

Drama Report 2017/18: record expenditure on Australian titles

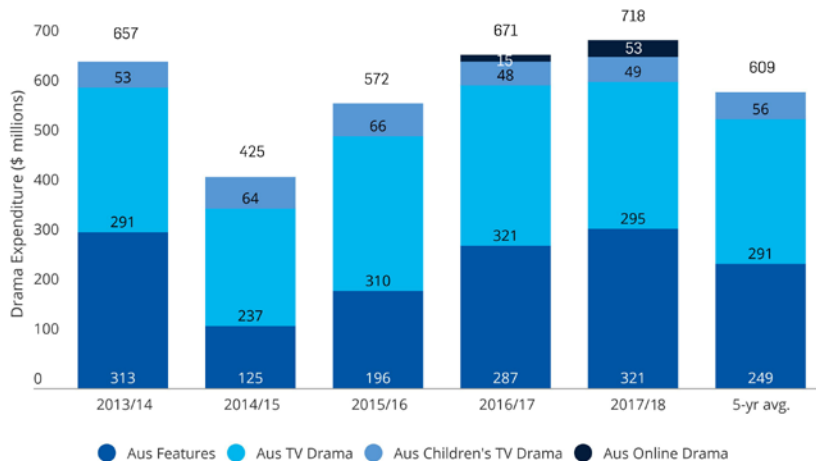
Tuesday 30 October 2018: Screen Australia’s annual Drama Report released today shows a record high expenditure on home grown stories, with \$718 million spent on local productions, up 7% on last year.

The Drama Report measures the health of the Australian screen industry by covering the production of local and foreign feature films, TV dramas, online programs plus PDV (post, digital and visual effects) activity.

The 2017/18 record local expenditure included 36 TV dramas such as [Mystery Road](#), [Playing for Keeps](#) and the forthcoming [Lambs of God](#), and their combined spend of \$295 million was above the five-year average. Spend on Australian feature films was up 12% on last year to \$321 million due to strong Official Co-production activity. 38 Australian feature films were made including box office hit [Ladies in Black](#) and the forthcoming [Storm Boy](#). 10 children’s television programs went into production including fan favourite [Bluey](#), with \$49 million spent on Australian children’s programs, up 3% on last year’s spend but below the five-year average. 18 online drama titles went into production, with a 256% increase in expenditure, driven by content with longer episodes and a higher cost per hour.

Overall \$814 million was spent on 133 screen productions in 2017/18 compared to \$1.3 billion on 166 titles in 2016/17. This drop was largely due to reduced foreign film production spend. New South Wales accounted for the largest share of total expenditure in Australia (37%), while Western Australia (\$37 million) and South Australia (\$82 million) set new expenditure records.

EXPENDITURE BY AUSTRALIAN TITLES

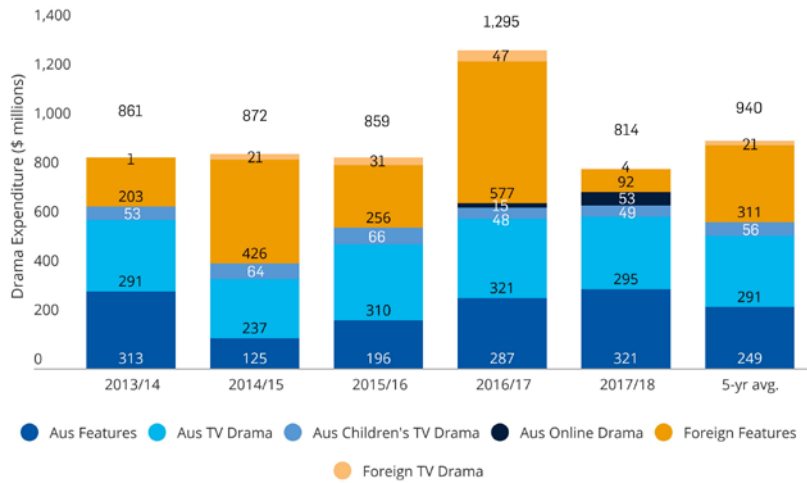


Michael Brealey, Chief Operating Officer of Screen Australia said: “It’s fantastic to see record expenditure on Australian projects demonstrating the demand for local content remains high. We’ve seen some incredible film, television and online projects go into production during this period, providing industry jobs across the whole of Australia, from [Storm Boy](#) in South Australia, mini-series [Doctor Doctor](#) in New South Wales, [Top End Wedding](#) in the Northern Territory, Official Co-production [The Whistleblower](#) in Victoria, the third series of [Rosehaven](#) in Tasmania, the mini-series [Tidelands](#) in Queensland, and the 30-episode serial [The Heights](#) in Western Australia.

