

# Protecting Australian content in the age of Netflix

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**Ebony Bennett** [00:00:02] G'day, everyone, I'm Ebony Bennett deputy director at the Australia Institute, and welcome to our webinar series. Thanks so much for joining us today. I hope wherever you are, particularly if you're in lock down, that you're having a good day. I wanted to start by acknowledging that I live and work on Ngannawal and Ngambri country here in Canberra and pay my respects to elders past and present. It's always was and always will be Aboriginal land. And of course, sovereignty was never stated. We do do these webinars, at least weekly, but the days and times do various. I head on over to the Australia Institute I you to find all our upcoming events and webinars and you can register for them. They're all free. But we do just ask you to register so you can find them all coming up there. Just a few tips before we begin to help things run smoothly. If you hover over the bottom of your screen, she'll be out of, say, a Q&A function where you can ask questions of our panellists and also upvote other people's questions and make comments. Just a reminder to please keep things civil in the chat or bit you out. And finally, a reminder that this discussion is being recorded and will be posted up on the Australia Institute's YouTube channel and you'll be able to find it on the website within the next twenty four hours. So thanks so much for joining us today, everyone. The Australian arts and entertainment sector is just a powerhouse in the Australian economy, but that's really quite misunderstood. It employs close to two hundred thousand Australians. It contributes fourteen point seven billion dollars to gross domestic product annually. The arts and entertainment sector employs four times as many Australians as coal mining and as many people as the entire finance sector. Yet its economic contributions continue to be poorly understood. So it's an absolute economic powerhouse, but it's been really hit hard by the pandemic. And if you're anything like me in lockdown, we're absolutely relying on watching stories, in particular Australian stories. And if you're anything like me, you've been absolutely bingeing up a storm to make it through lockdown. I can't handle anything too intense at the moment. So I've recently been enjoying *Rose Haven* and after *Taste* and *Back to Nature* on ABC and the family law on this. Those are about my speed at the moment. And our local content requirements for television have really delivered that quality Australian content and Australian stories for decades. But now, with the streaming services coming on board and huge take up from within the Australian community, it's really crucial that streaming services like Netflix and Disney and Amazon Prime and Apple required to tell Australian stories, too, but there really are no requirements on them to produce local content. So today, I'm delighted to bring into this discussion our two guests today. Matthew Daina is the CEO of Screen Producers Australia. And Eric Thompson will be, I'm sure, a familiar face to many of you, whether it's from *Pact to the Rafters* or *Aftertaste* on TV. Eric is one of Australia's most respected actors across film, television and

theatre. He's just getting into being a producer as well, from what I understand. And I'll note that in doing research for this, I saw the trailer for his new film, *Coming Home in the Dark*, which looks downright chilling. If you like me and our massive fan of horror, I can't wait to check that one out. Matthew and Eric, thank you so much for joining us today. I'll start with you. Obviously, the whole arts and entertainment sector has really been struggling during the pandemic. But for people who aren't really familiar with the industry, can you just start by explaining to us a little bit of the problem that you're encountering and why local content rules don't apply to streaming services?

