



Australian Government



SCREEN AUSTRALIA

SUBMISSION TO *HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON COMMUNICATIONS AND THE ARTS: INQUIRY INTO AUSTRALIA'S CREATIVE AND CULTURAL INDUSTRIES AND INSTITUTIONS*

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INTRODUCTION

Screen Australia is the Commonwealth Government agency responsible for the Australian screen production sector. We support Australian screen stories released through cinema, television, and online platforms at home and abroad. We support and connect cultural, commercial and governmental stakeholders, ensuring the production of high quality, culturally significant and innovative Australian screen stories.¹

Australian screen content informs our sense of who we are, offers unique forms of cultural expression, and reflects culturally relevant and diverse experiences shared by millions of Australians. The screen industry also delivers significant economic benefits and drives technological innovation.

Screen Australia welcomes the House of Representatives Standing Committee on Communications and the Arts inquiry into Australia's creative and cultural industries and institutions (the Inquiry). The Coronavirus (COVID-19) pandemic has created significant challenges for the global and Australian screen industry. The Inquiry will provide the arts and cultural sector with the opportunity to reflect upon, and demonstrate, the myriad economic, cultural and social benefits investing in arts and culture creates for all Australians.

Screen Australia's submission to the Inquiry will address the following:

- The impact of COVID-19 on the screen sector
- The screen sector has significant economic benefits and potential for further growth in COVID-affected conditions
- Screen content has social and cultural benefits, which enhance Australian communities
- National and international policy and engagement
- Screen content is digital by nature and highly innovative, providing opportunities for local and global success.

The impact of COVID-19 on the screen sector

COVID-19 is disrupting and changing the industry

The COVID-19 pandemic has drastically impacted all elements of the screen sector. Australian Bureau of Statistics (ABS) research indicates that film and video production and post-production businesses, commercial free-to-air broadcasters, and subscription broadcasters and channel providers directly contributed \$5.34 billion in industry value add to the economy in 2015/16, employing approximately 31,000 people at June 2016.² The sector broadly spends around \$3.46 billion a year on production.³ Large-scale production was brought to a halt by COVID-19 as governments and industry quickly realised the risk posed to cast and crew. Some documentary and drama production forged ahead, but faced additional costs and disrupted timelines. Most post-production, digital and visual effects (PDV), and animation services have been able to adapt and continue during the pandemic, but now face a shortage of work in future months due to the disrupted production pipeline and resourcing issues.

¹ Further information on Screen Australia's role can be found in our Corporate Plan, available here: <https://www.screenaustralia.gov.au/about-us/corporate-documents>.

² Australian Bureau of Statistics (2017, June 15) *Film, Television and Digital Games, Australia (cat. no. 8679.0), 2015-16*, with further data from Screen Australia *Production industry Australian Bureau of Statistics survey*. Sector is defined as film and video production businesses, film and video post-production businesses, commercial free-to-air broadcasters, and subscription broadcasters and channel providers.

³ Ibid.

The theatrical exhibition sector shut down entirely for some time, with some cinemas reopening in recent months. However, the sector is still shuttered or restricted with little prospect of fully re-opening until the pandemic is under control. Large studio films, which drive the largest audiences, will not release in a comparatively small territory such as Australia without first generating revenue in much larger markets.

Theatrical distribution and exhibition is estimated to employ around 10,000 people,⁴ and prior to the pandemic, cinemas and drive-ins were the most frequently attended cultural venue or event in Australia.⁵ Local and international film festivals have postponed, cancelled or shifted online. Production companies, distributors and exhibitors were forced to adapt film release strategies with some features intended for theatrical release going straight to online releases.

While viewing of television content increased, the television advertising market has also been severely disrupted, reducing revenue to free-to-air and subscription broadcasters.⁶ Due to the effect of COVID-19 on the industry, in April, the Australian Communications and Media Authority (ACMA) announced it would not take enforcement action against broadcasters and licensees that did not comply with some Australian content obligations for 2020.⁷ In late September, the Government announced reforms to content obligations that will take effect from 2021.⁸

Employment in the screen industry has been severely impacted. The ABS reported that payroll jobs in the very broad information media and telecommunications industry decreased 8.3 per cent between 14 March and 2 May 2020.⁹ Payroll jobs in the wide-ranging arts and recreation industry recorded a 24.2 per cent decrease over the same period.¹⁰

The ABS reported that between 14 March and 2 May 2020, the total employed persons in the motion picture and sound recording activities sub-division recorded a 24.4 per cent decrease.¹¹ Employed persons in creative and performing arts activities decreased 26.7 per cent over the same period.¹²

The financial and psychological stress caused by COVID-19 impacted the mental health of those who work in the screen industry. Following a \$10 million funding allocation from the Australian Government, industry charity Support Act expanded its Wellbeing Helpline beyond the music and theatre industries to incorporate all artists and arts workers across Australia.¹³ Screen Australia recently supported four free wellness webinars for crew, creators, performers and leaders in the screen sector, which will be hosted by Film Art Media in November this year.

Digital adaptation and growth

COVID-19's disruption has accelerated the screen industry's digital growth. Viewing on free-to-air and broadcaster video-on-demand (BVOD) platforms significantly increased following the stay at home restrictions, with drama programming driving this increase on BVOD.¹⁴

⁴ Compiled by Screen Australia using unpublished data from the Australian Bureau of Statistics, Censuses of Population and Housing, 1971-2016. Please note that this data is not included in the Australian Bureau of Statistics industry survey cited above at footnote 2.

⁵ Australian Bureau of Statistics (2019, March 26) [Attendance at Selected Cultural Venues and Events, Australia, 2017-18](#).

⁶ Kelly V (2020, August 5) [TV advertising market falls back 22.1% in first half of 2020](#) *Mumbrella*, citing Standard Media Index data.

⁷ Australian Communications and Media Authority (2020, April 15). [COVID-19 Important information for industry](#).

