



2 April 2024

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

Esteemed Senators,

I am reaching out to advocate for the immediate review and subsequent passage of the proposed reforms to the Location Offset. The swiftness of this process is of utmost importance. I strongly urge the Committee to undertake the review this month and present its final report by early May. This will create faith in the reform, while also endorsing Australian jobs and businesses involved in international productions.

My name is Chris Spry, the Managing Director of Fin, a Visual Effects company based in Sydney and Melbourne. Since our establishment in 2001, we have grown to a team of 168 individuals. Our portfolio includes acclaimed projects like *The Creator*, *Antman and The Wasp: Quantumania*, *Extraction2*, *Elvis*, *Three Thousand Years of Longing*, and *M3gan*.

This letter focuses solely on the provisions of the Treasury Laws Amendment Bill 2024 that concern the reform of the Location Offset.

The Location Offset is a key driver of the local industry

The Australian screen industry flourishes with government support, which empowers us to produce world-class screen narratives. The Location Offset plays a crucial role in this support system. By attracting international film and TV projects to Australia, it not only creates job and training opportunities for Australians but also significantly boosts the local post-production, digital, and visual effects industries. It also stimulates business investment into capabilities that are later utilised in local screen stories.

International productions contribute to 65% of our revenue and provide stable employment, allowing us to maintain our team through the fluctuating local work demands. Our work on international titles has had a direct positive impact on Australian stories and the local sector, with our specialised fx and character teams contributing to local productions.

Endorsement of the Location Offset Reforms

We were thrilled by the Government's announcement to increase the Location Offset rebate to 30%. The unpredictable nature of international production has made growth planning challenging. A 30% Location Offset will ensure a consistent pipeline of international production, enabling us to potentially increase our staff to 300 over the next three years.

The proposed reforms have been meticulously drafted by the Government through an extensive consultation process in 2023 and early 2024. We fully endorse the bill in its present form.

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Immediate Review and Approval is Crucial

The necessity for an immediate review and approval of these reforms cannot be overstated. Industrial disputes in Hollywood halted international production for most of 2023, causing many Australian workers and businesses to lose several months of income. This disruption has made international studios, streamers, and independent filmmakers wary of committing work to Australia until the legislation is passed, thereby creating a further work gap for businesses and workers still recovering from the impact of previous challenges. The uncertainty only amplifies this gap.

While we understand the multitude of issues the Parliament must consider, we implore the Committee to expedite its inquiry and report as early as possible, ideally by early May, with a recommendation to pass the Location Offset reform. This will bolster confidence in the reform and support the workers and businesses involved in international productions.

We have noted that some members of the Committee have discussed the Location Offset reform in conjunction with the Government's plans to introduce content obligations for streaming services. While both are important aspects of the broader media landscape, it is vital to recognize that they address different facets of the industry and should be treated as separate entities in legislative discussions. We are concerned that the complexities of content obligations may prolong Parliament's resolution, whereas the Location Offset is a widely supported, long-standing measure. **Any delay in the reform will adversely affect local jobs and businesses.**

The Location Offset reform enjoys broad industry support and has undergone detailed consultation. It has been recommended by previous Parliamentary Inquiries in 2017 and 2019, and announced in the 2023 Budget. We hope for its swift passage to invigorate Australian workers and businesses. We appreciate the Parliament's history of collaborative support for the screen sector and request the continuation of this support for the bill.

As members of Ausfilm since 2015, we value our unique partnership with the private industry and government. For any queries, please feel free to reach out to Ausfilm or myself at

[REDACTED] or [REDACTED]

Yours Sincerely,

[REDACTED]

Chris Spry
Managing Director