



National Film and Sound Archive of Australia (NFSA) submission to the Senate Environment and Communications References Committee Inquiry into the National Cultural Policy

INTRODUCTION

The NFSA is pleased to provide this submission to the Senate Environment and Communications References Committee Inquiry into the National Cultural Policy, *Revive: A Place for Every Story, a Story for Every Place (Revive)*. As the national institution for collecting, preserving, and sharing Australia's audiovisual heritage, the NFSA is uniquely positioned to comment on the opportunities and challenges facing the cultural sector in relation to the Inquiry's two focus areas – (1) tax reform and productivity, and (2) emerging technologies. This submission builds on the evidence provided to the Senate Environment and Communications References Committee by NFSA CEO Patrick McIntyre on 14 April 2023.

The NFSA welcomed the release of *Revive* in January 2023, and its five pillars which provide a strong foundation for vibrant arts and cultural sectors that are at the heart of Australia's national identity. The NFSA's submission to *Revive* focused on the changing nature of audiovisual culture, with the rapid evolution of digital technology.

Since the release of *Revive* the NFSA has structured its approach to align with the five pillars of *Revive* and our 2022-25 Strategic Direction outlined core NFSA activities to implement these pillars.

EXPANDING IMPACT OF AUDIOVISUAL MEDIA

Audiovisual media have been in wide use for over a century, but it is in the 21st century that digital technology has turbocharged both consumption and creation – making the NFSA's role more critical than ever. Videogames now eclipse the commercial film and music industries combined in terms of their impact and economic output (Interactive Games and Entertainment Association, February 2025). In 2024, nine in ten Australians used an online service to watch video content – up 10% on the year before (Australian Communications and Media Authority, December 2024).

Audiovisual media has never been so influential. While its artistic and commercial impact is well established, it is also increasingly impacting our social and cultural identity. In 2025, more Australians access their news via social media than

traditional news outlets, and young Australians are increasingly drawn to video news on social media platforms (*The Guardian*, 17 June 2025). The 2025 federal election saw social media shaping public opinion and becoming a critical part of the national debate.

In this environment, NFSA is transforming its business to adapt to new models of creation and new methods of consumption for audiovisual media.

INQUIRY FOCUS AREAS:

1. TAX REFORM AND PRODUCTIVITY IN THE ARTS AND CREATIVE SECTORS

Productivity measures, including taxation incentives and funding programs, can have a marked and positive impact on Australia's arts and creative sectors. Like our peers, the NFSA benefits from well-established taxation measures such as deductible gift recipient status for philanthropic donations and the Cultural Gifts Program for donations of collection material.

NFSA has also established unique arrangements that leverage government funding to the audiovisual sector to build the national audiovisual collection and to streamline collecting activity:

- NFSA has long-standing agreements in place with the federal, state and territory screen funding agencies which require recipients of funding for screen production projects to deposit a copy of the completed work with the NFSA. Through these programs NFSA builds a comprehensive record of the creative output for Australia's screen funding. In 2024-25 we received 328 productions, including 268 funded through Screen Australia, 20 through Screen West, 17 through Screen NSW, 10 through Screen Vic, 8 through Screen Queensland, 3 through Screen Tasmania and 2 through the SA Film Corporation.
- The Australian Government's Digital Games Tax Offset (DGTO), which commenced on 1 July 2023, requires digital games producers receiving a benefit through the offset program to offer the NFSA a copy of the game produced. Since the DGTO commenced NFSA has accepted 30 new Australian videogames into the collection through the program, in addition to our regular collecting activity. Notably, a number of the games delivered to us through the DGTO are produced by large multinational videogame developers which would otherwise be difficult for the NFSA to acquire.

2. EMERGING TECHNOLOGIES AND THE ARTS AND CREATIVE SECTORS

The rapid rise of technologies such as artificial intelligence (AI) present both significant opportunities and critical challenges for Australia's creative sectors.

For the NFSA, the opportunity is to expand public value by using AI tools to improve the discoverability and usability of the national audiovisual collection for all. However, AI also presents risks that require a careful and considered approach.

NFSA intends to be a leader in the use of machine learning and AI, and in 2024 NFSA released its [*NFSA Principles for Machine Learning and Artificial Intelligence Creation and Use*](#). The principles establish three strategies to guide all NFSA's AI-based activity: (1) maintaining trust, (2) building and training machine learning systems effectively and transparently and (3) creating public value by improving the discoverability and useability of our systems.

The NFSA is exploring how AI can be used to enhance access to the collection, such as through automated cataloguing and enhanced search capabilities. In 2024 we also began a strategy to use AI to improve the discoverability and useability of the national audiovisual collection, through the development of automated speech transcription that includes HILT (human in the loop) as a central feature.

This project, entitled *Bowerbird*, draws upon the NFSA AI principles, best practice machine learning and model training, and stakeholder consultation, user-centred design, to build trust and confidence in government systems and services – most importantly, in an Australian context. Quality gates have been established to ensure any AI system developed by the NFSA has robust evaluation before it is released in stages externally to ensure safety. In the long term, we expect that *Bowerbird* will vastly improve our public search capability within the constraints of procured legal advice and government AI frameworks.

The use of AI also presents a range of risks and challenges that require careful policy consideration:

- *Copyright and Intellectual Property:* A major challenge is the issue of copyright. Questions arise about who owns the copyright to works created by or with the assistance of AI, especially when AI models are trained on existing copyrighted material. The NFSA is committed to working within the Australian copyright framework and to actively contribute to the evolution of the legal and copyright environment in this space.
- *Ethical and cultural issues:* There are concerns regarding the potential for AI to be used in ways that are ethically or culturally inappropriate. This is particularly the case in the First Nations space, and careful and appropriate management of First Nations collection material is critical. Our Principles are founded on the strategy to maintain trust, ensuring that AI projects respect our collecting policies, pay particular care with First Nations collections, and seek consent from stakeholders and copyright owners.

- *Skills and Workforce Transition:* The arts and creative sectors, including GLAM institutions like the NFSA, must adapt to the opportunities of AI. Investment in digital literacy and skills development is crucial to ensure that Australian artists and cultural workers are equipped to harness the potential of AI.
- *Cybersecurity Issues:* The rise of generative AI presents new and complex cybersecurity challenges. Institutions like the NFSA are already actively managing our cybersecurity risks, however, the prevalence of automated and increasingly sophisticated targeted phishing attacks requires increased cybersecurity investments by the NFSA and in staff capability and awareness.

CONCLUSION

The NFSA welcomed the release of *Revive* as a crucial framework for supporting Australia's arts and cultural sectors. The NFSA has given previous evidence to the Inquiry about our activities to implement each of the Policy's five pillars.

NFSA has established arrangements in place to build public value through taxation and productivity measures targeted at the audiovisual sector. Our unique deposit arrangements with the federal, state and territory screen funding agencies and the legal deposit-style arrangement built into the DGTO are clear examples of this. These arrangements allow the NFSA to efficiently acquire significant cultural material by leveraging existing Australian Government funding arrangements to build the national audiovisual collection.

In the face of rapid technological change, particularly with the rise of AI, the NFSA is committed to a responsible and ethical approach while harnessing the significant opportunity to create further public value. Our Principles for Machine Learning and Artificial Intelligence provide a roadmap for using AI to enhance the discoverability and usability of our collection while carefully managing risks. We are actively putting these principles into practice, and we will continue to develop in this field.

The NFSA is dedicated to fulfilling its role as the custodian of Australia's audiovisual heritage. By leveraging existing measures, and embracing new technologies in a considered way, we intend to continue to provide leadership for our sector and to deliver public value for all Australians.