**Matthew Deaner** [00:03:54] Yeah, thanks, Ebony Bennett. Look, let me just start also by acknowledging the traditional custodians of the land. We're so fortunate in this nation to have some amazing storytellers that actually go back in the first storytelling. Sixty thousand years or so plus in terms of the rich cultural heritage that we've got in Australia and what to share with the world. So our industry is an interesting one. It's a project based industry where people come together, form teams, deliver the content that we're all enjoying and I'm as guilty as any, is probably having the same taste as you. But I have to give a shout out also to the news. Right. A bit aftertaste was fantastic. Great comedy delivered right the right moment. What on earth? But in teams of people coming together, a lot more people than people realise that are employed through those times. And we might touch on that later in the pandemic. The problem originally was we didn't know how to put people together in the same room, did we? And one of the things that's been through this period for us has been some protocols and some little bits of support that have meant that our industry, compared to private parts of the other creative industries, has been able to keep function. Not without its challenges, moving people around. Hard border closures, all of those things, but we've been able to keep sort of plodding along. The biggest problem, though, and you alluded to it, is that the whole basis upon which our industry has been created in Australia and it's the same challenge globally, is that you need to have support structures to build our industry from. They come through, I call them the carrots and sticks. You need an element of carrots to incentivise people to work. And that's really good investments from government because it builds other investments, private investment. So we're the industry. That's quite a challenge to take a risk on, say that little bit to save money, come together and then they create the whole production and that we've been able to work through that prism. But the most important element is the requirements for different businesses that would otherwise not invest in local television, particularly drama, children's content and documentaries, that they have absolute rules around what they do to have to deliver those those stories because and if we step back a minute, the problem for us is that we are an English language nation in which there is a substitutability for story from the American sort of huge machine of the studio system that can deliver into our market content that is purchased by people supplying it to consumers for very cheap, cheaply. It's essentially already monetised in other markets, so effectively gets dropped into our market very cheaply. So is a competition issue always on the ground in terms of how we might make our own content? And so we've always needed rules for the systems of delivery to consumers in Australia and then also hopefully the world by which there are grommets to show content and as we say, and rambling on a bit. But the structure of that is changing dramatically as we move away from the traditional broadcast model of watching things to more and more as we all are Netflix, Amazon, Disney, plus. And those new platforms who are really quite dominant in the market now haven't got any rules. And the question is, why is that? And part of it's a game of catch up. And part of it is that it's a conflicted policy space that the businesses that are in Australia delivering now very a lot of content to everyone don't want to have those rules. So there is a battle royale happening in government, I suppose, at the moment to work out how to implement those rules and make sure we get to a good result. We can get into the detail of what that result

will look like. But that is really what's happening at the coalface. And it's not that this is a new problem because they've had four reviews actually in government to basically say this is what you should do. So we're just playing a game of come on, come on, come on, let's get going. It's got going. And the risk is that other territories are already doing these rules. And so the global investment from those big players will start to kind of go into the territories where there are rules already. So Australia's got a job to get organised and deliver this stuff and get moving. In a nutshell,

**Ebony Bennett** [00:08:18] Eric, I'll come to you next year, obviously working actor across both Australia and New Zealand. But I wondered if you could just kind of take us behind the scenes a little bit. Australian film seems to be doing OK during covid because we've had so few cases. But how important are local content rules behind the scenes in terms of driving investment in productions of the likes of TV shows and and things that you've worked on?

**Erik Thomson** [00:08:50] I'm coming to you from Ghana country down here in South Australia. And we've I think on one level, we've been doing really well in terms of production during the pandemic. Certainly, you know, certainly last year, the beginning of this year, the government put up a lot of money to incentivise foreign productions to come down here and shoot. I think it was four hundred million dollars. I think correct me if I'm wrong to to bring forward foreign investment, of course, that will flood into the country. And and then we've seen recently things get a little more tricky with the Delta strain, and particularly in New South Wales. And quite a lot of those productions have not left. And quite a lot of the people who can fly over here to be part of it have gone. You know, it was a it was very much a kind of bandaid measure on something that perhaps could have that amount of money, could have really been spread out within our own industry to keep the smaller productions working and to push our industry forward into the future. Because, you know, certainly there's a lot of competition. And I think given the the fact that free to air networks are making less drama and the streamers aren't required to make a lot of drama at. A moment or anything Doherty required to make any drama at the moment. So what what you end up with is a lot of stuff in development, whether it's funded development or it's actually being funded by the funding bodies or all fighting for that small that small amount of money. And some of that will be lucky enough to make it into production. But certainly during the pandemic, there's been a real bottleneck of that. You know, the like I said, the the amount of money available seems to be shrinking and the amount of people wanting it seems to be growing. So we really are at a crossroads in terms of the way that people watch television no longer on the free to air networks. And this has only happened in the last half a dozen years, really, since national broadcast passed. A broadband network was fast enough for streamers. It's only really six years. So we're really trying to work out with the best systems are. But certainly we need to find a way of making making funds more available to production companies to produce the the high quality work that we know that they're capable of.

