



AUSTRALIAN AND CHILDREN'S SCREEN CONTENT REVIEW

SEPTEMBER 2017

SCREENWEST (AUSTRALIA) LTD
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EXECUTIVE SUMMARY

Screenwest (Australia) Limited ("Screenwest") is Western Australia's lead screen funding and development organisation, supporting film, television and digital production.

Screenwest brings Western Australian stories and identity to screen for the benefit of the community. Its vision is world-class Western Australian stories on screen, increasingly sought after by audiences everywhere.

A not-for-profit independent organisation, ScreenWest is now a Company Limited by Guarantee, a newly created structure (July 2017) which has the goal of enabling Screenwest to be more flexible in order to achieve its vision, through means which may include partnering with the business community, Federal departments and not-for-profit and philanthropic organisations.

The Western Australian screen sector is vibrant and entrepreneurial, with established production entities that have partnered with an impressive range of market players across the national and international industry. Innovative and audience-focused, productions generated from WA have put Western Australia firmly on the map as a centre of screen excellence, across a broad range of film, television and digital media. Western Australia's breathtaking locations and Screenwest's flexible and innovative approach to financing and support have resulted in these companies being highly sought after partners.

To give a snapshot of recent production activity, in 2016-17 Screenwest and the Western Australian screen industry had a record-breaking year with 59 projects filmed or post-produced in the State, creating more than 80 hours of content. The combined production budgets of these projects were a record \$69 million, of which Screenwest invested almost \$8 million. The projects included six feature films, 13 documentary series, five documentaries, 16 short form projects (online series, short films), three digital/VR projects and 16 Indigenous Community Stories archival recordings. The sector generates significant employment and generates export revenue, with the majority of projects funded attracting international marketplace finance.

Screenwest acknowledges that the Federal Government is seeking to consider efficient and effective support mechanisms for the screen sector in a time of considerable change, both in relation to the nature of content being viewed and the platforms on which audiences are choosing to view or participate with it. We thank you for the opportunity to provide input.



RECOMMENDATIONS SUMMARY

Screenwest's recommendations are:

1. Content quotas are retained for free-to-air broadcasters, including for children's television production.
2. Regional quotas are introduced for the commissioning of projects from independent production entities based outside the key production centres of Sydney and Melbourne.
3. A quota is introduced on foreign on-demand (SVOD) content providers, requiring a percentage of expenditure on overall content on Australian programming.
4. Children's content quotas remain for commercial broadcasters, ensuring a multiplicity of commissioning doors and potential for diverse content for audiences.
5. Children's content quotas are required to be met with a mixture of live action and animated children's content, not solely by animation.
6. Additional funds are allocated to NITV specifically for the commissioning of more children's content.
7. Current financing mechanisms by way of tax offsets (Producer Offset, Location Offset and PDV Offset) are continued as appropriate and effective support levers to enable screen content creation and industry growth. Adjustments are recommended as follows:
 - The Producer Offset is increased to 40% for television live action and animation, factual and drama television productions, consistent with levels for feature films. Consideration should be given to reducing the QAPE threshold per hour for television series, acknowledging that innovative, entertaining and compelling content is often created in the situation comedy and factual genres with smaller budgets. Television series over 65 commercial hours are eligible for the Producer Offset.
 - The Location Offset is increased from 16.5% to 30% to be competitive and certain. The Income Tax Assessment Act should be amended to clarify that content intended to be shown on a streaming service only is eligible to access the Location Offset.
 - The Post-Production, Digital, Visual Effects Offset (PDV Offset) remain at 30%, however, the current exclusion of productions which seek to also access the Location Offset are removed, so that inbound productions have an incentive to utilize Australia's production and post-production skills. The Income Tax Assessment Act should be amended to clarify that content intended to be shown on a streaming service only is eligible to access the PDV Offset.
8. National public broadcasters remain independent and are appropriately funded. Quotas for regional production are introduced for public broadcasters, acknowledging their national remit.
9. Screen Australia receive additional funding for the Online Production program to encourage innovation and audience outreach.
10. The Boards of Federal screen agencies, regulators and public broadcasters are required to include Members from regional areas.
11. Key media players supported through Federal regulation are encouraged to report on Diversity and Inclusion advances.
12. Further consultation take place with stakeholders, including Screenwest, when specific proposals are generated as a result of this Review.



