

THE JOINT STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART, 16 APRIL 2008.

INQUIRY INTO TELEVISION ADVERTISEMENTS BY THE TASMANIAN GREENS

Mr ANDREW WILSON, CREATIVE PRODUCER, ZOOT FILM TASMANIA, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

CHAIR (Mr Wilkinson) - Thank you, Andrew, for coming along. It is a fairly informal process. I know it is the first time you have been before something like this so please do not feel too nervous. It is in relation, as you know, to the inquiry we are having about the television advertisement by the Tasmanian Greens in relation to the pulp mill. Your company did the work for that and so we have just a couple of questions in relation to that. To start off can you explain the way your company works.

Mr WILSON - I have been producing commercials in Tasmania for more than 13 years now. In 2001 I went freelance and met Jane Binning. In 2004 we decided to form a company called Zoot Film specialising in providing production services to companies. We work with all the major agencies in Hobart. We have also done work for government departments, been financed by grants for films, made our own independent productions and things like that. We are basically set up as a service company/production house. We cater for both areas.

We set up to promote Tasmania interstate as a location destination for interstate and overseas companies. One side of our business is making commercials. That is the service I have been doing for the last 12 years. That is how we are set up.

CHAIR - Is your company in any way different from other companies carrying on the same type of business within Tasmania?

Mr WILSON - No, we are a partnership. We are not a company as such; we are a partnership. I guess the main difference for us is that we provide service to companies coming into the State. No-one else in this State does that. My skill is in that I have filmed everywhere in the island. I know where all the locations are. I am a producer and Jane is a casting director. She has 600-odd local actors and extras on her casting books, which is a service that she can provide to local, interstate and overseas companies. We are the only people that do that so that is our little niche that we have found for ourselves.

CHAIR - In relation to money that comes into the company for work done, or into the partnership, is that the partnership's money or is it the money that is generated by the person who does the job?

Mr WILSON - The way we are structured is that a job will come in and let us say that there is part-producing and part-casting for that job. The hours that we charge individually are

the hours that we take home, minus a small percentage that we put back into our business to cover our overheads. We also charge, depending on the job, a handling fee to service the job for people. Usually that is somewhere between 5 and 10 per cent and that money also goes to covering our overheads - being rent, phone, Internet and things like that. Generally also we buy small assets - printers, computers and things like that. So that is pretty much where all of the money that comes in goes to, so the majority of it basically goes to us. We are still, as such, working as freelancers, but under one name.

CHAIR - Years ago when I was a partner in a law firm what used to happen is that I would bring in a certain amount, the family lawyer would bring in a certain amount, the commercial lawyer would bring in a certain amount, then we would look at the money in the bank every month and then have a dividend and we would split that equally. Is that how you do it yourselves?

Mr WILSON - No, it is purely on the hours that we work. If I spend 10 hours on one job then basically I am paid for those 10 hours. Nothing that I earn, none of the head hours that I charge, goes to Jane or vice versa. We keep that even because our jobs are different. When we have a job there might be more casting or there might be more production, and so to keep it fair and even we keep that completely separate from each other. The only way that any revenue is made for the business is on handling fees, which all goes back into the company to pay overheads. In our four years of operation we have not spread profit to either of the partners through work.

Mr STURGES - You said you have had your company up and running since 2004, so what would be an indicative percentage of revenue received by your partnership that would go into overheads and on-costs associated with the business?

Mr WILSON - Of what we have earned?

Mr STURGES - Yes, out of 100 per cent.

Mr WILSON - If we charge at a daily rate, we put \$50 of that, basically 10 per cent, of what we earn per day back into the company. That is primarily what covers overheads. We pretty much break even on that.

Mr STURGES - In a quotation given by your company for director/producer fees, how would you separate that?

Mr WILSON - Director fees are when you are filming, shooting a scene or when you are editing; you are giving creative direction. Producer fees are setting up the job, booking subcontractors and sending the finished product off to the stations. Producers are more about logistics and directors are more creative.

Mr STURGES - Yes, I understand that. If you have an amount of, let us say, \$1 600 for director/producer fees, how would you apportion that within your work range?

Mr WILSON - For any particular job it is dependent on what the requirements are. Is that the quote from the Greens?

Mr STURGES - Yes.

Mr WILSON - I believe when we first quoted we were looking at, I think it was, two days producing and one day directing.