**Ebony Bennett** [00:11:06] Yeah, I was just going to say, Matthew, can you give us a picture of how big the streaming services are and how to produce content and how little of that is?

**Matthew Deaner** [00:11:22] It's massive. It's not. It's a good point. Eric, you hit the nail on the head. The issue is it's a question of making sure Australia gets its fair share of what is actually a reasonably huge business. So altogether, the three major ones, which are Disney, Amazon and Netflix, they are spending in Australian dollar terms about thirty seven billion dollars a year. That's the public information on new content. And it's just been released. They were asked by the

government to account for how much they're doing in Australia. And they mentioned the report so far is that they're doing about one hundred and twenty two million in Australia. So if you're a statistician, that'll be sounds like a lot. It's actually zero point three per cent of their overall expenditure. So you go, hang on, we're only getting zero point three per cent of these big businesses that we're all signing up to and we're investing in terms of our subscriptions. And our model is to say, well, hang on, that's not enough. And it's inconsistent because the thing that someone who can testify to the problem for the sector is it wants a stable pipeline of work. And then you have people that are secure enough to develop projects and stay with the industry and not move away from the sector or have to travel overseas or go to live in Los Angeles, which has kind of been one of the challenges for us if we don't have enough going on. So we're saying we'll actually raise your game here. Let's get up to a point. And we're only asking for what would ultimately be about one per cent of the as a as a sort of a benchmark safeguard for our industry, one percent of the global expenditure, which equates to about three hundred and sixty dollars million of investment each year into local Australian story. So it's kind of it's not that much more, but it would be a huge amount in terms of what it would deliver on wood for the industry, because that would lift us into about ten thousand more ongoing permanent jobs. It would create about another 10000 hours of content, one hundred hours, I should say, of content each year. So these things are kind of big opportunities for us to not just stabilise the industry and grow our sales into a different space, because we've been I think if the benefit of being in a global world is that we get to tap into that. But if we could also get swamped by it. So we'd kind of going, hang on, this is now what we used to be, small broadcast space. We're in a global environment. Let's make sure we get the opportunity to launch ourselves into that space and not be swamped by all the deluge of of content.

**Erik Thomson** [00:14:07] Yeah, sorry if I could just jump in there. Sorry. I just I just think it's important and I think neither of us, none of us want to demonise the screamers because there certainly, you know, we all enjoy the work that they do, they produce and that we can be part of. I think it's more and they're the big businesses and they're able to come in here and they see a fantastic business opportunity. It's more to do with what they're finding when they get here, which is a very, very good business opportunity because there's no kind of restrictions and stipulations or requirements for them to be here. And it's very, very attached. It's a very, very profitable and it's just a case of of just introducing, like in any other of the big industries in this country. If we were to suddenly drop all the tariffs and the duties at the border and say all the wool and all the meat and all would just come on and do whatever you like, we're not going to we're not going to tax you. We're not going to just you don't even have to employ anyone, the government. It would be a bloodbath. The government would be would be out in a day. It's not happening in our business because our borders are in the cyber of the cyber us, you know, and that's easy for it to happen. Like I said before that the National Broadband Network, which has cost us 50 billion plus is of taxpayers money, has provided the perfect environment for the streamers to to work. And like I said, being good at great business businesspeople as they are, that's a great opportunity. We just really want to make sure that there is the similar protections in our business as there are in every other industry in Australia.

