



ARTS FUNDING – FEDERAL ELECTION 2016

MEAA members and the broader arts community have witnessed damaging cuts to arts funding in the current term of federal government. In particular, the Australia Council's budget has been cut by over \$100 million and Screen Australia has had \$50 million cut. Budget forecasts give us no comfort that this regressive situation will be reversed.

For as long as these cuts are sustained and budgets not restored, this vital economic and cultural sector will wither and with it, the ability to maintain important cultural endeavours and enable the next generation of talented Australians to reach their potential, will be severely compromised.

The following policy and funding requests reflect MEAAs' views about how the present dire situation can be addressed and the sector returned to a stable and productive path.

Screen Australia (SA) Funding

Screen Australia has had \$50 million in funding withdrawn¹ by the Abbott and Turnbull Federal Governments. The organisation had 190 employees in 2008; it now has 100 at most. Funding has been cut from production investment, programs have been consolidated and the number of funding rounds for individual programs reduced.

Screen Australia is a productivity generator. It gets creative works off and running. Much of what it invests secures a return.

MEAA supports:

- Restoring Screen Australia funding to 2013-14 levels (\$100m) commencing 2016-17.
- No further cuts for the duration of the term of the next Government.

MEAA also support:

- Maintenance and development of content quotas and minimum investment requirements for screen production and broaden these content requirements to apply to *all* technology platforms.
- Maintenance of an effective system to regulate the importation of overseas performers and crew in the arts and entertainment industries which maximises the use of the Australian labourforce.

¹ as a result of successive budget cuts (including forward estimates) from 2014-15, 2015-16 and in the December 2015 MYEFO



Screen Production Incentives

Producer Offset

The Producer Offset is a 40 per cent rebate on (qualifying) expenditure for Australian feature films and 20 per cent for television and other formats.

MEAA supports: A uniform 40% rebate for productions across formats.

Location Offsets

The Location Offset is a 16.5 per cent rebate on Australian expenditure on large-scale film and television productions that do not satisfy Australian content requirements for the Producer Offset. This offset is the most critical factor in attracting major productions to Australia in an increasingly competitive international marketplace. The current requirement is for a minimum of \$15m in qualifying expenditure on a film and \$1m per hour on a television series with the series completed within 12 months.

MEAA supports: Increasing the Location Offset to a 30% rebate.

PDV (Post, Digital and Visual effects) Offsets

The PDV Offset is a 30 per cent rebate on the Australian spend on post, digital and video work on large budget productions with a minimum qualifying spend of \$A500,000.² MEAA acknowledges that the rebate increased from 15% to 30% in 2011.

MEAA supports: maintaining the existing PDV for the duration of the next term of Government

Australia Council

The Australia Council has been severely depleted by the diversion of \$105 million from its program budget, plus other cuts.³ The Government allocation in 2015-16 of \$184.5 million – is \$34.4 million less than was provided to the Council in the 2013-14 federal budget.

The Council's ability to provide sustainable support for arts programs, especially those in the small to medium sector has been compromised by these ongoing cuts. MEAA believes the Catalyst program should be abolished in favour of a return to arts funding that is allocated in accordance with a peer review process, independent from politics.

MEAA supports:

- the abolition of Catalyst and return of funding for Australia Council grants programs.
- Restoration of Australia Council funding to at least 2013-14 levels.
- Guarantee of ongoing funding for the duration of the next term of government.

² Qualifying productions need not be shot in Australia.

³ The 2014 Budget saw government funding reduced by: -\$9.64m in 2014-15; -\$6.05m in 2015-16; \$6.18m in 2016-17; and \$6.3m in 2017-18 (**efficiency dividend impact not counted*)
Budget appropriations over the next four years are: \$183.4 m in 2016-17; \$186.2 m in 2017-18; \$193m in 2018-19; and \$198m in 2019-20