



A NEW NATIONAL CULTURAL POLICY

Screen Territory Submission

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INTRODUCTION

Screen Territory welcomes the Australian Government's intention to develop a new Australian Cultural Policy, recognizing the creative industries as a critical driver for both employment and economic benefit within the Australian economy today and into the future.

A robust national policy to safeguard an increasingly diverse, vibrant and valuable screen industry in Australia is a welcome proposition as contemporary forces of disruption change the marketplace.

While international streaming services have recently been lifting their investment in Australian content this is currently not guaranteed over the long term. There is at this time no framework in place to ensure that Australian screen producers are given appropriate deal terms, retain a competitive rights position for the possible future commercial exploitation of successful content, or that their content is indeed even viewed or discovered by Australian audiences.

A national cultural policy is an opportunity to follow the precedent for 20% reinvestment obligations upon streaming services currently being set by France and Italy, and implementing or drawing inspiration from similar guidelines as those set by the European Commission, requiring streaming companies to dedicate at least 30% of their catalogs to locally European produced content.

The importance of such obligations cannot be understated as the economic impact for Australian's screen producers and the wider Australian screen ecosystem would be significant. According to research company NPA Conseil, the obligations introduced by France upon streaming services could generate between €1.2 - 1.5 billion in additional funding for domestic French film and television production between 2021 and 2024¹.

It seems both equitable and reasonable that future policy should level the playing field between all commercial platforms that have cultural impact and derive benefit from operating in the Australian market by ensuring that they contributing to Australian storytelling and the development and growth of the Australian independent production sector. In the Northern Territory, whose Aboriginal population makes up 30%², the ripple effects of growing the independent production sector will have a direct and sustained impact on First Nations storytelling.

Moving forward a well-considered policy framework will be crucial to ensure that Australia, and its states and territories, remain at the forefront of the digital economy and derive both economic and social value from the intellectual property generated within our borders.

This submission has been structured under the 'Five Pillars' as suggested by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

¹ <https://advanced-television.com/2021/09/20/france-e1-5bn-from-svod-content-levy-by-2024/>

² *Aboriginal Labour Force Characteristics*, Department of Treasury and Finance, NT Government. 2022.

FIRST NATIONS

The Northern Territory screen sector is a vibrant growing industry and a creator of award-winning content. It is recognized as the premier producer of First Nations content in Australia with the industry on a growth trajectory with a mounting list of celebrated Indigenous creatives, expanding production companies and critically-acclaimed projects.

The NT's Aboriginal population is mobile within the Territory but they are less likely to move interstate or overseas due to their strong connection to land, family and culture³. Therefore, the expansion and digitisation of the creative economy presents enormous opportunity for the engagement of the Northern Territory's first nation's people in creative enterprise; developing capacity while staying "on-country" and increasing the value of their Indigenous Cultural Intellectual Property (ICIP) as a contributor to screen projects.

- **Screen Territory supports the consideration of a 10% Cultural Uplift for feature films, documentaries, scripted drama, and children's content with significant First Nations elements.**

First Nations story telling is a crucial component of national arts policy due to screen's powerful role in cultural evolution. An uplift could be a dominant contributing factor in creating a thriving and sustainable First Nations screen workforce – anchored in self-determination and consultation.

First Nations content is important component of our screen eco-system as indicated by the Screen Currency research project⁴, demonstrating that Australians believe Australian screen content is recognisably different and important to support. Australia is unique in the rich cultures of Aboriginal and Torres Strait Islander peoples; actively embracing one of the oldest living cultures in the world as a central part of our identity and a key component of how we present ourselves internationally.

An Indigenous Cultural Uplift in offset support would ensure that Indigenous-authored content is celebrated, conserved and supported, as well as providing instrumental impacts to the fostering and sustainability of Indigenous filmmaking within Australia. Indigenous culture is the oldest living culture in the world and of immense intrinsic value to the Australian nation as a whole and to the world at large.

A PLACE FOR EVERY STORY

Screen Territory recognises that the global screen industry across all genres is experiencing significant growth and that the breadth of viewing options and the demand for content has never been greater. Australia can now capitalise on this demand by:

- **Introducing a standardised and globally competitive 30% Location Incentive to attract a steady pipeline of international productions;** providing ongoing work for skilled crews, screen businesses and infrastructure operators and expanding the depth of the Australian screen ecosystem.