**Ebony Bennett** [00:15:37] Yeah, and I was just going to say the Australia Institute has done a bunch of work in this space and we've just released some polling that shows Australians definitely back your proposal. Maffia, in fact, probably a lot less modest than what you're proposing is. So we we polled a representative sample of about a thousand Australians and found that three in five or 60 percent of Australians support requiring subscription video on demand services like Netflix

and Amazon to spend at least 20 percent of their revenue on Australian content. And we also found that about seven in 10 Australians use at least one type of service like that. Netflix is by far the most popular, but people are also concerned about things like children missing out on history and culture due to the prevalence of American content on those kinds of platforms. And I thought it was interesting that really that that type of concern cuts across political lines as well. So it's really clear that there's a lot of support out there for the types of things that you're proposing there.

**Matthew Deaner** [00:16:50] Well, I know that research to you. I just give you guys, because it's a really important conversation you're able to add to the national discussion climate. So sorry. Over to you

**Ebony Bennett** [00:17:00] know, I was just going to say we have seen the government kind of paying a little bit more attention in this space. It's had a couple of enquiries, as we have referred to. But the minister, the communications minister, Paul Fletcher, I think you touched on the figures that they released that asked from the streaming services about how much that they are actually spending. But he's had a few more comments about this recently that indicates that the government is seriously looking at this issue. Do you think the government really gets the problem and it's going to be willing to act on it?

**Matthew Deaner** [00:17:35] Look, I think I think this Doherty look, I think there's a getting a handle on it is been a process for a number of years. And I think the natural tendency sometimes is to see whether or not you have to regulate the market and wait to see what's going to happen. And our concerns have always been and we of thought to say if you wait too long to do these things or if you let it drop too far, you lose a lot of people and businesses in the process. So we've been wanting to push and make sure that the government is really on to it. And I think we're saying, you're right, it is a been a green paper that was announced. It was all the sort of starting points for the conversation were very small, light touch style regulation proposals, which ultimately won't get us the cultural or economic value that we need. So when I was referring to sorry, one per cent before, that was one per cent of their global spend, we're saying that would translate to about 20 per cent of the revenues. They're saving this market, which is consistent with what you're saying. And we would think that's a good benchmark. The government suggesting at the moment five fiscal posited where the five per cent would be the right level and we've gone. No, that's that's not even kind of probably where they're at at the moment. And we need it to be a proper investment for all the reasons we're talking about. And I think this has been an opportunity, as you've touched on that to us, to show that people really care about the content they're saving. And we know that that's true, because if you give people great my will, my Australian content back to the rafters being a great example, they just launched, it is stuff that I would absolutely prefer to watch because it's their own stories. And there is a deep concern, I think, in most cultures, not just Australia, but everyone's interested in the world, but they want to make sure that they understand themselves and their children and the community is communicating with each other through story and that I don't think any government would want to be the demise of that. So it's really been tinkering around. Well, how do you get the best result in a regulatory sense based around the challenge of these very large businesses, starting from a position of not wanting to be regulated? Of course. And that's a. Natural position for a big business that has already entered the market. We don't want to be regulated and putting a lot of pressure probably on government to say, well, don't regulate us. And at the same time, commercial television who are building their own businesses in this front with Paramount plus or

stand for Nine or you being foxtail, they're also saying the government don't regulate these new businesses. So there's a lot of pressure on the government. And I guess our job as an industry and the public and by the people that are watching today is to also put their voice out to government, to say, actually, this is really important to me. I want to know that we have great Australian story being made. I think this is a great economic story to tell. It's great to see Eric on screen. Why don't we see more of him every day, so many different productions. So those stories and we have at the moment also thought that we should mention to people it's called Make It Australian dot com. I think it's like an Australian you just type make in Australia. I mean, it is a vehicle for understanding a little bit of these issues behind the scenes and also an opportunity for people to write to the local politician and just say that actually this is this matters to me and it matters to the future of the nation, because I think if you if you take away Australian Story, you kind of take away Australia in the process and then you don't we kind of not operating as a kind of a band. Understood. Cultural nation anymore.