GENERAL COMMENTS

Screenwest believes that Australian screen content is of fundamental value to our culture and our economy. The Western Australian screen industry is a significant contributor, creating world-class drama, documentaries and online content for audiences across Australia and in many countries around the world.

Audiences are consuming content in ways that differ from previous decades, in particular, new online services such as streaming, subscription television on demand, catch up television and user-generated content are now an established part of the Australian and international media landscape. Content is being viewed “on demand” in higher numbers and audiences are increasingly paying for content via subscription services, rather than content being supported on traditional media primarily through an advertising model.

In addition, dramatic changes to the advertising sector are clearly having an impact on the commercial free-to-air television sector, with a decline on traditional advertising revenue for the sector and online video advertising expected to continue double digit growth over the next five years. As advertisers seek to target customers more specifically, they are turning to data, which is being accumulated from the internet on niche markets, reducing traditional advertising revenue. Forecasts such as these included PwC’s 16th Annual Entertainment and Media Outlook support these trends: ‘Free-to-air (FTA) television and newspaper advertising markets continue to decline toward 2021, with a compound annual growth rate of -4.7 percent for FTA television and -8.9 percent for newspapers.’

While the screen industry is in a time of transition, Screenwest believes it is also important to acknowledge that many audiences continue to view television in a traditional direct linear broadcast manner (for example recent audience viewing figures for the two-part mini-series drama Molly of 3.02 million national viewers (2.1 million metropolitan and 931,000 regional)), and accordingly, that traditional regulation such as free-to-air content quotas remain of importance.

Our media production and consumption environment is evolving and will not return to its previous state. Screenwest is of the view that the current mix of Federal industry regulation through market mechanisms (Content quotas and Australian Screen Production Incentives (offsets)) and through direct support (agency/organisational funding to Screen Australia and Ausfilm and to ABC, SBS and NITV) should continue. However, in this time of transition for the screen content industry, Screenwest recommends that some key settings must be maintained and others should evolve, as outlined below.

Content Quotas and Expenditure Requirements

Screenwest believes that continued Federal Government regulation of commercial free-to-air television broadcasting licensees and subscription television licensees through legislation (currently Broadcasting Services Act 1992) is essential to the delivery of Australian stories to audiences and to the viability of the independent sector and should remain.



Free-to-air broadcast licensee regulation

Screenwest asserts that programming regulation of primary and non-primary services of commercial free-to-air broadcasters through the transmission quota and Content Standards with first-run drama, documentary and children's sub-quotas should remain, in order to continue to protect minimum levels of this content for Australian audiences through this medium.

In addition, Screenwest recommends that regional quotas for the production of primetime and children's content outside Sydney and Melbourne should be introduced for commercial broadcasters, ABC and NITV. It is relevant to note that regional quotas introduced in the United Kingdom have successfully led to the development and consolidation of production centres outside London, including in Manchester, Bristol, Cardiff and other regional areas. Capacity has been demonstrated by Australian regional companies to make productions of creative excellence to entertain and inform Australian and international audiences. Culturally it is important that stories and locations reflect all of Australia, not only Sydney and Melbourne and regional quotas will ensure this outcome.

Subscription services

Audiences in Australia have already demonstrated a growing desire to access content via subscription video on demand services (SVOD), with new players establishing their places in the media landscape, including Netflix, Amazon Prime, YouTube, Stan, ISPs and Telcos. SVOD services have been identified in PwC's 16th Annual Entertainment and Media Outlook as an area of expected growth with growth forecast at 16.4 percent compound annual growth to 2021.

Original local programming is being commissioned, both in factual and drama genres, however, unlike Foxtel services (where relevant channels are required to expend a minimum of ten percent of their revenue on local content) and commercial free-to-air networks, regulation does not currently exist to require a minimum level of expenditure or quotas for domestic or foreign-based SVOD services such as Netflix and Stan, VOD services such as iTunes or user-generated content platforms such as Facebook and YouTube.

