring a cultural focus to the management of the city. The two very different approaches to cluster 'design' demonstrated by Film City Inc. and Fantastic Queensland were not intentional. The results were prompted by the individuals, organisations and businesses they were dealing with. The failure of Film City Inc. to develop as an industry body that represents both content creators and the service industries sector could be seen as indicative of the 'parallel industries' phenomenon that Goldsmith and O'Regan (2003: 81–82) observe (which is also touched upon by Scott, 2000). This parallelism translates at a business/professional level into diverging interests rather than a sense of commonality. This parallelism is also promoted by a perceived split in functions whereby the Brisbane City Council (and Gold Coast, Sunshine Coast and Ipswich councils) are perceived as allies in the management of the city as a film location, while state government is the policy instrument for content development.

This article's interest in the Fantastic Queensland cluster model is prompted, however, by what it offers as an alternative way of conceptualising content development which is more appropriate for today's convergent environment. By inference, it is also concerned with what the appropriate policy instrument would be for supporting such a model. Do we extend the boundaries of responsibilities of existing funding agencies to fund additional content over a variety of platforms? Or do we attempt to engender a greater degree of collaboration between government bodies and those agencies in the private sector currently involved in the broader image-creation and entertainment industries, including telecommunications carriers and the game publishing sector where — unlike various internet applications — there is considerable revenue-earning capacity? And, given the transnational dimensions of broadband delivery and the limited relevance of the domestic market for games (the Australian market is worth only 1.5 per cent of the global market), will there still be a place for the cultural mediation function of national cinema?

A Smart State

Creativity is Big Business: A Framework for the Future (Queensland Department of State Development and Innovation, 2004) operates in conjunction with existing state government bureaucracies such as the PFTC and Arts Queensland, with the underlying aim of generating export revenues. There are essentially two dimensions

to this program. The first extends the 'Smart State' framework of government support to the science/technology sector, so that it now includes the field of cultural production. The result is a superstructure of 'cross-cutting' initiatives that overlay existing government bureaucracies, rationales and programs of support. These initiatives are: 'Finance', with the aim of brokering links between the investment community and the industry sector; 'Education and Skills', focused on improving tertiary curriculum design and delivery to be more responsive to industry needs, to increase entrepreneurial capacity of industry practitioners; 'Innovation', which involves working with universities and research centres in the development of technology products and processes; 'Procurement', intended to optimise the success rate of tender applications, both nationally and internationally; and lastly 'Marketing', to enable local enterprises to 'productise' and 'professionalise' for the global marketplace.

The 'Smart State' rhetoric puts a high premium on creativity and innovation. In this case, however, creativity is an application employed in product design *and* in the technology and processes of production, distribution and consumption. In other words, the 'Smart State' premise defines the creative industries as service industries, with creativity as an application that is mobilised in each aspect or link of the value chain (O'Regan, 2001b; Flew, 2002). Whereas the Brisbane City Council program defines creative industries as those industries 'which have their origin in individual creativity, skills and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property' (BCC, 2002: 16), the state government definition focuses on *industrial* activity that operates around intellectual property rights. This aspect of the program is based on industry development principles, with an emphasis on capacity-building. Innovation and intellectual property relate to 'neutral' technologies and processes. Working relationships between industry and universities are to be encouraged, particularly where they apply to technology and teaching the knowledge and technical skills required to function successfully within the production services sector.

Content creation is, however, still on the agenda. Besides the cross-cutting initiatives that are applied across all the various sectors of the creative industries, each industry segment has its own set of aims and objectives, and tellingly film and television in this instance are aligned with 'entertainment software'. A course of action listed under the Film, Television and Entertainment Software segment is the intent to 'determine potential for development of a new privately led Film Finance Fund with strong linkages to distribution' (Department of State Development and Innovation, 2004: 28–29). One way of interpreting this grouping of film and television with entertainment software is to see it as an agenda to broaden the scope of government attention to the games industry where Queensland has a regional advantage in the substantial numbers of businesses that are major generators of wealth and employment (the Gold Coast's share of this industry is significant, with a current growth rate projected at 10 per cent per annum), and consequently to target these industries for direct government assistance. While the cost of R&D and production for games may be on par with the larger budgets of feature film production, the distribution arrangements in the gaming industry tend to be more beneficial to the creator and owner of intellectual property. The games lobby,