⁸ Minister for Communications, Cyber Safety and the Arts (2020, September 30) [New funding in Budget to deliver Australian screen content](#) [Media Release].

⁹ Australian Bureau of Statistics (2020, October 7) [Weekly Payroll Jobs and Wages in Australia, week ending 19 September 2020](#). The Information Media and Telecommunications Industry includes various sub-industries, which are published [here](#).

¹⁰ Ibid. The Arts and Recreation Industry category includes various sub-industries, which are published [here](#).

¹¹ Ibid. The scope of the Motion Picture and Sound Recording Activities sub-division includes production, post-production, distribution and exhibition. The scope of this sub-division is published [here](#).

¹² Ibid. The Creative and Performing Arts Activities sub-division includes most directing, acting, writing and performing. The scope of this sub-division is published [here](#).

¹³ Australian Government, Office for the Arts, Department of Infrastructure, Transport, Regional Development and Communications (2020, April 28) [Support Act to provide crisis relief](#) [Media Release].

¹⁴ OzTAM (2020) [Special Report: Total TV Viewing week commencing 29 March 2020](#).

Use of subscription video-on-demand (SVOD) services also increased following the pandemic. Roy Morgan reported that the main SVOD service providers recorded strong growth of Australian subscribers from February 2020 to May 2020: Netflix (+8.8 per cent), Foxtel (+13.6 per cent), Stan (+19.7 per cent), Disney+ (+38.2 per cent) and Amazon Prime Video (+45.5 per cent).¹⁵ Telsyte also reported that SVOD services have remained the leading subscription category comprising 44 per cent of subscriptions in the Australian market at the end of June 2020, ahead of music (33 per cent), gaming (16 per cent) and pay television (seven per cent).¹⁶

Research also captured the attitudes and actions of consumers in the wake of COVID-19. The Deloitte Media Consumer Survey 2020 revealed that there was a 39 per cent increase in the hours spent watching paid movie and television streaming services during lockdown restrictions.¹⁷ In a separate survey, Telsyte found that over half of SVOD subscribers claimed that their SVOD services had become 'essential' since the pandemic.¹⁸

Demand for Australian stories increased as production halted around the world. The number of domestic and international project sales for Screen Australia-supported productions between March and June 2020 increased by 75 per cent when compared to sales in the same 2018/19 period.¹⁹ While this spike in sales should be celebrated, it does not replace revenue from the production and distribution of new content.

Creators responded to COVID-19 with innovation and determination. Many small-scale projects, such as many documentaries and online projects, continued or started production in 'COVID-Safe' ways with assistance from government. These creators included Australian director, Luke Eve, who wrote and filmed series *Cancelled* on a mobile phone in a Spanish apartment during lockdown. *Cancelled* has had over 2 million views on Facebook,²⁰ and recently won the Grand Jury Prize at Marseille Web Fest 2020.

Screen Australia and Australian Government response to COVID-19

Screen Australia immediately took action to support the sector in the wake of COVID-19 by:

- contributing more than \$1 million in emergency funding assistance to Screen Australia-funded productions forced to shut down or go into hiatus
- providing an additional \$5.7 million to support projects that were able to continue working remotely and assist those with additional COVID-19 compliance costs to resume production
- reallocating Production Investment funding to the Story Development fund, which provided more than \$2 million in funding across the Premium Plus and Premium Story Development funds from April to June 2020
- creating an online resource directory for industry, in collaboration with the Office for the Arts, to collate relevant information on the range of Australian Government assistance provided in response to COVID-19
- working with the Australian Film Television and Radio School (AFTRS), industry and other agencies to develop COVID-Safe Guidelines
- administering the Temporary Interruption Fund on behalf of the Australian Government,²¹ which is supporting local film and television producers to secure finance and start filming.

¹⁵ Roy Morgan (2020, July 21) [Subscription TV viewers soar during Aussie lockdown - Netflix, Foxtel, Stan, Disney+ & Amazon Prime all up significantly](#) (Finding No. 8472).

¹⁶ Telsyte (2020, August 17) [Subscription home entertainment soars in Australia](#) (Telsyte Australian Entertainment Subscriptions Study 2020).

¹⁷ Deloitte (2020) [Media Consumer Survey 2020](#) (p. 17).

¹⁸ Telsyte (2020, August 17) [Subscription home entertainment soars in Australia](#) (Telsyte Australian Entertainment Subscriptions Study 2020).

¹⁹ Screen Australia Marketplace statistics.

²⁰ Facebook views are reported by Facebook, and are not comparable with viewing metrics from other platforms. Compiled by Screen Australia as at October 2020.

²¹ Minister for Communications, Cyber Safety and the Arts (2020, June 25) [\\$250 million JobMaker plan to restart Australia's creative economy](#) [Media Release].

Screen Australia will continue to work with Government and industry to assist the sector to adapt to the profound challenges and unique opportunities that exist in the COVID-19 environment. This will include ongoing research, such as the November 2020 publication of the annual *Drama Report*, which Screen Australia will provide to the Inquiry as a supplementary submission. Screen Australia will continue to provide funding and other support to industry, and assist the Government with the implementation of policy changes announced in the October Budget.