**Ebony Bennett** [00:21:23] Yeah. I'm Eric. I wanted to come back to you. Obviously, we know you as an actor, but we touched on there the fact that you've kind of entered the scene as a producer as well. I just wonder if you could take us kind of behind the scenes for those of us who just watch TV and aren't involved in it. Obviously, the Australian Institute research has shown what a massive employer it is. It's quite equal in terms of employment for men and women. It's very equal in those terms and it's very jobs intensive. But on something like *aftertaste*, like how many people are involved in that? What types of jobs are there in a TV production besides actors?

**Erik Thomson** [00:22:07] I'll look at it covers it covers so many I mean, with *aftertaste*, you know very much about training wheels on as a producer and working very closely with to productions here in Adelaide, Rebecca Summerton, Matthew Bate, who do the bulk of the work. And I'm learning a huge amount about, you know, just seeing that what we see on screen is very much the tip of the iceberg. We produced six half hour episodes of *Appetite's* Series one, and it took us about two and a half years of development to get to that point. And that was one of the things that the ABC were very, very good. Good with us was was making sure that that development was done. So there's a lot of a lot of time spent before you even start to think about employing people in the wider sense. And in the case of of *aftertax* series one, obviously you've got you've got you know, in a crew, you employ people from electricians and groups all the way through to makeup artists and set dresses and everything. But what we found with with our production and we we shot in August last year, just coming out of the back end of the first big wave of the pandemic was we were employing chefs and hospitality workers who didn't have any work, and suddenly they were working on set, preparing food for US desserts. And and perhaps, although I'm not going to get to give any secrets away, perhaps even standing in for me with my knife skills, which may or may not have been me. And so we were moving out into the community. And I think that touching on the whole thing of Australian stories to be seen, it's also that classic thing of seeing your stories being told and people walking past productions and the pride that they have in presenting their houses for locations of their businesses, for locations or being extras. There is still a degree. I mean, we know it's hard work and sometimes people will come and work on sets and go, oh, this is a bit dull, although this is a bit cold or I'm a bit hungry or I don't know, whatever. Everyone gets well looked after, I hasten to say. But there's there's always a great community spirit behind making stuff. And in the case of *aftertaste* as part of the ABC, which is which is a national treasure, it's an absolute, very, very important part of our culture, the desire to move productions into and make sure that they're spread evenly throughout our country. So South Australia, we're seeing the mystery roads *ET* getting made up and *W.A.* and things are being made in Tasmania and really

we're allowing the culture of the entire nation to be represented on screen. So so yes, it does employ a lot of people, but it's I think it does go much deeper into that pride of being part of telling our own stories. And I know sometimes that can sound a bit sycophantic. But but I but it's just the truth. It's just the truth. And you see it on people's faces. So, yeah, it's very important that we make sure that that those opportunities aren't lost as we transition into the streaming world.

**Ebony Bennett** [00:25:13] Yeah, absolutely. You know, you just think about how much productions like Kath and Kim or The Castle or Muriel's Wedding, all those beloved local productions that just really entered the lexicon that has the serenity a million times. Well and nice, different, unusual, all of that kind of stuff. You're so right that people can really see themselves in those types of productions and know black comedy on SBS seems to have been generating huge amounts of upcoming talent on the comedy scene and others as well. I'm Matthew. I'll come back.

**Matthew Deaner** [00:25:53] It's a good point. And just in terms of the pride and the almost repositioning of Tasmania is in different ways. It's come from things like minah, the investment in the cultural centre there. But Rose Hovan, it repositions a national a national kind of interest in small community quirkiness that really speaks to people say it does so much for the community there. And I think Doneck it on the mind couldn't hack it on the mainland. It's probably becoming one of those towns as well.

