

**Senate Standing Committee on Environment and Communications**

**Answers to Senate Estimates Questions on Notice**

**Additional Estimates Hearings February 2016**

**Communications Portfolio**

**Screen Australia**

**Question No: 66**

**Screen Australia**

**Hansard Ref: Written 19/2/2016**

**Topic: Budget cuts**

**Senator Bilyk, Catryna asked:**

1. How would you assess the cumulative impact on the Screen Australia of budget cuts over two budgets and the 2015 MYEFO? Can you provide me with a net figure for those cuts?
2. What advice have you provided to the Minister or Ministry about the effects of the MYEFO cuts on your programs and services, either before or after the MYEFO announcement? What actions have you taken to implement these funding cuts?
3. In addition to the benefits of the tax offset already in place for foreign productions under the Location Offset, how much additional funding did the Commonwealth Government provide to 20th Century Fox and to Disney's Marvel Studios last year to lure two productions to Australia: Aliens: Covenant and Thor: Ragnarok?
4. While there are benefits of these huge Hollywood productions to the Australian economy, are you aware of the great anger in the local film and television production industry arising from the fact that while this Government has been giving tens of millions of dollars to huge Hollywood studios to subsidise their productions it has at the same time been brutally slashing funding that is vital to the survival of the local production industry, an industry that is focussed on telling uniquely Australian stories?
5. Noting the further cut of \$3.6m over 4 years to Screen Australia's Budget in the 2015 Budget, on top of some \$25m last year, what is the effect on Screen Australia's production investment programs and outreach programs? Where have those funding cuts have had to be made, across the range of Screen Australia's activities?
6. What is the state of Australia's film industry, compared to the past five years in terms of feature film production, revenues, employment?

**Answer:**

1. The total reductions to Screen Australia's budgets since the 2014-15 Budget amount to \$51.5 million. Of this, \$37.6 million came in the 2014-15 Budget, \$3.6 million in the 2015-16 Budget, and \$10.3 million in the 2015-16 MYEFO.
2. Screen Australia has not provided such advice to the Minister or Ministry. Screen Australia believes we will be able to preserve program expenditure in 2015-16 and will work to limit the effect of the MYEFO reduction over the forward years to maintain as much as possible for our "on screen" funding activities.
3. Not applicable.
4. Not applicable.

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5. Savings have been made as follows:

- A further 10% reduction in staff, saving approximately \$1million
- A \$2-3million reduction across production investment and project development programs, with the cap on Screen Australia investment in an individual feature project lowered from \$2.5million to \$2 million in order to spread funds further.
- A decrease in funding for traditional prints and advertising, saving approximately \$500,000
- Savings of around \$400,000 in Talent Escalator professional development programs, avoiding duplication with the new Enterprise: People program, and from consolidation of short film programs.
- Transition away from direct funding of screen resource organisations, while exploring the potential to commission them to deliver professional development activities currently managed in-house, creating savings of approximately \$1-1.6 million.
- Small savings across other programs.

6. The latest ABS report on activities of Australian production and post-production businesses compares 2011/12 to 2006/07. A sub-set provides figures for businesses that make drama and/or documentary content:

<http://www.abs.gov.au/ausstats/abs@.nsf/mf/8679.0>

The next ABS report will be released mid-2017, and will report on activity in 2015/16.