

31 August 2023

Screen Producers Australia's submission to "A New Look at Culture – Towards the State's first Arts, Culture and Creative Industries Policy"

About Screen Producers Australia

Screen Producers Australia (SPA) was formed by the screen industry businesses representing large and small enterprises across a diverse production all forms and formats of screen content.

As the peak industry and trade body, we consult with a membership of more than 700 production businesses in the preparation of our submissions. This consultation is augmented by ongoing discussions with our elected Council and members. Our members employ hundreds of producers, thousands of related industry practitioners and drive over \$2 billion worth of annual production activity from the independent sector.

SPA's members are drawn from all elements of the Australian production ecosystem, including emerging and established producers, production businesses, services and facilities. Our members vary in size from large internationally owned entities, to partnerships, to sole traders and other corporate entities, and are found in every region, state and territory of Australia.

On behalf of these businesses, we are focused on delivering a healthy commercial environment for the entire screen industry through ongoing engagement with elements of the labour force, including directors, writers, actors and crew, as well as with broadcasters, distributors and government in all its various forms. This coordinated dialogue ensures that our industry is successful, employment levels are strong and the community's expectations of access to high quality Australian content have been met.

Screen Producers Australia welcomes the opportunity to make a submission to the Senate Economics References Committee Inquiry into international digital platforms operated by Big Tech companies.

For further information about this submission please contact Jane Mulligan, Director of Policy (jane.mulligan@screenproducers.org.au)

EXECUTIVE SUMMARY

SPA members have identified a number of key areas for action by the NSW Government to support the growth of the screen industry in this State. These are:

- Screen NSW should be created as a stand-alone agency with autonomy and adequate resources to meet the needs of the screen industry.
- Screen NSW should be better resourced to support skills development; facilitate location shooting including in regional areas; and access to international markets.
- Screen NSW should increase its focus on development funding to ensure intellectual property in Australian creativity is better retained under Australian ownership and control.
- NSW Government should develop and fund a cultural hub for the screen industry with capacity to showcase screen industry achievements, promote Australian screen culture and support screen-related tourism and events.
- NSW Government should support the development of new studio space and ensure access to the space for a range of independent screen productions. In the absence of commercial investment, one model is that the studio is owned and managed by the State which has worked successfully in a number of other territories.
- The NSW Government should support investment in the screen industry event, *Screen Forever* to at the appropriate moment return to NSW – mostly likely to be hosted in Sydney.
- These collective measures will ensure NSW can retain a greater share screen production activity in this State.

BACKGROUND

It is clear from [ABS data](#) commissioned by Screen Australia that NSW is the leading Australian state when it comes to the Australian screen industry whether measured by total income, the number of screen production businesses and the employment generated.

However, this prominence can be thought of as being by accident, and not necessarily good design. With other States already well ahead of NSW in recognising the future growth opportunities for the local screen industry, if the current complacency continues, NSW risks gradually losing this economic leadership. Already many domestic screen projects are forced to bypass NSW and Screen NSW and are created in other states and territories

NSW is now one of only two other states and territories that does not have a stand-alone screen agency. The other two are Tasmania and the Northern Territory which are the smallest regions for screen activity in the nation. This means that NSW is the clear outlier in terms of looking after a major geographical area of production including almost half the nation's production activity but without the autonomy and resources to support and advance that area's screen industry. Unlike many other States, NSW also lacks a cultural hub for the screen industry and is lagging behind other states in developing infrastructure to support screen industry growth.

SPA believes the current consultation is a welcome opportunity for a re-set of the NSW Government's approach to the economic potential of our creative industries and to address the

deficiencies in the existing situation and ensure that Screen NSW is re-created as an identifiable independent and appropriately resourced agency able to take its place as a leader in the Australian screen industry.

To develop this submission, SPA has consulted with its members to seek their views about the framework of the consultation paper and some quotes from SPA members are included below. SPA also participated in a one-one-one interview with Screen NSW. SPA has more than 300 screen businesses in NSW as members, nearly half of its overall membership.

SPA has also drawn strongly from the results of its *2022 SPA Business Support Survey* which asked members a number of questions that applied to each screen agency that the business had had dealings with. SPA is currently in the process of surveying members in similar terms to last year and those new results will be provided when they are collated and analysed, anticipated to be before the end of the year.

In August 2022, SPA was pleased to make a detailed submission on the National Cultural Policy to the Australian Government and provided extensive evidence on the five pillar framework of it. A copy is attached to this submission. SPA welcomes the alignment between *Revive* and the NSW framework.

