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AUSTRALIAN EXPERIENCE IN CONDUCTING SURVEYS OF THE AUDIO VISUAL INDUSTRIES

Author: Denis Ward

Australian Bureau of Statistics
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INTRODUCTION

1. Australia conducted surveys of film and video production, distribution and exhibition industries, and the radio and television services industries, in respect of the financial year ended on 30 June 1994. A paper outlining issues associated with the development of these surveys was presented at the ninth meeting of the Voorburg Group in October 1994.
2. This paper summarises the data collected in terms of the modules of the audio visual model survey, outlines ABS experiences in the conduct of the surveys, and describes the output currently being prepared.

SCOPE OF THE SURVEYS

3. The scope of the surveys included the following five classes from the Australian and New Zealand Standard Industrial Classification (ANZSIC):
 - . Film and Video Production (Class 9111) - incorporating the primary activities of motion picture film or tape production, motion picture editing, post-production activities, and television program production.
 - . Film and Video Distribution (Class 9112) - incorporating the primary activities of motion picture leasing, motion picture distribution, video leasing (excluding hire to the public by video hire shops), and international sales agents.
 - . Motion Picture Exhibition (Class 9113) - incorporating primary activities of cinema operation, drive-in theatre operation, film or video festival operation, motion picture screening, and motion picture theatre operation.
 - . Radio Services (Class 9121) - incorporating the primary activities of radio service and radio station operation.
 - . Television Services (Class 9122) - incorporating the primary activities of television service and television station operation.
4. The decision to include radio services was made in the latter stages of the development of the survey. Its inclusion enabled the whole of ANZSIC Subdivision 91 to be included in the survey, and the production of "electronic media" statistics before new innovations and technology currently underway in the industries greatly affected the structure and shape of the various components.
5. New legislation has recently been introduced in Australia replacing stringent rules regarding commercial radio station ownership in capital cities, providing for new classes of broadcasting (community, public, and commercial) and allowing new innovations such as subscription and narrowcast broadcasting. The 1993-94 survey provided the opportunity for the ABS to provide an effective "before" snapshot when compared to any further surveys conducted in future years.
6. The number of businesses included in the survey for each industry class is shown in Table 1 below. Each class was fully enumerated.

Table 1: 1993-94 Australian Audio Visual Survey, Response Information

ANZSIC Class Number of Businesses on the Business Register

	Number	Despatched#	FinalResponse%
9111 Film and Video Production	2389	2413	92
9112 Film and Video Distribution	84	99	98
9113 Motion Picture Exhibition	344	329	93
9121 Radio Services	275	360	97
9122 Television Services	70	68	100

includes units from supplementary coverage lists

7. As Table 2 below shows, there is close alignment between the ANZSIC and ISIC Rev 3. The only exception was the inclusion of some news agency services in ANZSIC classes 9121 and 9122 which are classified to class 9220 in ISIC.

Table 2: 1993-94 Australian Audio Visual Survey, Scope Comparison With ISIC

ANZSIC	ISIC Rev. 3
911 - Film and Video Services	
9111 - Film and video production	9211 - p Motion picture and video production and distribution
9112 - Film and video distribution	9211 - p Motion picture and video production and distribution
9113 - Motion picture exhibition	9212 - Motion picture projection
912 - Radio and Television Services	
9121 - Radio services	9213 - p Radio and television activities
	9220 - p News agency services
9122 - Television services	9213 - p Radio and television activities
	9220 - p News agency services

MODULES OF THE AUDIO VISUAL MODEL SURVEY COLLECTED IN THE 1993-94 ABS SURVEYS

8. Table 3 below summarises the data item content of the 1993-94 Australian audio visual surveys in terms of the modules of the model survey presented at the October 1992 Voorburg meeting.

9. Statistics Canada have been conducting annual surveys of the film and video industries for about ten years and their data items were used as a starting point in many of the discussions with users in Australia. The content of the ABS survey was determined by extensive consultation with user organisations. During the development of the collections all the main industry associations, state film bodies, motion picture exhibitors, internal ABS users, as well as a wide cross-section of organisations directly or indirectly involved with the audio visual industries in Australia were approached. Input was received from over 75 organisations.

