

NZ Film Archive:

Review of government agency funding arrangements and service delivery

(October 2009)

Background of the review

This review of the NZ Film Archive (NZFA, or 'the Archive') has been conducted on behalf of NZ On Air (NZOA), the NZ Film Commission (NZFC), Te Māngai Pāho (TMP), and the Ministry for Culture and Heritage (MCH), referred to here as 'funders'.

The review team was requested to examine such matters as service delivery, purchasing arrangements, funding structures, resourcing, changes in technology, and 'any problems in the environment that make it difficult for the Archive to achieve desired results.' The review was expected to cover such issues as 'value for money' and whether the Archive's services are 'high quality, appropriately balanced and based on best practice principles.' Since funders are interested in all the Archive's main services, this was a wide-ranging brief. (The review's terms of reference in full are attached as an Appendix.)

The review was undertaken by Roger Horrocks (Emeritus Professor, University of Auckland), Stephanie Hopkins (previously General Manager of the Gibson Group for more than 15 years), and Meg Labrum (Chief Curator of the National Film and Sound Archive of Australia [NFSA], and Secretary General of the International Federation of Film Archives [FIAF]). We were grateful for the archival expertise that Meg was able to bring to this project, including her awareness of international comparisons.

If our report differs in some respects from a Capability Review of the Archive that a member of our team conducted in 2006, those differences reflect the passage of three years in a rapidly changing environment, the more detailed nature of this review (which has included a look at the physical condition of the collection), and the fact that our report was a team effort.

Our thanks to Frank Stark and the staff of the Archive for their co-operation and any extra work associated with our review.

The review process

To organise the review, NZ On Air called an initial meeting of the steering committee on 2nd June. This meeting was attended by Frank Stark, CEO of the Archive; representatives of the funders (NZOA, NZFC, TMP, and MCH); plus Roger Horrocks and Stephanie Hopkins.

All three members of the review team met in Wellington on 4th August and conducted a site visit to the Archive on August 5th-7th. This involved meetings with the CEO and a number of staff members, and visits both to the Taranaki Street headquarters and the

storage facility at Taranaki/Buckle Streets. The review team was given various Archive documents, and it asked a few follow-up questions by email.

In the course of the review, members of the team also met with Anne Phillips, the Chair of the Board of the Archive, and with representatives of MCH, NZFC, and NZOA.

A message went out to members of the production community in the middle of June to notify them of the Archive review, adding that 'If any industry people have comments to offer on the subject of archiving we [the review team] would be pleased to receive them.' This invitation went out through NZOA, TMP, SPADA, and *OnFilm*. 20 items of feedback were received, some on behalf of organizations.

Our review report was very much a joint effort, written over the weeks following our site visit.

The steering committee met on 6th October to discuss the report. It was again attended by representatives of the funders (NZOA, NZFC, TMP and MCH) and by two members of the review team. NZFA was represented on this occasion by Waana Davis, Lindsay Shelton and Huia Kopua. Frank Stark and Anne Phillips (who sent their apologies for the meeting) had previously contributed written feedback.

The steering committee confirmed their general acceptance of the findings of the review team. Reviewers were asked to take into account the discussion at the meeting and to make final adjustments to the report. Such adjustments have been included in the present version.

Executive Summary

Film and videotape preservation is a complex, specialised activity, and the New Zealand Film Archive is a genuine, purpose-specific, multi-function archive in that tradition. Though established relatively late (in 1981), it has become an important part of our national culture.

The combination of film and television makes good sense for a New Zealand archive as there is significant overlap between the two traditions - indeed, more overlap than in larger countries.

There is still not a high level of understanding of the role and philosophy of an archive (as distinct from a production library or commercial facility) within the production community and even within some areas of the public sector. Not only the Archive but also its funders should keep stressing the importance of long-term, archival preservation of film and television material.

In the performance of its basic activities, the Archive delivers value for money in comparison with overseas archives of its size.

Despite the Archive's outstanding record in some areas (such as public access), there are several aspects of its work that seem to us to need attention. In particular we have concerns about:

- (1) a serious preservation backlog;
- (2) a shortfall in archival storage space;
- (3) the need for preservation to be accorded a higher priority in relation to other functions (collection and public access);
- (4) the need for the funding of NZFA to be rationalised (as a single stream);
- (5) the apparently unwieldy nature of NZFA's governance structure; and
- (6) the communication problems that NZFA sometimes has with the production industry and with some public sector organizations.

Those are the main issues, but we also offer specific suggestions for

- (a) improving the on-line catalogue;
- (b) clarifying the Film Commission's arrangements with the Archive;
- (c) re-defining the Archive's "commercial client" category;
- (d) re-thinking the Archive's philosophy of Internet relationships; and
- (e) introducing the proposed new system of production charging in a clear and equitable way.

To briefly summarise the main issues:

(1) & (2): Preservation and storage

The Archive has problems in the area of preservation and these have now grown urgent. It seems unproductive to argue about who is to blame because current difficulties are a consequence of the under-funding of the Archive since its establishment, the backlog of older material, and the complexity of current funding arrangements. The Archive has been attempting to draw attention to the situation for some years. All stake-holders need now to acknowledge the urgency of the problems and work together to address them.

The two linked problems are:

- (1) While the Archive has almost completed the preservation and restoration of early New Zealand films, many of the feature films of the 1970s and '80s are yet to be fully preserved. This means that part of our film heritage is at risk. The condition of prints is causing embarrassment when surveys of New Zealand film history are hosted by overseas venues. A significant sum is required for a rescue operation. (For example, \$1 million would cover the preserving and reviving of at least a dozen key New Zealand feature films. There also needs to be some kind of on-going preservation programme.)
- (2) At the heart of any film archive are its temperature and humidity controlled storage vaults. The Archive suffers from a serious shortage of such space. Overall, it is not yet achieving consistent international standards of storage care for all its collection. The Archive has purchased land at Plimmerton on which it hopes to create a purpose-specific storage facility, but has yet to raise the \$750,000 needed to complete the project.

By pointing out these problems, we are not suggesting to funders that deposited material should be removed. The Archive remains the best base for archival activities because it already has the necessary foundation of specialised skills, experience, and commitment. Even an archive operating with limited resources offers films and television programmes a better chance of long-term preservation than if they remained on the shelf of a busy production company or television studio.

Nevertheless, both the problems listed above are crucial to the future of the Archive and the long-term preservation of the country's film and television traditions. We are unable to assign a higher priority to one over the other. In an ideal world, government (or lotteries) funding would be found to address one of these needs, while private or corporate funding would cover the other. Unfortunately, all stake-holders are under pressure in today's economic environment. Therefore, a two-pronged approach seems required:

- (a) to seek emergency funding from any interested stakeholder or sponsor, and
- (b) to consider a change in priorities.

(3): Priorities

The need to re-think priorities applies both to funders and to the Archive. Two of the Archive's activities, 'collect' and 'connect,' may be said to have outstripped its other activity 'protect.' Preservation is currently under-resourced. This reflects the fact that the other two activities have received special attention from funders and from the Archive itself. It seems necessary for all parties to re-examine their priorities and expectations, and to modify future contracts accordingly.

While re-prioritisation can not solve the larger problems of backlog and storage, it is important for the future.

The Archive does an excellent job of encouraging and facilitating access for the general public. The challenge is to give preservation the attention it needs while retaining the best aspects of the access programme.

Classic New Zealand feature films need, for the time being, to be given a higher priority in preservation than other moving image genres. The problems of print condition revealed in the last few years are a wake-up call.

Every Archive is today pursuing an energetic programme of digitisation. But this has two different functions - preservation and public access. Digitising for preservation should be given at least as much emphasis as public access.

International best practice insists upon retaining original (analogue) material even when it has been digitised. This is to enable future generations to understand the nature of the media on which films and television programmes were made, to ensure that the migration process is reliable long-term, and to allow an original version to be re-digitised if the quality of the process improves.

The Film Commission's arrangements with the Archive should be clarified in terms of the handling of prints of recent films and the deposit of preservation material for new films.

(4): Funding

The Archive has always prided itself on its spirit of independence, but its independent status seems an anomaly when approximately 85% of its funding comes from the Crown through several organizations. The Archive has now grown to a size where a rationalisation of funding would be an advantage. Fund-raising is time-consuming for the Archive, and each funder imposes its own requirements.

There are two possibilities for tidying up the situation: (a) the Archive could become some form of Crown Entity (as the Historic Places Trust has recently become), or (b) the funding streams from public sector organizations could be combined under the administration of MCH, which could then give the Archive a unified mandate.

We do not believe that rationalisation can be achieved by placing the Archive within another government entity, because moving image archiving involves highly specialised skills and equipment and different legal and archival protocols. The Australian experience has shown that 'forced marriages' do not necessarily save money, and can compromise an archive's work. (Our report considers this issue in detail on pages 20-21)

(5): Governance

NZFA's governance structure needs to be re-examined. The Archive began as a small-scale initiative by enthusiasts but has grown to a large, national institution. The question needs to be raised whether its structure – which includes both a Convocation and a Board – is an appropriate model for the future. There is a potential for its governing groups to become ingrown and unable to represent the diversity of national interests or the necessary range of governance skills.

