



SCREEN AUSTRALIA

SUBMISSION TO THE INQUIRY INTO THE NATIONAL CULTURAL POLICY

MARCH 2023

Screen Australia: about us

Screen Australia is the Commonwealth Government agency responsible for the Australian screen production sector. The agency was established under the *Screen Australia Act 2008*¹ and was created following the merging of predecessor agencies the Australian Film Commission, the Film Finance Corporation Australia and Film Australia Limited. Screen Australia connects cultural, commercial and governmental stakeholders, ensuring the production of culturally significant, high quality and innovative Australian screen stories.²

Through supporting Australian screen projects, practitioners and businesses, we promote the development of a diverse and vibrant Australian screen industry that creates compelling content for local and international audiences. We provide development and production funding for drama, documentary and children's content across all screens including cinemas, television, and online platforms such as Stan, TikTok and YouTube, and operate a dedicated fund for the development of digital games. We also develop and strengthen the Australian screen industry through professional development programs, industry events, and partnerships with other governmental agencies and sector organisations.

The First Nations Department is an essential part of Screen Australia. Since its creation in 1993 by the Australian Film Commission, the First Nations Department has supported imaginative, resonant and authentic screen stories by Australian Aboriginal and Torres Strait Islander practitioners, made for First Nations communities, other Australian viewers and international audiences.

Screen Australia globally promotes Australian screen content and talent. We assist Australian creatives to develop pitch materials, travel to overseas events and festivals including the Toronto International Film Festival and Berlinale, and attend key markets to connect Australian talent with foreign opportunities. We partner local talent with foreign mentors and finance through programs such as Enterprise, Talent Gateway and Global Producers Exchange. Our international promotion of content and talent encourages higher foreign investment and greater export opportunities, which are vital outcomes for the Australian industry.

In recent years Australia has emerged as a leading destination for major drama productions, including stories created by Australians, and 'inbound' foreign titles. Powered by larger-budget films and content created for global streaming services, the significant increase in spend in Australia has generated more opportunities for many local screen practitioners and businesses, and beneficial flow-on effects for Australian businesses and communities. The rapid growth in production activity has also created some challenges, such as skills shortages and increasing production costs. It is a core function of Screen Australia to support a highly creative, innovative and commercially sustainable local screen industry, and the agency is focused on assisting the sector to navigate these challenges.

¹ [Screen Australia Act 2008 \(Cth\)](#) s 6(1).

² Further information on Screen Australia's role can be found in Screen Australia's [Corporate Plan](#).

Screen Australia delivers a range of advisory and research services to industry and the Australian community, including market intel and advice on sales and distribution deals; research on the production, distribution and impact of Australian content; and reports on specific issues such as diversity and inclusion.³ The agency also provides online sector news, podcasts and videos that explore key issues and showcase Australian titles and talent.⁴

On behalf of the Australian Government, Screen Australia administers the Producer Offset tax rebate, which over the last five years has provided on average \$176 million per year to industry.⁵ Screen Australia is also the Competent Authority responsible for the administration of the international Official Co-production program. In recent years we also assisted Government by administering funding in response to the COVID-19 pandemic, including the Temporary Interruption Fund (TIF) and the Supporting Cinemas' Retention Endurance and Enhancement of Neighbourhoods (SCREEN) Fund.

The National Cultural Policy: Screen Australia and screen industry opportunities

The development of the National Cultural Policy, *Revive: a place for every story, a story for every place* (the Policy) has provided an important opportunity for Government and industry to reflect on the many challenges facing the screen sector, which include:

- the embrace of online platforms such as streaming services, which has fragmented audiences, provided new forms of storytelling, and rapidly disrupted all aspects of content development, financing, production and distribution
- the increasing difficulty for distinctively Australian screen stories to 'cut through' the crowded marketplace and reach audiences
- concerns regarding a period of high demand for skills and facilities, and the rising costs of production, driven by factors including general economic conditions and a global increase in budgets
- important shifts towards a more diverse, equitable, safe and inclusive industry, underpinned by the need to elevate a diversity of First Nations stories.