10. Although information on the Australian audio visual industry was already available (particularly for the heavily regulated radio and television services) its deficiencies were widely acknowledged. These deficiencies arose out of the use of inconsistent classifications and units which precluded comparisons within the audio visual industry, and with other sectors of the economy. Users consulted hoped that the results of the ABS survey would provide a definitive picture of the size and importance of the audio visual industry.

11. Five of the eleven modules of the model survey were collected in each of the five ANZSIC classes in-scope of the 1993-94 Australian surveys. Those not collected were: purchases of goods and services for resale (except for motion picture exhibition); inventories; basis of accounting; imports/exports; and research and development.

Table 3: 1993-94 Australian Audio Visual Survey, Model Survey Module Data Items Collected

ModuleNo.	Description	ANZSIC9111	ANZSIC9112	ANZSIC9113	ANZSIC9121	ANZSIC9122
1	Revenues from sales of goods and services					
	collected	collected	collected	collected	collected	collected
2	Goods and services used in operation					
	collected	collected	collected	collected	collected	collected
3	Purchases of goods and services for resale					
	not collected	not collected	collected	not collected	not collected	not collected
4	Inventories					
	not collected	not collected	not collected	not collected	not collected	not collected
5	Supplementary questions concerning basis of accounting					
	not collected	not collected	not collected	not collected	not collected	not collected
6	Exports					
	not collected	not collected	not collected	not collected	collected	collected
7	Imports					
	not collected	not collected	not collected	not collected	not collected	not collected
8	Supplementary questions					
	refer Table 4 below	refer Table 4 below	refer Table 4 below	refer Table 4 below	refer Table 4 below	refer Table 4 below
9	Employment					
	collected	collected	collected	collected	collected	collected
10	Fixed assets, additions and disposals					
	not collected	collected	collected	collected	collected	collected
11	Research and development					
	not collected	not collected	not collected	not collected	not collected	not collected

12. Most of the modules collected comprised standard data items collected in almost all ABS business surveys. Most of these items are readily available from standard accounting records kept by Australian businesses. A list of the detailed items collected is provided in the Attachment.

13. Extensive testing was undertaken during the development of the Australian survey to ensure that the data items collected were readily available with minimal reporting load. Furthermore, care had to be taken to ensure that the questionnaires used terminology in common usage within the audio visual industry.

14. Comments on each of the modules are provided below.

Module 1: Revenues from sales of goods and services

15. The items of revenue collected for each ANZSIC class are summarised in the Attachment. While the amount of detail sought was clearly in excess of the draft CPC items they were not as comprehensive as the revenue items collected in the French audio visual survey reported on at the seventh Voorburg meeting in Williamsburg in 1992.

16. Australian users expressed strong demand for as much information and detail as possible showing income by type of activity and source of income. Owing to the different nature of the production, distribution, exhibition, radio and television components of the audio visual industry the dissections appropriate to one were not relevant to others, and different form types were used for each ANZSIC class collected in the Australian survey. The data items collected were tailored to each industry.

17. The final composition of the income items collected was balanced against the availability of item detail available from standard company records, particularly for the smaller production companies.

Module 2: Goods and services used in operation

18. As with revenue, the amount of detail sought for goods and services used was extensive and aligned reasonably with the expense items collected in the French audio visual survey. Respondents in Australia generally have most difficulty reporting very detailed expenditure items. As a result the items collected in the 1993-94 audio visual survey were restricted to those readily available from standard accounting records.

Module 3: Purchases of goods and services for resale

19. As with the French study the collection of "purchases of goods and services for resale" was restricted to the purchase of goods for resale (primarily confectionery and beverages) at owner operated refreshment bars in the motion picture exhibition industry. This module item was not considered significant in the other ANZSIC classes that comprise the audio visual industries in Australia.

Module 4: Inventories

20. Most ABS business surveys include the collection of opening and closing stocks, generally by goods purchased for resale, used in operation, etc. However, testing of forms in the Australian audio visual industry indicated that stocks were not significant in any of the five ANZSIC classes surveyed. Collection of stocks information was therefore restricted to trading stocks included in the assets and liabilities segment of the questionnaires.

