Submission to Inquiry into the Future of Australia's Video Game Development Industry

Thank you for the opportunity to contribute a submission for this inquiry, and please do not hesitate to contact us if we can be further assistance.

As a service organisation for the games industry, Lumi Consulting is very focused on supporting the future of Australia's video game industry. This inquiry is a vital moment to discover how growth of our industry can be supported and facilitated. We are also a member of the Game Developer's Association of Australia (GDAA) and join our voice to theirs in matters of advocacy of the industry.

There are a number of challenges confronting the Australian game development industry that have contributed to the restricted growth of the sector, especially of established Australian game development businesses. We have also seen an impeded inward investment from large multinationals or institutional investors, as well as local talent migrating overseas and limitation of the opportunity for Australian-made content to reach a broader global audience.

As highlighted by the GDAA, the impediments to growth and further challenges faced by the industry can be summarised as follows:

1. Lack of a sophisticated investment network in Australia to provide capital for innovative interactive game development

2. Non-competitive tax structures for interactive games development limits investment in new technologies

3. Lack of internationally competitive tax incentive initiative required to drive local and international investment into the Australian ecosystem

4. Limited business assistance required for the promotion of Australian made content to a global audience

5. Lack of support programs to develop innovative game development clusters and/or precincts required to foster a knowledge sharing culture and collaboration.

6. Limited employment opportunities for graduates, despite the strong pipeline of new talent through innovative Australian training institutions specialising in interactive game development and computer science

 7. Inadequate broadband infrastructure (internet).

To effectively capitalise on the local and global opportunities available to Australian game development businesses and the broader Australian games industry, the GDAA recommends the Senate's ECRC consider the following:

1. Reintroduction or establishment of a self-sustaining funding program for digital game projects and game development businesses

2. Extension of the Producer Offset to include digital game production

3. Supporting innovation precincts/clusters 4. Updating Australia's National Digital Economy Strategy, acknowledging and providing supportive language for games

5. Developing and retaining games developer talent in Australia, and attracting skilled game developers back to Australia

6. Committing to the updated classification regime

7. Creating targeted support for digital economy focused export initiatives

Regards,

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