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Australian Government
Department of Infrastructure, Transport, Regional Development,
Communications and the Arts
Office for the Arts / Australian Screen and Arts Workforce Development Branch /
Content Section



By email: svodobligationconsultation@arts.gov.au

Targeted Consultation Paper – Refined Models Australian screen content requirements on streaming services

Statement from AIDA members

AIDA is an association comprising 14 members, all of which are Australian independent distributors of film and television content. In FY23, AIDA members released a total of 27 of the 35 Australian feature films released nationally into Australian Cinemas. AIDA members directly provide over 250 jobs in independent distribution.

Progressive percentage of expenditure model v percentage of revenue model

AIDA members strongly favour the percentage of revenue model. Advertising funded or otherwise free streaming platforms and hybrid platforms funded by both subscriptions and advertising revenue must be captured by the content requirements.

Local ownership of Australian intellectual property (IP)

Australian cultural content is an important asset that should, as far as possible, remain under Australian ownership.

Qualifying expenditure

AIDA members strongly support the inclusion of acquisitions and not just commissions to meet the content requirements. The inclusion of acquired content, will incentivize further private investment into Australian productions. Distributors representing all rights (incl cinema, education, airlines, transactional, streaming etc) will be incentivized to actively invest into film and documentary production.

Time Period: Three years is too short a time period and we propose five years would be more appropriate. This would allow for a second run pay television/SVOD cycle (after the free TV window). The five year period should run from the first commercial release of a title in Australia (excluding festivals).

Accordingly, we favour the removal of the “first-on-platform” requirement.

We propose that the definition of “Qualifying expenditure” should read:

Commissions and acquisitions (for a period of five years from first commercial release in Australia (excluding festivals) and including independent feature films).



Cinema release multiplier

AIDA members strongly favour the cinema release multiplier and propose that the multiplier should be 1.5. Australian distributors bear the sizeable cost of releasing Australian content in cinemas. The marketing and publicity surrounding a theatrical release is of benefit to downstream exploitation including by streaming platforms. Going to the cinema is also an experience that is part of our cultural identity and the multiplier incentivises the retention of this activity as part of our cultural identity. If streamers are not provided with strong incentives to invest in Australian films, they may focus their budgets on series which they can release over a number of weeks, allowing them to retain their subscriber base for a longer period. It is also important that ‘theatrical release’ is interpreted as meaning a bona fide theatrical release.

Co-commissions with broadcaster

We strongly feel that media groups with a broadcast and SVOD service should not be able to count commissioned (or acquired) content towards both their broadcast and streaming requirements. However, such media groups could allocate their spend in a transparent, fair and reasonable way towards broadcast and SVOD obligations for a total of 100%. For example, if their investment in a film was \$1,000,000, they could elect to allocate \$500,000 towards their broadcast obligations and \$500,000 towards their SVOD obligations, or some other allocation such that the total investment of \$1,000,000 is counted once only.

Genre inclusions

We support the inclusion of Drama, Documentaries and Children’s Content. Minimum levels of expenditure in each genre should be legislated.

Yours sincerely

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President

Brooke Schubauer
Vice-President