(6): Communication with the Production Community and the Public Sector

While the Archive maintains good communication with the general public, its communication with the production community and the public sector is not always smooth. We realize that the Archive can not be blamed for the frequent misunderstandings of its role and procedures; nevertheless, there are communication (or public relations) issues that it would be wise for the Archive to address, especially in the light of its objective: 'To maintain a special relationship with the moving image

industries, whose output and history it preserves and embodies. It shall work to merit their support and trust, and to complement, aid and stimulate their creative activity' ('Kaupapa').

As one solution, we suggest appointing a staff member specifically to focus on client relations. Our full report also includes suggestions for handling production requests and clarifying its charges and criteria for permission to use footage.

[Many of the above issues are complex, and we hope that readers are able to go beyond this summary to explore the full report.]

Review report

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Review report

(Section A) The Film Archive

The functions of a moving image archive

It is important to distinguish moving image archives from production libraries and commercial facilities. Those latter organizations may have better equipment for some purposes but they do not operate under an archival philosophy (in the international tradition of FIAF archives). A true moving image archive treats film and television as an important part of a nation's cultural heritage, and undertakes to:

- (1) collect a stipulated, representative range of material,
- (2) preserve it in permanence,
- (3) curate, contextualise, and make it available to the general public and to researchers, and
- (4) assist the present generation of moving image makers (while respecting the rights of depositors).

Production libraries and commercial facilities come and go, as do production companies, and even with the best will in the world they can not be expected to guarantee permanence to a collection, or to facilitate curated public access in the manner of an archive.

Of course, all archives operate under limitations – they can not hope to collect all of the moving images created in their vicinity, and they need to strike a suitable balance between their key functions.

The New Zealand Film Archive

We can confirm that NZFA is a genuine, multi-function film and television archive which pursues all of the key archival activities, summing them up as 'Collect', 'Protect' and 'Connect'. Started by enthusiasts 28 years ago, the Archive has grown to become a large national collection, covering both film and television. From 15,000 titles in 1992, the Archive now has a collection of over 120,000 titles and approximately 42 equivalent full-time staff. Its CEO, Frank Stark, has shown energy and resourcefulness in growing the Archive to its present size in its impressive Taranaki Street headquarters. The Archive has become an important part of our moving image culture.

In the performance of its basic activities, the Archive delivers value for money in comparison with overseas archives of its size.

The New Zealand Archive has had to operate under a particular set of pressures:

- (a) It was not created until 1981, and the tracking-down, acquisition and preservation of what remained of the previous 80 years of New Zealand production prior to that date was already a major task.
- (b) The New Zealand film and television industries have expanded since 1981. The Archive has grown rapidly from its small beginnings. It has had to try to grow in a coherent way.
- (c) The Archive earns approximately half of its income by performing contract services. Each funder has its own emphases, with the resulting combination of contracts threatening a lack of coherence. In this *ad hoc* situation, there is also the potential for gaps or overlaps.

- (d) Time and energy needs to be spent searching for potential funding. This demands a lot of the CEO's attention and may reduce the time and confidence required for long-term planning.
- (e) There is still not a high degree of understanding of the role and philosophy of an archive within the production industry, or even among some funders and politicians.
- (f) Today we are buffeted by waves of accelerated technological change, which the Archive – like the production industry - must try to ride successfully.

Not surprisingly, some imbalances have arisen in the Archive's activities and facilities.

(Section B) **Preservation and storage**

A key concern for an archive is how it balances its priorities in applying various levels of archival care to its collection as a whole, and what it does when its full capacity is reached. This is a critical issue for archives internationally.

In the case of NZFA, the area of most serious concern is preservation (the 'protect' function).

Preservation has always been acknowledged by the Archive as a crucial function because (as its CEO writes) 'the Archive has agreed to take on responsibility for both the physical well-being and longevity of the material [deposited].' One of the objectives in the Archive's 'Kaupapa' document is 'To ensure the preservation of all moving image material....without loss or degradation.' The Archive's 2009/2010 Budget Indicative Bid makes the point even more emphatically: 'The key task of any archive is the preservation of material in its collections.'

The reality is that the Archive has a shortage of temperature and humidity controlled storage vaults, and the amount of regular checking that the collection receives is limited.

The 2006 Capability Review pointed out 'the worrying fact that approximately 40% of the collection is held in external storage spaces that are not temperature and humidity controlled, and therefore do not meet international archival requirements.'

A similar concern was expressed by Jim Lindner (an American-based preservation and digitisation consultant) who said in his April 2009 report (commissioned by the Archive): 'the reality is that many parts of the collection are in jeopardy due to lack of adequate and proper storage. Furthermore, certain of the storage facilities provide hazards to staff and other people who may be called upon to work in them. The collection is simply too large and important to be kept the way it currently is....' (p.3). Lindner lists the problems at the Taranaki/Buckle Streets site: 'ancient electrical system, no sprinkler system, no adequate smoke detection system....[etc]' (p.24).

We want to signal this as a matter of urgency, while acknowledging that fully effective and sufficient preservation facilities for such collections is a matter of concern for archives worldwide. We would also emphasise that we are in no sense criticising the Archive's staff involved in preservation - they are clearly doing the best they can within the limits of the situation. A member of the review team has personally observed the excellent technical work that the Archive is capable of doing. (This was through his involvement as a researcher in the restoration of films by Len Lye). And we need to acknowledge that the Archive has itself signalled the problem of inadequate storage and has made various unsuccessful attempts to raise additional funding.

Also, we are certainly not suggesting to funders that deposited material should be removed. The Archive remains the best base for archival activities because it has the necessary foundation of specialised skills, experience, and commitment. Experience has repeatedly shown that archival supervision – even in an archive operating with limited resources – offers a better chance of long-term preservation for films or television programmes than if they remain on the shelf of a busy production company or television studio.

Specific problems in the preservation area

(1) The preservation area seems under-staffed. While Archive documents speak of six staff assigned to this function (the same number as for 'collection' and 'connection'), there seem currently to be only three staff specialising in this area; and one focuses on 'collection' while the other two have to devote part of their time to 'connection' (for example, checking and repairing prints before and after screenings and loans).

(2) The area seems under-budgeted. The Archive Business Plan for 2008/2009 suggests that it has budgeted \$1,272,000 for 'connect' compared with \$716,000 for 'protect'; and this 'protect' figure overstates the case because it includes digitisation expenses (some of which should be added to 'connect' since many items are being digitised for public access rather than preservation).

(3) The Archive's temperature- and humidity-controlled storage is not sufficient. The archivist member of our team, who has conducted other international reviews on behalf of FIAF, said that she had certainly seen worse storage in some countries, and she did not regard film cans that were slightly rusty on the outside as necessarily a problem. Nevertheless, it was also clear to her that the New Zealand situation overall is not yet achieving consistent international standards of storage care for all items.

The feature-films of the 1970s and '80s are the immediate area of concern

We use the term 'preservation' in this report in its technical, archival sense. A film, for example, is said to have been safely preserved when there is a high quality, preferably brand-new print and a reliable intermediate master for printing purposes which allows for the original negative and/or print to be quarantined as preservation originals. If these elements are held in a temperature-controlled situation, then a reasonable level of safety has been achieved.

When we investigated sample New Zealand films (including *Sons for the Return Home* 1979, *Goodbye Pork Pie* 1980, and David Blyth's 16mm film *A Woman of Good Character* 1982) we found that not one could be said to have been fully preserved. The necessary elements did seem to be present in the collection, but the final stages of preservation – such as the creation of a reliable intermediate printing master – had not yet occurred. Our other sample film, Vincent Ward's *A State of Siege* 1978, was not on hand because the materials had been taken by the depositor to Park Road Post for an assessment of their condition.

Our sample drew attention to the fact that preservation has now become an urgent issue for the wave of New Zealand film-making that began in the 1970s. Most of the older New Zealand films - in particular those on nitrate film stock - have been restored and preserved by the Archive. But now another problem looms, involving a larger group of feature films. Any film made 30 years ago is at risk if it has not been safely preserved, kept in controlled conditions, and regularly checked.

This is not to say that we found actual evidence of deterioration in the sample films. Rather, we saw the potential for problems. A few unlucky films may develop mould, shrinkage, brittleness, edge damage, light flashes, or some other form of deterioration. Preservation is not cheap, but restoration work - returning a film, as far as possible, to its original form – tends to be even more expensive, so it is much better to spend money preserving a film properly in the first place.

The ageing of feature films of the 1970s and '80s came to the attention of film-makers and the Film Commission in 2008 during a retrospective of New Zealand films at the Era New Horizons Film Festival in Wroclaw, Poland. The Festival presented a special retrospective of 9 films by Ward and 19 other New Zealand features. Because of the uneven quality of the prints, some New Zealanders at the Festival were challenged by local film experts as to why their country was not taking better care of its film tradition. There was similar embarrassment during an invited survey of New Zealand films in Israel in 2009, which prompted an ambassador to express concern about how our country was presenting itself.

In responding to criticisms of print condition, the Archive has pointed out that, in the case of some of the films, good quality prints and printing intermediates had never been deposited. It has also been suggested that many of the New Zealand films of the 1970s or '80s were made and stored (prior to accession) in far from ideal conditions. This may well be the case, at least for some titles, but that fact seems to us to reinforce the need for a more comprehensive preservation programme and effective, sustained communication between the Archive and the filmmakers.