Module 5: Supplementary questions concerning basis of accounting

21. Due to insufficient user demand this item was not collected.

Modules 6/7: Imports/Exports

22. Information on imports and exports was not collected as part of the 1993-94 Australian audio visual survey even though users expressed considerable interest in the exports of businesses in the industry. Trade data are available from the ABS's annual International Trade in Services Survey, which includes the audio visual industry within its scope. Although the latter survey did not collect all of the industry level classificatory detail desired, the decision not to include import/export

items in the audio visual survey was made to minimise reporting load. The trade in services items collected in the audio visual survey were primarily intended to provide coverage information for the International Trade in Services Survey.

Module 8: Supplementary questions

23. The primary area of user interest identified during the development of the audio visual survey required the collection of a wide variety of supplementary activity data. These were generally unique to each of the five ANZSIC classes surveyed. A list of the activity data collected is provided in Table 4 below. This is followed by a brief outline of some of the main issues associated with the collection of activity data.

Table 4: 1993-94 Australian Audio Visual Survey, Activity Data Collected

ANZSIC Class	Activity Data Collected
9111 Film and Video Production.	Type and number of hours of productions made for television/other than for television (eg drama, light entertainment, sport, etc). Income from overseas. Type of production services provided to/by overseas residents
9112 Film and Video Distribution.	Number of Australian titles distributed by country of market destination. Type of distribution services provided to/by overseas residents
9113 Motion Picture Exhibition.	No. of cinemas/drive-ins. Seating capacity. No. of paid admissions
9121 Radio Services.	Programming format (eg music, news/talk, sport, general community) by no. of transmission hours). Description of target audience (eg by age ethnicity, religious, etc). Production technologies used (eg analogue, digital, microwave links, satellite, etc)
9121 Television Services.	Program (drama, other) costs (eg labour, licence fees, facilities, etc). Type and number of hours of productions made for television/other than for television eg drama, light entertainment, sport, etc)

24. Type of production: For film and video production there was considerable demand for information on the value of production by the type of production in both ANZSIC classes 9111 and 9121. There is considerable discussion within the industry in Australia on the level of local content shown on television and in motion picture theatres. The costs of production, Australian technical staff employed, etc, varies significantly with the type of film and video produced.

25. The production categories identified through initial discussions with users were:

- . feature film
- . short film
- . documentary
- . experimental/art-house
- . corporate video
- . educational/training
- . interactive programs
- . music film/video clips

26. There was particular demand for information on children's programs. A problem with this category identified during the development phase of the survey was that it overlapped with a number of the categories listed above. Finally, users sought information on the production of commercials. These accounted for a large part of production industry.

27. Subsequent form testing necessitated reducing the number of production categories to

- . feature film
- . short film
- . documentary
- . corporate/marketing/training video
- . educational
- . interactive programs
- . music film/video clips

28. Additional questions were asked on the number of programs specifically made for children under 15 years of age, and commercials and advertisements. Because many of the production companies did not maintain detailed records on type of production activity the final survey collected only summary information on the percentage of total production costs attributable to each of the above categories.

29. Market destination of production: Because of industry and government policy towards the development of overseas markets there was considerable interest in the identification of the markets for Australian productions. However, the lack of detailed records restricted actual collection to the number of titles distributed to the following destinations:

- . domestic
- . overseas, with this split further into:
 - . New Zealand
 - . United Kingdom
 - . Other Europe
 - . Asia
 - . North America
 - . South America
 - . Africa
 - . Other

30. Radio services activity data: Although the government regulatory authorities collect a considerable amount of information on the radio services industry the ABS survey was seen by the industry as an opportunity for the collection of data comparable with those for other components of the audio visual industry, and for other sectors of the Australian economy.

The deregulation of the industry has resulted in the proliferation of a range of community and special interest stations, each with its own niche format (news/talk, sport, music, etc), and target audience. Considerable development effort was required to ensure that the terminology used in the questionnaires was widely used in the industry.

Module 9: Employment

31. One of the main problems in collecting information on employment is the blurring between the boundaries between employees and contractors. The latter are often businesses in their own right. This problem is particularly evident among freelancers within the film and video production industry. Many of those providing freelance services form incorporated companies for tax purposes. Furthermore, the mobility that characterised the labour force in the industry posed problems in arriving at mutually exclusive occupation by industry totals for activities during the reporting period. For example, it is common for freelancers to work in producing, directing, scriptwriting, or acting, capacities according to the availability of work.