“Whilst overall the total expenditure figure this year was down, that was mainly due to no big-budget Hollywood movies starting to film during the year, and we know this has already improved. [Dora the Explorer](#) is shooting now, plus series [Reef Break](#) and feature [Godzilla vs Kong](#) are also confirmed, so adding in the Federal Government’s new [\\$140 million Location Incentive](#) to the mix, we anticipate foreign expenditure will significantly improve in 2018/19.”

“We also just had a [record investment round for Australian television drama](#), so we expect to see a lift in television drama production in the next financial year.”

TOTAL AUSTRALIAN EXPENDITURE



Graeme Mason, Chief Executive Officer at Screen Australia said: “The Drama Report is one of the [ways we measure the health of the screen industry](#), giving us a good indication of the pipeline of content and expenditure. However, the end game for us here at Screen Australia is not only to help make content, but for those stories to reach an audience, and Aussie drama is delivering on that front.”

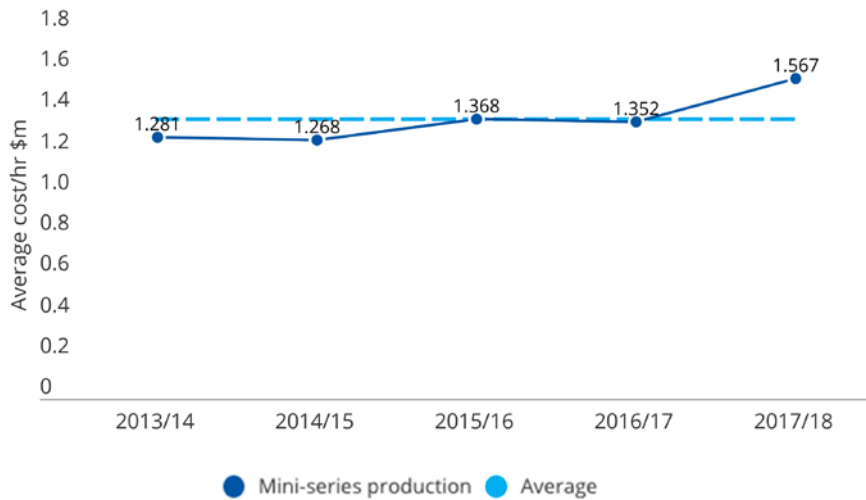
“When you look at the titles made in 2017/18, we’ve had *Ladies in Black* take over \$10 million at the local box office. [Mystery Road](#) was the most watched general drama series on ABC iview in history and secured international broadcast deals in the US and UK. [Underbelly Files: Chopper](#) on the Nine Network was a ratings hit attracting 1.5 million viewers in Australia¹, and Foxtel series [Mr Inbetween](#) has already been commissioned for a second series and was listed by The Hollywood Reporter as one of the ‘best shows of 2018’. For Online, the first three episodes of comedy series [Superwog](#) trended number one on YouTube and have already been viewed over 5 million times. Quite simply, Australian audiences want local drama, and the global market is hungry for our stories.”

TELEVISION

Australian TV drama production was down on last year’s record, with 423 hours of content produced with combined budgets of \$301 million and Australian spend of \$295 million. The decline in hours can be attributed to the production of shorter-running series and mini-series. However, the average cost per hour to make mini-series reached \$1.567m, indicating a trend towards high production value content.

¹ Source: OzTAM and RegionalTAM, 5-city-metro, combined markets, total people, average audience, consolidated 28. Metro viewers = 982,000. Metropolitan data is copyright to OzTAM and Regional data is copyright to RegionalTAM and may not be reproduced, published or communicated in whole or part without the prior consent of OzTAM or RegionalTAM.

