## New Zealand's screen industry: Great work, great workers

Recommendations of the Film Industry Working Group to the Government



## **Background**

The Government convened the Film Industry Working Group (FIWG) in January 2018. We were tasked with coming up with recommendations on how to enable workers in the film industry to bargain collectively, while also:

- Allowing screen production workers to continue to be engaged as contractors,
- Providing certainty to encourage continued investment in New Zealand by screen production companies, and
- Maintaining competition between businesses offering screen production services to promote a vibrant, strong and world-leading screen industry.

The FIWG was convened to address the Government's concerns about power imbalances in the industry in relation to bargaining, and in particular the fact that contractors doing film production work cannot bargain collectively under existing labour laws.

The FIWG has held a series of meetings in Auckland and Wellington. The result of those meetings is that we have reached consensus on a way forward for the screen industry. We believe the resulting recommendations are a milestone for the industry and, if adopted, could be a long-lasting and durable foundation for future certainty and growth.

#### New Zealand's screen industry

As a first step, the FIWG agreed that what has traditionally been referred to as the film industry is better described as the 'screen industry'. Changes to technology and viewing habits have made all screens equal. This includes television, web-based productions and gaming.

The screen industry is a key part of New Zealand's cultural landscape. It provides career pathways for thousands of people in New Zealand. It is an incubator and developer of New Zealand creativity and innovation. It allows New Zealand's identity to be explored, expressed and shared. We are well-known internationally for being a great place to produce content.

Every year, we produce culturally significant, original and high-quality works. In 2017, total gross revenue from New Zealand's screen industry businesses was \$3.5 billion. This represented an 8% increase from the previous year. Production and post-production businesses had total revenue of \$1.9 billion in 2017, with \$792 million (42%) coming from overseas sources.

Due to the highly mobile nature of the screen industry, the attractiveness of New Zealand as a production location is directly related to the certainty that producers have about our labour laws and their obligations. Our business is also one that is built on relationships between people working in the industry.

Our recommendations are based on these well-functioning relationships and a shared desire to provide the certainty necessary for New Zealand's screen industry to thrive. The recommendations also recognise that there are features unique to the screen industry which both support the industry having its own employment regime, and require flexibility and pragmatism.

The key elements of the package of recommendations are as follows:

- A recognition that screen industry workers can agree to work either as employees or contractors.
- All screen industry workers engaged as contractors are to be covered by a stand-alone statute that provides the protection of a set of principles and the option of collectively agreed minima.
- Recognition that the screen industry is not like any other industry, and therefore distinct labour laws are both required and recommended.
- A set of principles underpinning the labour relations system for all contractors working in the screen industry.
- Each sub-industry group within the wider screen industry can negotiate collectively in the form of sub-industry collective contracts.
- Any opt-out from the standards set in sub-industry collective contracts can only be by agreement of all parties, in exceptional circumstances, and in keeping with the underpinning principles.
- Contractors who could be covered by a sub-industry collective contract agree not to strike during bargaining of any sub-industry collective contract.

Any person working in the screen industry who, by agreement, opts to be an employee rather than a contractor, will continue to be subject to the employment relations and employment standards system.

All parties participating in the FIWG support this package of recommendations and urge the Government to adopt it in its totality.

# Part A: Application of the employment relations and standards systems

#### Retain the carve-out from the Employment Relations Act for film production workers

We recommend retaining the general principle currently reflected in sections 6(1)(d) and 6(1A) of the Employment Relations Act 2000. This is that the status of a film production worker as an employee or contractor is solely determined by the type of contract/agreement they are engaged under. We understand this means the majority of workers in the screen industry will continue to be contractors.

In our view the carve-out from the common law tests for employment status is necessary to provide certainty in our screen industry, which is highly internationally mobile and depends on certainty about labour laws. However, we recommend the carve-out be modified in accordance with our recommendations in this part.

This will not change the ability of people doing film production work to be employees if they are party to or covered by a written employment agreement that provides they are an employee. This also will not prevent people doing film production work from requesting to be engaged as employees.

#### 2. Extend the carve-out to cover screen production work

We recommend the carve-out from the Employment Relations Act be modified to more accurately reflect screen production work as opposed to the more narrow concept of 'film production work' currently in the Act. This would include work performed, or services provided, in respect of the production of feature films, gaming, television, internet-delivered video recordings, and virtual and augmented reality imaging. This should also cover formats not yet known to our industry.