Screenwest recommends that subscription services operating in Australia should be required to have a minimum level of expenditure on local content, whether calculated as a percentage of revenue or as a contribution to a content fund.

SVOD services rely upon public infrastructure, such as the NBN, and Screenwest takes the position that they should be regulated to ensure that Australian content is made available to the Australian audience on their respective platforms. The anomaly that commercial broadcasters have quota requirements and licence fee obligations, and SVOD services, other than Foxtel do not, should be altered by legislation. It is Screenwest's understanding that such requirements are consistent with those being introduced by certain countries across Europe and being considered by Canada, as a means to ensure minimum levels of local content valued for its contribution to culture and the economy.



Children's Content

Screenwest considers Australian children's drama and factual content to be a key part of the development of our cultural heritage, with Australian children being entitled to view their own stories and depictions of diverse areas of our community on various platforms.

Children's television productions, particularly live action location-based drama, have played a fundamental role in the expansion of the drama sector in WA, as well as in the robustness of the screen content sector based in our State. Regional production centres, such as Western Australia, are able to compete in the international marketplace, as location shoots provide high production values and lesser known actors are frequently cast, resulting in opportunities for local talent.

Screenwest notes that:

- Australian children prefer content specifically made for them and are highly engaged with drama on a number of levels (Screen Australia's 2013 report *Child's Play*);
- Presales commissioned by local broadcasters to meet broadcast quota requirements are the trigger for the sector's broader economic export activity. In 2014–15 there were 47 children's productions in Australia with a total spend of \$299 million, with commercial broadcaster presales of approximately \$30 million contributing to the leveraging of this economic activity (Screen Australia's *Drama Report* and ACMA's *Broadcast Financial Results*).
- This sector is one of the most lucrative international exports in the entire industry, contributing to a significant portion of \$100 million in annualised international content revenue; its reach extends to over 150 countries across film, TV, digital, animation, gaming, live performance and merchandising.
- Series productions, particularly those with more than one series, such as *Ship to Shore*, *Foreign Exchange* and *Lockie Leonard* just to name a few, have resulted in critical career development opportunities for Writers, Directors, Producers, Heads of Department, crew and cast based in Western Australia. Recent trends across the Australian screen sector for the commissioning of less live action children's drama series have had a demonstrable impact on a broad range of WA screen sector companies – with a notable impact being experienced across facilities companies and investment in infrastructure and technology investment being restricted.
- It is important that Australian children's content supported by the broad range of funding mechanisms include a mixture of live action and animated children's content, and that quotas not be able to be met by animated content alone. With notable exceptions, animated children's content frequently does not showcase Australian locations and accents and employment for actors is limited to voice-over roles. Without balance being required, an impact is experienced across the content sector.

Screenwest believes that in order to have a robust commissioning environment for children's content, it is important to have a multiplicity of commissioning organisations, known as "doors". The quota requirement on commercial broadcasters for children's content ensures that there are multiple perspectives brought to bear on the diverse children's content in development and that a range of enterprises may be considered for productions.



Our Indigenous stories are important to the development of our community, fostering cultural knowledge and pride, as well as insight and awareness from non-Indigenous people. Productions such as *Waabiny Time* and *Little J and Big Cuz* commissioned by NITV have already demonstrated this. Screenwest strongly recommends the allocation of additional funding to NITV specifically for the commissioning of more children's content to expand this opportunity for impact on kids of all cultural backgrounds.

Australian Screen Production Incentive (Offsets)

Current financing mechanisms by way of tax offsets (Producer Offset, Location Offset and PDV Offset) are endorsed by Screenwest as appropriate and effective support levers to enable screen content creation and industry growth. The Offsets are well understood nationally and internationally by financiers and market partners and the certainty of such support assists Producers to be entrepreneurial when securing finance for content creation.

Adjustments are recommended if these tax offsets are to remain effective, in Screenwest's view:

Producer Offset

The Western Australian screen industry has developed a significant number of internationally-awarded production entities, across a diverse range of content areas. The majority of the television productions generated from Western Australia secure presales, both nationally and internationally, as well as distribution commitments.

