

As a prelude to this submission, I must stress the need for this committee to take a serious look at the interactive media industry. With technology improving at an exponential rate due to enhanced portability and computing power, the need for a tech-focused economy is vital. As automated tasks slowly replace manual and technical tasks, the best way to create future employment is through innovative services and research.

Regarding point A: The classifications board for videogames must be streamlined and made consistent. Earlier this year, the game Hotline Miami 2 was refused classification due to a short, skippable scene involving implied sexual assault. At the worst, this should earn the game an R18+ rating, as happens in films, TV shows etc. Instead, the publishers were unable to sell their game in Australia due to its narrative content. This gives Australia a 'Nanny State' perception among the global gaming community, and it promotes piracy. The board needs a streamlined, transparent appeals process to allow artists their right to create.

As for taxation, the rise of online digital marketplaces, where cash is traded directly for data, makes GST difficult to charge. Even more so as Australians pay more relative to other countries due to the low AUD. Should consumers even pay tax on digital goods, as they have no physical form and the service is overseas?

In addition, gaming and development hardware (processors, graphics cards etc.) are substantially more expensive in Australia. This is known colloquially as the 'Australia Tax', despite being caused by retailers. An inquiry into technology prices and their divergence from the global market could lower the capital costs for developers and entrepreneurs.

Incidentally, the videogame retail industry is heavily monopolized by EB Games, with the only alternatives being poor selections in department store aisles. The lack of competition in this sector means that buying a set of discs often costs far more than the online digital version. Online games marketplaces such as Steam and Xbox Live are rapidly expanding, and there is little point in owning the physical copy in today's age. This brings me to point 2.

The only way that Australia can hope to build a strong game development sector is through investment in internet infrastructure. As an example, most AAA-level commercial game releases this year were between 25-50 gigabytes in file size. With my current download speed of 200-400 kilobytes/second on a commercial-grade ADSL plan, it could take me half a week to download a single game.

Developers need to share large files quickly in order to work. Currently, uploading high resolution textures and uncompressed audio is a huge stopping block for any serious game development, especially with the prevalence of outsourcing for certain sectors such as Quality Assurance.

And file sizes are likely to only get bigger, as graphics cards push away from the current 1080p standard towards 4K displays, or even head-mounted devices such as the upcoming Oculus Rift.

As such, we need a reliable, high speed fibre network that won't experience drop-outs like the aging copper network currently does. The current plans for the 'Fibre to the node' National Broadband Network might be sufficient for the next ten, maybe twenty years, but demand will grow along with file sizes and it will certainly need further investment.

Innovation is key to the technology and gaming industry, and it begins with familiarity and education from a young age. Teaching simple coding in primary and high schools as part of mathematics is a smart, forward-thinking initiative that could create a whole generation of entrepreneurs, artists and engineers. It would also lessen the gender divide that's currently prevalent in the industry, as girls become more exposed to gaming and software engineering. How can we compete with other developed countries if students only encounter the languages of their industry for the first time at university?

In short:

- Automation of technical and manual tasks will lead to a drop in low-skill occupations, which can be solved by investing in higher education and by financially supporting technological and service-based industries.
- The Classifications board for videogames must have clear, consistent guidelines on content, similar to those for the television industry. They need a fast, fair and transparent appeals process for the rare cases when games are refused classification entirely.
- Internet infrastructure is vital to modern development workflow. A standard of at least 100MB/second in urban development hubs would allow businesses to work in Australia. It would also need revision as technology advances.
- Start programs that teach coding in primary schools and high schools, like learning Mandarin or German. This is instrumental to building a culture of growth and practicality, and leaving it out of the curriculum leaves our students at a disadvantage.

Thank you for accepting my submission.

Sincerely,

Daniel Pickering