The existing carve-out only applies to people engaged in 'film production work' as defined in the Employment Relations Act, with television production specifically excluded. There is no longer any justification for such a distinction between the two forms of screen production. Many workers frequently move between the two, and productions increasingly do not fall neatly into either the 'film' or 'television' genre. For example, a production could initially be conceptualised as a film but end up being broadcast on television, or available online only.

Equally, the development of web-based productions and gaming use many of the same skills and production models as film and television production. Increasingly, the distinction between productions is less about where the product is shown, and more about scale and budget. We therefore recommend that our proposed model for labour relations applies to all screen production work in New Zealand.

## 3. Limit the carve-out to workers engaged by an entity that primarily engages in screen production work

We recommend all work performed and services provided to an entity that primarily supplies the screen industry be considered 'screen production work'. However, the carve-out should not apply to workers who perform work or provide services to a company that *does not* primarily supply to a screen production.

This restriction is appropriate for the following reasons:

- It is desirable that people who are only tangentially associated with screen production work and who might not have chosen to work in the screen industry retain the protection of the Employment Relations Act.
- A worker who would usually be covered by the Employment Relations Act (e.g. a builder) should not lose the protections of the employment relations and standards system, or have the nature of their employment relationship changed because their employer decides to take on a contract supplying a screen production.

Accordingly the carve-out should only apply in respect of workers engaged by:

- An entity *primarily* involved in screen productions, or
- An entity which *primarily* supplies services to another entity primarily involved in screen productions.

This allows the carve-out to exclude work which is well-established outside the screen industry, and that is not generally thought of as being screen production work. For example, a builder whose services are contracted to build a film set through a building company should not be covered by the carve-out if the building company's main business is not doing building in the screen industry.

In the rest of this document, we use the term 'screen production worker' to refer to contractors working in the screen industry and doing screen production work in line with our recommendations above. For the avoidance of doubt, this includes contractors doing screen production work irrespective of their business structure (eg sole trader, company, partnership).

Any worker who does not meet the definition of a 'screen production worker' (eg employees working in the screen industry) will not be subject to the recommended screen industry statute.

# Part B: The nature of the screen industry

## 4. Recognise the unique nature of the screen industry in any new labour relations system pertaining to it

We recommend that the starting point of any new labour law relating to contracting provisions for screen production workers is the recognition that the screen industry is not like any other industry. Its unique factors include, but are not limited to:

- The market for screen production is global. If New Zealand wants to have a screen industry, it needs to be competitive.
- The scale of productions made in New Zealand ranges from the very small 'home-style' product to the massive foreign-produced product employing hundreds in multiple locations. There is no one size that can fit all.
- Producers choosing to film in New Zealand require certainty of cost and flexibility of conditions in order to complete a production on time and on budget.
- The nature of filming (the location, the availability of light, the availability of outdoor sets or street access) requires flexibility and the ability to make late changes to schedules.

All members of FIWG accept the need for flexibility in contracts that is different from other industries or workers.

# Part C: Principles for engagement in the screen industry

All of our recommendations from this part onwards only apply to contractors doing screen production work. They do not apply to employees doing screen production work.

## 5. Require all screen production workers to be engaged consistent with four basic principles

Underpinning our recommended model are a series of principles that apply to the engagement of any screen production worker. We recommend these principles be reflected in our proposed standalone legislation for the screen industry. These principles should be treated as minimum contract terms and should not be able to be contracted out of. All collective contracts (or individual contracts if there is no collective contract) should include specific provisions concerning the principles.

As our proposed model for engaging screen production workers is separate to the standard employment relations and standards system, these principles do not apply to employees in the screen industry. Employees working in screen production enjoy the protections provided under the Employment Relations Act and other laws comprising the employment relations and standards system. However, our recommended model does not prevent employers and employees from agreeing to apply any aspects of these principles or the collective contracts in employment agreements. The principles do not affect any rights or obligations for employees stemming from the employment relations and standards system.

These principles are intended to be interpreted with reference to the screen industry's unique nature and circumstances, rather than employment/contractual relationships in other industries.