- The Producer Offset should be increased to 40% of Qualifying Australian Production Expenditure (QAPE) for live action and animation, factual and drama television productions, consistent with levels for feature films. Currently, diminishing Federal Government funding for Screen Australia, as well as the level of demand by industry for finance is outstripping Screen Australia's resources. Potential production levels are being restricted and export monies lost. A recent study by Screen Producers Australia indicated this adjustment would result in a net \$103 million benefit to the economy.
- Further, consideration should be given to reducing the QAPE threshold per hour for television series, acknowledging that innovative, entertaining and compelling content is often created in the situation comedy and factual genres, with smaller budgets and QAPE levels than other content.
- The current rule that eligibility for the Producer Offset only exist when a television program has not exceeded 65 commercial hours should be removed. The ineligibility assumes that the marketplace will increase the number of presales to replace the equivalent of Producer Offset finance for series after 65 hours. This assumption is rarely the case, preventing subsequent series from being financed, with a subsequent impact on improved industry sustainability.



Location Offset

Screenwest believes that considerable value can be gained for the Australian screen sector and economy from inbound international production opportunities, noting Ausfilm's statement in its submission to The House Standing Committee on Communications and the Arts inquiry into Factors contributing to the growth and sustainability of the Australian film and television industry that, over the past 12 years, international production has represented about 25% of the value of all film and TV drama production in Australia.

The Location Offset is not competitive against other territories and should be increased from 16.5% to 30%. Screenwest believes this certainty would be preferable to the current process, through which additional incentives are provided by the Federal Government on a case-by-case basis, as evidenced by projects such as *Aquaman*, *Pirates of the Caribbean: Dead Men Tell No Stories*, *Thor: Ragnarok* and *Alien: Covenant*.

From a Western Australian perspective, Screenwest would like to also bring attention to smaller potential inbound productions, (with budgets between \$15 million and \$50 million). These productions are more likely than productions with higher budgets to shoot in regional areas, utilizing distinctive and unique locations, rather than studios with supporting infrastructure. Screenwest has been informed that the need to negotiate on a case-by-case basis to secure larger percentage levels of the Location Offset has resulted in Australia being excluded from international comparative assessments of potential locations for smaller inbound productions (including South Africa and New Zealand). The perception on the part of international decision-makers is that increased incentives are unlikely to be provided to productions that do not have expenditure in Australia of over \$50 million, so efforts are not expended to seek to negotiate these. Recently, the main shoot of the feature film *Light Between the Oceans* took place in New Zealand (even though the script was adapted from a novel set in the south west of Western Australia written by a Western Australian author), as incentives there were certain and competitive.

Further, the Income Tax Assessment Act should be amended to clarify that content intended to be shown on a streaming service only is eligible to access the Location Offset, as well as television productions made for free-to-air, cable or satellite services. In Screenwest's opinion, in the evolving media environment, legislation should be platform neutral.

PDV Offset

The PDV Offset should remain at 30%, however, the current exclusion of productions which seek to also access the Location Offset should be removed. Without the Location Offset being increased to the same level as the current PDV offset and inbound productions being able to access both the Location and PDV offsets, a disincentive currently exists for these productions to work in Australia utilising the screen industry's skills in both production and post-production sectors. In essence, ScreenWest is of the view that the opportunity for both the production and post-production sector and the broader economy to benefit from larger inbound productions should be maximized.

As outlined above in relation to the Location Offset, in order to be platform neutral and adjust to the evolving media landscape, Screenwest believes the Income Tax Assessment Act should be amended to clarify that content intended to be shown on a streaming service only is eligible to access the PDV Offset, as well as television productions made for free-to-air, cable or satellite services.



Funding for the National Broadcasters (ABC and SBS (including NITV))

Screenwest believes our Australian culture and identity benefits from independent, properly-funded Australian public broadcasters, notwithstanding new entrants into the broadcast and on-demand viewing world. These organisations are intended to reflect the diverse range of experiences and cultural understandings across all Australia, including regional and remote Australia and we believe it is appropriate that regional quotas be introduced to enforce levels of drama and factual content commissioning from regional independent production entities.

Further, greater transparency should be required from public broadcasters on expenditure levels on content commissioned from the independent sector (noting that Federal cuts to the ABC's budget have been indicated as a significant factor in the ABC's 20 per cent reduction in Australian drama and children's content expenditure since a peak in 2013/14).

