

Andrew Harrison

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I am a working Australian Screen Composer and am deeply concerned about the marked decline in the volume of Australian productions and the rising uptake of Streaming Services that currently do not have any obligation to contribute to Australian film making.

It is imperative that the government makes the necessary changes in legislation to make the screen industry not only sustainable but flourish in Australia. There must be a priority to support new Australian scripted content – drama, documentary and children’s content.

I wish to make the following recommendation in response to the Options Paper “Supporting Australian Stories”:

Adoption of **Model 3 - Significant**: this allows for a more even playing field amongst the Free to Air Networks and Streaming Services. This model supports regulation that would make subscription services pay a percentage of their income to make locally produced content, or, pooled into as *Australian Production Fund (APF)* that will be distributed to make local productions of drama in feature film and TV, children’s television and documentary

The modelling should support decision-making ensuring a level that *moves past the status quo and allow for substantial growth* in the amount of Australian content available to audiences. New modelling must not result in a drop in production.

Further Recommendations:

1. Streaming Services Contribution to Local Content

Streaming Service providers should contribute 10% of their subscription services revenue derived in Australia to make, promote and broadcast Australian made content.

2. Big Tech contribution to the Australian Production Fund (APF)

Giant technology companies such as Google/YouTube and Facebook should contribute 1% of their advertising revenue generated in Australia (estimated at \$6billion p.a.) to be pooled into the same *Australian Production Fund (APF)*. This system could be based on the mandated code of conduct that the ACCC is preparing in order to compensate media companies for news services.

3. Reinstatement of Quotas for Free-to-Air TV with regulation and allocated funding for National Broadcasters

Until such time that new regulations are implemented, I call for the immediate revocation of any current suspension on quota obligations for Free-to-Air broadcasters. It is imperative that broadcasters continue to be required to produce and show Australian drama, documentary, children’s programs and First Nations screen content.

4. Harmonisation of Production and Post-Production Offsets

The Producer, Post, Digital and Visual Effects (PDV) and Location Offsets should be harmonised to 30% with a “cultural uplift” incentive of an additional 10% applied if key Australian crew, including composers, are being utilised. This would bring Australia into line with territories such as New Zealand that has a 40% offset for both film and TV and incentivise productions to use Australian screen personnel, on local and international productions that are made in Australia, both large and small.

5. The Post Production Spend Threshold

The Post Production Offset (PDV) threshold (that is currently \$500,000) be reduced or removed. This would allow overseas productions to more readily employ Australian composers and post production services without only being applicable to large budget films.

Furthermore, the Post Production Offset (PDV) should have a weighted or points based system to further define post into the categories of visual effects, editing, sound and music. This would attract international as well as local productions to use Australian based talent across the Post Production sector rather than simply utilizing large Digital and Visual Post Production Houses.

6. Reinvestment Deals

Reduce or abolish the current trend towards unsustainable reinvestment practices, where composers are being asked to reinvest up to 70% of their fee back into the film, with little to no likelihood of seeing a return on their investment. This practice has enabled production companies to attract a government rebate, whilst predominantly

resulting in composers not receiving their full fee but being taxed on the full amount up front.

7. **Incentives for Film Distributors**

Film exhibitors and cinemas be allocated a form of rebate or offset to screen Australian made films in order to help attract Australian audiences to the box office.

Please take all of these considerations into account as you formulate your decision. It is imperative that we continue to keep the Australian film industry, and Australian film and screen composers, viable.

Yours sincerely,
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