#### Principle 1: Good faith

Parties to a screen production work contract should be required to act in good faith in their dealings with each other. Specifically, parties must not, whether directly or indirectly, do anything:

- To mislead or deceive each other, or
- That is likely to mislead or deceive each other.

This principle should also apply when parties are in negotiation to enter into a contract.

We further recommend that parties to any authorised collective bargaining in the screen industry should be under an express obligation to bargain in good faith.

#### Principle 2: Protection from bullying, discrimination and harassment

People doing screen production work must be protected from bullying, harassment of any kind, and discrimination. We recognise that existing legislation such as the Human Rights Act 1993 and the Health and Safety at Work Act 2015 provide some of these protections, but believe this issue is of sufficient importance that it should be an express principle applicable to all screen production work given the vulnerability of some workers in the industry. It is also worth specifying that screen production workers who are contractors are still entitled to these protections.

This principle does not affect or modify any protections as provided by the Human Rights Act and the Health and Safety at Work Act.

#### Principle 3: Fair and reasonable termination of contracts

Engagers must act fairly and reasonably when terminating contracts. This does not affect any situations of force majeure resulting in the termination of a contract without notice or payment of notice.

We think this principle should however take into account, and continue to allow for, current practice in the screen industry with respect to early termination of a screen production worker's contract for cause and without cause. This practice may vary across different occupational groups in the screen industry.

For example, current practice in relation to termination of crew contracts allows for the following:

Cause	Notice	Payment
Without cause	One week's notice by either party (or less if contract period is shorter)	For services rendered and notice period
With cause (eg theft, wilful misconduct, working under the influence of alcohol/other drugs)	None	For services rendered only

Termination is to be distinguished from cancellation: cancellation of contracts happens *before* work on a contract has begun (but after confirmation of the contract, if confirmation provisions apply). Termination is when a party decides (or both parties agree) to end the contractual relationship *after* the contract has begun.

The ending of employment for employees doing screen production work would continue to be governed by the Employment Relations Act.

#### Principle 4: Fair rate of pay

Screen production workers must receive a fair rate of pay in relation to their skills and the scale of production.

This principle is intended to be given effect by requiring collective contracts to cover pay in the form of minimum rates which may include bands depending on production scale (see recommendation 6.5 below).

# Part D: Collective bargaining in the screen industry

## 6. Enable collective bargaining in relation to the remuneration and conditions of work for screen production worker sub-industries

We recommend that screen production workers should be able to bargain collectively at a sub-industry level in relation to remuneration and other minimum terms and conditions of work. The existing law should be amended to remove any barriers and restrictions on collective bargaining by contractors doing screen production work (eg the Commerce Act 1986).

We anticipate that this bargaining will most likely result in the negotiation of collective contracts at a sub-industry level, and allow different contracts for each major occupational group in the screen industry (eg technicians, writers, directors, actors, stunt people). This bargaining could set minimum terms and conditions for each sub-industry, below which contractors cannot be engaged.

In the rest of this document, we refer to these collective contracts as 'sub-industry collective contracts'. We have also used the term 'collective contracts' to distinguish from 'collective agreements' which exist in the employment relations system (whereas these would be a contractual agreement).

Where a sub-industry collective contract has been agreed, it will bind all contractors in that sub-industry and all people who engage those contractors. This is regardless of membership of/affiliation with a signatory party of a sub-industry collective contract.

This collective bargaining regime is intended to result in minimum terms for contractors in the screen industry. Given contractors in the screen industry can also provide services through a company structure, we recommend specifying that only individuals doing screen production work (even through a company structure) be on the 'worker' side of collective bargaining. We expect this will ensure competition between genuine businesses is maintained. In general, we believe a screen production worker is an individual who:

- Has a contract or other arrangement to do work or services personally, and/or
- Is generally expected to perform the services personally in most cases but may subcontract from time to time, and/or
- Is required to perform work when requested.

The remainder of this part contains more specific recommendations about our proposed system of collective bargaining for contractors in the screen industry.

#### Obligations and duties for parties to collective bargaining

#### 6.1 Require bargaining to be conducted in good faith

To ensure effective bargaining, we recommend requiring bargaining parties to act in good faith in all aspects of the bargaining process, including:

- Parties must not act in a misleading or deceptive way.
- Parties must be responsive and communicative.
- Parties must raise issues in a fair and timely way.
- Parties must work constructively and positively together.
- Parties must not undermine or do anything that is likely to undermine the bargaining.