One of the problems for the Archive is its inability (due to staff resources) to carry out a thorough condition check upon receipt of all new material. Therefore it will not necessarily know whether material is imperfect. This means that if a problem is detected subsequently, the Archive can not confirm that it was already present when it arrived. This is an important logistical problem that can have bad effects and lead to later arguments.

As noted earlier, the Archive has recognised and attempted to publicise the situation. In 2005/6 the Archive and the Film Commission collaborated on a 'pilot study' of post-1977 New Zealand feature films, and the Archive subsequently screened as many of the films as it could (using what seemed to be the best available prints). This survey had the effect of revealing many problems. The logical follow-up would have been a big preservation exercise, involving the tracking down of the additional elements needed to preserve films, the making of intermediates, etc. Indeed, three films were preserved (*Ngati*, *Bad Blood* and *Patu!*) - a useful start, but only a start. The Archive then developed a plan aiming to preserve five films per year, but this was premised on additional funding from the Film Commission and/or MCH. According to the Archive's 2006-2007 Annual Report: 'The Government's decision not to continue funding of the pilot project to conserve and digitise selected feature films from the 1970s and 1980s led to a disappointing slowdown in priority preservation work.'

Tapes also need good storage and inspection

The 2007/2008 Annual Report of the Archive refers to 'the increasingly pressing issue of the physical deterioration of video tape.' (The Archive holds tapes from the 1970s, for example.)

As for the National Television Collection, which was established in 1997, there is no sign of any immediate problems, but a day may come when the condition of this body of work from the 1990s similarly becomes a matter for concern. The Archive has been

conscientious in identifying all tapes funded by NZ On Air (special covers with purple marking). The tapes seem safe for the time being – the sample titles that we investigated were easy to find and safely preserved (each had a digital master and an intermediate master for duplication). Nevertheless, there is not sufficient storage space with thorough temperature and humidity controls to house all of this large and rapidly growing collection. Crowding has made it necessary for some tapes to be fitted into the corners of shelves otherwise filled with films. Such dispersed shelving is bound to complicate any process of random checking. At present, the checking of the condition of tapes is admitted to be very limited.

Inspection is an important part of preservation, and it seems that currently – because of limited staff - there is minimal checking of either films or tapes.

In the case of films, the use of A-D strips may be a useful addition. (These are dye-coated paper strips that detect and measure the severity of any deterioration in the form of ‘vinegar syndrome’.)

Is it necessary to retain analogue material?

International best practice insists upon retaining original (analogue) material even if it has been digitised. There is strong agreement on this point among audio-visual archivists. We will mention just three of the reasons.

Firstly, it is important to ensure that future generations understand the nature of the media on which films and television programmes were made, since the ‘medium’ can be a significant part of the ‘message.’ The actual experience of film on screen remains unique, different from the experience of any other format. Today’s art galleries make digitised copies of paintings, woodcuts, engravings and screenprints for educational and promotional purposes, but they never throw out the originals. In music, the last 40 years have seen a world-wide shift to ‘historically informed performance,’ with a return to old instruments and old performance styles. Similarly, for historical reasons, the film archive should preserve films and continue to screen celluloid prints in addition to its use of digital copies.

A second reason is that the world of archiving has had the unhappy experience of embracing a new medium (such as DAT tapes or microfilm) only to discover after a few years that there were problems associated with it. (Nicholson Baker’s 2001 book *Double Fold: Libraries and the Assault on Paper*, though some details have been challenged, provides a salutary reminder of the dangers.) Digital technology continues to change and evolve. Almost no-one now has the equipment to play D1, D2 or D3 videotapes, for example, though these were once seen as state-of-the-art digital formats. And many computer programmes are now obsolete.

Thirdly, if the original copy survives, it is always possible to go back to it. This happens where documentaries want to use old film material, say, and find that a telecine made today is clearly superior to a digitised version made just a few years ago. The details and the artistry of the original artefact can be crucial factors.

For these reasons, it is necessary to resist the uncritical enthusiasm often associated with digital media. Digitalisation is a much more complex process for film and television material than it is for written material. Obviously this technology has many benefits, but it is international best practice among film and television archives to continue to collect, preserve, and exhibit the original media.

How the preservation problems arose

While the Archive has made admirable attempts to raise funding for the 'protect' area, it seems at times to have been over-optimistic about the storage situation. In 2002 the Archive purchased its Taranaki Street building and also signed an agreement with Massey University to lease the disused National Museum underground storage bunkers (at Taranaki/Buckle Streets) as additional vaults. At this time the Archive newsletter (*Newsreel*) reported that: 'It gives us very safe storage for the collections.... These spaces would be used for further collection growth.... With the two new facilities the Film Archive is confident it has the necessary base to carry on its work for at least the next 40 years.' The Archive clearly did not anticipate the increase in the size of the collection over the next seven years from 85,000 to 120,000 titles.

The Archive's 2009-2010 Business Plan expresses a 'commitment' to the principle that 'All material in the collection will be held in the best possible conditions and on the best available carrier format.' The 2009-2015 Strategic Plan speaks of 'reaching and surpassing international standards'. At present, these seem ideal rather than realistic goals.

Funders have certainly been aware of the need for preservation work. The Ministry for Culture and Heritage has always stressed the importance of 'history' and 'heritage'. NZ On Air has explicitly included an historical category in its funding. And one of the clauses in the NZ Film Commission Act 1978 calls for it 'to encourage and promote the proper maintenance of films in archives.'

Nevertheless, at least until recently, funders have tended to take a closer interest in the activities of 'collection' (with NZ On Air and the Film Commission focused primarily on recent output), and in 'connection' (public interest and access have been a strong concern of politicians and corporate sponsors). And it is natural for the staff of funding organisations to have expertise in production rather than preservation.

Above all, the Archive's problems seem a consequence of its long-term under-funding, the backlog of older material, and its complicated funding arrangements. It seems unproductive to argue about who has been to blame. Rather, the time has come when all stakeholders need to address the problem, and it should not be allowed to drift further.

The way forward

We have identified two linked problems:

- (a) A serious backlog in preservation – in particular, the important group of features from the 1970s and '80s; and
- (b) The shortage of temperature and humidity controlled storage vaults.

Both of these problems are crucial to the future of the Archive and the long-term preservation of the country's film and television heritage, and we are unable to assign a higher priority to one over the other. In an ideal world, government or lotteries funding could be found to address one of these needs, while private or corporate funding could cover the other. Unfortunately, all stake-holders are under pressure in today's economic environment. Therefore, a two-pronged approach seems to be required:

- (a) to seek emergency funding from any interested stakeholder or sponsor, and

(b) to consider a change in priorities.

To solve the preservation problem

An investment of \$1 million would cover the preserving and reviving of at least a dozen New Zealand features from the 1970s and '80s. (The exact number would depend on the condition of individual films.) This would be an extremely useful rescue operation or 'catchup'.

There should, however, also be some on-going funding so that the other films of the period are gradually covered. Australia's National Film and Sound Archive has a project in partnership with Kodak and Deluxe (its stock and laboratory partners) to preserve and revive five Australian feature films per year. This works out at up to AU\$ 350,000 per year, with much of the cost absorbed by the NFSA's partners. An equivalent New Zealand project would have a ballpark annual figure of up to NZ\$ 420,000.

While archives do not like to set priorities, some selection is inevitable. Films from the '70s and '80s can be prioritised in terms of (1) their iconic popularity within the culture (as tested, for example, by the research in the 2008 book *A Coming of Age*), (2) demand (for retrospectives), and (3) assessment of artistic or cultural importance by film critics and historians. Some titles for which there is notably less demand or interest can be preserved by digitisation rather than by photochemical work requiring laboratory support (though original film material should still be kept).

To solve the storage problem

To the Archive's credit, it has initiated a solution to its storage problems. Recently it obtained a bank loan to purchase land near Plimmerton where it hopes to build a new storage facility for the films and tapes currently housed in Taranaki/Buckle Streets. A purpose-built facility, created from scratch, will represent a huge improvement on the present situation. The Archive estimates the cost at \$750,000.

It is not clear what partnerships are envisaged to complete this project. The present economic situation will make fund-raising a challenging exercise, but clearly this project is a crucial initiative. It is advisable to undertake it as soon as possible, for the safety of the collection and to avoid the danger that - as we move deeper into the digital age - the public's understanding of the archival responsibility to preserve analogue material may diminish.

The need to re-prioritise

This suggestion applies both to funders and to the Archive. Two of the Archive's activities, 'collect' and 'connect,' may be said to have outstripped the activity 'protect.' This reflects the fact that these activities have received great attention both from the funders and from the Archive. It seems necessary for all parties to re-examine their priorities and expectations.

This includes the Archive, which needs to be asked why it has not given more in-house priority to preservation within its available funding. A Capability Review of the Archive in October 2006 for MCH described the funding pressures faced by the Archive (one of which was preservation) and recommended an increase of \$1.4 million per year. The response from government in the following year was an additional \$500,000 in annual base-line funding for the next four years. This was just over one-third of the amount requested. Nevertheless, the Archive's 2006-2007 Annual Report was philosophical: 'While the amount did not reach the level sought, it does provide a more secure base

for the future, and along with other sources of funding for project initiatives also due in the upcoming year, it leaves the organization in particularly good heart for 2007/2008 and the years to come.'

The Archive needs to re-adjust priorities so that budget and staffing for the 'Protect' area are increased.