32. At the same time users regarded employment data as one of the main indicators of the size (and therefore the importance of the audio visual industry). However, the paucity of employment records maintained by businesses in the industry precluded the collection of detailed information about contractors and occupations.

33. The ABS therefore restricted employment data to the collection of broad employment groupings at 30 June 1994 (by whether full-time/part-time, and gender), payments to contractors, and total employment at the end of each month for the film and video production industry.

Module 10: Fixed assets, additions and deletions

34. Most of the standard module items were collected for all ANZSIC classes in the Australian audio visual survey (except for film and video production), though furniture and fittings, and computer equipment were included in plant, machinery and equipment.

Module 11: Research and development

35. Expenditure on research and development is collected in an annual ABS R and D survey. To minimise respondent load this information was not collected in the Bureau's audio visual survey.

COLLECTION/PROCESSING ISSUES

36. As Table 1 above shows, a high final response rate was achieved for all of the industries surveyed with the exception of film and video production (ANZSIC 9111). This industry is characterised by a large number of small production companies established for individual film/video productions. Considerable effort was required to locate and access the records for the companies that were no longer operating in order to achieve an acceptable level of response. Furthermore, some of the smaller units

had difficulty in providing some of the dissections required in the questionnaires.

37. For the larger businesses, particularly those in motion picture exhibition, and television services the primary respondent concerns related to issues of confidentiality. This arose out of the highly competitive nature of the industries and their dominance by a small number of large businesses.

SURVEY OUTPUT

38. The ABS is currently preparing output for the collections. There will be two broad sets of output. The first will comprise ANZSIC class based structural data (income, expenses, employment, business size, performance measures, etc) comparable to those produced for other service industries and for other sectors of the Australian economy.

39. The second type will comprise activity data for which users expressed a strong interest during the development of the Australian survey. Activity data actually collected in the survey is outlined in Table 4 above.

40. For film and video the intention is to produce complementary industry based output that shows production, distribution, and exhibition. Output for radio and television services will enable comparisons between the two types of electronic media, and provide base measures of the industries before the impacts of the introduction of new technologies and the new legislative environment are felt.

41. The need to produce both industry and activity data is a primary requirement for most of the service industries collections developed by the ABS in recent years. Users require more detailed information about the activities of the units in-scope of the surveys than is provided by the ANZSIC class description.

42. The provision of activity data requires the manipulation and aggregation of data across ANZSIC classes. For the audio visual surveys this is being undertaken for film and video production. Such aggregation is an even more significant aspect of output for collections being developed by the ABS for the private practice medical practice; sport, recreation and gambling; and the community services industries.

Attachment

AUSTRALIAN EXPERIENCE IN CONDUCTING SURVEYS OF THE AUDIO VISUAL INDUSTRY- DATA ITEMS COLLECTED

FILM AND VIDEO PRODUCTION SERVICES (ANZSIC 9111)

Module 1: Revenues From Sales of Goods and Services

Income from the production of commissioned works
Income from the sales of rights for completed works
Sales of ancillary rights
Other royalties income
Income from the provision of production services to other businesses
Income from the provision of post-production/film laboratory services to other businesses
Rent, leasing and hiring income
Government subsidies
Other operating income
Interest income
Dividends received
Other non-operating income
Total gross income

Module 2: Goods and Services Used in Operation

Wages and salaries
Payments to freelancers who are paid via an incorporated company
Payments to catering services
Employer contributions to superannuation funds
Workers compensation costs
Payments to other businesses for post-production services
Payments to sales agents
Residual payments
Administration fees paid to funding organisations
Purchases
Freight charges by other businesses
Insurance premiums
Depreciation and amortisation
Rent, leasing and hiring expenses
Motor vehicle running expenses
Interest expenses
Bad debts written off
Other business expenses
Royalties expenses
Total expenses

Module 3: Purchases of Goods and Services for Resale

not collected

Module 4: Inventories

not collected

Module 5: Supplementary Questions Concerning Basis of Accounting

not collected

Module 6: Exports

not collected

Module 7: Imports

not collected

Module 8: Supplementary Questions

A wide range of supplementary activity data items were collected in the survey. Refer to Table 4 in the paper for a list.