## 6.2 Impose a duty on parties bargaining for a sub-industry collective contract to enter into an agreement

Once collective bargaining has commenced, we recommend that parties are expected to enter into an agreement. This will prevent surface bargaining, where a party may bargain without any real intention of entering into an agreement.

#### Recognition of bargaining parties

## 6.3 Formally recognise bargaining parties and require them to demonstrate that they are the most representative organisations for those they purport to represent

To support a clear and orderly collective bargaining system, we recommend there be a formal process to recognise and register groups seeking to collectively bargain on behalf of screen production workers and those who engage them.

As sub-industry collective contracts will apply to all screen production work within the coverage of the contract, we propose registration of bargaining parties to ensure it is clear who represents the relevant workers and engagers.

Registration will be a precondition to being able to engage in collective bargaining and before groups can become registered they must demonstrate they are the most representative groups for those that they purport to represent. This does not preclude a single group of workers or engagers being represented by more than one organisation.

Companies and organisations that engage screen production workers (ie producers) should be able to form contractee groups to collectively bargain.

Because not all industry groups within the screen industry currently have guilds or other representative organisations, and because some groups are small and/or emerging, the FIWG supports the recognition of some multi-disciplinary contracts. These could cover screen production workers who do not comfortably fit within a well-defined industry group.

Where any individual working on a single production is fulfilling multiple roles (eg writer and director) their contract will accommodate the different sub-industry collective contracts as appropriate. Depending on the work being performed, the relevant sub-industry collective contract will apply.

#### 6.4 Require public notification prior to bargaining to ensure representativeness

We recommend a public notification process before bargaining begins to ensure that bargaining parties are representative of the people to be covered by any sub-industry collective contract. This would allow people to be involved in the collective bargaining process even if they are not currently a guild member.

#### Requirements for sub-industry collective contracts

#### 6.5 Require that sub-industry collective contracts include the following:

- Pay, in the form of minimum rates, which are to be scaled according to the scale of the production,
- Agreed breaks,
- Agreed recognition of public holidays,
- Hours of work and availability,
- Dispute resolution processes (including to respond to any issues of harassment, discrimination, bullying and cultural safety), and
- Termination.

Sub-industry collective contracts can also contain anything else agreed by the parties.

It is for parties to determine during bargaining what cultural safety means in the context of their occupation, enterprise or project; and how to ensure this for all screen production workers.

#### 6.6 Require concluded sub-industry collective contracts to be ratified

Sub-industry collective contracts are intended to apply to all workers in a particular sub-industry, rather than just those who are members of a guild involved in bargaining. To ensure any agreement reached is representative of the workers it purports to cover, we recommend a ratification process that gives any workers who could be covered by a particular sub-industry collective contract an opportunity to express their views on it.

We also recommend this ratification process require screen production workers to vote to approve any sub-industry collective contract before it can be registered. All screen production workers who could be covered by the proposed sub-industry collective contract are eligible to vote, with a simple majority required of those voting to ratify any sub-industry collective contract.

#### 6.7 Require concluded sub-industry collective contracts to be registered

It is important that sub-industry collective contracts are used genuinely and for the benefit of engagers and workers in the screen industry. We therefore recommend that sub-industry collective contracts be registered with the Employment Relations Authority. Registration can be contingent on the Authority being satisfied that:

 Bargaining parties are representative of the workers and engagers who will be covered by the sub-industry collective contract, and

- Parties adequately understand the provisions or implications of the sub-industry collective contract, and have not been induced to enter into the agreement by oppressive means, undue influence or duress, and
- The sub-industry collective contracts contain provisions on each of the required criteria (as set out in recommendation 6.5 above), and
- The sub-industry collective contract has been ratified by affected screen production workers.

#### Resolving disputes and facilitating bargaining

### 6.8 Government-provided mediation services should be made available for disputes that arise in bargaining

To ensure any disputes are resolved in a timely manner, while preserving the relationship between bargaining parties, we recommend making government-provided mediation services available to resolve bargaining disputes. Parties may also choose to use private mediation.

#### 6.9 If mediation is unsuccessful, provide for arbitration to resolve bargaining disputes

If mediation is insufficient to resolve bargaining disputes, we believe these would be best addressed through arbitration. This would ensure that bargaining disputes are resolved in a manner that contributes to the conclusion of sub-industry collective contracts.