The screen sector has significant economic benefits and potential for further growth in COVID-affected conditions

The screen industry makes a considerable contribution to Australia's economy and stimulates economic activity in other industries

Screen industry activity contributes significant direct economic impacts. ABS research indicates that film and video production businesses, film and video post-production businesses, commercial free-to-air broadcasters, and subscription broadcasters and channel providers directly contributed \$5.34 billion in industry value add to the economy in 2015/16.²² The sector's value add grew 7.2 per cent from 2011/12 to 2015/16.²³ Screen content creation also encompasses other art forms, including the performing arts, music and design, generating significant jobs and income for other arts creators.²⁴

The production of screen content is a rapidly evolving global business, and Australian companies export content to more than 200 territories for significant revenue.²⁵ Total screen export earnings, including international box office earnings, and licence fees and royalties, for scripted, narrative Australian film and television screen content alone were estimated to be more than \$252 million in 2014/15.²⁶

The sector also generates indirect economic impacts. Screen production requires extensive use of goods and services, including rental services, financial services and electricity.²⁷ Productions book accommodation in towns, eat at local restaurants and film at Australian locations, including in regional and remote areas. For example, the first series of *Mystery Road* was shot in the Kimberley region in Western Australia and brought an estimated \$5.8 million to the state.²⁸ Foreign drama productions also bring huge investment and expenditure to Australia, spending an average of \$378 million per year in Australia between 2014/15 and 2018/19.²⁹

Screen content also drives domestic and international tourism. Visitors seek to experience the breathtaking locations that they have seen on screen, from Victoria's Hepburn Shire (*Mad Max* and *Picnic at Hanging Rock*), to Tasmania's Kettering and Bruny Island (*The Kettering Incident*). Deloitte

²² Australian Bureau of Statistics (2017, June 15) [Film, Television and Digital Games, Australia \(cat. no. 8679.0\), 2015-16](#), with further data from Screen Australia [Production industry Australian Bureau of Statistics survey](#).

²³ Ibid.

²⁴ Olsberg SPI (2017) [Film and the Creative Economy: How Film and Television Drama Productions Grow the Creative Industries](#).

²⁵ Screen Australia Marketplace statistics.

²⁶ Deloitte Access Economics (2016) [What are our stories worth? Measuring the economic and cultural value of Australia's screen sector](#) (p. 25). Measured content is defined as 'screen content made under the creative control of Australians and is scripted, narrative content, capturing feature film, drama TV and documentaries only.' This estimate is based on Screen Australia funded titles and should be regarded as a lower bound on export earnings. Other export statistics are available: Australian Bureau of Statistics (2020, September 1) [Balance of Payments and International Investment Position, Australia \(cat. no. 5302.0\), September 2019](#); Australian Bureau of Statistics (2020, January 9) [International Trade in Goods and Services, Australia \(cat. no. 5368.0\), November 2019](#).

²⁷ Deloitte Access Economics (2016) [What are our stories worth? Measuring the economic and cultural value of Australia's screen sector](#) (p. 12).

²⁸ Figures provided to Screen Australia by Screenwest.

²⁹ Screen Australia (2019) [Drama Report 2018/19](#) (p. 6).

Access Economics found that 230,000 international tourists visit or extend their stay in Australia each year as a result of viewing Australian film and television content.³⁰ This is estimated to generate \$725 million in tourism expenditure.³¹

Australian screen content generates significant economic benefits. It is estimated that the total economic contribution of screen content under Australian creative control amounted to \$2.6 billion in 2014/15.³² Of this amount, scripted/narrative drama and documentary screen content under Australian creative control was estimated to generate \$847 million in value add. The estimated value add of production and PDV services provided by Australian businesses to foreign screen productions was an additional \$382 million.³³

The screen industry generates skilled employment

Screen production is a highly creative, technical and skilled industry, which creates innovative jobs. Creative skills have been identified as crucial for jobs of the future, as trends towards automation continue.³⁴ Film and video production businesses, film and video post-production businesses, commercial free-to-air broadcasters, and subscription broadcasters and channel providers employed approximately 31,000 people at June 2016.³⁵ This indicates growth of 4.9 per cent from June 2012 to June 2016.³⁶ Screen content also creates employment for other creative industries, such as music and design.³⁷

Screen content drives regional growth

Local and foreign production has significant economic impacts on regional areas driving spend, jobs and tourism.

Production is important to Indigenous Australian creators and communities. Critically-acclaimed feature film *Sweet Country* for example generated over \$1 million of spend into the Northern Territory.³⁸ The Regional Australia Institute found that the creative sub-industry of film, television and radio was important for a number of smaller Indigenous communities such as the Central Desert, Alice Springs and Broome, as well as the larger Indigenous Australian community of Darwin.³⁹

Employment in creative industries is reportedly growing in some regional areas, and may assist in attracting or maintaining regional populations.⁴⁰ State and territory governments have recognised the economic value that screen can bring to their regional areas, implementing strategic plans and funding programs to create capacity and attract productions.⁴¹

Industry bodies also assist to drive growth in regional production. Not-for-profit organisation Screenworks works directly with regional councils, state funding bodies and businesses to attract

³⁰ Deloitte Access Economics (2016) [What are our stories worth? Measuring the economic and cultural value of Australia's screen sector](#) (pp. 3, 27).

³¹ Ibid.

³² Ibid (p. 14).

³³ Ibid (p. 17).

³⁴ Bureau of Communications, Arts and Regional Research (2019, January 23) [Creative skills for the future economy](#) (p. 1). Australian Government, Department of Infrastructure, Transport, Regional Development and Communications.

³⁵ Australian Bureau of Statistics (2017, June 15) [Film, Television and Digital Games, Australia \(cat. no. 8679.0\), 2015-16](#), with further data from Screen Australia [Production industry Australian Bureau of Statistics survey](#).

³⁶ Ibid. Comparisons between surveys should be used with caution.

³⁷ Olsberg SPI (2017) [Film and the Creative Economy: How Film and Television Drama Productions Grow the Creative Industries](#).

³⁸ Figures provided to Screen Australia by Screen Territory.

³⁹ Regional Australia Institute (2019, June p.30) [Regional Growth Prospects: Strategic Investment in Food Processing, Tourism, Advanced Manufacturing and Creative Industries](#) (SIP.2018.2.3.1) (p. 30). Research based on Australian Bureau of Statistics Census data.

⁴⁰ Ibid (p. 31).