however, suggests that the terrain has become increasingly difficult. As Robert Walsh, chief executive of Krome Studios, states: 'It is not games anymore; it is not films anymore. It is all about franchises.' (House of Representatives Standing Committee on Communications, Information Technology and the Arts, 2003: 40) If the state government is successful in its intent to establish a privately funded film fund (the document does state that this is a long-term objective), it will have established two routes for film funding — one in which film is linked with other franchising agreements targeting the international market (for example, the game industry is not subject to content regulations, nor does it have any distribution entity based in Australia), and the other via the PFTC, which operates within the national cinema paradigm.

This attention to content development was also accompanied by an increase in funding to the PFTC to establish a New Media Fund (targeting the burgeoning mobile phone sector) and a Digital Development Scheme designed to encourage the development of feature films and television series with the potential for electronic game spin-offs. Unlike various internet applications, these 'new' media platforms have considerable revenue-earning capacities. As the federal government has backed away from directly funding the high risk R&D costs of games development, it would appear that, for the Queensland government, the flagship role of film and television production in the dissemination of content over other technology platforms, including games, will mean that national cinema as a demand-led model of funding will have a role to play as the organising principle of government support to intellectual property alongside the programs of assistance that are motivated by cultural priorities.[6] For this reason, it would appear that the national cinema framework and its national institutions will by default continue to have an important place as the instrument of government intervention into the development of intellectual property, though we could presume that in the process they may become subtly transformed.

Screen policy in transition

This article suggests that, with the application of a creative industries framework and the attendant exercise in clustering, we are witnessing 'film' policy in transition. In a way, the two cluster models demonstrated here are analogous to the options for the Queensland film and television industries now and for the future. Film City Inc. represents the current scenario of a production services sector, by necessity dependent on international production but also very vulnerable to fluctuating dollar values, external competition or unrelated 'threats' such as SARS and terrorism. Fantastic Queensland, on the other hand, presents a new scenario for growth by encouraging new planes of synergy in the production of intellectual property between what were quite discrete fields of cultural production. It is the creative industries program which has opened up this new pathway to the development of the film and television industries. It has introduced new fields of governance, and consequently new sets of relationships between economic and cultural instrumentalities at the levels of municipal, state and federal government. It legitimates the inclusion of economically significant forms of commodified culture, and the inclusion of 'non-place' forms of cultural production which are orientated to the international

marketplace. By including film and television industries within the creative industries sector, governments are signalling their awareness of the quite complex ecology of the 'creative' sector, and the need to embrace separate but related industries that constitute 'critical mass'.

Unquestionably, the Queensland state government's 'creative industries' framework espouses the rhetoric of creative industries thinking, but its design is the result of political and economic pressures, the need to identify new areas of growth, and a careful consideration of the infrastructure that is already set in place as the foundation for its design of the future. Its shape is also determined by the requirements of translation between levels of governance, but also from adapting the old to the new. Given the difficult history of more place-bound forms of Australian (and Queensland) film-making, and the current crises in the international service sector, it is understandable that the emergence of a state government creative industries model includes professionalising and broadening the export horizons of the production services sector. However, it is important to note that Queensland's creative industries strategy is also attempting to straddle the two directions that content development may take: export and domestic. Whether or not the Queensland Department of State Development and Innovation is successful in its endeavours to establish a privately funded film financing entity, the national policy framework will remain a valuable mechanism for supporting the development of intellectual property.[6] Queensland's attempt to articulate a creative industries framework upholds the strategic importance of national cinema institutions such as content regulations, national funding agencies and the Australian Broadcasting Corporation, with its evolving structure of online, broadband services, for their capacity to address issues of regionalism and to absorb risk associated with new talent and innovative forms of programming.