#### 6.10 Industrial action is not permitted

Industrial action (strikes, lockouts, boycotts) is not permitted in relation to collective bargaining, given the volatility and international mobility of the screen industry. This does not affect screen production workers' right to cease or refuse to carry out unsafe work under the Health and Safety at Work Act 2015.

#### Application of sub-industry collective contracts

## 6.11 Sub-industry collective contracts apply to all screen production workers within the coverage of the contract, with no ability to contract below unless through an agreed exemption

Any sub-industry collective contract should apply to all screen production workers within the coverage of the contract. Parties should only be able to contract below sub-industry collective contracts if:

- All parties agree to the exemption,
- Circumstances are exceptional (eg unusual locations or the use of animals requiring flexibility of working hours), and
- Agreed exemption processes in the sub-industry collective contract are followed.

In the case of an exemption, the underpinning principles in recommendation 5 continue to apply.

If an exemption is sought after production has commenced, parties affected (ie producers and workers involved in a particular production) should be able to agree exemptions as if they were signatory parties of any prevailing sub-industry collective contract. The following conditions apply in addition to those specified above:

- The proposed exemption is to apply to at least two workers (ie if an exemption is in relation to a single worker, the standard exemption process applies),
- Affected parties are able to seek advice (eg legal advice, or advice from their representative signatory party) before deciding on an exemption, and
- Signatory parties to the sub-industry collective contract are notified of the exemption after agreed.

### 6.12 Enable the courts to apply appropriate remedies for sub-industry collective contracts' non-compliance with the principles and bargaining requirements

We believe remedies should be available if sub-industry collective contracts do not comply with the principles or bargaining requirements. This will support an orderly, fair and lawful bargaining process.

#### Renewals and variations

## 6.13 Sub-industry collective contracts must include an expiry date of between three and six years

As previously noted, certainty is important in the screen industry. We intend sub-industry collective contracts to support certainty by having a reasonably long lifespan; however this will be a matter for the parties to the agreement. We recommend a minimum lifespan of three years and a maximum lifespan of six years to ensure the collective contracts remain relevant.

## 6.14 Sub-industry collective contracts should continue to apply after expiry until a new sub-industry collective contract has been negotiated

Where a sub-industry collective contract lapses, existing contracts based on it should continue to have effect. The sub-industry collective contract will continue to apply (including for new contracts) until a new sub-industry collective contract is in place.

### 7. Enable enterprise- or project-level collective contracts on top of sub-industry collective contracts

We recommend that collective bargaining also be allowed at an enterprise or project level. A precondition for initiating such bargaining is agreement from all parties to do so. Where relevant sub-industry collective contracts are in place, enterprise- or project-level collective contracts cannot go below minima set in the applicable sub-industry collective contracts: workers need to be at least as well off in relation to each term in their relevant sub-industry collective contract.

This recognises there might be unique circumstances in which parties may see benefit in having a production-specific collective contract, or in creative collectives where contractors are solely engaged by a single company, which in turn supplies production companies/producers.

Enterprise- or project-level collective contracts should also be allowed where there is no relevant sub-industry collective contract. This means that where there may be gaps in the coverage of sub-industry collective contracts, these gaps can be filled using enterprise- or project-level collective contracts. Such enterprise- or project-level collective contracts will have to meet all the requirements set out in recommendation 6 above. For such enterprise- or project-level collective contracts, guilds could be bargaining agents for the relevant screen production workers. Alternatively, workers could create and register their own guild or other representative group for the purposes of the enterprise- or project-level collective contract.

#### 8. Allow contracting on an individual basis

We recommend that where a sub-industry collective contract is in place, individual contracts not be allowed to contain terms and conditions that are less favourable than those in sub-industry collective contracts. Independent contractors will still be able to bargain on any terms and conditions above these floors.

## Part E: Resolving disputes

## 9. Establish a framework for resolving disputes in the screen industry (outside collective bargaining)

We recommend a three-tier process for resolving disputes arising from contracts. These tiers are:

- 1. Mediation by trained and certified mediators,
- 2. If mediation is unsuccessful, then arbitration, and
- 3. <u>Litigation</u> if needed to enforce any agreements reached through mediation or arbitration.