While the challenges facing the sector are significant, change also provides opportunity. Government support is essential to ensure a viable and thriving screen sector that produces compelling Australian stories for audiences of all ages and backgrounds. Screen Australia welcomes the Policy's sustained exploration of evolving challenges and its actions relating to Screen Australia and the industry. This submission explores the main elements of the Policy that directly impact Screen Australia and the screen sector.

First Nations

The Policy acknowledges and respects the crucial place of First Nations stories at the centre of Australia's arts and culture. First Nations screen stories are particularly important for First Nations communities, and they create deep and lasting cultural impacts for other Australian viewers, as well as international audiences.

³ See for example: Screen Australia (2016) [Seeing Ourselves: Reflections on diversity in Australian TV drama](#) (pg. 3). Updated data will be released in April 2023.

⁴ Screen Australia [Screen News](#).

⁵ The five-year average is expected to increase in coming years.

For 30 years, Screen Australia's First Nations Department has led the way in promoting First Nations stories and storytellers. Entirely directed and staffed by First Nations Australians, the Department identifies, develops and connects First Nations talent to create engaging and authentic stories, and has played a significant role in increasing First Nations representation on and off the screen.⁶ It supports quality First Nations drama series and features like *Mystery Road* and *Samson & Delilah*, documentaries such as *First Australians* and *Incarceration Nation*, and online projects like *Cooked* and *KGB*. The Department also supports First Nations creatives such as Rachel Perkins and Warwick Thornton, and is committed to fostering First Nations talent and amplifying emerging voices through development initiatives and industry partnerships such as the *First Nations Creators Program* with Instagram Australia.

The preservation of First Nations culture is a central focus of the Department. It has funded programs screened in many First Nations languages, including the children's series *Little J & Big Cuz*, which was translated into 15 First Nations languages; drama series *True Colours*, which features the Arrernte language; and recent feature film *We Are Still Here*, which includes First Nations languages from Australia, the Pacific and New Zealand. The Department also supports industry partnerships that promote First Nations languages such as the *No Ordinary Black* initiative, which produced the AACTA award-winning short film *Finding Jedda*, and the *Songlines on Screen* project. We welcome the First Nations Languages Policy Partnership and new National Action Plan, and hope to collaborate on any opportunities to support the preservation and cultural expression of First Nations languages.

Our First Nations Department also encourages cultural safety and promotes inclusivity in the Australian screen industry. The Department published the *Pathways & Protocols* guide, which offers advice and support about the ethical and legal issues involved in transferring First Nations cultural material to the screen to practitioners working with First Nations people, culture and concepts.⁷

Screen Australia is proud to support the vital work of the First Nations Department, which has served as a model for counterparts overseas such as the Canadian Indigenous Screen Office. Screen Australia strongly supports the current independence of the First Nations Department. We would be pleased to provide further advice and insights about the First Nations Department to assist Creative Australia in establishing its new First Nations Board.

Screen Australia also notes the important work to be undertaken by the new Ambassador for First Nations People and Office for First Nations Engagement. Screen stories have unique and deep soft power impacts⁸ and we would be pleased to assist the Government to help expand the reach and impact of First Nations screen stories.

⁶ Screen Australia (2016) [Seeing Ourselves: Reflections on diversity in Australian TV drama](#) (pg. 12). Updated data will be released in April 2023.

⁷ Terri Janke (published by Screen Australia) (2009) [Pathways & Protocols: a filmmaker's guide to working with Indigenous people, culture and concepts](#).

⁸ Screen Australia (2018) [Screen Australia Submission to the Soft Power Review](#).

Games

The games sector plays a growing part in the broader Australian screen ecosystem. According to industry data, the Australian games industry contributed around \$284 million in revenue in 2021/22.⁹ This can be compared to a global games market worth over \$250 billion annually, outlining the potential opportunity for Australian content and businesses.¹⁰ The strategic commitments outlined in the Policy will support the development of original Australian games, build sustainable businesses, and attract global investment and trade.