SPA is keenly awaiting the Australian Government's legislation to regulate streaming platforms. This long-awaited policy development is intended to provide some welcome stability to a dynamic industry that frequently experiences a 'boom and bust' cycle. This regulation will also ensure a more certain pipeline of investment in Australian screen stories.

AUTONOMY NEEDED FOR SCREEN NSW

SPA members strongly support Screen NSW being created as a stand-alone agency with autonomy and adequate resources to meet the needs of the screen industry.

Screen NSW needs to be separated from the Arts and Tourism Group within the Department of Enterprise, Investment and Trade so that it can establish fit-for-purpose policies and procedures. Currently, processes that should be simple, and standard practice for a screen agency, are too entrenched in the slow mechanics of government operations. [SPA member comment]

Results from the 2022 SPA Business Support Survey showed a high level of dissatisfaction with the services provided by Screen NSW, with the agency ranking the lowest among all screen agencies across all metrics including:

1. Responsiveness of communication;
2. Ease of administrative process
3. Having the appropriate skills and experience in the agency;
4. Timeliness of application processing;
5. Transparency of decision making;
6. Fairness of investment deal terms
7. Appropriate and efficient funding allocations;
8. Providing leadership to the industry;
9. Commitment to, and action on diversity and inclusion; and
10. Providing valuable data, reports and information.

AGENCY RATINGS – Data

Q. Have you had any interactions with *X Agency* in the last 12 months?

Q. Based on your specific dealings with *X Agency* over the last 12 months, please indicate your level of satisfaction across the following areas.
(Very Satisfied – Satisfied – No Opinion – Dissatisfied – Very Dissatisfied)

	Agency 1	Agency 2	Agency 3	Agency 4	Agency 5	Agency 6	Agency 7	Agency 8	Agency 9
Responsiveness of communication	-0.04	1	0.81	1.33	0.82	1	1.33	0.8	0.66
Ease of administrative process	-0.29	0.78	0.63	1.11	0.91	0.33	0.67	0.8	0.05
Having the appropriate skills and experience in the agency	-0.21	0.94	0.5	1.22	0.91	1	0.83	0.6	0.21
Timeliness of application processing	-0.21	0.5	0.44	0.67	0.73	0.33	0.5	0.2	-0.05
Transparency in decision making	-0.37	0.5	0	1	0.91	0	0.67	0.8	-0.21
Fairness of investment deal terms	0.17	0.56	0.31	0.78	1	0.33	0.67	1.2	0.42
Appropriate & efficient funding allocations	-0.46	0.28	-0.25	0.11	1.18	0.33	0.17	1	0.08
Providing leadership to the industry	-0.5	0.83	0.06	0.89	0.91	1	0.67	1	-0.32
Commitment to, and action on diversity & inclusion	0.38	0.83	0.56	0.89	1	1	0.67	1.2	0.58
Providing valuable data, reports & information	-0.12	0.17	-0.12	0.67	0.55	-0.33	0	0.4	0.37

On all metrics except for Fairness of investment deal terms and Commitment to and action on diversity and inclusion, NSW scored negative responses. There is clearly a strongly negative perception of Screen NSW amongst screen industry practitioners.

Invest in the local sector - 60% of filmmakers live in NSW and yet it seems as though we have the least amount of support. We are actively seeking co-productions and collaborators in other states so we can that state funding. [SPA member comment]

SPA recognises that many of these issues are structural and that since the survey was conducted, and with the appointment of a new CEO, that a concerted effort is underway to improve the functioning of Screen NSW. However, a CEO can only do so much, the critical issues that stem from a lack of resources, autonomy and funding can only be addressed by Government.