⁴¹ Including but not limited to: Film Victoria (2020) [Incentives: Regional Location Assistance Fund](#); Queensland Government (2019, August 23) [Advance Queensland Far North Queensland Screen Production Strategic Plan](#); Screen NSW [Regional Filming Fund](#). New South Wales Government, Department of Premier and Cabinet; Screen Territory (2018, October 29) [Northern Territory Screen Industry Development Plan 2018-2020](#); Screenwest (2020) [Funding and Support, Western Australian Screen Fund](#).

film productions to regional, rural and remote areas of Australia. The organisation has been very active in the New South Wales Northern Rivers for many years, and has started branching out into other regions. The Northern Rivers hosted major productions in Spring 2020, including major foreign drama *Nine Perfect Strangers* and Australian series *Eden*. The Northern Rivers has also welcomed the opening of new film studio facilities.

Measurement of economic impact

Government currently measures the economic impact of screen through Screen Australia's compiled production statistics (including the agency's annual *Drama Report*), the ABS *Film, Television and Digital Games Survey*, and regular statistics provided by annual reports and Australian Screen Production Incentive statistics.

Other measures of economic impact are included in Screen Australia's *Screen Currency* report, which brought together the findings of commissioned research by Deloitte Access Economics and Olsberg SPI.⁴² Industry and other stakeholders also provide a range of other research.

Screen Australia will continue to consider approaches from other government agencies and sector stakeholders for how to measure the economic impact of screen content. The agency looks forward to any discussion and outcomes from the Inquiry in this regard.

Potential for economic growth in a COVID-affected economy

The economic impact of the Australian screen sector was previously underpinned by thriving local businesses and employed Australians, but COVID-19 has threatened this economic growth. While some drama productions are shooting again, productions have incurred extra costs and must adapt to new COVID-Safe ways of working. Documentarians are also battling additional costs. Some cinemas have begun to reopen, but the long-term economic health of cinema exhibition is seriously threatened, as audiences slowly return and major international releases are postponed or shift to video-on-demand platforms. The pandemic's impact on the sector is far from realised.

Despite these challenges, the pandemic also opens up unique opportunities for the local screen industry. Australia is globally recognised as a territory with world-class facilities, and highly-skilled cast and crew. While COVID-19 has caused great harm to the nation, Australia is currently in a more fortunate position than many other countries. With well-calibrated support, the current global environment, and Australia's record of creating and producing world-leading content, provides opportunities for the sector to meet local and global demand, drive economic growth in metropolitan and regional areas, and create content with financial and cultural returns.

Australia's COVID-Safe production framework is world-class. The domestic production sector has returned to work where it is safe to do so, implementing COVID-Safety and Risk Assessment Plans developed in accordance with COVID-Safe Guidelines created by a unique partnership between government agencies, industry associations, broadcasters and production companies. In July 2020, the Australian Government also allocated \$400 million in further funding for the Location Incentive, extending the program until 2026/27.⁴³ This funding is designed to attract an estimated \$3 billion in foreign spend over the next seven years, with the first productions supported under this boost recently announced.⁴⁴ Australia has previously hosted large-scale international productions such as *Pirates of the Caribbean: Dead Men Tell No Tales*, *Thor: Ragnarok* and *Aquaman*.

⁴² Screen Australia (2016) [Screen Currency: Valuing our screen industry](#); Deloitte Access Economics (2016) [What are our stories worth? Measuring the economic and cultural value of Australia's screen sector](#); Olsberg SPI (2016) [Measuring the Cultural Value of Australia's Screen Sector](#).

⁴³ Prime Minister, Minister for Communications, Cyber Safety and the Arts (2020, July 17) [New \\$400 million incentive to boost jobs for screen industry](#) [Media Release].

⁴⁴ Minister for Communications, Cyber Safety and the Arts (2020, September 26) [Morrison Government's Location Incentive brings Young Rock, Joe Exotic and Irreverent down under](#) [Media Release].

Screen content is a key driver of the uptake of high-speed broadband,⁴⁵ and surveys indicate that Australians would reduce spending on most other items before cutting spending on streaming and digital entertainment.⁴⁶ Following changes announced in the October 2020 Budget,⁴⁷ the Producer Offset tax incentive will provide further assistance to content on online platforms, assisting Australian content creators to meet growing demand.

Screen content has social and cultural benefits, which enhance Australian communities

Screen content shapes our national identity and culture

Screen content reflects, shapes and challenges our perceptions of ourselves and each other, affecting Australian culture and promoting national identity, social wellbeing and cohesion. Screen Australia's *Screen Currency* report found that Australian stories are valued for their diversity and distinctiveness, and that Australians generally prefer local over imported content.⁴⁸ As part of its measurement of the cultural value of the sector, the report estimated that the 'option' value of Australian screen content is around \$511 million per year, and the 'existence' or 'altruism' value around \$415 million per year.⁴⁹

As outlined in *Screen Currency*, screen content can create combinations of cultural impacts.⁵⁰ Screen stories conserve and interpret pivotal cultural moments in Australian history. This is evident through the impact of content authored by Indigenous Australians such as *First Australians*, and through other titles such as *Australia in Colour*, *Gallipoli* and *The Australian Dream*. Factual content such as *War on Waste* and *Go Back to Where You Came From* examine national issues and can drive cultural change and community dialogue.

Screen stories contribute to social cohesion, from shared iconic colloquialisms from *The Castle*, *Kath and Kim*, and the Bondi Hipsters in *Soul Mates*, to reflections of Australia's multiculturalism in *The Family Law* and *Lion*, as well as the life lessons learned from dramas such as *Home and Away* and *Neighbours*. Screen stories also celebrate diversity and under-represented Australians through titles such as *Ride Like a Girl*, *Please Like Me*, *Employable Me* and *Love on the Spectrum*.

Children's content has a significant impact on social and emotional development. For example, *Bluey* explores everyday life and childhood development through play, while television series *Little Lunch* and *Dance Academy* help children understand complex human and societal issues, such as friendship, bullying and death.