**Erik Thomson** [00:26:28] And yeah, it's tragic and it's travelled really well as well because it's so implicitly Australian whilst having universal themes. And so we can we can brand ourselves as being Australian production, but we can still talk to the world and we don't want to lose that because we have to sell our productions as well. So Rosemann is a great example.

**Ebony Bennett** [00:26:49] Yeah, that was actually was going to be what I was going to ask about next year, because clearly Australian stories resonate with us, you know, Mystery Road, for example, that you were talking about. It's just right. You look at so many different parts of the. It's kind of that genre that Australia does, I think, really well, but those types of stories, even though they are such Australian stories, is obviously huge potential within within KLAC Blooey for that. Right in is another that they do do well internationally as well.

**Matthew Deaner** [00:27:28] Yeah. This look, there's a great opportunity here and it's I think Eric touched on as well. It's not to demonise the opportunity that I think the Australians or some of the saying in the market at the moment. But because they are putting in I'd suggest not enough but the starting the investment process. But I think that if if we're not careful, the investment process for them would naturally start with, look, this is a risky thing. I don't really know the local thing. Let's can we just do another maybe Marvel production here or can we maybe do something that's got a lot of Americans sort of in the mix of the story or, you know, it kind of doesn't necessarily localise the story particularly. And then I think it takes a greater engagement or a deeper knowledge and maybe a greater risk to go. We actually going to do a small town story in Tasmania about this community, about a real estate agency, even though the money might be. So I think you've got to kind of push it there. But I think the reward is so big because it's always been those small. When you get the story right and talked about the development, I think people don't realise how many years of solid work and money that isn't necessarily sitting around very much that takes to get the project up to a point where it can then be produced. That confidence of having Australia's resources with us on those journeys to develop shows like Rolls Royce happen, like the

films that we've all had in the past, that we resonate with the castle streetball. And those are the stories that actually pinpoint the cultural lexicon and showcases globally. And I think it's been the opportunity of working with Australians potentially, is that they are saying maybe more and more the data that we are getting, but that of how a show like hyphen might perform globally. And then there's another challenge where we've got to make sure that we can be found on a huge library service. And the rules in other territories are starting to differ in other territories. And we're not talking about we're talking about comparable territories to Australia in terms of the type of content, culture and the systems of creation they're sort of inching towards. And some of them jumping very far forward to rules around library quantity, needing to be local rules around investment into local markets, and also discoverability so that you don't just lose it. And I think we probably all experience this where you go. I've got I've got this Library of Netflix or whatever, and I just can't find things will gradually missing different tabs on things and we're seeing how we can locate things better and better. And I think we've got to have a system and a structure around what we expect from these businesses also in this market so that we don't get lost. And the stories are also able to be, as you say, tapped into globally, because I think that's right. And the more that people discover our culture, the more I think the opportunities are. But we've got to kind of push people to do that.

**Ebony Bennett** [00:30:38] Yeah, we might go to questions from the audience shortly, I can say we've got a few hundred people on the line with us today. Thanks so much for joining us. I've got a question here from Zac Gillam. He says, What quite does exist for streamers in other territories? Surely there are some precedents that we can draw on. Matthew Omma, direct on to you.