There should be mandatory consideration of mediation as a first tier for resolving disputes. Parties should not be able to proceed to a higher tier without first attempting dispute resolution at a lower level: litigation should not be commenced without either mediation or arbitration having been attempted, and arbitration should not be used unless mediation has failed.

This is intended to give parties several opportunities to resolve disputes relating to breaches of these principles in a conciliatory and expedient manner, while recognising there may be instances in which recourse to the courts is necessary in the interests of justice.

We believe mediation between parties is preferable to litigation or ongoing disputes. This is because court action and any media reporting of any disruption tends to have a chilling effect on screen production. As such, we suggest making government-provided mediation available to screen production workers and engagers, though parties may choose to use private mediation if they wish.

# Creating an environment for this system to flourish

We believe the nine recommendations above represent key components of a collective bargaining system for contractors doing screen production work. However, the recommendations alone will not be enough to create an environment in which this proposed model will thrive. In our view, the considerations below are a key accompaniment to our recommendations.

#### Capacity building and resourcing

At present, the screen industry does not have capacity to carry out collective bargaining. The two main examples of collective contracts that exist, the Blue Book (for crew) and the SPADA/Equity New Zealand Individual Performance Agreement (for actors) are the result of several years' negotiation and work, typically on a voluntary basis. In some guilds, worker representatives provide their labour on a volunteer basis. Specialist assistance will be needed, given the large time commitment collective bargaining will involve. In some sub-industries, there may not yet be representative guilds or unions.

There therefore needs to be consideration of how organisations in the screen industry can be supported to grow their collective bargaining capacity, infrastructure and skills.

This is particularly important for ensuring the longevity of this system: parties need to be able to bargain collectively among themselves and renew collective contracts at least every six years. If not, the screen industry will probably revert to contracting on an individual basis with only the principles to shape parties' behaviour in contract negotiations.

Recognising that current resource levels in the screen industry are insufficient to allow for collective bargaining on the scale envisaged by the recommended model, members of the working group recommend that resource support be made available to the sector for a transitional period.

Any resource support would only be required for such time until the first sub-industry collective contracts are being negotiated and the model is essentially established. Such support would ensure parties are in a position to actually carry out collective bargaining, rather than refraining from initiating bargaining due to resource constraints.

#### Education

Alongside capacity building, the screen industry would also benefit from information to positively understand and adopt a collective bargaining system as we have proposed. This could cover:

- The rights of screen production workers and the companies who engage them,
- How collective bargaining works,
- Who is able to negotiate on behalf of screen production workers and companies,
- How any changes may affect future contracts for screen production work, and

<sup>&</sup>lt;sup>1</sup> The Blue Book and the SPADA/Equity New Zealand Individual Performance Agreement can be considered examples of current industry practice (eg when interpreting these recommendations) in relation to the engagement of crew and actors.

• Sources of assistance for screen production workers and companies during the transition to a new system of collective bargaining.

The industry employs a generation of contractors with little or no experience of collective bargaining. Education will support greater understanding that collective bargaining is not about raising fees — it is instead about creating business stability through minimum standards, and also projects maturity in our industry to offshore productions.

#### Certainty

Any regulatory changes need to be signalled early: a high amount of certainty will be required to ensure continuity of production and our ability to attract offshore productions to New Zealand. This could take the form of early indications to the industry about when any proposed changes are intended to take effect, with sufficient lead-in time to allow the industry to prepare for changes.

We need to be able to communicate clearly during the transition from the current regime to what comes next. Those producers already committed to New Zealand productions need the certainty of knowing if and when the new laws will be in effect and they need time to plan and prepare.

#### Communication

Any media reporting of changes to labour laws affecting the screen industry creates uncertainty and international concern. It is important to all members of FIWG that, in the event you accept our recommendations (or alternately that you decide to impose some others), any change is communicated in concert with the industry. The FIWG has worked hard to reach consensus and we are committed to offering any assistance we can to ensure this is done effectively and in the best interests of the industry.

#### **Review**

The regime we recommend is a big change for some in the industry and it imposes a burden on some groups in particular to manage the bargaining process. We recommend any collective bargaining system introduced for contractors in the screen industry needs to be reviewed in the first 18 months after its introduction. This will allow for early assessment of whether the collective bargaining system is working well, and identify areas for fine-tuning.