One of the activities needing to be re-considered is digitisation. Every archive is today pursuing an energetic programme of digitisation, but this has two different functions - preservation and public access. Funders and the Archive should re-assess the balance, and support preservation as equal at least to public access. Indeed, in the short term it may need to become even more of a focus.

It is relevant to note that the Archive is not equipped to digitise 35mm films for preservation. While it has digitised an impressive amount of material (approximately 3000 titles over the last two years), its digitisation equipment is better suited – in terms of film - to public access (the making of copies for viewing purposes) than to preservation. The telecine setup (which can handle 1k) does useful work in producing viewing copies of films for screening on monitors. For 16mm films, it appears to be the best available facility. But it can not handle negatives, or make a good job of 8mm films. Also, to obtain a preservation-quality copy of a 35mm print (at 4k, say), the film has to be sent to Park Road Post.

This is not necessarily a problem if the costs are manageable and the Archive can continue to exercise quality control. In the long term, however, it seems a logical goal for the Archive to obtain additional telecine equipment so that it can create digital preservation copies of 35mm films in-house. This suggestion is not to overlook the value of Park Road Post, a very special facility for New Zealand in terms of its high level of technology. Park Road is not an archive but it can work very well in association with the archive. This relationship is already established and we hope it can continue to develop.

The emphasis on 'connection'

In today's political climate, great emphasis is placed on connecting, particularly on audience statistics. The Archive's 2009-2115 Strategic Plan says its aim is 'to connect New Zealand's moving image heritage with the widest possible audience.'

The Archive does an impressive job of access. We saw DVDs being created for public viewing; we visited the Archive's viewing area and library collections, attended the opening of a new exhibition in one of the galleries, saw film screenings in the theatre, and heard about the launch of the new Mediaplex network around the country. In Wellington tourist publicity, NZFA is listed as No.6 among the interesting sites in the city to visit – most unusual for an archive. As one of the emails we received from a documentary-maker put it:

I happen to walk past their premises once or twice a day and the downstairs area always succeeds in informing [passers-by] as to the centre's very active screening and exhibition programmes. Additionally their gathering space (coffee, viewing and reading area downstairs) is one of the most 'comfortable' spaces to meet friends and arrange meetings. That in itself is an incredibly useful advertisement for the centre's activities. The centre's exhibition programme extends the film community's interests beyond the predictable. And, as a visual arts person myself, [I see] that as a useful extension. This 'opening up' is quite unique. [In terms of] archival services, it is always a joy to watch the

partakers and specific users at work downstairs. So, all in all, the [Archive's] public brief is executed with panache!

Nevertheless, there is a danger that the promotion of public access can upstage other functions. Both Te Papa and the National Library have been criticised by those who feel that the promotion of casual use by the general public has worked against exhibition quality and specialized forms of research. In the case of the Archive, research continues to be well served, and the institution maintains high exhibition standards – so debate should focus rather on the balance between connection and preservation. The big challenge is how to give preservation the attention it needs while still supporting a public service programme of the kind the Archive does so successfully.

Genres need to be prioritised

The 'Collection Development Policy' in the 2009-2015 Strategic Plan calls for the Archive to 'Acquire material in every moving image format and genre – film, videotape or digital media, fiction and non-fiction, amateur and professional, broadcast and non-broadcast.' This is the ideal policy for an archive, but there are times when resources are limited and priorities need to be set.

At present it seems necessary for classic New Zealand feature films to be given a higher priority in preservation than other moving image genres. The problems of print condition revealed in the last few years are a wake-up call.

We regret having to make this recommendation because, as the 2006 Capability Review pointed out: 'archivists at international conferences have displayed a strong interest in the New Zealand Archive's success in...its innovative approach to collecting a range of community or 'everyday' items – samples of home movies, music videos, commissioned programmes, popular ads, and other genres. There is growing interest in such material overseas. [The] Archive has been particularly astute in creating a democratic cross-section of national culture. In such respects New Zealand is seen to offer fresh national insights to the world of archives.' Unfortunately the Archive may need to cut back on this 'everyday' material for the time being, in order to focus on features.

Funders should also be clear about the need for a change of priorities

Funders must face the fact that if preservation is to receive the greater attention it requires, they need either to provide more money or to accept a more targeted approach. Funders have already emphasised 'current economic pressures' and informed the review that it is unlikely they 'will be able to sustain any future increase from existing resources...without specific Budget appropriation'. If a shift in priorities is necessary, contracts need clearly to reflect this change in expectations. The logical trade-offs are a more selective approach to the collection of new material and/or a reduction in spending on public access.

In terms of the collection process, NZ On Air (since 1997) and Te Māngai Pāho (since 2008) have engaged the Archive to capture current television programmes. For NZOA, over 1600 hours of individual programmes are added to the collection each year, plus thousands of additional hours are 'harvested' off-air in bulk form. (The 'harvest' is not broadcast quality but is at the high end of off-air recording.) The process of collection seems efficient and the technology appropriate. We observed a number of Archive staff busily recording, labelling, and cataloguing new programmes. Unfortunately, the very success of the collection process now creates storage problems, as well as utilising a reasonably high proportion of the Archive's resources.

Hopefully if reduction in these areas is necessary, this will only be temporary since improvements in digital harvesting and in tape capacity will reduce the physical space required for new material. (Cataloguing and checking will, however, still continue to require staff time.)

Te Māngai Pāho

If this report makes less reference to Te Māngai Pāho than to NZ On Air or the Film Commission, that is simply because the Archive's collection activities on its behalf have been underway for less than a year. Also, the Archive's methods of gathering TMP material are basically similar to those developed for the gathering of television material for NZ On Air. The Archive has been practising these methods for many years and it does so very efficiently. The review team did inspect the work being done for TMP and came to the conclusion that this was going well. We were also impressed by the seriousness of the Archive in seeking to meet its Treaty responsibilities and to strengthen its coverage of the Māori film and television traditions. (This is a subject that will come up again on p.27.) So far as we can judge, its knowledge of – and commitment to – Māori issues is one of the organization's great strengths.

At the same time, we would urge TMP to support an increased emphasis on preservation. As in the case of other funders, this will involve either an increase in funding or a more targeted approach to collection (at least in the short term).

The present form of the Film Commission's arrangements with the Archive should be clarified

The Film Commission Act of 1979 specifically refers to archiving ('to encourage and promote proper maintenance of films in archives'). NZFC therefore provides funding of \$230,000 per year. According to the contract, the Archive is required to engage in 'acquisition,' 'documentation,' 'conservation,' 'a proportion of the overall cost of preservation,' and 'a proportion of the overall cost of...access for the New Zealand public' and 'public screening programmes.' The contract also stipulates that 'Conditions for the film and video collections will be held within the standards set by the Federation Internationale des Archive due Film' (presumably a typo for 'Archives du Film'). These are understandable objectives, and obviously there are fewer 'NZFC financed films' than television programmes, but the contract seems unrealistic in expecting all these services to be provided for \$230,000.

The relationship between the Film Commission and the Archive has been troubled at times by confusion between (a) the concept of archive and (b) the concept of production library and storage facility. During the period 1999-2002, the Commission paid an annual fee to the Archive in return for storing and handling a number of film prints. At the time the Commission was a tenant in the Archive's building. This financial arrangement ended in 2002 when the Archive moved. The Commission has, however, continued to use the Archive to some extent as a storage and handling agent for exhibition prints of recent films. The films have an uncertain status, however, as they have never officially been deposited in the Archive's collection. Therefore they are not stored under fully controlled conditions and no quality checking has been done (though it has sometimes been requested). An email from the Commission on 22 September 2008 suggested that the films would soon be moved to an alternative location, but many of the prints were still in the basement of the Archive when we visited in July 2009. The Archive's position is: 'We feel [the films] should either be placed with the Archive under proper conditions (and that the Archive should be compensated for the substantial extra work involved) or removed in the way proposed by the Commission.'

Since the required handling services for these film prints are more relevant to a production library than to an archive, it would seem wise for the Commission simply to transfer its films to a commercial facility. And it would be advisable for the Archive not to get involved in similar deals that risk blurring its boundaries with those of a production library. A good relationship between the country's Film Archive and its Film Commission is very important. We suggest that the two sides start from scratch and try to formulate a clear new relationship.

One of the points to clarify would be the deposit of preservation copies of new films. The NZFC should ensure that the Archive receives preservation materials for each new title (a fresh print and an intermediate - and also, if possible, ultimately the original negative). At present there seems to be still some uncertainty about this, as a deposited preservation print may be recalled for a festival or other screening. If the Archive makes a preservation copy (as it did of *Ngati*), it should be clearly understood by the Commission that this is archival material and not a lending print.

The NZFC Review

NZFC is currently under review. The terms of the review appear not to refer specifically to archiving, despite the importance of that activity. Understandably, if the Commission's legislation were to change, the Archive would want the archiving clause retained. Otherwise, responsibility for the funding of archiving New Zealand films needs to be clearly transferred to some other source. This is an important matter for the Archive, and the review team shares its concern.

Archiving requirements

In relation to accessioning, we would advise all funders to be active in promoting the importance of the idea that programmes and films need to be made available to a recognised archive. A requirement of that kind should be included in all production agreements. As the opportunity arises, funders should reinforce the principle when talking with the industry, so this requirement is not viewed casually as something that will never be policed (as has been the case). There is still a lot of work to be done to increase understanding of the role of specialised, long-term archiving. It is in the interests of funding bodies to contribute to that awareness.