Simultaneously, it is important to ensure that screen content reflects the diversity of Australia and by recognising the barriers facing regional screen practitioners the policy can ensure that all Australian creatives, wherever they live, have a right to shape our cultural identity, its expression and contribute to the creative economy of this country. This can be achieved by:

³ *Aboriginal Employment and Career Development Strategy 2021 – 2025*, OCPE, Northern Territory Government

⁴ Screen Currency: Valuing our Screen Industry. Screen Australia. 2016.

- **The introduction of a 20% expenditure Content Quota obligations on streamers to ensure that there is diversity in the content ecosystem and ensuring that Australian stories continue to be commissioned.**

The introduction of a 20% content quota obligation on streaming services will play some role in addressing this, however as seen with the recent boom of “inbound” Hollywood production, larger projects historically tend to be metro-centric.

The NT’s small, diverse population is spread over an area of 1.35 million square kilometres, presenting unique challenges to conducting on-location screen production. While there are inherent barriers involved through geographical distances, as well challenges presented by communication and physical infrastructure, the benefits that physical screen production brings regional community are unquestionable. As such:

- **Screen Territory proposes a 10% Regional and Remote Location Offset Incentive;** ensuring the amplification of the impacts that the screen sector can bring to remote locales and to ensure that the Australian screen expenditure is spread broadly throughout the Australian economy and not just focused upon urban centres.

As noted above jurisdictions such as the Northern Territory, given its vastness, does not enjoy the same privilege as urban locales and is disadvantaged with much higher financial costs for production due to geographical distances and lack of access. The addition of a 10% uplift for regional and remote location filming would assist in counteracting these costs and would provide a more equitable offset arrangement.

THE CENTRALITY OF THE ARTIST

As noted in the “*Creative Australia*” National Cultural Policy, three building blocks need to be in place for the Australian Creative to flourish, and it is recognised that the three are intrinsically linked⁵.

1. **Career pathways;**
2. **Government funding and support,** which creates opportunities for visionary and ground-breaking creative works; and
3. **A strong and growing creative economy,** in both commercial and non-profit sectors.

In recognition of their impact and disruption on the screen media landscape, without the introduction of a 20% content obligation on new streamers and without commercially reasonable terms for Australian independent producers, it’s difficult to see how future generations of Australian screen creatives can thrive.

While Australian producers bring a 30%-40% Producer Offset to the financing of their project, the deal terms being placed upon them by certain streaming services is non-competitive in the global market and jeopardises the on-going value of their IP and significantly reduces the potential for future revenue. This defeats the purpose of the Producer Offset which provide a favourable equity position from which Australian screen businesses can build capacity and increase their contribution to the Australian economy.⁶

Australian production companies and independent screen producers may not be able to adequately foster career pathways for emerging creatives if the deal terms remain uncompetitive.

- **Screen Territory proposes new regulation capping the global rights position that VODs can take on Australian programs as part of their Content Quota expenditure obligations. This is in line with French policy and is currently being consider by Ireland and Canada.**

⁵ *Creative Australia*, National Cultural Policy. Australian Government. 2013.

⁶ *Producer Offset 101*, Screen Australia. 2017. https://www.youtube.com/watch?v=iTf_e1pnrog

It is suggested that this regulation should be investigated in consultation with the Australian independent screen production sector.

STRONG INSTITUTIONS

By supporting training institutions we as a country provide viable pathways for Australians to engage in professional development and training to engage with the creative economy; enabling new talent and voices to both express and commercialise their artistic endeavours while contributing to growing Australia's creative economy.

Australia has a number of national institutions which deliver world-class training, boasting an enviable list of successful and acclaimed alumni. Institutions such as The National Institute of Dramatic Art have been a foundational institution in Australia's artistic landscape since 1958, and has contributed to the rich honour roll of Australia's world-recognised talent; including Baz Luhrmann, Mel Gibson, Cate Blanchett and Hugo Weaving.

Similarly, the Australia Film Television and Radio school has been training and nurturing Australia's screen professionals since 1976, with an alumni list including Jane Campion, Gillian Armstrong, Warwick Thornton and Phillip Noyce; all of whom have generated vast benefits for Australia, both culturally and economically.