Justin O'Connor (1999) notes that, in the European context, cultural industries discourse has taken root in different ways, aggravating debate over definitions and the way quantifiable results can or should be measured. His proposal is to 'step back' and look at this dialogue as indicative of some 'fundamental transformation of economy, society and culture', and he suggests that this definition might have to be by necessity 'fairly fluid' because of the way in which it must be moulded to fit specific regional dynamics (see also O'Connor in this issue of *MIA*). In the Australian context, 'creative industries' discourse not only attends to the evolving landscape of cultural production, it also plugs the gaps in a film policy that fails to address many of the limitations and tensions that are evident with the older national cinema model. This attention to geography and cluster logic offers a course for improving the efficiency and international competitiveness of regional industries, and for this reason is particularly appealing to regional authorities looking for ways of maximising the minimal infrastructure they have. Hence a 'creative industries' policy in Queensland is about negotiating the limits of the domestic market and its spatial tendencies to favour other regions, by freeing up new areas of growth based on brokering new cross-platform alliances between creators of intellectual property, and by introducing a system of support designed to increase the global competitiveness of the local production services sector.

Notes

1   Jeff Hayes, a producer initially working for Paramount, then Village Roadshow, partnered with Greg Coote, also a director of Village Roadshow, to buy out Village Roadshow Pictures, forming their own production company, Coote-Hayes Productions, in 1998.

2   Although *Beastmaster* was an official Canadian–Australian co-production, it was subject to scrutiny during the Review into Local Content Standards in 2001/02 as a possible instance of 'de-facto' American production displacing more legitimate Australian television drama content: see Australian Broadcasting Authority (2001: 47).

3   This is not an uncommon occurrence with movies of the week, where the element under foreign creative control is predominately the script. Everything else has been carried out by Australian businesses and Australian personnel.

4   The six creative industries sub-sectors that the Brisbane City Council has decided to work with are: jewellery, music, industrial design, speculative fiction, writing, electronic games, e-learning, and film and television production (BCC, 2002: 16).

5   As an 'anchor tenant' from 1988 to 2001, Jeff Hayes alone was responsible for the production of approximately 300 television hours.

6   The New Media Fund and the Digital Development Scheme were also accompanied by an increase of funds to establish an Indigenous Film-makers' Fund.

7   The AFC (2003) has also investigated future options for the new media environment with *Flexible Vision: A Snapshot of Emerging Audiovisual Technologies and Services, and Options for Supporting Australian Content,* www.afc.gov.au/downloads/policies/flexible%20vision_final.pdf.

References

Anderson, Gary 1994, 'Industry Clustering for Economic Development', *Economic Development Review*, vol. 12, no. 2, pp. 26–40.

Australian Broadcasting Authority 2001, *Review of the Australian Content Standard: Issues Paper*, November, Australian Broadcasting Authority, Sydney.

Australian Film Commission 2002, *Review of the Australian Content Standard: Submission to the Australian Broadcasting Authority*, February, www.afc.gov.au/downloads/policies/ aba_sub_feb02.pdf

Australian Film Commission 2003, *Flexible Vision: A Snapshot of Emerging Audiovisual Technologies and Services, and Options for Supporting Australian Content,* available at www.afc.gov.au/ downloads/policies/flexible%20vision_final.pdf

Brisbane City Council 2002, *Economic Development Framework for Action (2002 — 2005)*, Brisbane City Council, Brisbane, Queensland.

Coe, N.M. 2001, 'A Hybrid Agglomeration? The Development of a Satellite-Marshallian Industrial District in Vancouver's Film Industry', *Urban Studies*, vol. 38, pp. 1753–75.

Cunningham, Stuart, Hearn, Greg and Jones, Jeff 2003, 'Smart State is Also Creative State: Opportunities for Queensland in the Creative Industries', *Queensland Review*, vol. 10, no. 1, pp. 29–36.

Dermody, Susan and Jacka, Liz 1988, *Screening of Australia: Anatomy of a National Cinema*, vols 1 and 2, Currency Press, Sydney.

Flew, Terry 2002, *New Media: An Introduction*, Oxford University Press, Melbourne.

Florida, Richard 2002, *The Rise of the Creative Class — And How It's Transforming Work, Leisure, Community and Everyday Life*, Basic Books, New York.