Screen content creates 'soft power', which is most evident in Australian screen content's ability to attract tourism. Screen concepts and stars represent the Australian lifestyle and character to the international tourism market. *Crocodile Dundee* has contributed to Australia's brand, with tourism campaigns being centred on the film's concept and stars: Mick Dundee appeared in the successful 'Come and Say G'day' tourism campaign, and the idea was re-employed in the 2018 'Dundee'

⁴⁵ Bureau of Communications, Arts and Regional Research (2020) [Demand for fixed-line broadband in Australia 2018 - 2028—working paper](#). Australian Government, Department of Infrastructure, Transport, Regional Development and Communications.

⁴⁶ Deloitte (2020) [Media Consumer Survey 2020](#) (p. 14).

⁴⁷ Minister for Communications, Cyber Safety and the Arts (2020, September 30) [New funding in Budget to deliver Australian screen content](#) [Media Release].

⁴⁸ Screen Australia (2016) [Screen Currency: Valuing our screen industry](#) (p. 7).

⁴⁹ Ibid (p. 9); Deloitte Access Economics (2016) [What are our stories worth? Measuring the economic and cultural value of Australia's screen sector](#) (pp. 4, 41).

⁵⁰ Screen Australia (2016) [Screen Currency: Valuing our screen industry](#) (pp. 9-11).

campaign. Screen stars have been used in other tourism campaigns, such as the recent 'Come Live Our Philaosophy' featuring Chris Hemsworth.

Indigenous stories are the cornerstone of Australian culture. Screen Australia's Indigenous Department supports Aboriginal and Torres Strait Islander screen storytellers and their creation of authentic and resonant stories. The Indigenous Department is staffed entirely by Indigenous Australians, and focuses on growing talent, progressing policies relating to Indigenous screen content creators, and providing significant funding to screen content such as the feature film *Samson & Delilah* and television series *Mystery Road*.

Indigenous Australian content is enjoyed and valued by diverse audiences. Screen stories by Indigenous Australians, such as the *Songlines on Screen* project, preserve and explore Indigenous culture and language. Content by Indigenous Australians has a unique impact on non-Indigenous Australian audiences: the groundbreaking series *Redfern Now* explored the lives of inner-city Indigenous Australians, and garnered high audiences, was critically acclaimed, and brought diverse representations of Indigenous culture to a wide audience, including some previously unseen and strongly positive sides of Indigenous communities.⁵¹ More recently, *Mystery Road* won Most Popular Drama Program at the 2019 TV Week Logie Awards. Screen content by Indigenous Australians also resonates with international audiences. *Sweet Country* swept up local and global awards, including the Special Jury Prize at the Venice International Film Festival and the Platform Award at the Toronto International Film Festival. Feature film *Spear*, created in collaboration with Bangarra Dance Company, was also popular overseas.

Screen Australia supports online content creators to connect directly with their audience, which results in fast-evolving formats and cultural outcomes. Short-form series *Robbie Hood* was created by Indigenous Australians Dylan River (Writer/Director), Tanith Glynn-Maloney (Producer) and Kodie Bedford (Writer) for SBS On Demand, with producer Meg O'Connell. The dramedy follows a teenage troublemaker with a heart of gold in a remote Indigenous community, and was acclaimed by critics as "the most perfect piece of TV you'll see this year".⁵² The online space has also evolved to provide content for diverse audiences that have been underrepresented on traditional screens. Online content such as *Starting from Now* and *Ding Dong I'm Gay* directly connects with the LGBTIQ+ community exploring themes of identity, life and love through an inclusive lens. These YouTube channels have deeply resonated with the online community: *Starting From Now* has achieved 109 million views since 2014, and *Ding Dong I'm Gay* has earned 5 million views since 2017.⁵³ Online content also reflects subcultures and resonates with specific audiences that are not always catered for on other screen platforms. For example, *Mining Boom* has been a successful hit with the mining community and other audiences, attracting 4.8 million views on its YouTube channel and 6.7 million video views on Facebook.⁵⁴

Australian content is accessible to the majority of Australians, and access is evolving due to digital disruption

Screen content is easy to enjoy, and with the use of closed captions and audio descriptions, is accessible to almost all Australians. Local content is freely available on national and free-to-air broadcasters. This enables the majority of Australians to engage with local content, and therefore facilitates the cultural benefits. On average, linear television reaches 75.2 per cent of Australians each week.⁵⁵

⁵¹ Screen Australia (2016) [Seeing Ourselves: Reflections on diversity in Australian TV drama](#) (p. 14).

⁵² Rugendyke, L. (2019, July 4) [Robbie Hood is the most perfect piece of TV you'll see this year](#). *Sydney Morning Herald*.

⁵³ Youtube views are reported by YouTube, and are not comparable with viewing metrics from other platforms. Compiled by Screen Australia as at October 2020.

⁵⁴ Youtube and Facebook views are reported by each platform, respectively, and are not comparable with viewing metrics from other platforms. Compiled by Screen Australia as at October 2020.

⁵⁵ ThinkTV (2020) [Fact Pack: Jan to June 2020](#), citing OzTAM and Regional TAM databases with Overlap homes de-duplicated. Jan-Jun 2020. Average 1-minute weekly cumulative reach across the population in OzTAM and Regional TAM coverage

Broadcasters also provide online access to their screen content via their BVOD services, making screen stories available whenever audiences want to watch them. Australians also access free content online through platforms such as YouTube and Facebook.

Film festivals have been a popular traditional cultural experience, but over the past few years some festivals, particularly documentary festivals, have moved online. COVID-19 prompted this year's film festivals to shift to digital only (Melbourne International Film Festival and Sydney Film Festival), adopt hybrid models (CinefestOz Film Festival), or adapt an event in accordance with restrictions (Darwin International Film Festival, Adelaide Film Festival and Brisbane International Film Festival).