Module 9: Employment

Total employment at 30 June 1994 by gender for each of:

Working proprietors and working partners

Working company directors of business

Other employees

Total employment at end of each month

Module 10: Fixed Assets, Additions and Disposals

not collected

Module 11: Research and Development

not collected

FILM AND VIDEO DISTRIBUTION (ANZSIC 9112)

Module 1: Revenues From Sales of Goods and Services

Film rental (theatrical, television, other)
Distribution of pre-recorded video cassettes and discs
Sub-licensing
Sales agents commissions
Royalties income
Other rent, leasing and hiring income
Freight income
Government subsidies
Other operating income
Interest income
Dividends received
Other non-operating income
Total gross income

Module 2: Goods and Services Used in Operation

Wages and salaries
Employer contributions to superannuation funds
Workers compensation costs
Licensing costs
Dubbing, duplication, film print costs
Advertising/marketing costs
Royalties expenses
Freight charges by other businesses
Depreciation and amortisation
Rent, leasing and hiring expenses
Motor vehicle running expenses
Insurance premiums
Interest expenses
Bad debts written off
Other business expenses
Total expenses

Module 3: Purchases of Goods and Services for Resale

not collected

Module 4: Inventories

See items under Module 10

Module 5: Supplementary Questions Concerning Basis of Accounting

not collected

Module 6: Exports

not collected

Module 7: Imports

not collected

Module 8: Supplementary Questions

A wide range of supplementary activity data items were collected in the survey. Refer to Table 4 in the paper for a list.

Module 9: Employment

Total employment at 30 June 1994 by full-time/part-time, by gender for each of:

Working proprietors and working partners

Working company directors of business

Other employees

Module 10: Fixed Assets, Additions and Disposals

Assets and liabilities

Current assets including trading stocks

Non-current assets

Current liabilities

Non-current liabilities

Owner's equity

Capital expenditure

Capital work done by own employers for own use or for rental or lease

Capital expenditure (land, dwellings, other buildings and structures (new/second hand), plant, machinery and equipment, intangible assets)

Disposal of selected assets

Land, dwellings, other buildings and structures, plant, machinery, equipment, intangible assets

Module 11: Research and Development

not collected

MOTION PICTURE EXHIBITION (ANZSIC 9113)

Module 1: Revenues From Sales of Goods and Services

- Box office receipts
- Screen advertising
- Sales of food and beverages from owner-operated refreshment bars
- Income from rent, leasing and hiring
- Government subsidies
- Other operating income
- Interest income
- Dividends received
- Royalties income
- Other non-operating income
- Total gross income

Module 2: Goods and Services Used in Operation

- Wages and salaries
- Employer contributions to superannuation funds
- Workers compensation costs
- Film hire/rental
- Advertising expenses
- Royalties expenses
- Electricity charges
- Depreciation and amortisation
- Rent, leasing and hiring expenses
- Motor vehicle running expenses
- Insurance premiums
- Interest expenses
- Bad debts written off
- Other business expenses
- Total expenses

Module 3: Purchases of Goods and Services for Resale

Purchases of goods for resale at owner-operated refreshment bars

Module 4: Inventories

See items under Module 10

Module 5: Supplementary Questions Concerning Basis of Accounting

not collected

Module 6: Exports

not collected

Module 7: Imports

not collected

Module 8: Supplementary Questions

A wide range of supplementary activity data items were collected in the survey. Refer to Table 4 in the paper for a list

Module 9: Employment

Total employment at 30 June 1994 by full-time/part-time, by gender for each of:

- Working proprietors and working partners
- Working company directors of business
- Other employees

Module 10: Fixed Assets, Additions and Disposals

Assets and liabilities

- Current assets including trading stocks
- Non-current assets
- Current liabilities
- Non-current liabilities
- Owner's equity

Capital expenditure

- Capital work done by own employers for own use or for rental or lease
- Capital expenditure (land, dwellings, other buildings and structures (new/second hand), plant, machinery and equipment, intangible assets)

Disposal of selected assets

- Land, dwellings, other buildings and structures, plant, machinery, equipment, intangible assets

Module 11: Research and Development

not collected

RADIO SERVICES (ANZSIC 9121)