ABC, SBS and NITV have co-financed numerous productions from WA-based independent producers alongside Screenwest, which have demonstrated the quality and importance of stories originated from WA to the national broadcasters. Some examples include *The War that Changed Us*, *SAS – Search for Warriors*, *Who Do You Think You Are*, *Is Australia Racist?*, *Jandamarra*, *The Waler: Australia's Great War Horse*, *Family Rules*, to name a few. These production relationships are treasured and will continue, however, Screenwest believes the introduction of an overall percentage of commissioning expenditure from regionally-based independent production entities (rather than x percent for specified States, for example) would result in a fairer outcome than the notable variations in non-Eastern States production levels that have occurred over the past decade.

Screenwest is frequently a key financing partner for independent productions, alongside public broadcasters. Where commissioning funds are reduced, production opportunities for the independent sector are restricted. Screenwest notes that the successive cuts in Federal funding to public broadcasters since 2014 have been cited by the broadcasters as one of the reasons for reduced production activity with the independent sector.

Screenwest recommends that further funding reductions to ABC and SBS do not take place, given the crucial role that commissioning funds from these sources play in leveraging the production of content for Australian and world audiences.

Funding for the Federal Screen Agency: Screen Australia

Screen Australia has also received large funding cuts, in addition to efficiency dividend requirements since 2014, totaling \$51.5 million in the four years up to and including 2017/18. As a result, Screen Australia has been required to reduce services or funding in a range of areas. This restricts the ability of Producers ability to leverage market finance and regional finance, such as finance from Screenwest and has a fundamental impact on production levels.

One area of production support for which Screenwest believes additional funding should be allocated to Screen Australia is the Online Production program. Through this program, funding can be sought for scripted projects distributed on any platform including television, online web series, feature film, Augmented and Virtual Reality, tablet, mobile and PC based distribution, where take risks and push the envelope of fiction storytelling. Screenwest supports consideration being given to increasing funding to this area, to encourage innovation and audience outreach.



CONSULTATION QUESTIONS

1. ARE THE POLICY OBJECTIVES AND DESIGN PRINCIPLES ARTICULATED IN THE DISCUSSION PAPER APPROPRIATE? WHY DO YOU SAY THAT?

Screenwest believes the core policy objectives set out in the Review are suitable and appropriate objectives to support the best outcomes for Australian and worldwide audiences and for the content industries. The Review's Consultation Paper articulated these as follows:

- securing quality content that promotes Australian identity and culture – implement measures that encourage the creation, delivery and export of diverse and high quality Australian content
- securing quality Australian content for children – ensure content is developed for Australian children to help them understand the world around them and Australian values and culture
- driving more sustainable Australian content industries – develop the right policy settings to enable Australia's creative sector and talent to thrive, locally and internationally.

In general, the mix of regulatory measures and incentives used by the Federal Government to support the screen production industry as outlined below have been effective and contributed to the creation of valued Australian and children's content:

- quotas for Australian content and sub-quotas for Australian drama, children's content and documentaries on commercial free-to-air television
- minimum expenditure requirements for new Australian drama on certain of Foxtel's subscription television channels
- tax incentives for Australian screen productions and, PDV (post-production, digital and visual effects) work carried out in Australia
- direct investments, grants, and other support
- funding for the national broadcasters—(ABC and SBS).

Screenwest considers the fundamental settings to remain valid, other than the adjustments recommended in this submission.

2. WHAT AUSTRALIAN CONTENT TYPES OR FORMATS IS THE MARKET LIKELY TO DELIVER AND/OR FAIL TO DELIVER IN THE ABSENCE OF GOVERNMENT SUPPORT?

Types of content or formats unlikely to be delivered in the absence of Government support include the majority of adult and children's feature film, drama, whether single episode or season/mini-series, and documentary content, due to the cost of production and the small percentage of that cost usually covered by market partners in advance of delivery.

Screenwest believes that the types and format of content currently supported by Australian Government incentives and regulation remains appropriate.