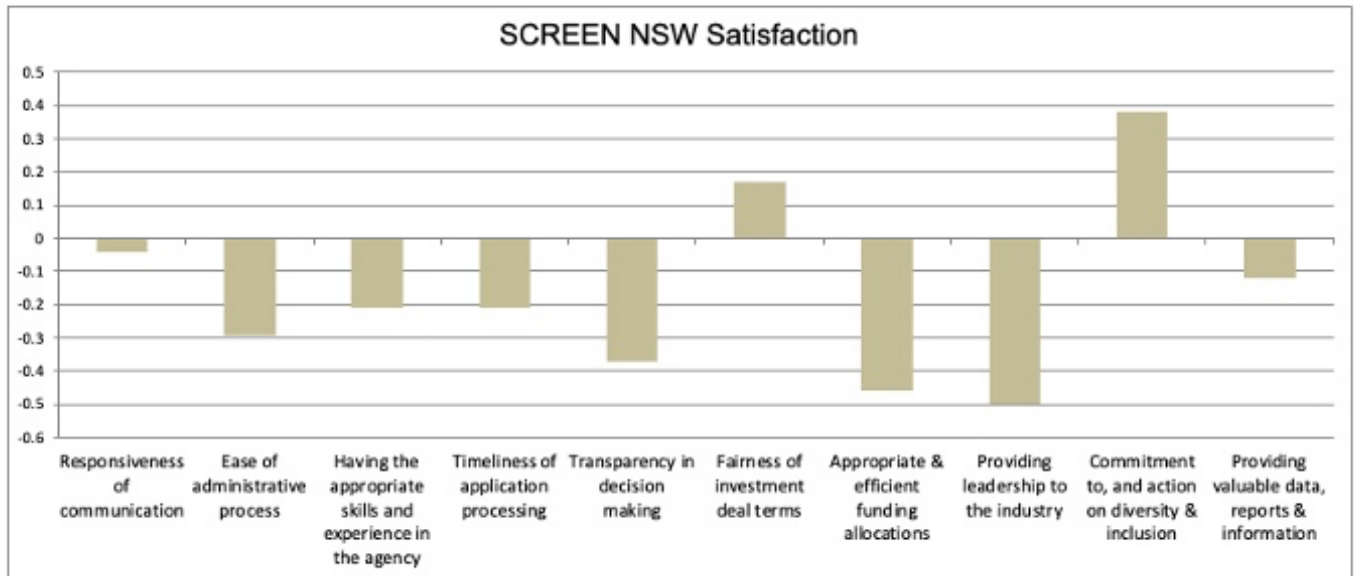
ROLE OF SCREEN NSW

First, Screen NSW should be adequately resourced to support the State's screen industry including through necessary skills development, to facilitate location shooting including in regional areas, and funding to support access to international markets to grow the export potential of the screen industry.

Incentive programs for shooting in regional locations to not only support the production bottom line, but also to showcase rarely seen landscapes, architecture, open spaces and the people of local communities. [SPA member comment]

Feedback to SPA from members through the 2022 Survey showed that members perceive that Screen NSW has a strong focus on attracting international productions to Australia but a negative focus on some important building blocks for a strong local industry, namely, the growth of the domestic screen business, the creation and capture of local intellectual property and supporting export and trade opportunities.

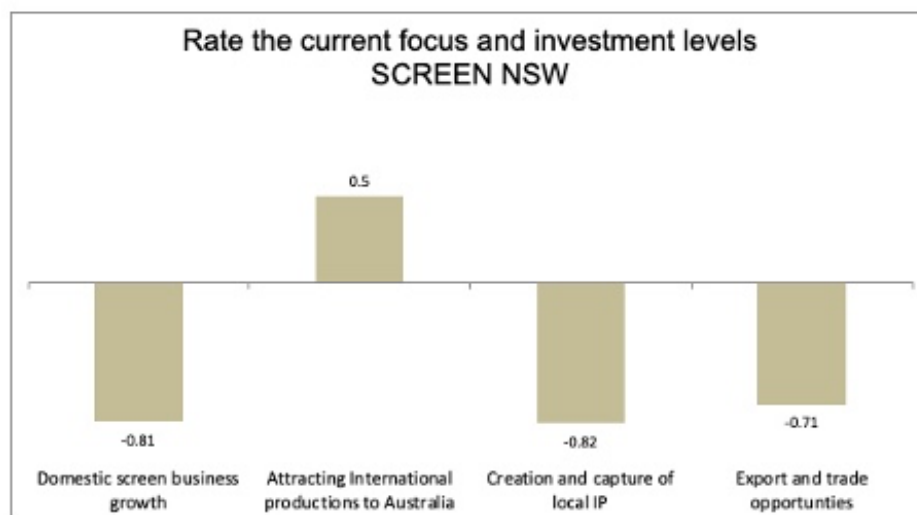
AGENCY SATISFACTION



The screen content sector is a dynamic and global industry with significant growth potential for Australian businesses. Investment and support for international and local productions needs to be finely balanced to ensure that the domestic screen industry is strongly supported and invested in by government agencies at all levels and the growth potential is recognised and supported.

As the graph below shows, many SPA member believe that the current focus of Screen NSW is more on attracting international productions to Australia and less on export and trade opportunities.

CREATE NSW BALANCE



Q. Rate the current focus and investment levels of CREATE NSW for each of the following areas

With a strong migrant population, Screen NSW should utilise the many opportunities to foster co-productions with other nations and encourage the Australian Government to expand the number of countries that we have co-productions with.