**Matthew Deaner** [00:31:00] Yes. So there's a rule around Liberi, quite a sight in Europe. They have a rule that says that about 30 per cent of the library of the of the streaming services in all over those parts have got to be European. And that's been also adopted in the UK. And then is a rule that is an expenditure obligation on local content. In a nutshell, in different territories, the market leader is France that is sitting at twenty five point five per cent. Is their local revenue needed to be reinvested in different ways? It's kind of the same rules around all of this. And importantly, they also make sure that most of that is invested in local businesses to produce the content, because that's what we are in Australia with a set of local businesses that operate all around the country. And so when you have a local business, you create a root system into the environment which you're operating in Adelaide or Perth or Adelaide, Canberra or anywhere. And that employs people and it builds the community. So that's something that the French have done quite well. We've seen that Italy is moving from, I think, 12 and a half percent to about twenty five per cent in the next couple of years. And we've seen the signal that and indeed the role that Canada is heading down this path as well. It's that had a break in the election electoral cycle. And so there's no legislation didn't go through. But they've been very clear that they are doing this site, that there are comparable territories. One of the challenges I would notice well is that the New Zealanders gave away their right to regulate the broadcasters in a way that Australia didn't as part of a trade arrangement. And it's a shame because it sort of it's its credit opportunities on some fronts for New Zealand, but it hasn't created maybe necessarily the same benefits that Australians got. So that's kind of the map of the landscape. And I think that, you know, our position really is that we shouldn't we should get on with this because global budgets are being set and we want to be at the forefront of making sure that what would otherwise be a difficult geographical location for us to get to is always going to be a part of work that we can ensure is happening in Australia. And really, we're talking about safeguards that ensure that we we continue to operate and not lose our people to other territories, essentially.



**Ebony Bennett** [00:33:32] Yeah. The next question here is from Mel Smith. She asks, why the government's focus so much on sport and the arts in this country, especially with our current government and what is required to make that cultural shift? Or is it too deeply ingrained? Eric, you've been in the industry a long time. Obviously, Aussies love their sport, probably Kiwis, too. Are we losing that balance? Is there too much of a focus on sports compared to the.

**Erik Thomson** [00:34:04] Look, it's such a hard question to answer because I don't really know anything else brought up in New Zealand, I've lived in Australia for twenty five years. Sport is at the forefront of our culture in many ways in terms of it's a live sporting event. You can't like binge watch grand finals. You've got to you've got to be there on the day. You know that. That's the immediacy that used to be the case for Australian drama. Because the only way you can actually watch Australian drama was, was when it went to air. There was no catch up. You know, you had to be there half past seven Tuesday night to watch the packed to the rafters, you know, back in the day. I do think and I think that it's been highlighted during the pandemic, obviously know the governments, the state governments bent over backwards to make sure that the football season continued. And we were lucky enough to be able to watch the grand final in Perth and in front of a crowd of sixty thousand people. And I think that's been a little bit of salt in the wound for a lot of us, especially the live performance performances in Australia, because given that we've had a lot of difficulty as an industry getting, you know, getting access to job keeper funding and that kind of that kind of stuff, that that was because of the way that we are paid and the the the ups and downs of our financial situation. It's it's it's kind of caught a little bit of polarisation and perhaps, like I say, rub salt in the wound. But I think a lot of these these the the answers to a lot of our questions coming down to how much do we actually value the Australian product. And we it's like er we don't actually see it. We don't realise how much of it we consume and Australian content all, all across the ABC. But all the shows that you can think of growing up as a kid, whether we play school or, or the, you know, the Crocodile Dundee's or Muriel's Weddings are Strictly Ballroom is all these films that became synonymous with this country. And we have similar ones in New Zealand. We just take it all for granted. It's actually there, but it doesn't exist in a vacuum. It requires skills and funding. And the people that are involved in it are passionate, creative people who have in many cases chosen a very risky profession, as I'm constantly told, dinner parties, which must be very unstable. It's like, well, yeah, it is. But it shouldn't be, because I think everyone everyone everyone watches Australian content. Not everyone likes AFL. Yeah, I'll end with that.

**Ebony Bennett** [00:36:39] The next question is probably for you, Matthew. Again, it's from Mel Smith. Why is there a lack of diversity in our media landscape? I watch the ABC series on racism. I'm not sure if that's the one about the school that tried to end racism. And they highlighted the very white Anglo landscape that didn't resonate with kids who weren't white. IT representation and diversity, a significant issue in making TV shows that truly reflect our multicultural Australia.