#### Crew and cast representatives

We support productions instituting a system of crew and cast representatives, who are workers elected by their peers. Crew and cast representatives can facilitate smooth communication between producers and workers both on and off-set. They can also serve as a first port of call for either party when issues arise in the working relationship. If crew and cast representatives are not available, we recommend that workers approach their representative organisation (eg guild or union) for assistance.

## **Concluding remarks**

We believe the system created by the recommendations above meets the four objectives set in our terms of reference:

- It restores collective bargaining rights to screen production workers.
- It allows workers to continue as contractors if they wish to do so.
- It provides certainty to encourage continued investment in our screen industry.
- It allows competition between businesses providing screen production services.

It gives the Government comfort that workers in the screen industry have protections and the right to bargain collectively. But it also provides the industry with the certainty and stability it needs to continue to grow and attract international productions here.

We look forward to the Government's response to our recommendations and thank you for the opportunity to contribute to this proposal. We are also amenable to reconvening to assist with implementing any changes arising from this proposal.

### **Annex 1: Members**

The Film Industry Working Group comprised 13 members:

Organisation	Representative
	Barrie Osborne
	Film Producer
BusinessNZ	Paul Mackay
	Manager Employment Relations Policy
Directors and Editors Guild of New Zealand	Tui Ruwhiu
	Executive Director
Equity New Zealand	Melissa Ansell-Bridges
	Director
Film Auckland	Alex Lee
	Chair
New Zealand Council of Trade Unions	Richard Wagstaff
	President
New Zealand Writers Guild	Alice Shearman
	Executive Director
Ngā Aho Whakaari	Erina Tamepo
	Executive Director
Regional Film Offices New Zealand	Michael Brook
	Chair
Screen Industry Guild	Sioux Macdonald
	Vice President
Screen Production and Development Association	Richard Fletcher
	Co-President
Stunt Guild of New Zealand	Augie Davis
	President
Weta Digital	Brendan Keys
	Manager Human Resources

Linda Clark, special counsel at Kensington Swan, facilitated the Film Industry Working Group's meetings. Secretariat support was provided by the Ministry of Business, Innovation and Employment.

The Film Industry Working Group met on seven occasions between January and July 2018. South Pacific Pictures and the New Zealand Game Developers Association were also consulted during the course of the Film Industry Working Group's discussions.

### Annex 2: Overview of recommendations

#### KEY ELEMENTS OF PROPOSED MODEL

The carve-out of film production work from the employment relations and standards system is retained

The scope of the carve-out will be slightly modified to cover television production (currently excluded) to encompass "screen production", rather than "film production"

Any person doing screen production work who has an employment agreement will still be an employee (ie covered by employment relations and standards system, rather than this proposed model)

All contracts for screen production work must give effect to four principles

Principle 1 Parties must act in good faith

Principle 2 Workers must be protected from bullying, discrimination and harassment

Principle 3 Engagers must act fairly and reasonably when terminating contracts

Duties on parties:

Principle 4 Workers must receive a fair rate of pay

Screen production workers can bargain collectively at a sub-industry level (ie occupational level)

Resulting agreements are referred to as "sub-industry collective contracts"

Sub-industry collective contracts will cover the work of all people within a particular sub-industry

 Bargain in good faith • Enter into an agreement Sub-industry collective contracts must include terms on:

- Pay in the form of minimum rates
  - Agreed breaks
  - Agreed recognition of public holidays
  - Hours of work and availability
  - Dispute resolution processes
  - Termination

Exemptions (opt-outs) from sub-industry collective contracts may be permitted

Enterprise- or project-level collective contracts are possible, <u>above</u> sub-industry terms

Screen production workers can continue to contract on an individual basis, above subindustry terms

Before bargaining:

- Bargaining parties need to be registered (as most representative groups)
- There must be public notification before bargaining to ensure representativeness

Concluded sub-industry collective registered before becoming

contracts need to be ratified and enforceable

A tiered system will be available to resolve contractual disputes relating Tier 1

There must be mandatory consideration of mediation as a first tier for resolving disputes If mediation is unsuccessful

Tier 2 Arbitration should then be used to resolve disputes

If enforcement is required

Tier 3 Litigation can be used to enforce agreements reached through mediation or arbitration

If enforcement of a mediated settlement is required

# Annex 3: Relationship between bargaining levels