A focus on co-production reform and expansion is necessary and urgent if our industry is to be able to maximise global opportunities as well as be competitive in its partnering with other nations. In terms of relative activity from our partner (and often competitor) countries, Canada has 56 co-production agreements. The UK and France both have over 50. Australia has just 14.

To provide a sense of interest and engagement, the following is the list of priority European countries generated by the SPA membership in order of those most wanted for Australia have a co-production agreement with: Spain, Denmark, Sweden, Netherlands, Belgium and Greece. Other countries of interest to SPA members include Austria, Bulgaria, Czech Republic, Finland, Hungary, Poland and Romania. This was done in conjunction with advocacy in line with the Federal Government's free trade agreement with Europe. There are many other countries in other continents that SPA members are interested in co-production arrangements with.

International partnerships are becoming more and more integral to successfully financing new projects. Better travel incentives would ensure NSW screen projects are seen by international audiences and produce positive outcomes in the global market. [SPA member comment]

Australia also lacks a focus on the benefits to be gained from a dedicated screen export strategy. Instead, through AusFilm, the current emphasis is on bringing offshore productions to film in Australia. While international productions have important economic and skills-development benefits, there is a strong perception that this has come at the expense of a complementary focus on developing a strong export market for Australian cultural products.

If Australia is to grow its creative industries, it will be important to recognise the export value of this sector to take advantage of the global marketplace for screen productions.

IMPORTANCE OF DEVELOPMENT FUNDING

Development funding is essential to foster creative enterprise and ensure that creativity and ideas are nurtured and supported to become fully realised projects that are ready for funding.

Without development funding, creative entrepreneurs are forced to look offshore for financial support. The risk from this is that this creativity and cultural product is likely lost from Australian ownership and inevitably, risks becoming an offshore project rather than an Australian one.

Australia is notorious for not placing sufficient value on owning ideas and creativity – the intellectual property product from our industry. Instead, our economic practice is to harvest our resources for development and value-adding, to offshore markets that better understand the economic value of IP.

Existing development funding by Screen NSW is extremely important. It complements the funding done by Screen Australia and other state screen agencies. Australia and NSW can never have too much of this.

Development funding is the fundamental building block of brining a project from concept to being a viable reality and is the means to ensure diversity of stories and storytellers based on our culture.

SPA believes it is important to focus on development funding to ensure intellectual property in Australian creativity is retained in Australian - and particularly NSW's businesses - ownership and control.

A CULTURAL HUB FOR SCREEN INDUSTRY?

Despite being a leading state for film and television production in Australia, NSW lacks an identifiable place that would act as a cultural hub for the screen industry. There is nowhere physically in NSW where screen culture is acknowledged, promoted and celebrated.

Other States have success with a screen-based facility. For example, ACMI (Australian Centre for Moving Images) in Melbourne plays a key role in the city's standing as a global cultural destination. In 2021-22, ACMI attracted 375,338 visitors to its museum and many more to touring exhibitions, nationally and internationally. The National Film and Sound Archives in Canberra, while serving an important screen collection and preservation function, also attracts a significant number of visitors each year.

A cinematheque is a small but integral part of any screen culture hub in a big city. building local screen culture by bringing together filmmakers, film students and audiences to expose them to a rich diversity of filmmaking practice. [SPA member comment]

NSW has the opportunity to complement these existing Australian screen culture destinations and to ensure that NSW also has a home for this important industry. A cultural hub could showcase screen industry achievements, promote Australian – and particularly NSW - screen culture, attract visitors from here and overseas and support various screen-related events.

DEVELOPING SCREEN TOURISM

NSW also has the potential to actively invest in and support the growing screen tourism opportunity. Already, Australian films, TV shows and other screen content attracts hundreds of thousands of international tourists each year, generating significant economic benefit for their local economies, including in regional areas.

Screen tourism, or film tourism, is built around a location that becomes popular with visitors because it has appeared in a film or television series. In conjunction with the growth in screen culture driven by streaming platforms, screen tourism is growing in popularity around the world through themed tours and activities. It is clear that tourists enjoy visiting places they see on screen and that fans want to visit specific landmarks, places and buildings from scenes in their favourite TV shows and films.

Screen tourism can have a huge economic impact on the tourism industry. For example, a significant increase in visitors to New Zealand after the filming of *The Lord of the Rings* and *The Hobbit* film series resulted in a major boost to their annual tourism income. A similar phenomenon was experienced in Ireland in conjunction with *The Game of Thrones* success. While they are two very large screen brands, people are equally excited by smaller productions that have resonated in their lives. Given the many NSW productions that have been made over many years there is a great opportunity to draw on the incredible screen history of the state.