In 2022 Screen Australia launched the *Games: Expansion Pack* fund for Australian independent games developers to increase the ambition and quality of their games, and support them to grow into businesses of scale that can better compete in the global market. Screen Australia welcomes the Government's allocation of \$12 million to continue this support for Australian game developers and small and medium independent games studios for the next four years.

Our funding program will complement the Government's Digital Games Tax Offset (DGTO), which will support larger-scale projects and businesses. We look forward to the introduction of the DGTO, which will promote significant growth in the Australian industry by expanding employment opportunities for local developers, enhancing the sector's international competitiveness and making Australia an attractive destination for foreign investment.

Screen Australia will continue to work with the Government, state and territory agencies, and sector organisations such as the Interactive Games & Entertainment Association and Screen Producers Australia to assist industry and further support the foundations of a thriving Australian digital games development sector.

Streaming service regulation

Audience access to diverse local screen stories is guaranteed by a combination of Government funding and content regulation. Screen Australia welcomes the Government's timeline for introducing requirements on streaming platforms to ensure continued access to local stories and content. Content quotas have historically mandated a level of demand for production that enabled the local screen industry to grow and innovate. Australians of all ages are increasingly turning to streaming services to view drama, documentary and children's content, and well-calibrated content requirements would support the creation of high-quality and innovative stories across the screens that Australians use.

The design of content requirements is a policy matter for Government. Screen Australia's submission to the National Cultural Policy consultation process suggested that Government consider:

- prioritising the needs of Australian audiences, while having strong regard for the cultural benefits of reaching international audiences, and for economic and business outcomes
- focusing on the 'at risk' genres of drama, documentary and children's content, which are culturally valuable and subject to market failure

⁹ IGEA (19 December 2022) [Australian game development survey 2021-22](#). Please note, in June, the ABS and Screen Australia will publish an update to the Film, Television and Digital Games industry statistics, comprehensively measuring the industry in the 2021/22 financial year.

¹⁰ IGEA (17 January 2022) [Pre-Budget Submission 2021-2022](#).

- any need for a specific obligation for children’s content, and the role of new targeted funding or further tax incentives
- the importance of sufficient commissioning of content, as distinct from co-commissions and acquisitions, to guarantee competition and cultural outcomes
- the suitability of current definitions of “Australian” content for a regulatory system involving international content services, and in an environment of growing foreign finance for locally-produced stories
- important aspects of discoverability of content, and insights to measure how content is viewed by audiences
- any need to modernise funding supports in response to the design and impact of new content regulations.¹¹

Screen sector offsets

The Policy acknowledged the Government’s continued support for investment in large-scale screen productions in Australia through film tax offsets and location-based production incentives. The Australian Screen Production Incentive (ASPI), which was announced in May 2007, has provided a successful foundation for the screen sector to grow, develop, and create world-leading content.

The Producer Offset is one of three rebates provided to the industry as part of the ASPI and serves as the financial engine for Australian screen stories and businesses. The Offset provides the main Government funding for local stories that have significant Australian content. The Producer Offset has underpinned industry growth and continues to support a range of titles, including large scale productions creatively driven by Australians.

The Offset was created to back producers to attract investment, retain substantial equity in their productions, and build stable and sustainable companies.¹² In a fast-evolving screen marketplace, future adjustments to the Producer Offset’s settings may be required, including a requirement for producers and production companies to retain a percentage of the rebate, also known as the ‘producer margin.’¹³

The Producer Offset is complemented by direct funding from Screen Australia for high-quality and ambitious stories with Australian cultural value that require further Government support to be viable. These funding sources work in partnership with a strategic framework of Government support that spans areas such as content regulation, training, infrastructure and trade. We welcome the Government’s focus on ensuring this framework is well-calibrated for the changes and challenges facing the screen industry.

Diversity, equity and inclusion

The Policy importantly acknowledges and seeks to address issues relating to diversity, equity and inclusion in the Australian cultural and creative sectors. This includes the Government’s announcement of the development of an Arts and Disability Associated Plan under *Australia’s Disability Strategy 2021-31*, and we would welcome any opportunity to contribute. It is a priority of Screen Australia to promote diversity, equity and inclusion in the screen industry, and we continually work to support this goal.