- **As peak national training institutes, both NIDA and AFTRS need continued provision by the Australian government to foster new generations of screen professionals and should be supported to expand their deliver of service to regional and remote areas of Australia.**

Increasing the reach of the institutions will both democratise and increase the diversity of the artistic voices within the Australian screen sector, as well as go a significant some way in addressing the workforce shortages currently experienced in Australia's below-the-line capacity.

It is also of critical importance that Australia's vocational sector is appropriately structured to provide viable and practical career pathways into the screen sector for employment in crew roles and that these courses are deliver the kinds of hands-on training that will allow graduates in regional and remote areas to engage in industry-based internships, training, and mentoring programs.

REACHING THE AUDIENCE

The Australian film and television industry plays a vital role in telling the stories that help to foster our cultural identity and is a key component of Australia's cultural landscape and identity. According to research conducted by Screen Australia, 91% of people believed it was quite important or very important that Australia had a film and television industry producing local content with 79% of people agreeing that Australian stories are vital for contributing to our sense of national identity.⁷

For example, Australia has a history of producing high quality children's content, which have entertained audiences at home and around the world. Australian children's television production reflects Australian themes and culture and ensures and that Australian children, generation after generation, know, experience and appreciate their own distinctive culture. It also gives Australian children a means to share their home, their stories and their experiences with children around the world.

In conclusion, to ensure that Australian audiences continue to receive the benefit of a flourishing domestic screen industry, Screen Territory suggests that:

⁷ *Australian screen stories are important to Australians*. Screen Australia. 2011.

1. 20% content commissioning quotas are introduced upon streaming platforms

With 46% of Australians now having more than one subscription to a streaming service according to Deloitte’s Media Consumer Survey, this is an important step to ensure that Australia stories continue to be commissioned in adequate amounts and provides market certainty. These commercial platforms have a cultural impact and derive benefit from operating in the Australian market and so should contribute to Australian storytelling and the growth of the domestic production industry.

2. That the Australian Cultural Policy includes sub-quotas for the at-risk genres of children’s and factual content.

By doing so, the Australian Government would be recognising the value of these within the Australian screen eco-system as a bedrock in reflecting and informing the distinctive values, traditions and beliefs which makes up Australian culture. Children’s content in particular is of vital importance when considering that according to the Australian Bureau of Statistics, as of 30 June 2018, an estimated 4.7 million children aged 0–14 lived in Australia.

3. That discoverability parameters on streaming platforms are introduced.

While it is accepted that discoverability on platforms has a relationship to the interface of the service, discoverability of Australian content is an important element in reaching Australian audiences. Screen Territory is supportive of Streaming Services publicly disclosing discoverability information regarding Australian content on their platforms and for ACMA to specify the appropriate reporting parameters and requirements.

4. Implementation of a framework to ensure commercially reasonable terms for Australian independent producers.

In concurrence with the content commission quotas, Screen Territory recommends that the Federal Government consider parameters around capping the global rights position that streaming services can take on Australian screen projects that are accessing the Producer Offset. Noting that many of these projects are also being supplemented by Screen Australia as well as state and territory funding agencies.

Ensuring that commercially reasonable terms are enshrined in the offset funding would allow Australian producers to utilise the benefits of the Producer Offset in exploiting their IP through the domestic and international market and thereby strengthening the sustainability of the sector.

5. That a Regional 10% Regional and Remote Location Offset Incentive is introduced.

Ensure that the Australian screen expenditure is spread broadly throughout the Australian economy and so that skill-sets can be decentralised as the creative economy of Australia expands.

6. The consideration of a 10% Cultural Uplift for feature films, documentaries, scripted drama, and children’s content with significant First Nations elements.

Recognising the intrinsic value of First Nations screen storytelling and fostering the sustainability of Indigenous filmmaking within Australia.

7. Introducing a competitive standardised 30% Location Incentive to attract a steady pipeline of international productions

Providing ongoing work for skilled crews to avoid attrition to other industries, to capitalise on the opportunity of global market growth, and to ensure a healthy eco-system and range of project scales for Australian creatives to engage with in employment and upskilling activities.