(Section C) Funding and governance

The review was asked to consider funding arrangements. The independence of the Archive has meant that it has needed to raise funds from a variety of sources. It has been resourceful in doing so, but the situation has imposed two kinds of pressure:

- (1) Time and energy needs to be spent searching for potential funding. This demands a lot of the CEO's attention and may compete with the time needed for other activities such as strategic planning. And:
- (2) The Archive earns approximately half of its income by performing contract services. Each funder has its own emphases, with the resulting mix of requirements creating the potential for gaps or overlaps.

The NZOA review document setting out the 'Sector Background' (based on a 2008 MCH paper) refers to 'funding fragmentation,' and adds: 'These arrangements create

several issues, including lack of a coherent, strategic approach to archiving and funding decisions.’ The Archive’s 2009/2010 Budget Indicative Bid agreed that ‘the Archive is hampered by its reliance on project funding to establish priorities for preservation.’ Anne Phillips, Chair of the NZFA Board, has also expressed strong interest in the possibility of ‘single-stream funding.’

The Archive has always prided itself on its spirit of independence, but it has now grown to a size where rationalisation of funding may be an advantage. Its urgent preservation requirements can not be accommodated within current contracts. And there is a danger that its response to new technological developments, or its implementation of the Lindner report on digitisation, will have to be more *ad hoc* than if its funding arrangements were more coherent.

The Archive’s independent status also seems an anomaly when approximately 85% of its funding comes from the Crown through several organizations.

One possible change would be for the Archive to become some form of Crown Entity. The State Services Commission may argue against the creation of another Crown Entity, but it would seem possible to mount a strong argument in terms of rationalising a situation (related to an important area of national heritage) that may be described as untidy in practical and governance terms. We understand that the Historic Places Trust recently became a crown entity, and the collections held by the Archive can be seen as having comparable importance as national heritage.

An alternative possibility is for the funding streams from public sector organizations (NZ On Air, Te Māngai Pāho, and the Film Commission) to be bulked as one cheque under the administration of MCH. Dealing with a single funder would seem likely to save time and to allow the Archive more consistently to establish overall priorities based upon its fundamental mission. Ideally, it would also give the institution a little more security and assist long-term planning. It could also leave the CEO with more time to focus on ‘the overall picture’ (easing the pressures of fund-raising that he has acknowledged). It would take the Archive a step closer to the public sector. It would still operate at arm’s length, but closer to government if it sought to apply for any special funding.

The Archive was created as an independent initiative, and we know it has had a tradition of proud independence. Its CEO and members of the Board and Convocation may be concerned about the risk of putting all its financial eggs in one basket. They are also strongly committed to retaining their bi-cultural approach to governance. If the subject is to be discussed further, such concerns will need to be addressed. Nevertheless, with the expansion of the size and scope of the Archive, and its growing reliance upon government funding, we hope there is an acceptance by the Archive of the need to explore new options.

Under a new arrangement of this kind, MCH would need to draw up a clear mandate (set of responsibilities). This would naturally also include a system of reporting for accountability. And it would be useful for current funders to continue to have some opportunities to offer suggestions, in view of their detailed knowledge of production activities. (For example, a committee of representatives of the funding bodies could meet with the Archive annually to compare priorities.)

From the point of view of tax-payers, a single funding stream and mandate would provide greater clarity and transparency. And while funders may regret the loss of archiving money from their budgets, they must acknowledge that many aspects of archiving fall outside the scope of their expertise.

A pooling of funds administered by MCH should not prevent the Archive from seeking to raise additional funding for special purposes. (The new facilities at Plimmerton would be an important project of that kind.) But because one of the basic intentions of the change is to enable the Archive to focus more of its time on planning and preservation, such fund-raising should not involve taking on too many additional contract responsibilities.

The rationale for a film and television archive to stand alone

There has been some spirited discussion among funders about whether connecting the Archive to another government entity would be a useful form of rationalisation.

Meg Labrum had some interesting thoughts on this idea, as Chief Curator of the Australian archive and Secretary General of the International Federation of Film Archives. She notes that audio-visual archives around the world have been subject to the complete range of governance options, mergers and re-structures in recent years. Long established national library relationships, such as the Library of Congress with the Motion Picture, Broadcasting and Recorded Sound Division, are notable for the major capital investment required (using a very specific major external film-oriented sponsor) to enable their audio-visual infrastructure to be brought forward into the 21st century. The French Bibliothèque Nationale de France and the Archives Françaises du Film du Centre National de la Cinématographie have clearly distinguished their separate and complementary national roles. The Swedish Film Institute is currently being reconfirmed as an independent body, whilst the Norwegians have recently shifted national film archiving from the Norwegian Film Institute to the National Library of Norway. In each case, the crucial question of identity and purpose has been arduously debated, with fundamental concerns about the unique blend of functions represented by a film archive being fully acknowledged, and archives not simply combined with more traditional library operations on the basis of assumed rationalisation benefits.

In Australia's case the National Film and Sound Archive was finally declared an independent statutory body on July 1st 2008. This was after decades of debate and attempts at blending archival operations firstly with the National Library and more recently with the then-national film funding body. In each case, the final conclusion was that these 'forced marriages' did not necessarily save money, and did not assist the archive's work or the parent organisation's key mission. The danger was always that the definitive purpose of the audio-visual archive was becoming so blurred by having to adapt to the needs of its parent body that it was ceasing to be able to deliver effectively on at least some fronts.

There are many ways in which the mission and culture of an audio-visual archive are distinctive:

- Film and videotape (particularly professional videotape) differ from other media in technical and technological terms.
- There is a special tradition of skills associated with those media - preservation techniques, for example, or knowledge of film and television history and aesthetics.
- Such archives collect, preserve and access works in the complex context of audio-visual artifacts whose donors and depositors do not operate on the simpler library terms of collection and loans. Issues of long-term preservation, production rights, exhibition and distribution rights, moral rights, and the archive's own curatorial interpretation are very different for films and television programmes.

- Other types of library or archive will not carry all the equipment required for a full range of film and videotape formats (8mm, 16mm, 35mm, reel-to-reel, Umatic, SP Betacam, Digital Betacam, etc) and activities (viewing, editing, dubbing, repairing, preserving, projecting, copying, etc.). A film and television archive has an historical collection of equipment which needs to be kept in working order. It also has an ethical responsibility to maintain the original audio-visual experience, as well as to support contemporary forms of communication.
- Film and television archivists take their bearings from their own specialized organizations (such as the International Federation of Film Archives and the International Federation of Television Archives) which exchange technical information and establish international rules for good practice in the field.
- Historically, film and videotape have often been treated as second-class citizens (as media that are less 'serious') by print or digital oriented libraries and archives, and this has led to an uneasy relationship.
- Film and television archives work closely with local production industries.
- The Film Archive has accepted material for its collection according to 'guardianship' criteria different from those of (say) Archives NZ or the National Library.
- There are undoubtedly a number of film and television programme makers who would want their material deposited with a specialized audio-visual archive rather than with a less focused, multi-function organization.

It is not impossible that these functions could be linked with those of print collections, but there are so many differences that they add up to a very different overall culture. Consequently, a stand-alone, purpose-specific audio-visual archive tends to work best.

There are cases of linkage where the audio-visual archive retains its basic autonomy. That appears to be the case with the moving image collections of the Library of Congress. The Library is the 'host site' but the governance of its moving image collections is complex, involving film experts and academics from outside the Library. Effectively the audio-visual archive is a discrete, separate entity within the construct of the Library's legal identity. Such complexity is understandable as an acknowledgement that audio-visual archiving is a specialist area; but establishing and operating such a system is not easy.

It is sometimes assumed that there are automatic savings to be made when institutions are combined. In the case of an audio-visual archive, however, there are no appreciable savings to be made in relation to overall program functions, preservation or collection development, because the other institution is likely to have a different kind of mission and culture requiring different technical and operational requirements.

While recognising that audiovisual material needs different and sometimes more stringent climatic controlled storage conditions compared to other formats, some collaboration and rationalisation in this area may be worth pursuing. NZFA says, however, that when it raised this question with Archives NZ and the National Library, it was told that at present these institutions had no spare storage space.

International experience suggests that the 'marriages' that have worked best are between film, television, recorded sound, and some aspects of new media (such as 'video art'). The Australian archive combines these media, and the Finnish archive has recently extended from film only to incorporate television. The New Zealand archive began with film only, then added television. This combination makes good sense locally as there is significant overlap between the two industries – indeed, more overlap here

than in larger countries. While the fact that film and videotape are different media must always be considered, both media carry moving images and involve similar philosophical and practical principles in terms of preservation and access.

There is some overlap between the collections of NZFA, the TVNZ Archive, and Archives NZ (which has a collection of films by the National Film Unit); but from an archival point of view this is not a bad thing as more than one copy provides a kind of insurance. At the same time, each of these collections has a different *raison d'être* or focus, and each holds unique material. Other libraries also hold some video or digital moving images but generally these are low-resolution 'viewing copies' which do not meet preservation standards.

The governance of NZFA

The Archive began as an initiative by enthusiasts but has grown to a large, national institution. Since the review has been asked to consider 'any problems in the environment that make it difficult for the Archive to achieve desired results,' we need to raise the question of whether its Board and Convocation structure (which dates from 1981) is still well suited to its expanded scope. Is this an appropriate governance model for the future?