¹¹ For further information, please see pages 18-19 of Screen Australia (2022) [Screen Australia Submission to the National Cultural Policy](#).

¹² [Explanatory Memorandum, Tax Laws Amendment \(2007 Measures No.5\) Bill 2007 \(Cth\)](#) c 10(5).

¹³ For further information, please see pages 10-11 of Screen Australia (2022) [Screen Australia Submission to the National Cultural Policy](#).

In April 2023 Screen Australia will publish a second *Seeing Ourselves* report, which will measure levels of diversity in Australian television drama.¹⁴ We look forward to working with industry on opportunities identified in the *Seeing Ourselves* report to ensure that Australian communities are reflected in the content we see on our screens, and across the people that create it.

Since 2015, Screen Australia's Gender Matters program has sought to address the gender imbalance in the Australian screen sector. We are pleased that we met our Gender Matters KPI in 2021/22 and that more than half of the writers, producers and directors in our funded projects are women.¹⁵ While some progress has been made, several areas of inequality remain, and we promote a sustained focus on the issue of gender imbalance in the industry.

Screen Australia funds a range of imaginative and investigative stories and encourages applications from diverse communities through our program funding assessment criteria. We are particularly focused on supporting stories that accurately depict our nation as it really is, and will continue to promote best practice across the sector in regards to authentic authorship and appropriate consultation and collaboration. Similarly, we acknowledge the critical need to ensure that we, as a Government funding agency, have internal representation and leadership that is reflective of contemporary Australia.

Workplace safety

Safety within the screen industry is an ongoing focus at Screen Australia. We are committed to supporting safe working environments in the sector, and are working internally and with industry on the development of cultural safety tools and resources. This work is informed by our experience developing industry advice such as the *Pathways and Protocols* guide¹⁶ and Screen Australia's *Code of Conduct* to prevent sexual harassment and abuse, which preceded the current code developed by industry guilds and associations.¹⁷ We welcome any opportunity to provide further information to Creative Australia and its new Centre for Arts and Entertainment Workplaces.

Workforce challenges and skills

The Policy recognises the need to address shortages of skilled workers in the arts and cultural sectors. Screen Australia will continue to work with Government and industry through the skills working group, which involves the Office for the Arts; Screen Australia; Ausfilm; the Australian Film, Television and Radio School; NIDA; and state and territory screen agencies.

This is a new priority for the agency, managed by our new Training and Industry Development Manager. This role will develop and implement national programs to support capacity building and skills development for the Australian screen sector, working closely with Screen Australia's Head of Content to build a national strategic framework supporting industry capacity and skills development. The role will drive coordination across all levels of government to grow the capacity of the screen production sector. Screen Australia is working with state agencies to address areas of immediate need, with a particular focus on creating opportunities and training for early and mid-career crew.

¹⁴ The first report may be accessed here: Screen Australia (2016) [Seeing Ourselves: Reflections on diversity in Australian TV drama](#).

¹⁵ Screen Australia (2022, October 13) [Gender Matters Results 2021/22](#).

¹⁶ Terri Janke (published by Screen Australia) (2009) [Pathways & Protocols: a filmmaker's guide to working with Indigenous people, culture and concepts](#).

¹⁷ Screen Australia [Code of Conduct to prevent sexual harassment](#). The Code was replaced by an industry [Code of Practice](#) from 1 July 2019.

Screen Australia is ready to assist with the scoping study announced in the Policy that will seek to understand current and emerging workforce challenges and skills needs across the arts and cultural sectors.

Research, including the State of Australian Culture Survey

Screen Australia looks forward to partnering with Creative Australia on the triennial State of Australian Culture Survey. Announced in the Policy, the Survey will study Australian attitudes and experiences with arts and culture, including Australian screen content.

