

## MEDIA RELEASE

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### Screen Australia announces that Producer Offset has delivered \$123 million to screen industry

**Friday 20 November 2009:** Screen Australia Chief Executive **Ruth Harley** released the latest data on the operation of the Producer Offset tax incentive during her address at the Screen Producers Association of Australia (SPAA) Conference in Sydney.

According to Screen Australia, which administers the Producer Offset, 90 screen productions have been certified since the offset was introduced in July 2007, for a total cost to government of over \$123 million. The incentive has delivered \$91 million to 19 feature films, \$7 million to 46 documentaries, and \$25 million to 25 television projects.

“This injection of funds has assisted the industry to achieve a 1.3 per cent increase in total production activity in 2008/09 against the backdrop of the global financial crisis,” Dr Harley said. “There are, however, some continuing pressure points. Transaction costs for documentaries accessing the offset are very high and therefore inefficient. And feature films in the \$5–15 million budget range are experiencing extreme difficulty raising their production budgets from offset and market sources without recourse to Screen Australia.”

“We will work with the Government in the context of the forthcoming review of the independent production sector to ensure that the offset works as well as possible into the future,” she said.

Dr Harley added that the review would also provide the opportunity to explore further some of the difficulties created by the offset’s operation as part of the income tax system, including timing of payments to producers, and the constraints on Screen Australia’s ability to review and report on performance created by tax secrecy laws.

Dr Harley’s presentation also discussed *Australian films in the marketplace*, new analysis by Screen Australia of five years of feature film box office and release data.

This research looks at box office performance according to release strategy and reveals that most Australian films have had limited or speciality releases over the last five years.

“Australian films do well in these categories of release,” said Dr Harley, “but it will be very difficult for overall box office results to improve significantly unless more local features are successful with mainstream audiences.”

*Australian films in the marketplace: Analysis of release strategies and box office performance*, along with the slides that Dr Harley will use during her SPAA presentation, is available at [www.screenaustralia.gov.au/SPAA09](http://www.screenaustralia.gov.au/SPAA09)