While we have not been able to explore the situation in detail, the present structure strikes us as better suited to an earlier phase of the Archive. The six trustees who make up the Board (and are paid sitting fees) are elected by a Convocation. We understand that this consists of between 12 to 30 members, appointed for a term of six years (but eligible for reappointment). New members of the Convocation are nominated and elected through a majority vote by secret ballot, by the existing members. Membership is renewed in a similar way.

Some would say that this structure continues to work well, but we can see some potential problems – first, the fact that the Convocation has the potential to act as a kind of second board, debating the Archive's Annual Report and Draft Annual Plan, and voting on other aspects of Archive business. Second, there is the potential for the Convocation and the Board to become somewhat ingrown and not able to represent the diverse interests of the community on a national scale or the necessary range of governance skills.

The Chair of the NZFA Board agrees there is a need to raise questions about governance and about 'how representative the convocation and the board is of the corporate world and the film industry.' She notes that 'the Convocation tends to re-litigate decisions' and 'as a body it struggles with the changing dimensions of the Archive. As a result, the Convocation tends to stultify growth and board innovation.'

The review suggests, then, that both funding and governance may benefit from some re-organisation.

(Section D) Technological change

Like the film and television industries, the Archive is having to ride a strong wave of technological change. Technology promises to deliver cost efficiencies – and that is certainly true of the increased amounts of data held on tape or hard-drive – but the savings are balanced by the continuing need to upgrade equipment. There is also the problem that Lindner identifies in his report: 'whatever formats are chosen will have to be migrated over time along with the media on which they reside. This is the new

paradigm. Planning for this process needs to occur as part of...general management planning' (p.28).

The Archive appears to be making thoughtful choices, for example in its use of LTO tapes. It has been cautious about compressing data. Lindner's report, which offers a 'Digital Infrastructure Roadmap,' notes that the Archive lives 'in an environment of rapid change of society and industry and must embrace it – because there simply is no other choice. However the steps forward must...fit within a larger plan' (p.13). We saw an example of progress in the way the Archive was streamlining its in-house cataloguing process, since adding more servers would enable its cataloguing staff to access QuickTime files. Lindner warns, however, that the Archive's overall 'digital infrastructure is inadequate' (p.15) and requires some major re-structuring and standardization.

The Archive has been able to deal with the advent of master material on hard-drive rather than on tape. Such items are transferred from computer to LTO4 tapes. The increasing television use of High Definition (HD) will create new demands in terms of needing to store a great deal more data and purchasing the appropriate off-air equipment. So far, the Archive feels confident of its ability to 'phase in' HD, thanks in part to the fact that tapes and hard drives have an ever-increasing capacity.

Incidentally, now that digital files are replacing tapes, a new system is required to replace the purple stickers that have always clearly distinguished NZOA tapes from other items in the Archive. NZOA should check in a year's time to ensure that NZOA files are being clearly identified on the database.

The Archive catalogue

It is natural for all public organizations to develop a web presence, and the Archive has established an appropriate, multi-purpose website.

Our only concern is that the public catalogue available on the website (which is used by funders and by the production community, as well as by the general public) can be a source of frustration, since a search can bring up hundreds of irrelevant titles. Ideally it should be possible to search the catalogue in the manner of Google – unfortunately one can not. The documents which the Archive gave to the review mention other desirable improvements but appear not to register any concerns about the catalogue. The Archive may reply that no funder is explicitly willing to pay for such improvements to be made. Nevertheless, the catalogue seems crucial to its 'connect' function and the Archive should seek to prioritise it.

If the new system for production requests (discussed below, p.29) is going to encourage film-makers to do their own research rather than pay the Archive for it, we suggest adding more information to the public level of the catalogue. It should not be necessary to pay for basic information. In some cases the collection has extensive coverage of a particular title, while in other cases it has merely a viewing copy of limited quality. The catalogue could usefully provide some format information and whether or not a title has been preserved. Taking account of concern from the Archive about the risk of compromising confidentiality, this information could be provided on a purely objective reporting basis, with no reference to donors.

Internet relationships

The Internet has created big changes for all of us, and a public institution such as an archive needs to work out an appropriate philosophy for this new environment.

One dramatic change in the environment has been the proliferation of locally-based websites offering moving images – TVNZ On Demand, NZ On Screen, Archives NZ, e-cast, Ziln, Te Ara, and NZ History, not to mention overseas sites such as YouTube. While this creates the danger of duplication among public organizations, it is an inherent and positive characteristic of the internet for sites to proliferate which overlap in some respects yet have a different slant or focus. It seems to us that the appropriate response is to maximise links between compatible websites so there is plenty of cross-listing. The Internet is well suited to cooperation of that kind, which can increase the number of visits to all inter-connected sites.

We are aware, however, that several public sites - NZ History, Te Ara and NZ On Screen - have not found the Archive as cooperative as they had hoped. We will look closely at why NZ On Screen (NZOS) has felt disappointed in its dealings with the Archive, and vice versa, to seek to clarify what the problems are.

Case study: NZ On Screen

NZOS is involved in providing free public access to moving image material through the internet, but does not see itself as an archive. The initial funding for its website came from NZ On Air which had hoped for a high degree of cooperation from NZFA, with the relationship benefiting both NZFA and NZOS. In fact, both parties have become unhappy with the situation.

NZOS sums up its view in this way: 'NZ On Screen is a client, not a competitor, yet we seem to be treated as a threat. We seek an effective partnership with the Archive – there are mutual issues in this sector where it would be to the wider benefit of both organizations if we could solve them together.'

The situation is a complicated one. The CEO of the Archive told us that he did not see the possibility of a stronger partnership with NZOS because he regards the two organisations as being in direct competition. In his words, 'It might also be relevant to your observations about a competitive environment that the level of visitation to the Film Archive's website is a Key Performance Indicator under its contract with the Ministry for Culture and Heritage - an example of how the requirements of one funding relationship can directly conflict with another.'

He added the opinion that if NZ On Air wanted such a website, it should logically have given the money to the Archive in the first instance. The Archive has a legislative status that makes it better equipped to deal with rights issues, which NZOS has had to put a great deal of work into researching. The CEO also regarded the Archive as having made a genuine attempt to work with NZOS during its initial year (via a contract to locate and digitise material), and saw the ensuing problems as the result of failure by NZOS to honour all the terms of its contract with the Archive.

It is difficult to reconcile this account with the account we received from the NZOS team. They acknowledged that the Archive had provided some useful research, but in other respects they had found it so slow and expensive that they felt they had no choice but to turn to other sources (such as the TVNZ Archive or National Archives). They considered that they were now getting much better service from other providers or by doing the work themselves. They were also unhappy about the Archive classifying NZOS's requests as 'commercial' (with particular copyright implications) when NZOS was a non-commercial site. From their perspective, they had attempted to be cooperative but the Archive seemed unwilling to reciprocate.

There were too many issues involved here for us to judge. We did, however, wonder if the Archive was correct in thinking of NZOS as a direct competitor, merely duplicating the 'public access' activities of the Archive. There are certainly some film and programme titles that overlap, and both organisations are non-profit bodies, but they seem different in several respects:

- (1) In terms of content, NZOS puts its primary emphasis on modern television programmes, in comparison with the Archive's stronger emphasis on film history, as reflected in the choice of clips on its website. NZOS draws on various sources and some of its titles are not held by the Archive.
- (2) NZOS offers a large number of programmes on its website (currently 662 titles, around 60% of them full-length) The Archive offers a more limited range of clips on its website, mostly excerpts. It does not offer a high resolution, full-screen option. The Archive also operates a MediaNet network, but that is available through particular physical outlets rather than by open Internet access.
- (3) NZOS has its own curators, organizing curatorial groupings of material.
- (4) NZOS is a highly focused website with a single basic function, whereas the clips on the Archive's website represent one aspect of an organization engaged in a variety of archival activities.
- (5) NZOS is arguably a new kind of internet initiative, conceived from the beginning in internet terms, and designed and operated by new media specialists. It has been innovative in its website design and user interfaces.

NZ On Air has commented that it saw NZ On Screen as being a tightly targeted project with a primary focus on television. This was important because of NZ On Air's obligations under the Broadcasting Act. NZ On Air believed that the NZFA with its diverse activities, interests and wider obligations would not have been able to focus sufficiently narrowly on television, nor to undertake a complex internet project in the time required. However, these key messages may not have been communicated clearly enough, as the Archive does not appear to have absorbed this perspective on the original decision and its rationale.

We are reluctant to give advice in this situation but see it as one that is important for both parties to resolve productively. An added complication is the fact that one of the reviewers (Dr Horrocks) is a trustee of NZOS. However, the other two reviewers share responsibility for the opinions expressed in this section of the report. The Archive clearly sees more problems of overlap than does NZOS or NZOA, and fewer possibilities of mutual benefit. That said, a facilitated negotiation to establish an appropriate collaboration would seem a desirable outcome.

The Archive has helped to provide some of the titles available through NZOS, and NZOS still acknowledges the Archive on its website as a 'strategic partner,' thanking it for its 'outstanding support' and 'expert knowledge'. It would appear, then, that some connections still exist. Perhaps they can be gradually strengthened over time. If not, then both sites will presumably be seeking other public partners to collaborate with. The internet is in a state of rapid evolution, and while commercial sites focus on competition and exclusivity, non-commercial sites have been active in seeking the benefits of linkages. We recommend to the Archive that it develops its internet strategy along those lines.