COVID-19 has highlighted the importance of screen content's social and cultural benefits, but these benefits are also threatened by the pandemic

Screen stories facilitate a deeper connection with society, culture, and the world around us. Australians may be physically isolated from their broader communities and cultures during the COVID-19 pandemic, and the popularity of screen content demonstrates that Australians value this form of connection. Domestic and international travel restrictions place physical barriers on Australians to learn about, experience and appreciate other people, cultures, experiences and ideas. Screen content offers a digital avenue to connect.

The current disruption to industry threatens the ongoing supply of culturally important stories. However, Australia's broad response to COVID-19, and continued screen sector-related efforts from government and industry, offer the potential for screen stories to assist economic recovery while adapting to the pandemic. Australia currently has locations that can adapt to be 'COVID-Safe', which is enabling the creation of home-grown stories to continue.

The value of measuring social and cultural impacts

The social and cultural impacts of arts and culture are often difficult to measure, but are widely recognised by governments and citizens. There are many emerging studies that explore the link between arts and culture, and positive social impact outcomes particularly in health, wellbeing, education and social cohesion.⁵⁶ Governments widely recognise that engagement with arts and culture influences health and wellbeing, and have promoted such engagement through strategic planning, for example, the *New South Wales Health and the Arts Framework* and the *VicHealth Arts Strategy 2019-23*. The significant demand for local screen content, and public encouragement of financial support, demonstrates the importance of Australian stories on Australian screens. Screen Australia welcomes further work on the recognition, measurement and growth of vital social and cultural impacts.

areas. Includes live viewing and playback through the TV set within 28 days. Time bands use the industry standard 26-hour TV clock: 0200-2600 = 2am-2am; 1800-2400 = 6pm-midnight.

⁵⁶ For example: A New Approach (2019) [Transformative: Impacts of Culture and Creativity](#); A New Approach (2020) [A view from middle Australia: Perceptions of arts, culture and creativity](#); Arts Council England (2014) [The value of art and culture to people and society—an evidence review](#); British Film Institute [The Stories We Tell Ourselves: The Cultural Impact of UK Film 1946-2006](#); British Film Institute (2011) [Opening our eyes: How film contributes to the culture of the UK](#); Create NSW (2018) [Culture, Value and Place](#) (Vols. 1-2). New South Wales Government, Department of Premier and Cabinet.

National and international policy and engagement

Engagement between local, state and territory, and federal government ensures coordinated support for industry

Screen Australia works closely with the Department of Infrastructure, Transport, Regional Development and Communications (particularly the Office for the Arts), ACMA, AFTRS, Department of Foreign Affairs and Trade, Austrade, and a range of other Australian Government departments and agencies. An example of this intergovernmental cooperation is Screen Australia and the ACMA's development and delivery of the *Supporting Australian stories on our screens—options paper* to the Australian Government earlier this year.

Screen Australia's leadership and staff engage regularly with state and territory screen bodies and other screen agencies such as the Australian Children's Television Foundation (ACTF). A recent example of the engagement and collaboration between levels of government and industry is the rapid and welcomed development of COVID-Safe Guidelines, led by AFTRS. Screen Australia's executive continuously engages with the leaders of state and territory screen bodies. Screen Australia's content funding teams frequently discuss the funding of various projects, and broader industry issues, with their state and territory counterparts. In addition, the agency's policy staff meet regularly through a Screen Policy Information Exchange with other government and sector screen bodies.

International cooperation fosters relationships and boosts opportunities for content

Screen Australia is Australia's 'competent authority' for the International Co-Production Program, and administers applications on behalf of the Australian Government. This program fosters international partnerships between governments and industry, offering mutual cultural and commercial benefits through an interchange of strategies, skills and infrastructure.

Australia currently has formal arrangements for Official Co-productions with 12 partner countries: Canada, China, Germany, Ireland, Israel, Italy, Republic of Korea, Singapore, South Africa and the United Kingdom (treaties), and also with France and New Zealand (memoranda of understanding). The Australian Government has also recently entered into an agreement with Malaysia.⁵⁷ Official Co-productions created to date include *The Railway Man*, which explored the events of the Second World War and the Thai-Burma Railway; and *Escape from Pretoria*, which was recently filmed in South Australia.

Screen content also plays a role in strengthening our partnerships with the Asia-Pacific, particularly the Pacific. The feature film *Tanna* was created with the people of Yakel and set on a remote South Pacific island of Vanuatu. The title became the first Australian film to be nominated in the Foreign Language category at the 2017 Academy Awards.

The quality of Australian content is recognised by international awards, critical acclaim, box office figures and sales. This recognition facilitates commercial relationships and global opportunities for creators and content. It also influences the reach and 'soft power' of Australian content. Australia has a significant number of titles that have achieved international awards, acclaim and global box office success. Feature film *Lion* received six nominations for the 2017 Academy Awards, including Best Picture. *Samson & Delilah* travelled the international film festival circuit, and took home the Camera d'Or from Cannes Film Festival. Live-action animated hybrid film *Peter Rabbit* was an

⁵⁷ Minister for Foreign Affairs, Minister for Women, Minister for Communications, Cyber Safety and the Arts (2019, 29 November) [Australia signs new screen agreement with Malaysia](#) [Media Release].

international box office hit taking over \$463 million (cumulative) across 88 territories excluding Australia.⁵⁸ The title became the highest-grossing Australian film of all time in the UK.⁵⁹ Success in local and global markets can create a virtuous cycle for specific projects, and Australia's global brand. Following extraordinary success on the ABC, *Bluey* is reaching audiences in more than 110 territories, including the United States, United Kingdom and China, and recently won the International Emmy Kids Award for best preschool program.

Screen Australia ensures Australian Government support for screen is accessible to all Australians

As the peak national screen agency, most Screen Australia funding is directed to projects created by experienced talent, but guidelines and procedures ensure that the agency meets its legislative requirement to support and develop a diverse range of programs.⁶⁰ Targeted talent and project support is accessible to Australians at different points of their career, and programs and initiatives target areas of under-representation.