Module 1: Revenues From Sales of Goods and Services

Gross income from the sale of airtime
Fees received from production of commercials
Funding of government owned radio stations
Government funding of community radio stations
Subscription income (new, repeat)
Program sales
Other royalties
Income earned from subcarrier lease
Other rent leasing and hiring income
Government subsidies
Other operating income
Interest income
Dividends received
Other non-operating income
Total gross income

Module 2: Goods and Services Used in Operation

Wages and salaries
Payments to persons predominantly engaged in broadcasting and/or
production activities on a contract basis
Employer contributions to superannuation funds
Workers compensation costs
Commissions to advertising agencies
Promotion and publicity expenses
Research expenses
Program rights purchased
Other royalty expenses
Government radio licence fees
Depreciation and amortisation
Subcarrier lease expenses
Rent, leasing and hiring of communications equipment
Other rent, leasing and hiring expenses
Motor vehicle running expenses
Insurance premiums
Interest expenses
Bad debts written off
Other business expenses
Total expenses

Module 3: Purchases of Goods and Services for Resale

not collected

Module 4: Inventories

See items under Module 10

Module 5: Supplementary Questions Concerning Basis of Accounting

not collected

Module 6: Exports

not collected

Module 7: Imports

not collected

Module 8: Supplementary Questions

A wide range of supplementary activity data items were collected in the survey. Refer to Table 4 in the report for a list.

Module 9: Employment

Total employment at 30 June 1994 by full-time/part-time, volunteers, by gender for each of:

- Persons predominantly engaged in on-air and production activities
- Sales and marketing staff
- Technical and engineering staff
- Other (administrative, managerial)

Module 10: Fixed Assets, Additions and Disposals

Assets and liabilities

- Current assets including trading stocks
- Non-current assets (broadcasting/studio equipment, other)
- Current liabilities
- Non-current liabilities
- Owner's equity

Capital expenditure

- Capital work done by own employers for own use or for rental or lease
- Capital expenditure (land, dwellings, other buildings and structures (new/second hand), broadcasting/studio equipment, other plant, machinery and equipment, intangible assets)

Disposal of selected assets

- Land, dwellings, other buildings and structures, plant, machinery, equipment, intangible assets

Module 11: Research and Development

not collected

TELEVISION SERVICES (ANZSIC 9122)

Module 1: Revenues From Sales of Goods and Services

Gross income from the sale of airtime
Fees received from production of commercials
Government funding of public broadcasting services
Government funding of community radio stations
Subscription income
Affiliation fees
Management fees
Program sales (Australian, overseas)
Royalties income
Rent, leasing and hiring income
Government subsidies
Other operating income
Interest income
Dividends received
Other non-operating income
Total gross income

Module 2: Goods and Services Used in Operation

Wages and salaries
Payments to persons predominantly engaged in production activities paid
via an incorporated company
Employer contributions to superannuation funds
Workers compensation costs
Program rights used
Program rights amortised
Management fees
Royalty expenses
Commissions to accredited advertised agencies
Television licence fees
Affiliation fees
Depreciation and amortisation
Rent, leasing and hiring of communications equipment
Other rent, leasing and hiring expenses
Motor vehicle running expenses
Insurance premiums
Interest expenses
Bad debts written off
Other business expenses
Total expenses

Module 3: Purchases of Goods and Services for Resale

not collected

Module 4: Inventories

See items under Module 10

Module 5: Supplementary Questions Concerning Basis of Accounting

not collected

Module 6: Exports

not collected

Module 7: Imports

not collected

Module 8: Supplementary Questions

A wide range of supplementary activity data items were collected in the survey. Refer to Table 4 in the paper for a list.

Module 9: Employment

Total employment at 30 June 1994 by full-time/part-time, by gender for each of:

Persons predominantly engaged in production activities

Other (administrative, managerial)

Module 10: Fixed Assets, Additions and Disposals

Assets and liabilities

Current assets including trading stocks (television program rights, other)

Non-current assets (television licences, television program rights, other)

Current liabilities

Non-current liabilities

Owner's equity

Capital expenditure

Capital work done by own employers for own use or for rental or lease

Capital expenditure (land, dwellings, other buildings and structures (new/second hand), plant, machinery and equipment, capitalised program rights, intangible assets)

Disposal of selected assets

Land, dwellings, other buildings and structures, plant, machinery, equipment, capitalised program rights, intangible assets

Module 11: Research and Development

not collected