(Section E)
Communication and cooperation

A well-functioning organization can still run into problems if it does not put enough care into the area of communication. The Archive maintains good communication with the general public, but the results are mixed in the case of the production community, and also some parts of the public sector (including, at times, funders). The term 'siege mentality' was how several sources summed up the Archive's communication style in its least successful forms. Such criticism may fail to take account of the fact that the Archive has been genuinely under financial and other pressures. It has needed great determination to get to where it is today, and consequently the mood of such an organization can come across to others as grim or defensive. Nevertheless, this impression does exist in some quarters, and the Archive needs to be aware of it. An organization faced with PR problems – however unjustified some of them may be - is wise to pay more attention to its communication processes and the relationships involved.

The production community

The Archive has had a smooth working relationship with some individual directors and production companies (such as South Pacific Pictures, a major client), and there is a general acknowledgement within the production community that it is important to have a national film and television archive. But feedback from some members of that community suggests that their dealings with the Archive have been less smooth. The description of the Archive as 'a brilliant resource that should be a great deal easier to access' was not untypical. There are concerns about cost, quality and timeliness.

Since NZ On Air, Te Māngai Pāho and the Film Commission fund production and want that process to run smoothly, the review needed to look at this general issue. The CEO of the Archive notes that 're-use [of material] by third parties' yields only 'about 1% of the Archive's budget and costs at least twice that.' Nevertheless the Archive needs good relations with producers for reasons of collection development. Its 'Kaupapa' lists as one of its objectives: 'To maintain a special relationship with the moving image industries, whose output and history it preserves and embodies. It shall work to merit their support and trust, and to complement, aid and stimulate their creative activity.'

A Memorandum of 22 July 2009 which the CEO gave to the review team elaborates on the subject under the heading of 'Commercial Use.' This refers to 'the process of providing access to the collection for inclusion in new productions,' which it describes as 'complex and demanding.' It 'costs the Film Archive far more than it recovers in fees.... However, it is not an option to withdraw the service as the production community takes the view that the material held in a publicly-funded institution should be readily available. Nor, it seems, is it likely to be acceptable to charge a realistic fee for the work involved as commercial clients regularly and vociferously complain about the charges that are currently made.'

The somewhat weary tone of the CEO's account underlines the fact that this service has 'regularly and vociferously' had troubled aspects. It should be noted, in sympathy with the Archive, that there is still a lack of understanding among some members of the film and television industries as to the functions of a film archive and its running costs as distinct from those of a production library. Also, at least one company has apparently been caught out telling its funder that it had to pay a lot more for archival material than the Archive had in fact charged.

The Archive feels it has put a great deal of energy into trying to increase awareness. A production community tends naturally to work to a more urgent rhythm than an archive. Also, most film and programme making in New Zealand operates on a very limited budget, and this can add a 'demanding' edge to negotiations

Ultimately, the review team could not hope to sort out the rights and wrongs of the various problems reported to us in the feedback we received. The Archive may be blameless for any of the delays or claims of unhelpful service – but even if that is the case, the Archive needs to continue striving to win the 'support and trust' of the production community.

Permission to use material

Another archival area in which some film and programme-makers feel (rightly or wrongly) that more clarity is needed is the withholding of permission to use material. Some of their examples involved Māori material and some did not. The review team did not have the time to look closely at how this system was working in practice. Therefore, like some other feedback mentioned in this report, we simply pass on the main points to the Archive in case they identify a communication or fine-tuning issue which the Archive may wish to address.

Some producers expressed the opinion that the clearance of rights for Iwi-related material via the Archive was so slow and difficult that they had given up attempting to obtain such material. One said he had turned to the more expensive option of dramatisation because of the difficulties surrounding permission to use documentary footage. While acknowledging the importance of indigenous rights, producers urged the Archive to re-examine their procedures to see if any further simplification or streamlining was possible. One film-maker suggested that the threshold criterion should be: 'Is this a serious project, a project with basic integrity?' He hoped that the Archive helped all communities (Māori and Pakeha) to recognise the value of serious film and television projects, and to understand that it was not necessary to like or agree with everything in a film in order for a person or community to grant permission.

This is a very complex area, and the Archive has devoted much time and energy to ensuring that indigenous rights are fully respected. Its care is reflected in its Memorandum of Understanding with Iwi groups, its Protocol Discussion Paper, its Taonga Māori Deposit Agreement, and the way in which its Kaupapa document spells out the Archive's adherence to the Treaty of Waitangi. The Archive has achieved international recognition for its innovative work in this area.

The non-Māori examples involved a desire for criteria to be clarified so they could be fully debated and understood within the industry. In 'Access to the Collections,' the Archive sums up its approach in this way: 'Rigorous clearance procedures are observed to ensure the integrity of the material is upheld....' The industry feels uncertain about how the Archive understands the term 'integrity.'

The *FIAF Code of Ethics* has a similar rule: 'Archives will respect and safeguard the integrity of the material in their care and protect it from any forms of manipulation, mutilation, falsification or censorship.' According to international practice, such a rule may come into play in these situations:

- (1) in relation to explicit moral rights or interests that the owners of the footage have identified and which they therefore expect the archive to exercise on their behalf;
- (2) for preservation reasons (if the original or preservation copy is the only one available); and

(3) where an archive has taken (and made public) a policy stance about particular uses of material (for example, where an archive has stipulated that it does not service stock shot footage or advertisements).

It would not be typical archival practice to refuse access on the basis of a previously unstated, internal-to-the-archive judgement call about relevance or suitability of a proposed third party production. And in all the above cases, the archive needs to offer a clear explanation to clients.

The NZ Film Archive feels that it has already put a great deal of effort into explaining its policies in this area. Nevertheless, some uncertainty about them persists in the local production community.

Addressing communication issues

Many of these difficulties come back to the need for clear communication, frustrating as it may be for the Archive to keep explaining core principles. That activity seems essential if it is to realize its stated objective: 'to maintain a special relationship with the moving image industries' and to 'work to merit their support and trust, and to complement, aid and stimulate their creative activity.'

We should acknowledge that Steve Russell, the Archive staff member who facilitated our on-site visits, was an excellent communicator. The staff re-structure that is currently under way may result in better communication within the organization, and more consistent outside communication generally. The Archive could perhaps appoint a staff member – or additional staff member - specifically to focus on client relations. This should be not a conventional PR person or publicist but someone with an understanding of the media industries. The Archive has now reached a size where the CEO can not be expected to fulfill such functions in addition to all the other major tasks he has to undertake. Good communication does not necessarily bring debates to an end but it can at least ensure that there is no confusion about what the Archive does and why.

Preservation is another issue that calls for clarification within the production community since there are now some alarmist rumours in circulation about the condition of films in the Archive. We have attempted in this report to stress the seriousness of the preservation problem while still placing it in perspective. For 30-year-old films, most problems are solvable, provided some energy and resources can be made available.

An archival philosophy

It may be useful to add a few more comments on the kaupapa of the Archive. While the Archive has a responsibility to communicate that clearly, funders and the production industry need to understand and respect its protocols and the reasons for them.

The NZ Film Archive is committed to the *FIAF Code of Ethics* in its operations. This means that it necessarily balances the interests of preservation and longevity of the collection with more immediate access demands. While it actively supports and relies upon the production industry for much of its collection, the Archive is duty bound to ensure that both physical preservation and rights for any work in its care are appropriately recognised. In some cases this will mean that a work will not be immediately available because it has not yet been preserved and is therefore endangered long term by any interim access-driven reproduction. At the same time,

this important access condition needs to be clearly explained in context. It should not be seen as lack of support for access but rather as commitment to access long-term.

Whilst the Archive does not operate on a commercial for profit basis, it does charge for its services within a normal commercial range, though this may not reflect the full costs for the actual preservation of a work. It needs to communicate this rationale clearly to its production partners, providing sufficient detail to explain how all of its fees are calculated.

The scenario outlined here is familiar in most film archives world-wide, and some tension is to be expected between those seeking to use collection material, and an archive seeking to ensure that all works are both preserved and accessible. The NZ Film Archive's primary challenge is to minimise this tension by making its archival rationale and responsibilities as public as possible.

A new policy

The Archive has now decided to 'address some of the issues arising from the conflict between prudent guardianship of the collection and the more urgent imperatives' of the production community by changing its cost recovery regime. The new system (tentatively scheduled to be introduced next summer) will involve 'a more straightforward system of charging by the hour for staff support in research and clearance negotiation and technical services.' Previously there has been some confusion in the minds of clients between facility fees (the cost of Archive research, handling and dubbing) and licence fees. The confusion was based on an Archive rate card that referred to the amount of footage used. Now it is hoped that leaving the client to negotiate any licence fee outside the Archive, directly with the owner, will make the Archive's own charges much clearer. It is also proposed that all technical work should be outsourced to Park Road Post 'and all charges for it would go directly from the laboratory to the producer.'