Despite the creative, cultural and commercial success of titles from *My Brilliant Career* to *Ride Like a Girl*, female talent has been underutilised in the screen industry. Underrepresentation is particularly acute in feature films, where women are less than one quarter of all writers and directors, and well below half of producers.⁶¹ Since 2015, Screen Australia's Gender Matters program has encouraged and improved female participation and authorship of screen stories, and directly led to the development and production of 2019's top-grossing Australian film, *Ride Like a Girl*, which told the story of Melbourne Cup-winning jockey Michelle Payne and was Rachel Griffiths' feature drama directorial debut. Screen Australia is on track to meet current KPIs and will announce further measures shortly.⁶²

Screen Australia research and funding has also measured underrepresentation and exclusion of Australians due to other factors. The 2016 report *Seeing Ourselves* found that Australian television drama did not reflect the diversity found in Australian society across factors including cultural background, disability, and sexual orientation and gender identity.⁶³ The report has led to the creation of several talent development initiatives and the creation of the Screen Diversity and Inclusion Network, where government agencies work with broadcasters and industry associations to drive cultural change. Screen Australia will commence work on a new version of *Seeing Ourselves* in 2020/21.

Screen Australia development and production funding is highly competitive, but a range of funding is open to all Australians. The Generate program offers drama story development funding to creatives without a 'track record', identifying and supporting new and emerging talent, while production funding for online drama is open to all applications, ensuring the support of innovative content. Initiatives, attachments, talent development and other opportunities support emerging talent across drama and documentary content, while other programs encourage emerging talent to team up with experienced content creators.

⁵⁸ Screen Australia (2019, January 22) [2018 Year in Review and 2019 Preview](#) [Media Release], citing Screen Australia compiled data from the Motion Picture Distributors Association of Australia.

⁵⁹ Screen Australia (2020, February) [Top Australian films in the US, UK and Germany](#), Screen Australia compiled data from ACNielsen EDI (Australia) 1979-2008, Independent Film & Television Alliance 2009-2011, Rentrak from 2012.

⁶⁰ *Screen Australia Act 2008* (Cth) s 6(3)(a).

⁶¹ Screen Australia (2020, October 15) [Screen Australia releases Gender Matters KPI update and new industry data](#) [Media Release].

⁶² *Ibid.*

⁶³ Screen Australia (2019, January 22) [2018 Year in Review and 2019 Preview](#) [Media Release], citing Screen Australia compiled data from the Motion Picture Distributors Association of Australia.

Screen content is digital by nature and highly innovative, providing opportunities for local and global success

Screen content creators are inherently innovative

The digital distribution of screen content, allied with distribution in cinemas and via television, provides opportunities for further local and global success. Australian creators are driving innovative stories, leading a forward-thinking industry, and developing future skillsets.

Screen content is constantly innovating due to its adaptability to new technologies. While digital technology has strongly disrupted the screen industry and the revenue models that underpin it, screen stories have adapted well to the pivot to video-on-demand models: drama is the highest-rating genre on BVOD,⁶⁴ and it is indicated that drama makes up the greatest proportion of Australian content available on SVOD services in Australia.⁶⁵ Children's content is the second highest-rating genre on BVOD services and makes up 18 per cent of all viewing on this kind of platform.⁶⁶ Increased viewing during the COVID-19 pandemic, coupled with Australia's resumption of production, presents a unique opportunity for Australian content creators to meet local and global demand.

Online content, principally social media such as YouTube, provides a new way for content creators to interact directly with a local and global audience, and grow that audience. The majority of children watch content online: 68 per cent of children aged 0 to 14 years old watched children's programs on video sharing sites, such as YouTube, in 2016.⁶⁷ Online creators are constantly pushing traditional boundaries with innovative content that resonates with online audiences. Ludo Studio's *Content* was the first Australian scripted vertical narrative series commissioned by an Australian broadcaster (the ABC). The series was recently nominated for an International Emmy Award for Short-Form Series. *Superwog* achieved hundreds of millions of views on YouTube with their sketch comedy, and were supported by Screen Australia and Google to create a narrative comedy, which became 2017's top-trending YouTube video in Australia. This success led to a full narrative series with ABC and YouTube, which has achieved 42.7 million YouTube views.⁶⁸ Adelaide black comedy creators *RackaRacka* have more than six million subscribers and one billion views on YouTube.⁶⁹ Chinese-Australian content creator *Wengie* has more than 14 million YouTube subscribers worldwide, and was supported to branch into narrative filmmaking with *Parked*, which has around 2.5 million YouTube views.⁷⁰

Digital platforms provide the foundation for screen stories to drive new formats and release patterns. Structure for stories is no longer dictated by commercial breaks and traditional formats; the concept itself can now drive the format to be four or fifteen episodes. Release strategies are also no longer constrained; an entire series can be released at once to enable 'binge' viewing.

Creators are driving innovation by developing new concepts. In 2013, Ludo Studio produced *#7 Days Later*, which invited the audience to view an episode, then choose the ingredients via social media for an all-new episode premiering seven days later. Continuing to innovate with interactivity, Ludo Studio's *Doodles* asked children to send in drawings that were then animated into short videos. Both *#7 Days Later* and *Doodles* won International Emmy Awards. In 2015/16, Screen Australia

⁶⁴ ThinkTV (2020) [Fact Pack: Jan to June 2020](#), citing OzTAM VPM VOD Viewing, 1 Jan 2020 00h00–30 Jun 2020 23h59.

⁶⁵ Australian Communications and Media Authority, and Screen Australia (2020) [Supporting Australian stories on our screens—options paper](#) (p.20), citing Ampere Analysis and Bureau of Communications and Arts Research analysis.

