

From: Chris McCallum
To: [Content-Options-Paper](#)
Subject: Supporting Australian Stories
Date: Friday, 12 June 2020

I am a working Australian Screen Sound Professional 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 that ensures 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 to be pooled into the same Australian Production Fund (APF). This system could be based on the proposed code 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 broadcast Australian drama, documentary and children's content.

4. Harmonisation of Producer Offsets

All offsets should have a flat rate of 30%. These offsets include Production Offset for both Film and TV as well as the Post-Production (PDV) Offset. An additional 10% "cultural uplift" offset should be applied for productions that use key Australian crew including Australian composers, bringing the total offset to 40%, in line with New Zealand

5. The Post Production Spend Threshold

The Post Production Offset (PDV) threshold (that is currently \$500,000) be reduced or abolished. 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 distributors 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.

Chris McCallum

Location Sound Recordist

Audio Post Engineer

www.soundo.com.au

<https://www.instagram.com/soundo/>

<https://twitter.com/soundo>