It seems clear that changes to the existing system are desirable. There are precedents for the new system proposed. (For example, the Library of Congress in the USA appears to charge research, access and dubbing fees only.) Only time will tell, however, whether the proposed new system represents an improvement in the local situation, in terms of cost, quality and timeliness. We have three suggestions:

- (1) Since there is bound to be some initial suspicion on the part of producers, we strongly urge the Archive to be very pro-active in explaining its new system. Meetings with producers in Auckland and Wellington would represent a useful starting-point. Funders should also be briefed.
- (2) The Archive should make a detailed comparison of the costs that it is charging ('research and clearance negotiation and technical services') with other sources. If other providers are cheaper than the Archive, there may be a good reason (such as subsidisation), but in that case it is important for the Archive to explain the situation clearly to clients to prevent bad will or misunderstanding.
- (3) Park Road Post has a good reputation for quality – and that is certainly an important consideration for any archive when it releases material to a commercial lab for work to be done. At the same time, however, Park Road will be associated in the minds of some producers with 'top of the line' rates; and if the Archive is negotiating some kind of package deal, it should seek to mitigate this concern. Its term 'commercial clients' as used in its Memorandum is inappropriate to describe those who undertake projects on small Creative NZ grants or out of their own pockets (which in the current environment seems to be happening more frequently). How will such projects fare under the new

system? A low-budget documentary is simply not in a position to pay similar rates to a top-end television commercial.

As a more general point, we suggest that the Archive should clarify its distinction between 'commercial' and 'non-commercial' clients, since at present it appears that any external request which results in reproduction in the public arena is classed as 'commercial', whereas some clients may regard their request as not for profit and in the public interest.

(End of report)

APPENDIX: Project Brief

Review of government agency funding for the New Zealand Film Archive

Introduction

Parts of this paper are sourced from a draft discussion paper prepared by the Ministry for Culture and Heritage in May 2008. That paper was not released as the sector-wide review that was then being contemplated was not progressed. In the absence of a sector-wide review it is timely to assess service delivery effectiveness, for both television and film archiving.

This review considers arrangements for films and television programmes carried out by the New Zealand Film Archive (NZFA). NZ On Air has initiated this project, but as other agencies are involved in moving image archiving it seems sensible not to do this in isolation - involving other funding partners will allow for a more coherent approach to be taken to archiving funding.

Four agencies are involved in this review: NZ On Air, the New Zealand Film Commission (NZFC), Te Mangai Paho (TMP) and the Ministry for Culture and Heritage (MCH) - ('the agencies')

In 2003 NZ On Air commissioned Professor Roger Horrocks and Dr Brian Pauling to assess archiving services. A symposium to discuss key issues, involving some 70 people, followed in 2004. Many of the problems raised in the 2003 paper were discussed but, for various reasons, mostly due to the fragmentation in the sector, few actions or solutions were able to be implemented. In 2006 Roger Horrocks carried out a capability review of the NZFA for MCH. This review will follow up and build on these reviews.

Purpose

The agencies believe a stand-alone moving image archive is generally considered to be the best model to secure focused, quality archiving services

The primary purpose of this review is to evaluate whether:

- Day to day archiving service delivery (collection, preservation and access) is of high quality appropriately balanced and based on best-practice principles
- There is any unnecessary duplication of funding or services, or significant gaps

The review will also consider wider issues such as whether:

- The NZFA's stated mission and strategic plan is in accordance with funders' expectations
- Screen funding agencies are getting value for money
- Purchasing arrangements are appropriate
- The level of resourcing for NZ Film Archive is appropriate
- The Archive is able to deal effectively with the problems and opportunities created by changes in technology
- There are any problems in the environment that make it difficult for the Archive to achieve desired results
- The current funding structures are the most efficient and effective to achieve the best outcomes for the public good

Sector background and description – *excerpt from the 2008 MCH paper*

Each year, New Zealand produces many thousands of hours of television and radio content, film and music, and significant amounts of other audiovisual media ranging from internet content to advertising to interactive games. This material forms part of the nation's heritage, and is likely to be valuable to future generations – as a record of the country's heritage and cultural life, its people and events, and of the media and technology used to produce them.

For current and future generations to benefit, an appropriate selection of this material must be collected, preserved to appropriate standards, and made available to those who wish to access it. That is the role of organisations engaged in archiving audiovisual material.

The current arrangements for archiving New Zealand's audiovisual heritage have evolved on an ad-hoc basis over many years. This is not a criticism of any archives, but a comment on overall arrangements. Several institutions, both public and private, collect and preserve audiovisual material.

These organisations operate under multiple funding streams, and under five pieces of legislation – though some have no direct legislative mandate. There is no national policy to guide decisions on what should be publicly funded for collection and preservation in archives, nor about public access to archives.

Funding background and history

NZ On Air has purchased over \$6 million in services from NZFA over the last decade, and currently invests around \$740,000 per annum. An extra capital grant of \$350,000 was made in 2007 for digitising equipment. Its three year contract expires in 30 June 2009 and before a further multi-year contract is entered into, a service delivery review should be undertaken. This will mean a 'roll over' contract arrangement while the review is being undertaken.

NZ On Air funding is applied to the NZFA's 'National Television Collection', which now comprises more than 15,000 titles, either recorded off-air or comprising dubs/master tapes. This collection is held in trust for the New Zealand public and can be transferred to another archive if NZFA discontinues services.

Of the current annual funding of \$740,000, expenditure is roughly equal across six budget lines -

- acquisition (highest at budget of \$165,000)
- preservation
- access
- storage
- administration, and
- digitisation (lowest at budget of \$75,000)

Each year this funding enables around 1,680 hours to be archived, 185 hours preserved and 975 titles digitised.

Three other government agencies also provide archiving funding to NZFA. The NZFC has contributed over \$2 million to NZFA in the last decade, and currently invests around \$230,000 pa. This funding is provided to meet the NZFC's legislative mandate to encourage and promote film archiving. It is noted that NZFA also considers that its education work contributes to NZFC's function of encouraging and promoting the study and appreciation of films and film making.

Te Mangai Paho has recently gained legislated broadcast archive funding responsibilities. This year, it has signed a contract with the NZFA for archiving services to the value of \$275,000 per annum for the next two years, meaning the establishment of off-air digital recording of the output of the two MTS channels.

Vote funding, made available through the Ministry for Culture and Heritage *and Lottery* funding (over \$13 million in the last decade) is provided to enable the NZFA to collect and protect a range of moving image archival material and to make that material available to the public.

Other Government entities may also purchase specific services, such as the Ministry of Education. These are not included in this review as they can more usefully be seen as clients of the NZFA than as funders.

Funding issues

Over \$1.2 million of income from three government funding agencies is now earned by NZFA annually, alongside over \$1 million from MCH and Lottery Grants Board Funding. There is no overall moving image archiving strategy, agreed by all funding partners.

This funding fragmentation makes it difficult for individual agencies to assess adequately the appropriate level of funding needed by NZFA to perform its tasks efficiently and well. These arrangements create several issues, including lack of a coherent, strategic approach to archiving and funding decisions.

The funding agencies also need to review their priorities, coverage, and coordination. The funding agencies each have a small staff, limited expertise in this highly specialist area, and little time to consider archive funding policy in a coherent way. It is also difficult for funding agencies to be consistently clear about what is being and what should be collected and preserved.

For its part the NZFA, a charitable trust, deals with multiple funders and clients with different mandates, and has a complex task in balancing expectations of funders, other clients, the production industry, technical specialists, staff and members of the public.

Review structure

Steering Committee

- All four funding agencies need to be jointly involved so the NZFA can plan for such a review once (rather than three separate monitoring reviews over time)
- The chief executives (or designates) from NZ On Air, NZFC, MCH and TMP will form a steering committee. Meetings of the committee will be also attended by the chief executive of the NZFA

Other consultation

- TPK will be consulted at draft report stage to keep a policy oversight given the multi-agency nature of the review. TMP and MCH will liaise as appropriate
- Screen industry representatives may also be consulted during the process

Review team

The purpose of the review is set out on page 1. In exploring those general points, the specific questions will include (but not be limited to):

- Is the current archiving of television and film adequate (eg. safely preserved and stored, correct standards, best titles collected, adequate policies and practice)? This will involve sample audits of reports against actual practice to check that the titles listed were archived, safely stored, etc.
- In terms of television archiving, is the balance of off-air and tape accession appropriate? Is there duplication? Where are the gaps?
- Are feature film and short film archiving practices satisfactory? Do the NZFC and NZFA have appropriate processes to ensure high quality film prints are archived?
- In terms of relationship and cooperation with production industry and broadcasters, is access policy understood and adhered to? Is client servicing effective?
- What are the main technology issues? How are they being addressed?
- What are the restoration issues?
- Can screen agency funding be better coordinated, leveraged or streamlined?
- What are the main current and pending issues? Is the NZFA adequately funded overall? Are feasible solutions available?

- Review team members:
 - Chair and main report writer: Professor Roger Horrocks
 - Research/audit assistant, to conduct on-site research and liaison.
 - Technical advisor: Dr Horrocks to assess impending NZFA technical review and identify if further information is required. If so, offshore archives consultant likely.

NZ On Air will fund this review.

Process and timeline

First Steering Committee meeting: 2 June 2009

Physical review completed by Dr Horrocks: By 31 August 2009

First draft report from Dr Horrocks delivered to Steering Committee: By 21 September 2009

Steering Committee meeting to discuss report: By 30 September 2009

Report completed and accepted by 1 November 2009