Mr STURGES - It does not specify that. There is an amount of money.

Mr WILSON - It is probably two-thirds producing and one-third directing. Producer/director in this consideration is more of a loose term because, really, they were hiring me to do both jobs. In the context I was producing and directing for them.

CHAIR - Sounds like a lawyer - it was 'but say' down to \$300.

Mr WILSON - Basically it was a rush job. I put together what I knew was going to be a likely amount from my experience. When we then got the job, we talked to our production company. We outsourced to a post house and this one particular post house did everything for us. We basically cut all my time right out of it, which was the best and most efficient way to go about doing the job because we only had a couple of days to get it sorted. So it was what was best at the time.

Mr STURGES - So you contract and you pay the post house?

Mr WILSON - So \$300 went to me from that commercial, \$150 went to Zoot, from which we then covered our overheads, and the rest was all paid out to subcontractors.

Mrs BUTLER - Andrew, can you give us the background to it, how you were first contacted in relation to the job?

Mr WILSON - I was contacted by Nick McKim because of my long-standing relationship with Jane as a business partner. Nick knows of my work as a producer. So he contacted me and said, 'We have a commercial we want you to make; are you available?' I said, 'Yes, that is fine, I can manage that'. I met with Nick at, I think it was, Kaos Café downstairs from my office. We talked about the concept. He went away and I provided a quote. From that point on I pretty much dealt with people within the Greens office. There were about three or four people whom I dealt with over the time. We produced the commercial, sent them the rough cut, they made slight alterations and we went back and finished it off. The final version was approved and went to air. Peg approved the final commercial.

Mrs BUTLER - Do you remember the time span? About how long it was before this quote was provided? I notice this is dated 20 August.

Mr WILSON - Yes, it would have been a five-day turnaround. It was all happening around a week or it might have been the week before - I cannot recall completely. I remember we did get the job and then we had to have it on air by the end of that week.

CHAIR - Was it a rush job?

Mr WILSON - Yes, I probably would say it was a rush job, on that level. It was very quick. That was part of the reason they came to us; they know we can do things fast if

necessary. As with all things you always want more time, but they were happy with the results. It was an easy concept to make.

Mrs BUTLER - So the quote was given on the 20 August and the bill is dated to DPAC on 21 August.

Mr WILSON - The invoice that we sent out to DPAC?

Mrs BUTLER - Yes. That is very fast.

Mr WILSON - The quote was put in on 20 August and we invoiced it. I think they said that the quote was approved and to invoice whenever you liked. Normally we wait until the job is finished but we work on a cash basis so the sooner we can get paid the better it is for our books.

Mrs BUTLER - And you have to pay the television stations before they will run it, don't you?

Mr WILSON - Yes, we have out-costs that we have to cover. We have to cover the payment of the voice-over artists, so the sooner we get paid the sooner we can pay everybody else, and we like to pay as quickly as we can. With the television stations, we cannot send it to CAD to get approved until they are paid. Because it was a fast turnaround I think the cost for that part of it was \$400, or something along those lines. Normally it would be much cheaper than that but the quicker you need to do it the more the cost.

CHAIR - Did Jane do any of the work for it?

Mr WILSON - No. At that point Jane was acting in a play and she was in Launceston. She had no dealings with that at all. She is a casting director so even if she had been in Hobart and the job came in, it would have come to me anyway. It is not her thing - if you understand the difference between casting director and producer/director.

CHAIR - From what you have told me, yes. Did she get any benefit out of it at all?

Mr WILSON - No. This is the key point in the conversation. Looking back in our records, \$150 was made by the company, from which you take out a percentages for rents, phone and all that sort of thing. The most that I could work out was that probably \$20 was paid towards the expense of her phone bill - splitting it all out evenly. But certainly she made no profit out of the exercise.

Mrs BUTLER - Is Zoot Film Tas registered as a communication consultant and service provider under the communication strategy?

Mr WILSON - We could be. We would be more likely to sit as a media production company or advertising and entertainment production company, something along those lines.

Mrs BUTLER - Do you think that you are registered?

Mr WILSON - We are registered as Zoot Film Tasmania as a business. I cannot remember what that fell under in that category when we registered the business, but it could be communications. It is close to what we do but it is not what we do.

CHAIR - Andrew, thank you for coming along and giving us your evidence.

THE WITNESS WITHDREW.