⁶⁶ ThinkTV (2020) [Fact Pack: Jan to June 2020](#), citing OzTAM VPM VOD Viewing, 1 Jan 2020 00h00–30 Jun 2020 23h59.

⁶⁷ Australian Communications and Media Authority (2017) [Children's television viewing and multi-screen behaviour](#); FreeTV Australia (2017) [Changing views: Australian Kids and Commercial Television](#).

⁶⁸ YouTube views are reported by YouTube, and are not comparable with viewing metrics from other platforms. Compiled by Screen Australia as at October 2020.

⁶⁹ Ibid.

⁷⁰ Ibid.

provided Ludo Studio Enterprise Industry funding to help grow their business. Ludo Studio's ability to not only continue to think outside the box but execute these innovative ideas led to the extremely successful series *Bluey*. The series has won an International Emmy Award, was the highest-rated Screen Australia-supported television series for 2019/20, and series 1 and 2 of *Bluey* had nearly 170 million program plays on ABC iView in 2019/20.⁷¹

The screen industry is growing its post-production, digital and visual effects (PDV) and virtual reality (VR) capabilities

The screen sector is growing its technological capabilities in the digital environment, with a strong focus on PDV and VR.

Australia's PDV sector is well-established and supported by the federal PDV Offset tax incentive. PDV work includes post-production (including sound), visual effects (VFX) and animation services. Between 2014/15 and 2018/19, PDV expenditure on Australian and foreign drama titles averaged \$246 million per year.⁷² Australian post-production houses have contributed award-winning and groundbreaking work on major foreign productions, including the *Lego Movie* franchise, multiple Marvel Studios' blockbuster films, *Game of Thrones* and *Christopher Robin*.⁷³ States and territories also provide additional PDV incentives to attract interstate and international productions.

The strength of the local PDV sector coupled with attractive government PDV incentives has enabled the growth of Australian and foreign-owned VFX houses including Animal Logic, Method Studios, Mr X and Rising Sun Pictures. Disney-owned VFX company Industrial Light & Magic (ILM) recently opened a Sydney studio.⁷⁴

Australia's animation studios continue to build towards the future. Animal Logic has built its PDV capabilities to produce successful titles. *Happy Feet* was Australia's first digitally animated feature film produced in Australia,⁷⁵ and the company now provides a mix of 'service work' on other titles as well as the production of original titles such as *Peter Rabbit*.⁷⁶ In 2017, Animal Logic and The University of Technology Sydney created the UTS Animal Logic Academy, which offers a one-year accelerated, industry-led Master of Animation and Visualisation, and postgraduate research opportunities. Academy graduates have secured work at leading studios, including Flying Bark, Animal Logic and Luma Pictures.

VR provides an immersive medium for audiences to experience screen stories. Lynette Wallworth's *Awavena* recently won the International News and Documentary Emmy Award 2020 for Outstanding New Approaches to Documentary. The documentary is an invitation to the audience from the Amazonian Ywanawa tribe to become virtually immersed in their forest, and experience their unique culture and relationship with the natural environment. START VR's *Awake - First Contact* screened at the South by Southwest Film Conference and Festival 2018 and Melbourne International Film Festival 2018, while four young Indigenous Australians take the audience on a virtual journey into their futures in *Future Dreaming*, which was produced by Sutu Eats Flies.

Creative skills are important to innovation and economic growth. The Bureau of Communications and Arts Research (BCAR) suggests that employment of creatively qualified employees is higher on average in the most innovation intensive industries (including Information, Media and Telecommunications) when compared to other industries.⁷⁷ BCAR found that industries classified as

⁷¹ OzTAM (Begin Event Play Data) July 1, 2019 - June 30, 2020. *Bluey* series 1 and *Bluey* series 2.

⁷² Screen Australia (2019) [Drama Report 2018/19](#) (p.27).

⁷³ Ibid.

⁷⁴ New South Wales Government (2019, July 15). [Star Wars comes to Sydney as ILM commits to permanent studio](#) [Media Release].

⁷⁵ Animal Logic (2020) [Latest work: Happy Feet](#).

⁷⁶ Animal Logic (2020) [Latest work: Peter Rabbit](#).

⁷⁷ Bureau of Communications, Arts and Regional Research (2019) [Creative skills for the future economy](#) (p.14). Australian Government, Department of Infrastructure, Transport, Regional Development and Communications.

high-growth have a higher percentage of their workforce with creative qualifications at 14.6 per cent, compared to 9.5 per cent overall.⁷⁸

Innovative Australian content, creators and industry drive local and global opportunities, and create benefits for the sector and broader economy. Screen Australia and other government support to highly creative and risk-taking content plays a critical role, enabling the sector to innovate, and embrace domestic and international opportunities.

CONCLUSION

The Australian screen industry can play a vital role in Australia's economic, social and cultural recovery from the COVID-19 pandemic. Increased demand for innovative, high-quality screen content at home and abroad, provides a unique opportunity, though significant work is needed to ensure these opportunities can be taken.

Screen Australia will continue to work with the Australian Government, state and territory governments and agencies, and industry to monitor the impacts of COVID-19 and provide support to the sector. The agency will also work with the Australian Government and industry on the implementation of policy changes announced in the 2020 Budget. Screen Australia will adapt funding to support a range of innovative, home-grown stories on a range of screens, including in cinemas, at home and on mobile devices, while supporting the sector to focus on further digital growth.

Screen Australia looks forward to the outcomes of the Inquiry, and would be delighted to provide further information in writing or in person to the Standing Committee on Communications and the Arts. To facilitate this, please contact Senior Manager, Strategic Policy and Industry Insights, Kate Hickey [REDACTED]

⁷⁸ Bureau of Communications, Arts and Regional Research (2019) [Creative skills for the future economy](#) (p.13). Australian Government, Department of Infrastructure, Transport, Regional Development and Communications. High-growth is defined as 'growing around double that of the average expected across the entire economy'.