



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

10 June 2020

Department of Infrastructure, Transport, Regional Development and Communications
2 Phillip Law Street
Canberra ACT 2601

By email: contentoptionspaper@communications.gov.au

Dear Sir/Madam

Supporting Australian stories on our screens – options paper

Our office strongly supports the adoption of Model 3 as outlined in the options paper. Broadcasting platforms profiting from the Australian market should contribute to Australia's economic and cultural outcomes.

Australia's screen production industry has over 3,200 businesses, 86% of which are small businesses, with a production revenue of less than \$10 million.¹ This highlights the key role of small business in the industry. Without a forward looking policy framework that supports these small business, the sector will be unable to survive.

A policy that supports small business is also crucial in light of the recently announced emergency suspension of content quotas for broadcasters for the remainder of 2020.² While this announcement provides relief for broadcasters, it creates uncertainty for small businesses who rely on working with broadcasters to service those quotas. Market certainty is critical to ensuring new businesses enter the industry and existing businesses continue to invest.

Without market certainty we are likely to see perverse economic outcomes, with money spent in local communities during production and pre-production phases disappearing. This will cause knock-on damage to small businesses in other industries.

In supporting Model 3, we suggest the following for further consideration:

- That the framework should explicitly support small business to protect their intellectual property;
- The Producer Offset in its current form effectively allows broadcasters to shift the offset from the intended recipients to themselves. Any future decision on offsets should remove this capacity.

Thank you for the opportunity to comment.

Yours sincerely

(Faint signature)

Kate Carnell AO

Australian Small Business and Family Enterprise Ombudsman

¹ Screen Producers Australia. 2019. *Screen Production in Australia*.

² <https://minister.infrastructure.gov.au/fletcher/media-release/immediate-covid-19-relief-australian-media-harmonisation-reform-process-also-kicks>