Screen Australia plays an important role in providing authoritative research and strategic analysis for the screen sector. Our Strategic Policy and Industry Insights unit reports on trends in the industry and examines factors that influence the production and consumption of Australian content. Some of the agency's recent reports include *Screen Currency: valuing our screen industry*,¹⁸ *Seeing Ourselves: reflections on diversity in Australian TV drama*,¹⁹ *Gender Matters: women in the Australian screen industry*,²⁰ and the annual *Drama Report*.²¹ In mid-2023 the Australian Bureau of Statistics will release the results of its industry survey, which is the peak industry dataset for production, post-production, commercial broadcasting, subscription broadcasters, streaming services, film exhibition and distribution, and digital games developers.²² This research is available to the Committee on Screen Australia's website,²³ and we would be glad to discuss it further.

Engaging the audience

Screen content is an incredibly powerful and widely popular form of artistic and cultural expression. Australian screen stories have the ability to reflect the values, beliefs and experiences of our nation, and inform our sense of who we are and where we came from. Screen stories also shape the world view of Australia, delivering nuanced impacts on a broad scale. To create these stories, Australia requires a creative and innovative industry. The Australian screen sector creates significant economic impact: film and video production and post-production businesses, commercial free-to-air broadcasters, subscription broadcasters and channel providers, and the digital games industry directly contributed \$5.4 billion in industry value-add to the economy in 2015/16, employing approximately 31,000 people at June 2016.²⁴ Given the recent and significant increases in film production in Australia we expect these figures would be higher today. Updated data will be released in June this year. The Australian industry also leverages large amounts of foreign investment. In 2021/22, Australian dramas attracted \$631 million in foreign finance, and foreign dramas spent \$777 million on production and post-production work in Australia.²⁵ Further investment is attracted by non-drama content.

Screen Australia welcomes the Policy's focus on connecting Australians with art and culture in all its formats. The recent boom in production in Australia provides a unique opportunity for the sector to grow, adapt and better reach local and global audiences. This opportunity is not straightforward: audiences are now spread across multiple platforms, their expectations have increased, and Australian content creators must compete directly with global counterparts with much higher budgets. This dynamic has

¹⁸ Screen Australia (2016) [Screen Currency: valuing our screen industry](#).

¹⁹ Screen Australia (2015) [Gender Matters: women in the Australian screen industry](#).

²⁰ Screen Australia (2016) [Seeing Ourselves: reflections on diversity in Australian TV drama](#). Updated data will be released in April 2023.

²¹ Screen Australia (2022) [Drama Report](#).

²² Australian Bureau of Statistics [Film, Television and Digital Games, Australia](#).

²³ Further research is available on [Fact Finders](#).

²⁴ Australian Bureau of Statistics (2017, June 15) [Film, Television and Digital Games, Australia \(cat. no. 8679.0\), 2015-16](#), with further data from Screen Australia [Production industry Australian Bureau of Statistics survey](#). An update to this data, which will include theatrical distribution and exhibition, will be released during 2023.

²⁵ Screen Australia (2022) [Drama Report](#).

increased the competition for Screen Australia funding: in 2021/22 Screen Australia processed 1,591 applications, of which around 46% were successful.

Government support is critical to innovative businesses, and to culturally-impactful Australian stories that have lower budgets than productions financed by foreign studios and streaming services.

Direct funding is particularly important for reaching online audiences. Many younger Australians have pivoted to online platforms such as TikTok and YouTube: 15-24-year-olds spent 7.1 hours in a week watching user-generated or short-form online video in June 2022, compared to 1 hour of free-to-air TV.²⁶ Screen Australia support is the major funder of ambitious Australian online content that attracts hundreds of millions of views, and the main enabler of cultural, industry and talent development outcomes. In this context Screen Australia welcomes the additional support announced in the Policy of \$12 million over four years to support digital games developers and small and medium independent games studios.

Conclusion

Screen Australia looks forward to working with Government and the National Cultural Policy Steering Committee on the roll out of the Policy, and welcomes any opportunity to further contribute to this Inquiry.

We would be delighted to provide further information in writing or in person to the Senate Standing Committees on Environment and Communications. To facilitate this, please contact Senior Manager, Strategic Policy and Industry Insights, Kate Hickey

²⁶ Australian Media and Communications Authority (2023) [How we watch and listen to content](#).