



Submission to the Senate Economics Legislation Committee inquiry into provisions of the *Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024*

Dear Senators

I am writing to you to support the swift review and passage of reforms to the Location Offset. It is very important that this legislation is reviewed and passed as soon as possible. I am requesting that the Committee conduct its review during April and finalise its report in early May. This would build confidence in the reform and support Australian jobs and businesses that work across international productions.

I am Jane Corden, the MD of Entertainment Partners Australia Pty Ltd, a business that is based in Sydney. We were formerly Moneypenny Production Accounting Services established in 1980 and currently employ 40 people. We provide production accounting, payroll and incentive services to many domestic and international productions including *Wolf like Me 1 and 2*, *La Brea*, *Young Rock*, *Apples Never Fall*, *Shantaram*, *Strife*, *Last Anniversary*, *The Office*, *Ten Pound Poms* and many more.

This submission relates to provisions of the *Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Bill 2024* that will reform the Location Offset, and not other provisions in the bill.

The Location Offset is important for the local industry

Government support is critical for Australia's screen industry, and enables us to develop the capacity to tell world-class screen stories. The Location Offset is a foundational part of Government's support. By attracting international film and TV projects to shoot in Australia, the Location Offset generates work and training opportunities for Australians in front and behind the camera, creates significant spend for local post-production and digital and visual effects companies, and triggers business investment into capabilities that are then used on local screen stories.

We were acquired by a US payroll company Entertainment Partners Inc in December 2022 when they recognised the keen interest of the US studios to film outside of the US. They could see the importance of having a global footprint. We employ 40 people (up from 25 in the last twelve months) however our payroll service generates over 1000 payslips per week and with the productions slated to come to Australia we are gearing for that to be 5000 + per week and gross wages over the next twelve months around 250m from overseas production accessing the location offset.

As production accountants we process the thousands of invoices from hundreds of varied businesses that service the film and TV industry in Australia, ranging from travel, transport, catering, equipment hire, construction, accommodation, legal services, commercial rentals and consumables. The business come from every corner of every state with many productions shooting on location and travelling the cast and crew to regional areas of the country.

Our incentive facilitation work means that we get involved with projects during their prospecting period and the studios are very cautious, always seeking certainty when making their production decisions. Since the announcement of the reforms to the Location Offset the appetite of US studio production to bring large budget TV and feature productions to Australia has increased markedly but they continue to scout other destinations and in general are not greenlighting projects for Australia while there is any uncertainty

We support the reforms to the Location Offset

We were delighted when the Government announced it would increase the Location Offset rebate to 30 per cent. Businesses including our own will be able to expand with the increase in a sustainable pipeline of production that the reforms will generate.

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The reforms have been drafted by Government via a detailed consultation process throughout 2023 and early 2024, and we support the bill in its current form.

Swift review and passage would support the industry

It is very important that these reforms are reviewed and passed as soon as possible. All business including have taken a hit from COVID and the Writers/Actors strikes in the US in 2023, we don't want to lose the momentum that has been building since the announcement of the reform. Screen productions are complex and have a long lead time, the industry is still recovering. Many Australian workers and businesses lost several months of income.

These stoppages disrupted the entire industry, and reduced the risk tolerance of international studios, streamers, and independent filmmakers. Our contacts have told us that international productions are reluctant to commit work to Australia until the legislation is passed. This is creating a further gap of work for business and workers still recovering from the impact of earlier challenges. The impact of this gap will grow as uncertainty extends.

We are conscious that the Parliament has many issues to consider, but are requesting that the Committee conduct its inquiry as soon as possible. Specifically, we request that the inquiry report as soon as possible, potentially in early May, with a recommendation to pass the Location Offset reform. This would build confidence in the reform and support the workers and businesses that work across international productions.

We have seen that some members of the Committee have discussed the Location Offset reform in association with the Government's plans to introduce content obligations for streaming services. We appreciate that content obligations are a very important issue for the industry. However, content obligations are a separate issue to the Location Offset. We are also concerned that content obligations are complex and may require a long time for Parliament to resolve, while the Location Offset is a long-standing measure that has support across the Parliament. Any delays to Location Offset reform will impact local jobs and businesses now, and into the future.

This Location Offset reform has broad support from the industry, and has been through detailed consultation. It has been recommended by previous Parliamentary Inquiries in 2017 and 2019. It was announced in the 2023 Budget and we are hoping it can be passed as soon as possible, to provide a real boost to Australian workers and businesses. We appreciate the Parliament's history of collaborative support for the screen sector, and are encouraging this to continue through support for this bill.

As you know, Ausfilm is a unique partnership between private industry and government. We have been Ausfilm members since 2022 and I encourage you to contact Ausfilm and myself with any questions. Please contact me via [REDACTED]

Yours faithfully,

[REDACTED]

3rd April 2024