Many screen productions spend large amounts of their budget creating sets and props. After a project has finished filming, some of this creative effort has nowhere to go. Recreating a film set of an iconic or cult screen production within a cultural hub would have significant tourism potential. This

opportunity could be leveraged through public investment in a project and also relies on the retention of intellectual property in the project to support marketing and merchandising opportunities.

According to the 2016 report commissioned by Screen Australia, [*Screen Currency – valuing our industry*](#), over 60% of international tourists recall seeing an Australian film or TV prior to their visit, and of those that have seen it, 85% said the content made them more likely to visit Australia and of the key reasons for visit, 7% were to visit a location in Australian film or TV.

Report co-authors Deloitte Access Economics estimated that 230,000 tourists visit or extend their stay in Australia each year as a result of viewing Australian film and TV content, generating around \$725 million in spending.

Screen tourism can lead to potential customers for tourism and hospitality businesses, including in regional places. By providing specific offerings for screen tourism visitors, businesses can make the most of the opportunity. Examples include:

- location tours
- visitor experiences
- screenings
- exhibitions
- fan events.

NEW SCREEN INDUSTRY INFRASTRUCTURE

Many Australian States are now recognising the economic growth that can be derived from investing in the screen industry. SPA believes there is significant potential for other States, including NSW, to invest more and capitalise further on the economic potential to be derived from the growing global demand for screen content.

Studio spaces are often only accessible to projects with a high enough budget. New studio spaces that offer accessible and fit-for-purpose facilities for small to medium budgets would ensure a greater diversity of screen projects make it to production. [SPA member comment]

In the absence of commercial investment, one model that NSW could benefit from is a government-owned and operated studio that could also provide better studio access for local and emerging businesses that currently find it challenging to access larger commercial studios. This is a model that has worked well in other states. Investment in studio space like this by the NSW Government would send a strong signal of support to the screen industry and encourage emerging and independent producers to maintain their business and production activity in NSW.

At present, there are four major sound stages in Australia, Screen Queensland studios in Brisbane, Village Roadshow studios on the Gold Coast, Disney studios in Sydney and the Victorian Government backed Docklands Studio in Melbourne. In addition, there are state government backed studios in Adelaide, Cairns and soon Perth outlined below.

Compared to QLD or VIC we are coming 3rd in this space and it's clear looking at the number of productions going elsewhere. Our Studio space is not on par and from discussions with US and UK producers we need to do more to make it work. [SPA member comment]

Perhaps more than any other Australian State, Queensland has recognised and invested in the growth of the screen industry in that state, primarily through the Advance Queensland Screen

Industry 10-Year [Roadmap and Action Plan](#). The aim of this plan is to build Queensland as a global commercial and creative leader in the screen industry, creating jobs and economic growth. As part of this strategy, screen infrastructure is expanding to Far North Queensland with the opening of the Screen Queensland Studios, Cairns.

We believe "production hubs" are a good idea for [regional] locally based producers... Production hubs could be multi-disciplinary, and be available for short term lets for producers for production offices, art depts and costume space. [SPA member edited comment]

Since 2019, Screen Queensland has operated a facility with two sound stages in the city of Brisbane. Part of the strategic plan for Queensland's screen industry is to establish a fit-for-purpose studio for small film and television productions in Brisbane to make it easier for local and emerging businesses to make local productions.

The WA Government has also embarked on a project to build a \$100 million studio facility in Perth to provide studio, digital and post-production activities to complement the state's recent boom in location-based production. WA is also considering development of a Creative Industries Hub in Fremantle to support the state's 10-year [Screen Industry Strategy](#).

With other States already well ahead of NSW in recognising the future growth opportunities for the local screen industry by investing in much-needed studio infrastructure, if the current complacency continues, NSW risks gradually losing this current and valuable economic leadership in the screen sector.

SPA therefore encourages that NSW Government to support the development of new studio space, owned and managed by the State, with a specific focus on ensuring access by independent screen producers to studio space and ensure NSW can retain screen production activity in this State.

RETURN OF SCREEN FOREVER TO NSW?

It would be of great value for NSW to once again host the largest screen conference for our industry – [Screen Forever](#) given the centrality of this conference to our Australian industry.

The NSW Government should therefore be setting aside investment to support this conference so that at the appropriate moment return to NSW – mostly likely to be hosted in Sydney.