

Film & video industry set to recover from Covid-19 pandemic

The National Film and Video Foundation (NFVF), an agency of the Department of Sport, Arts & Culture recently presented the findings of the third Economic Impact Assessment Study (EIAS) which measures the economic contribution of the South African film & video industry to the country's GDP between April 2016 (2016/17) to March 2021 (2020/21).



Source: www.pexels.com

Part of its mandate to provide relevant public and private sector stakeholders with the relevant industry research into the industry's economic value, the NFVF's economic impact assessment study quantifies the contribution of the South African film industry in terms of full-time equivalent jobs created/sustained, annualised employee remuneration, household income and contribution to government taxes.

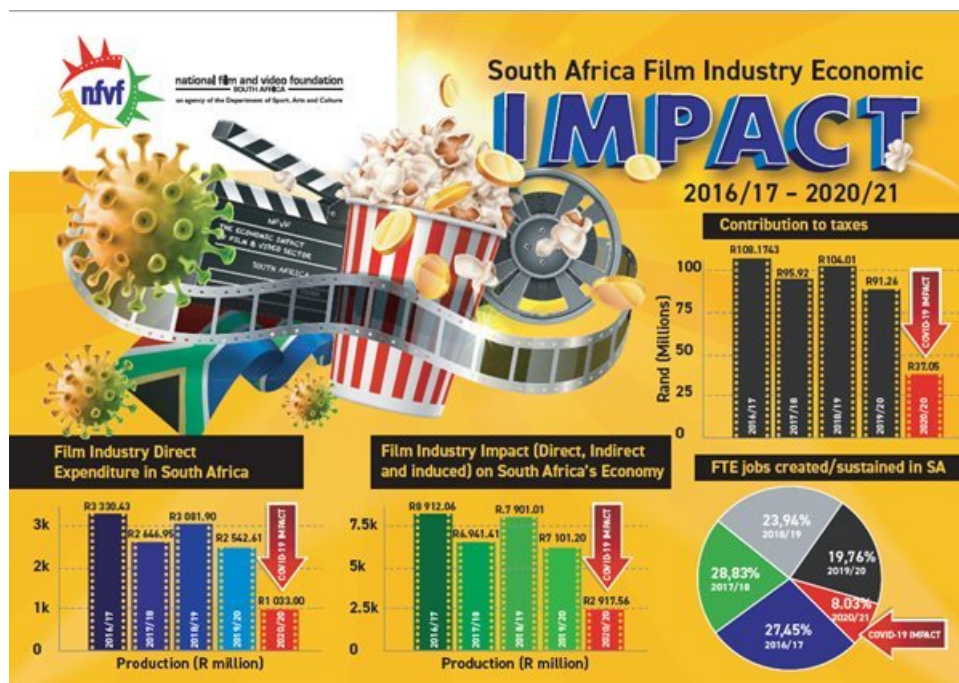
The 2021 assessment includes the impact that the Covid-19 pandemic has had on the industry, in turn contributing to its impact on the country's economic outlook.

Some key highlights from the economic impact assessment highlight that:

- The Covid-19 pandemic had a destructive impact on the film industry, with the contribution of the industry to the South African economy contracting substantially by 59% in 2020/21 compared to 2019/20.

- In total, the direct, indirect, and induced economic impact of the film industry to the South African economy has been estimated at R7.2bn in 2019/20, declining to R2.9bn in 2020/21 due to the negative impact of Covid-19 on industry operations.
- The total number of full-time equivalent jobs created/sustained by the activities of the film industry was approximately 31,444 in 2019/20, before falling to 12,775 in 2020/21.
- Annualised income derived by employees as a direct, indirect, or induced impact of the film industry amounted to R218m for South Africa in 2019/20, declining to R88m in 2020/21.
- Households benefited to the tune of R803m in income in 2019/20 because of the activities of the film industry, however, this declined to R326m in 2020/21.
- The direct impact of the film industry at market prices was estimated at R522.33m, the indirect impact at R157.01m, and the induced impact at R408.41m. The total estimated impact of the film industry on GDP at market prices if all the impacts are added is estimated to be R1 087.75m. Thus, for every R1m in output generated by the film industry, an additional R0.76m of GDP at market prices was generated in the economy if the direct and indirect impacts are considered, and R1.22m if the induced impacts are also added.

Despite the challenging effects the pandemic has had on the film & video industry, it is important to note the positive impact the industry has. The industry has contributed intangible benefits to the wider economy and society including destination profiling and marketing and tourism, skills development, contribution to social cohesion and development and distribution of local content among others.



Reflecting on the results of the report, Botse Matlala, NFVF research and compliance manager said, “For us, doing this study meant making real and tangible, the total economic contribution of the film industry, illustrating how it plays a critical role in the socio-economic development of the country. The last year has unfortunately set the industry back due to Covid-19. The focus for us now, is working collaboratively, with the industry to re-build our much-loved art.”

“South Africa has a vibrant film industry that is contributing meaningfully to the country’s economy and is certainly brimming with potential to make an even greater contribution despite the negative impact of Covid-19 in the past year.

The organisation has already worked on initiatives to support filmmakers and online content creators alike. Content

Development is at the core of the work the NFVF engages in – it is where the mandate of the organisation is most clearly fulfilled by providing the film industry with critical financial support and technical expertise to take a film project from an idea to a product that can be screened.

We remain committed to partnering with players in mitigating challenges that have an impact on the sustainable growth and development of the industry.”, concluded Makhosazana Khanyile, NFVF CEO.

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