



South Australian Film Corporation

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Committee Secretary
Environment and Communications Legislation Committee
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary

Regarding: Treasury Laws Amendment (2021 Measures No.5) Bill 2021

The South Australian Film Corporation (SAFC) is the South Australian Government's Screen investment agency.

As a state statutory authority with a mandate to champion the South Australian screen sector, SAFC is especially focused on ensuring that regulation and intervention positively benefits the South Australian independent screen industry.

South Australia was the first state in Australia to introduce a state Post, Digital and Visual Effects rebate to complement the Federal PDV Offset. This combined incentive has achieved the government's desired outcome to drive inward investment, grow the base of PDV companies in South Australia and create jobs for South Australians. In 2019/20, South Australian PDV expenditure constituted 18% of the total Australian PDV spend and generated more than \$56m spend. The South Australian PDV sector continues to attract world-class talent to live and work in the state and is an important driver of skilled migration.

The SAFC is concerned that increasing the minimum threshold for the Federal PDV Offset from \$500,000 will negatively impact the small to medium sized South Australian companies who are well positioned for expansion. Removing support for this element of the PDV ecosystem is likely to inhibit growth and may prevent the emergence of new companies.

SAFC recommends that a "Regional" exception is made at the Federal level to allow applicant companies based in regional areas such as South Australia to maintain a \$500K minimum spend threshold rather than the \$1M threshold when accessing the 30% Federal PDV Offset. This amendment would enable regionally based PDV companies to grow their businesses, encourage the expansion of the PDV sector and increase PDV jobs and skilled migration to "regional areas".

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SAFC has been pleased to participate in the consultation process for media reforms.

Should you have any questions or concerns, I would be happy to be contacted at any time via Karen Baxter

We thank you in advance for your consideration.

Yours sincerely

KATE CROSER
Chief Executive Officer

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