3. WHAT TYPES OF AUSTRALIAN SCREEN CONTENT SHOULD BE SUPPORTED BY AUSTRALIAN GOVERNMENT INCENTIVES AND/OR REGULATION?

Screenwest believes that the types of screen content currently supported by Australian Government incentives and regulation remains appropriate. This support should be extended to virtual reality content.

Minimum QAPE threshold requirements should be reviewed as outlined in this Report and television series made for subscription video on demand (SVOD) should be able to access the Location and PDV Offsets.

4. THE CURRENT SYSTEM OF SUPPORT FOR SCREEN CONTENT INVOLVES QUOTAS, MINIMUM EXPENDITURE REQUIREMENTS, TAX INCENTIVES AND FUNDING. WHAT ARE THE STRENGTHS AND WEAKNESSES OF THE CURRENT SYSTEM? WHAT REFORMS WOULD YOU SUGGEST?

Please see the arguments outlined in this Report and recommended reforms.

5. WHAT TYPES AND LEVEL OF AUSTRALIAN GOVERNMENT SUPPORT OR REGULATION IS APPROPRIATE FOR THE DIFFERENT TYPES OF CONTENT AND WHY?

In summary, a mix of direct and indirect Government support is considered appropriate. Screenwest recommends that regional quotas be introduced for television content, whether free-to-air or subscription services, for adult or children audiences.

In relation to Offset support:

- The Producer Offset is increased to 40% for television live action and animation, factual and drama television productions, consistent with levels for feature films.

Consideration should be given to reducing the QAPE threshold per hour for television series, acknowledging that innovative, entertaining and compelling content is often created in the situation comedy and factual genres with smaller budgets. Television series over 65 commercial hours are eligible for the Producer Offset.

- The Location Offset is increased from 16.5% to 30% to be competitive and certain. Consideration is given to reducing the QAPE threshold from \$15 million or an average of \$1 million per hour for inbound television productions. Television series made for subscription video on demand (SVOD) should be able to access the Location Offset.
- The Post-Production, Digital, Visual Effects Offset (PDV Offset) remain at 30%, however, the current exclusion of productions which seek to also access the Location Offset are removed. Television series made for subscription video on demand (SVOD) should be able to access the PDV Offset.

Please see the arguments outlined in this Report for greater detail.



6. WHAT FACTORS CONSTRAIN OR ENCOURAGE ACCESS BY AUSTRALIANS AND INTERNATIONAL AUDIENCES TO AUSTRALIAN CONTENT? WHAT EVIDENCE SUPPORTS YOUR ANSWER?

Access by Australian and international audiences to Australian content is influenced by complex and differing factors, depending on the types of Australian content (drama or factual, for initial cinema release or on-demand, television or online). Indeed a full report could be prepared discussing these factors.

Briefly, however, Screenwest is of the view that some key factors which encourage access include:

- Screen Australia's support of Producers attendance and of productions at markets and festivals. When films are selected for or receive nominations and awards in festivals, whether national or international, attention invariably follows (for example, WA features *These Final Hours* (selected for *Director's Fortnight, Cannes Film Festival*) and *Hounds of Love* (world premiere Venice International Film Festival), among many others. Market attendance supports direct access to distribution partners for sales to world territories.
- Access to known national and/or international cast.
- Official co-production status, which will ensure release in the partner co-production territory, (eg China – *Guardians of the Tomb*) due to market attachment requirements.
- Broadcaster or SVOD expenditure on promotion, to raise the profile of Australian productions in a saturated content marketplace.

Some key factors which constrain access include:

- Limited promotion and marketing budgets for films released in cinemas.
- Geo-blocking, which is frequently required to enable revenue from specific territory licenses. This may constrain the ability of audiences to access content when desired and regrettably, increasingly leads to piracy.
- The inability to secure full finance, due to competition for limited national or regional funds for the sector.
- The low level of license fees paid by free-to-air broadcasters and SVOD commissioners, as a percentage of production cost.
- Limited official co-production territories and restrictive terms of treaties.

Screenwest has experienced lost opportunities for Western Australian production partnerships over the last years, with examples including the following: China: as television series are not included in the China/Australia co-production agreement, only feature films, television productions have not proceeded; India: the co-production treaty has not been finalized and strong interest to generate production activity with Indian companies has been delayed; Malaysia: the official treaty finalization has not been concluded to date, restricting production partnerships.

