

To the Honourable Members of the Economics Legislation Committee,

My letter is in relation to the 2023/2024 Budget increase to the Location Offset that is before the inquiry committee, within the Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024.

I am the manager of a small business based in Victoria. Our market is supplying film equipment into the industry, both on a local level and interstate. Our model services both other rental companies around Australia (for equipment supply/support) and the local film industry and community.

It is my firm belief that the increase proposed to the current Location Offset would have a dramatic and positive impact both on the business I run and the film community in Australia as a whole if it is passed.

The area of the market that our company specialises in is equipment supply to the camera department and having more demand for our equipment directly impacts the scope for company growth. This growth is not only in terms of products available but also employment opportunities.

Rental companies, such as ourselves, around Australia are training grounds for future industry professionals who transition to on set roles.

Camera rental companies generally employ recent student graduates and provide an unofficial apprenticeship style of hands on training in house; providing a safe and nurturing environment for skill development.

The end goal is to equip the staff members with the right training and confidence so that they can leave the business and become active participants in the film community.

Over the past ten years our company has successfully seen eight staff members transition into the local film industry through pathways that have been created by working with our company. Three of those staff members made their transition on international productions that were filming locally in Melbourne.

Put simply, if we do not have the work load that requires new staff and offers a transition process for work onset then this stream of training will dry up. Those looking to make a start in the camera department will have a harder time breaking into the industry.

The Location Offset is critical for the support it provides to local film-makers and local businesses. Attracting international film and TV projects to Australia creates work and training opportunities for Australians across the whole screen workforce, for cast and crew as well as for facilities and equipment suppliers and a whole range of service businesses. Most of these businesses lost significant income in the last 12 months because industrial disputes in the US put a halt to international production for most of this period. While the industry continues a slow recovery, businesses like ours are desperate for the increase to the Location Offset to take effect, confident that it will trigger an immediate and much-needed return to stronger levels of activity and employment.

When large international productions come into the local market, we generally see an overall bump in demand be it directly with the production or providing 'wholesale' support via other rental companies that are directly involved with the production.

It is often the case the one company cannot supply the production completely and we then see a trickle down effect where equipment is pooled together to support the

production. This pooling of resources allows for market growth for the smaller companies be it purchasing/updating equipment or the opening up of an opportunity for a staff member to transition on set and open up a new employment positions at the company as previously mentioned.

Additionally, when international productions are present, smaller companies of our size are able to step up to support the local Australian content market - be it independent feature films or local television series. This is due to a supply and demand situation that sees the larger rental companies focus on the bigger international productions and allows companies of our size to then supply the local market in a large capacity.

Without the larger productions, the bigger rental companies dominate the Australian market space and our market share greatly diminishes resulting in the inability to reinvest both in terms of equipment and staff.

I whole heartily recommend that the Location Offset passes as soon as a possible as growth in the local market would be severely limited otherwise. The short term result of not having international productions present would result in the lack in training opportunities and exposure for those wanting to make a start in the industry. The long term result could be complete closure of smaller rental companies such as ourselves Australia wide leading to further narrowing support of the Australian film industry.

Sincerely,

James MacGregor – Manager – The Vision House