MINI-SERIES PRODUCTION AVERAGE COST/hr \$m



For the first time in a decade the slate included a new serial, [The Heights](#) for the ABC (30x30 minutes). Other new titles in production included the forthcoming [On the Ropes](#) for SBS, comedy [Orange is the New Brown](#) for Channel 7, and drama [Lambs of God](#) for Foxtel.

Foreign TV drama shoot activity accounted for \$4 million in Australian expenditure in 2017/18, below the five-year average of \$16 million. Two foreign shoot titles contributed to this result including *Old Boy* and *Love in Aranya*, both from China.

CHILDREN'S TELEVISION

10 children's dramas entered production in 2017/18 generating 71 hours of content (five-year average 109 hours), with a local spend of \$49 million (five-year average of \$56 million). This decline was due to a number of factors including low Official Co-production activity with only one title produced, a decrease in the number of animated productions (which tend to generate a greater volume of content than live action titles), and the cyclical influence of the children's content quotas on commercial free-to-air broadcasters.

Three titles went into production for the commercial broadcasters including [Larry the Wonderpup](#) (Channel 7), [Space Chickens in Space](#) (Nine Network), and [The Bureau of Magical Things](#) (Network Ten). As a first release broadcaster, the ABC financed six of the 10 children's TV titles in production including [Nowhere Boys series four](#), [Spongo, Fuzz & Jalapena](#) and Australian/Canadian Official Co-Production [The Deep series 3](#).

FEATURES

38 Australian features went into production, 11 fewer than last year. However, Co-production feature expenditure reached a record of \$143 million, mainly due to three Chinese Co-productions, *At Last*, *Legend of Sun and Moon*, and [The Whistleblower](#), plus the French Co-production [Slam](#), and the Irish Co-production [Animals](#). Other domestic features in production included Rachel Griffiths' [Ride Like a Girl](#), Kriv Stenders' [Danger Close](#) and Rachel Ward's [Palm Beach](#) (all yet to be released).

71% of Australian films were made for under \$10 million. The 2017/18 features slate showed a smaller portion of films were made for under \$1 million (16%) and a greater portion made for over \$10 million (29%).

Three foreign features including *Smoke Screen* (Hong Kong), commenced shooting in Australia in 2017/18 bringing \$4 million in expenditure, significantly down on last year's record spend of \$521 million, where foreign spend was driven by major Hollywood productions including *Thor: Ragnarok*.



Australian Government



MEDIA RELEASE

PDV-only feature expenditure totalled \$88 million in 2017/18, up 57% on last year with a record 26 features contributing to this result including *Captain Marvel*, *Christopher Robin* and *Tomb Raider*.

ONLINE

Total budgets and expenditure for Australian online drama (which includes single episodes or series titles with total durations of 30 minutes or more), more than tripled in 2017/18 to \$53 million. There were seven fewer online drama titles compared to 2016/17, however the higher volume of hours and significant increase in budgets stemmed from the production of content with longer episodes and higher cost per hour.

18 titles were made for first release online, including ABC iview's [Deadlock](#), SBS's [Homecoming Queens](#), Stan's [Romper Stomper](#), and Australian Netflix Originals [Tidelands](#) and an Untitled Chris Lilley Project. Titles made for release on YouTube included [Life of Jess](#) and [Superwoj](#) (which was also subsequently released on ABC Comedy).

POST, DIGITAL AND VISUAL EFFECTS (PDV)

To provide a sense of the ongoing business activity of PDV companies in a given financial year, the PDV services section of the Drama Report uses a different data timeline. In this section, a project's total PDV spend has been spread across each year in which it occurred, rather than attributing the whole amount to the year in which work commenced.

PDV expenditure on Australian and foreign drama titles totalled \$284 million, up 11% on last year's record high and 27% above the five-year average of \$224 million. Driving the record was PDV spend on Australian titles of \$173 million, up 77% on last year, along with \$101 million from foreign PDV-only features. Domestic titles generating PDV expenditure in 2017/18 included [Hotel Mumbai](#), [Ladies in Black](#), [Peter Rabbit](#) and [The Nightingale](#).

View a video outlining the key findings from the 2017/18 Drama Report [here](#).

Read the full report [here](#).

Images available to download [here](#)

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