

MEDIA RELEASE

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Screen Australia survey reveals strong production activity by Australian features and TV drama in 2008/09

Thursday 5 November 2009: Screen Australia today released the report of its 2008/09 Drama Production Survey, revealing the highest-ever expenditure in Australia for local features and a continuing upward trend in local TV drama.

"This is an important result for the industry," said Screen Australia's Chief Executive, Ruth Harley. "2008/09 was the first full year of operation for the Producer Offset, and while a single year's data makes it difficult to attribute the strong level of Australian production to the effect of the Offset alone, the outlook is encouraging, particularly considering the financial uncertainty that characterised 2008/09."

The National Survey of Feature Film and TV Drama Production has been conducted annually for more than 20 years, and is a key indicator of industry trends. It covers all Australian and co-production titles made each year, as well as foreign titles if they are shot in Australia or do post, digital or visual effects (PDV) work here.

In 2008/09 the production slate (defined as projects which started shooting or PDV work during the year) comprised **38 features** and **653 hours of TV drama** (44 programs) shot in Australia, as well as **nine foreign PDV-only projects**. The value of production activity, as measured by the portion of budgets spent in Australia, totalled **\$688 million**.

The **29 Australian features** in this year's slate had total budgets of **\$365 million**. This is the highest result for local features since the survey began, and well above the five-year average of \$177 million. The increase was mainly due to two high-budget titles, *Happy Feet 2* and *Guardians of Ga'Hoole*, which commenced production during the year. There were also three features made as co-productions, with \$17 million of their budgets allocated to expenditure in Australia.

The combined **Australian and co-production TV drama slate** accounted for 646 hours this year, with expenditure in Australia of **\$308 million**, up on last year's \$257 million and the highest result since 2001. Expenditure by local titles, particularly children's programs and adult mini-series, was strong, with Australian mini-series well above average at \$72 million.

Foreign production in Australia contracted sharply, however, spending just **\$22 million** in Australia in 2008/09, compared to \$251 million last year. This balanced out the increase in Australian and co-production projects so that the total value of all production activity (\$688 million) was up only slightly on last year's \$679 million.

Screen Australia's supplementary analysis of post, digital and visual effects activity shows that income to PDV companies from work on features and TV drama has averaged \$135 million annually for the past four years. This represents approximately 22 per cent of total production expenditure during that period by features and TV drama projects in Australia. Australian productions accounted for the majority (75 per cent) of this work over the four years.

Screen Australia also administers the Producer Offset but is prevented by tax secrecy law from identifying which productions accessed the incentive. However, based on the survey data, and assuming all eligible features and TV drama projects in the survey slate qualify and eventually access it, the Producer Offset would provide an estimated \$150–160 million in indirect government assistance to this year's slate, which may accrue over several years as projects reach completion and final certification.

The survey report can be downloaded from www.screenaustralia.gov.au/nps/