Other factors are mentioned in the general matters raised in this Report.



7. WHAT WOULD THE GOVERNMENT NEED TO CONSIDER IN TRANSITIONING TO NEW POLICY SETTINGS?

A substantial change in the current policy settings (for example, full removal of policy quotas, whether for children's television or across the board) may adversely affect the screen industry ecosystem in a much broader manner than intended. An example worth noting is the 93 percent reduction on expenditure on children's content by UK broadcasters, following the decision by the UK Government to remove quotas on broadcasters in 2003. Lessons should be learned from such outcomes in other jurisdictions.

In the event that the Producer Offset were increased to 40% for these areas of television production, it is acknowledged that Screen Australia's direct financing role may be required to vary, with an increased focus on those productions with a high cultural impact, which may otherwise be overlooked by the international commercial acquisitions or commissioning sector.

8. IS THERE ANYTHING ELSE THAT YOU WOULD LIKE THE GOVERNMENT TO CONSIDER THAT HAS NOT BEEN ADDRESSED IN YOUR RESPONSES ALREADY?

- The Boards of Federal screen agencies, regulators and public broadcasters should include Members from regional areas, in order to ensure truly national representation on content, industry and regulation issues. A talent pool of diverse industry professionals exists in regional areas and its experience should be mandated to be accessed by these agencies.
- Screenwest believes that in order to benefit our audiences and storytelling, it is critical that Federal and State policy settings encourage whole of industry diversity and inclusion. To be relevant to our audiences in the future screen content needs to more closely reflect the overall diversity of Australia's population. Accordingly, in Western Australia we have worked with industry to create *The Western Australian Screen Industry Diversity and Inclusion Roadmap 2017-2023*, as well as a Diversity and Inclusion Leadership Group, made up of screen industry and members of the broader creative industries and diversity sectors, to drive the Roadmap forward and promote change. National Working Groups have been established, including the Screen Diversity and Inclusion Network, of which Screenwest is a member. It is recommended that key media players supported through Federal regulation be encouraged to report on diversity and inclusion advances.



CONCLUSION

Screenwest believes that the ongoing availability of Australian screen content to audiences is vital to our sense of Australian identity and culture. Through a suite of support mechanisms and levers, Australia has developed a national screen industry, which includes significant regional production centres such as Western Australia, which are attracting export dollars and generating notable economic and cultural outcomes.

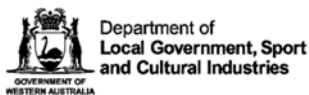
Wholesale changes to the current support mechanisms are not required at this time and would disrupt an industry that is evolving. Adjustments to the current settings, however, such as the introduction of regulation on foreign subscription SVOD players, as well as domestic providers, and amendments to the levels of tax offsets, in addition to the other recommendations above, would strengthen the content industries during current times of change.

Screenwest appreciates the opportunity to express its views on the complex issues raised during this consultation process. Once detailed proposals are formulated, Screenwest would be pleased to provide more specific feedback, to support compelling Australian stories reaching audiences across Australia and the world.

A handwritten signature in black ink, appearing to read "I Booth", positioned above a horizontal line.

Ian Booth
Chief Executive
Screenwest

Screenwest is supported by



Department of
Local Government, Sport
and Cultural Industries





APPENDIX ONE

Selected WA Screen Industry Highlights 2016-17

- Six-part NITV observational documentary ***Family Rules*** (Metamorflix) broke down stereotypes as it followed Noongar widower Daniella Borg and her nine daughters. The series captured the attention of Vogue magazine and gathered a substantial following.

Family Rules was co-executive produced and directed by proud Noongar **Karla Hart**. During the year, Hart also co-wrote and co-directed ***A Team of Champions*** (Beyond West) which looks at the role of Noongar players in the AFL, and was named 2017's Artist of the Year by NAIDOC Perth for her achievements across film, theatre and music.