Games Developers Association of Australia 2003, *Submission Prepared for the Inquiry into the Future Opportunities for Australia's Film, Animation, Special Effects and Electronic Games Industries*, House of Representatives Standing Committee on Communications, Information Technology and the Arts, www.aph.gov.au/house/committee/cita/film/subs/sub054.pdf

Gasher, Mike 2002, *Hollywood North: The Feature Film Industry in British Columbia*, UBC Press, Vancouver.

George, Sandy 2003, 'Let the Games Begin', *About the House*, July–August, www.aph.gov.au/house/house_news/magazine/ATH_july_aug_03.htm

Goldsmith, Ben and O'Regan, Tom 2003, *Cinema Cities, Media Cities: The Contemporary International Studio Complex*, Screen Industry, Culture and Policy Research Series, Australian Film Commission, Sydney.

—— 2004, 'Locomotives and Stargates: Inner-City Complexes in Sydney, Melbourne and Toronto', *International Journal of Cultural Policy*, vol. 10 (forthcoming).

Healey, Kieran 2002, 'What's New for Culture in the New Economy?' *Journal of Arts Management, Law and Society*, vol. 32, no. 2, pp. 86–102.

Higson, Andrew 1989, 'The Concept of National Cinema', *Screen*, vol. 30, no. 4, pp. 36–46.

House of Representatives Standing Committee on Communications, Information Technology and the Arts 2003, *Official Committee Hansard*, Transcript of Public Hearing, Web Centre, Queensland College of Art, Brisbane, Thursday, 24 July, pp. 35–46, available at www.aph.gov.au/house/committee/cita/film/transcripts/24July.pdf

Landry, Charles 2000, *The Creative City: A Toolkit for Urban Innovators*, Comedia and Earthscan Publications, London.

Mort, Gillian Sullivan and Roan, Amanda 2003, 'Smart State: Queensland in the Knowledge Economy', *Queensland Review*, vol. 10, no. 1, pp. 11–27.

O'Connor, Justin 1999, *The Definition of 'Cultural Industries',* Manchester Institute for Popular Culture, www.mipc.mmu.ac.uk/iciss/reports/defin.pdf

O'Regan, Tom 2001a, 'Knowing the Processes But Not the Outcomes: Australian Cinema Faces the Millennium', in T. Bennett and D. Carter (eds), *Culture in Australia: Policies, Publics and Programs*, Cambridge University Press, Cambridge, pp. 18–45.

—— 2001b, *Cultural Policy: Rejuvenate or Wither*, Professorial Lecture, Australian Key Centre for Cultural and Media Policy, Griffith University, Brisbane.

O'Regan, Tom and Venkatasawmy, Rama 1999, 'A Tale of Two Cities: *Dark City* and *Babe: Pig in the City*', in Deb Verhoeven (ed.), *Twin Peeks: Australian and New Zealand Films*, Damned Publishing, Melbourne, pp. 187–203.

Pacific Film and Television Commission 2002, *The Ideas Business: Integrating the Queensland Film Industry into the Smart State,* PFTC, Brisbane, Queensland.

Porter, Michel E. 1998, 'Clusters and the New Economics of Competition', *Harvard Business Review*, vol. 76, no. 6, pp. 77–90.

QPIX News 2004, 'Bligh on Screen', February–March, p. 7.

Queensland Government Department of State Development 2004, *Creativity is Big Business*: *A Framework for the Future*, Queensland Government, Brisbane.

Scott, Allen J. 2000, *The Cultural Economy of Cities*, Sage, London.

Spiller, M. 2000, *The Capital Cities and Australia's Future*, Property Council of Australia and Council of Capital City Lord Mayors, Sydney.

Ward, Susan 2000, Peripheral Vision: Understanding Australian Cinema from a Queensland Perspective, unpublished PhD Thesis, Griffith University, Brisbane.

—— 2003, 'Are the Good Times Over?' *QPIX News*, February/March.

Acknowledgments

Susan Ward is currently employed as a senior research assistant with Professor Tom O'Regan at the University of Queensland, examining the history of the Warner Roadshow Studios and the phenomenon of international production in Southeast Queensland.