



THE HON PAUL FLETCHER MP
Minister for Communications, Cyber Safety and the Arts

MEDIA RELEASE

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New funding in Budget to deliver Australian screen content

The Australian Government is supporting Australian screen content by simplifying regulations and injecting \$53 million into the development and production of local film and television as part of the 2020-21 Federal Budget.

Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, said that a vibrant local screen industry was essential to Australia's cultural identity, while also supporting jobs and economic recovery following the COVID-19 pandemic.

“The Government is providing \$30 million in funding to Screen Australia over two years to support the production of Australian drama, documentary and children's film and television content,” Minister Fletcher said.

“Screen Australia will also receive an additional \$3 million over three years to establish a competitive grants program to cultivate quality Australian screenwriting and script development.

“We are also providing \$20 million to the Australian Children's Television Foundation over two years to boost the development, production and distribution of high-quality Australian children's content.”

As part of these changes, the Producer Offset – a key screen funding mechanism through which producers receive a refund of part of the production budget through the tax system - will be set at a harmonised 30 per cent for all domestic film and television production.

“The old approach of treating film and television differently no longer makes sense. Increasing the offset to 30 per cent for television will mean additional funding for Australian television production – and in turn support higher production values and programs with a better prospect of being sold into the global content market, taking advantage of the opportunity created by the explosion of streaming video services like Netflix, Disney +, Stan and Amazon Prime.”

These measures will be complemented by changes to streamline and simplify the drama, documentaries and children's content 'sub-quota' Australian content rules for broadcasters.

The sub-quotas were temporarily suspended as an emergency measure during COVID-19, but will be reintroduced from 1 January 2021.

Content will count towards the new, simplified requirement if it is either drama, or children's content, or documentary content. With the minor exception of a cap on the number of hours of documentary content that can be counted towards meeting the requirement, the particular mix chosen

will be a matter for each broadcaster based on its business strategy and judgement of audience appeal.

Commercial broadcasters will continue to be required to provide 55 per cent overall Australian content on their primary channels between 6:00 am and midnight, and to provide 1,460 hours of Australian content per year on their multi-channels.

The points scheme underpinning the sub-quotas will give more points to higher-budget productions, creating a stronger incentive to commission bigger budget drama which is more likely to be sold globally rather than only be seen in Australia.

The Government will also legislate to reduce the existing Australian content spend obligation on selected subscription television channels from ten per cent to five per cent.

The Government has moved quickly to implement this package of reforms in the first budget brought down after the *Supporting Australian Stories on our Screens* options paper and consultation process.

It forms part of the Government's 2019 commitment, in response to the Australian Competition and Consumer Commission's Digital Platforms Inquiry, to a staged process to reform media regulation towards an end state of a platform-neutral regulatory framework covering both online and offline delivery of media content to Australian consumers.

Work will continue under that process, including examining whether to introduce an Australian content spend obligation on streaming video on demand services above a minimum size threshold in the Australian market.

As an initial measure, the largest streaming video services will be asked to commence reporting to the Australian Communications and Media Authority on Australian content acquisition from the 2021 calendar year.

"The Government very much appreciates the strong engagement we received during our consultations this year," Minister Fletcher said.

"The views of stakeholders and interested parties were very clear – we need to continue our support for the production of Australian content, but we also need to remove unsustainable obligations on industry and tailor our interventions to match the new and diverse ways Australian content is being produced and consumed."

"The measures announced today are designed to do just that. They begin to rebalance our regulatory framework and provide Australians with the opportunity to access Australian content across a range of media, regardless of whether they want to watch free-to-air television, subscription television or streaming services."

More information on this package can be found [here](#).

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