- The three-part, Martin Clunes fronted, ***Islands of Australia*** (Prospero Productions) screened to strong audiences on Channel 7 in Australia and ITV in the UK among other territories. The series showcased WA's Rottnest Island, the Abrolhos Islands, the Murion Islands and Ningaloo Reef – where Clunes swam with the whale sharks.
- Interactive documentary ***Beneath the Waves*** (Periscope Pictures) was a finalist in the prestigious SXSW's 20th annual Interactive Innovation Awards in the Visual Media Experience category and won the 2016 ATOM Award for Best Educational/Training Video or Website (Primary/Secondary). *Beneath the Waves* was part of a live installation at the WA Maritime Museum and took users deep into one of Australia's most unique, spectacular and mysterious marine environments; the Kimberley marine wilderness.
- ***Red Dog: True Blue*** (Woss Group Film Productions) opened nationally on Boxing Day 2016. The family friendly film was selected for the kids' programs of the prestigious 2017 Sundance Film Festival and the Berlin International Film Festival.
- ***Hounds of Love*** (Factor 30 Films) was recognised for its artistic merit with selection in more than 30 film festivals and winning several awards. It had its international premiere at the Venice International Film Festival as part of Venice Days. Festivals it screened at include South by Southwest, Tribeca, Busan (Korea), Mumbai, Minsk, Kolkata, Brisbane, Goteborg, Dublin, Glasgow, Luxembourg, Boston, Calgary, Fribourg (Switzerland), Istanbul, Netherlands, Argentina, Oregon, Beaune (France), Lyon, Gold Coast, Brisbane, Transilvania, Munich, Pula (Croatia) and Poland. Ben Young was nominated for 2017 ADG Award for Best Direction in a Feature Film, and is nominated for an AWGIE for Best Feature Film.
- ***Jasper Jones*** (Bunya Productions and Porchlight Films), based on best-selling WA novel by Craig Silvey, opened on a huge 218 screens nationwide, with movie-goers showing strong support at the box office. The South West town of Pemberton was transformed into the fictional "Corrigan" for the filming. Craig Silvey and Shaun Grant won a 2016 AWGIE Award for Feature Film Adaptation.
- ***Looking for Grace*** (Taylor Media) – at the 2016 AACTA Awards, Odessa Young won Best Lead Actress and the film was nominated for Best Feature.
- ***Hotel Coolgardie*** (Raw and Cooked Media), a fly-on-the-wall documentary that followed two Finnish backpackers on a working holiday in a remote WA mining town, impressed audiences at festivals including the prestigious Hot Docs Canadian International Documentary Festival. The feature debut for director Pete Gleeson, Pete was awarded a High Commendation in the Feature Documentary category at the 2017 ADG Awards, and the film went on to a theatrical release around Australia.



- **Bad Girl** (George Nille & Co), filmed in the Swan Valley, Kalamunda and Serpentine, has made its way around the globe, finding audiences at Busan International Film Festival, Queer Screen- Mardi Gras Film Festival, Roze Filmdagen Amsterdam LGBTQ Film Festival and MiFO LGBT film festivals.
- Three Screenwest supported productions were selected for Sydney Film Festival 2017:
 - Inventive sci-fi thriller feature film **OtherLife** (See Pictures and WBMC) celebrated its world premiere.
 - Feature documentary **Connection to Country** (*Weerianna Street Media*), which follows the Indigenous people of the Western Australian Pilbara's battle to preserve Australia's 60,000-year-old cultural heritage from the ravages of a booming mining industry, also had its world premiere. The film was nominated for the Documentary Australia Foundation Award for Australian Documentary.
 - Part of NITV and Screen Australia's Songlines on Screen initiative, short documentary **Marrimarrigun** (Ramu Productions) was selected for the festival's First Nations program.
- In the short film arena, **Sol Bunker** (Taylor Media) was selected for Flickerfest and St Kilda Film Festival and nominated for two ATOM Awards. **Adult School** (George Nille & Co) screened at Flickerfest, while **Nobody's Child** (Factor 30 Films), **Crumbs**, **The Shapes** (Mad Kids) and **DAFUQ** (Mad Kids) were all selected for St Kilda. Half-hour documentary **Candidate Games** (Periscope Pictures) was nominated for two ATOM Awards.