



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

27 May 2021

Senator the Hon David Fawcett
Chair
Senate Environment and Communications Legislation Committee

via email: ec.sen@aph.gov.au

Dear Senator Fawcett

Broadcasting Legislation Amendment (2021 Measure No.1) Bill 2021

We believe the proposed amendments contained in Schedule 1 of the *Broadcasting Legislation Amendment (2021 Measure No.1) Bill 2021* (the Bill) that reduces obligations under the New Eligible Drama Expenditure Scheme require further consultation.

A reduction in the minimum level of expenditure on new eligible drama for subscription television broadcasting licence holders risks reducing the effectiveness of the *Broadcasting Services Act 1992* in achieving its object that broadcasting services reflect a “sense of Australian identity, character and cultural diversity”. This may also bring perverse outcomes for Australia’s independent production industry as acknowledged in the Bill’s Explanatory Memorandum.

We note that the Government will seek to mitigate a potential decrease in demand for independently produced content by providing an investment in content creation. We also note that this investment will be shared across drama, documentary and children’s content. This is likely to dilute investment in the production of drama content with the Government’s investment in content potentially not being sufficient to cover the planned reduction.

The committee is encouraged to consider the accumulative impact of this measure along with proposed changes to the Screen Production Incentive Reforms (contained in the *Treasury Laws Amendment Bill 2021: Film tax offsets*) on smaller production houses.

We recommend that a broader review of the obligations for subscription television broadcasting licence holders and relevant tax reforms be undertaken. This would be in line with the Government’s recent consultation on Australian content obligations for video streaming platforms.¹

Thank you for the opportunity to comment.

Yours sincerely

The Hon. Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

¹ Australian Government. 2020. *Media Reform Green Paper: Modernising television regulation in Australia*.