**Matthew Deaner** [00:37:10] Yeah, it's a really

**Ebony Bennett** [00:37:11] good white people here talking about that.

**Matthew Deaner** [00:37:13] But if it's true, yeah, it's a really good point. And I think that I think that broadcasters I think it's the game has shifted quite significantly over the last few years. And that's true of the broadcasters who are expecting when they commissioned work for a much more diverse, both behind the scenes and in front of the scenes landscape of people that are operating

in the market, but also the type of support that funding agencies are providing to get into and work with maybe a broader range of people. I think that some of the challenge and I don't want to oversimplify the challenge here, but I think that what you've tapped into, we're talking about mentioning a sort of a challenging environment for people to operate in because of the uncertainty associated with that is also lends itself to maybe a type of person who's maybe more stable or has more financial stability or type of thing. That's true is that the people who contracted the industry have been able to have a greater maybe opportunities to sort of take on board the risk. So the day risking industry also encourages new people to come into it. But I think it's a measure also of being open and embracing and ensuring that there are opportunities for people in both the stories and the authenticity of the of the community of what we're communicating as a as an industry. But that requires a lot of people. And I think it's shifted significantly in the last few years. And maybe that's true of what you've seen as well, Eric, behind the scenes and also the type of casting that happens now. Yeah. Was when you would have started

**Erik Thomson** [00:39:01] out like like you said. It's really only been over the last half a dozen years, perhaps if that that a conversation with aftertaste, the diversity of our past was spoken about at ground level. We took we started talking about it at that point. It's not something that you tackle at the end. You know, it's something that is. And I think that's that's right across the board at the moment. That's something that is at the forefront of all the conversations I've been party to in that area. So it is it is changing. There's a lot of developments happening, really positive developments happening and happening quickly and and way in not not before time as well. But it is happening.

**Ebony Bennett** [00:39:40] Yeah. And Matthew, I was just going to ask to follow up on that. It seems to me like a lot of the most exciting and new kind of voices in productions are coming from people of colour, particularly people from the Aboriginal and Torres Strait Islander community. Black comedy on CBS, I love is one. They love it. But things like mystery. Even at the moment, I can't handle anything intense at the moment. I've been watching that amazing new show, just like a doco Back to Nature, and it's striking that that's a nature documentary in a way that I've never seen. One presented four times a day risking. It seems to me that it is the ABC and SBS who have that kind of institutional support or who are pushing it. But is it is it wider than that? I think it

**Matthew Deaner** [00:40:31] yeah. I think it's worth mentioning, actually, what you just said about indigenous storytellers. And we tested at the start that over about, I think, over men. Now, over 20 years, the Australian Film Commission, which became Screen Australia, has invested in an indigenous stories that have started to be told in more and more sophisticated ways. So we're seeing some of the most exciting storytelling and interesting cultural points that I point of difference first globally coming from indigenous storytellers. I think that's true of Maori culture in New Zealand as well. There's many interesting things that are happening there, but it's also the juxtaposition of different cultures in Australia. We're very multicultural country. We kind of avoid that and say if you're being in any way business focussed around the idea of where your audience is, there's a obviously important role to be authentic in the story, but to be working in trying to get an audience appeal people across many different parts of landscape to question a man who's doing this. One of the shifts you write about ABC and CBS have always been sort of pushing and market leaders, CBS and 10, the network 10 is also been quite forceful driving this. And I think that's also leading to all the commercial networks that are moving in this direction as well. So that's been really interesting watching it. And I think, look, the global stream is to give absolute credit. They are operating in a global environment in which this became a very big national

international conversation. Probably you was watching the Academy Awards four years ago. It was like, this is we've got to do something about the fact that our industry is very one dimensional. And so I think that they are requiring and in a really good way that are kind of the commissioning work and the industry's work. They are a lot more diverse, perhaps, and I think that it always is kind of who's leading this conversation. And the industry needs to respond partly to what it's being commissioned. So I give credit to the commission is driving this conversation, really, because that's where we need to go, because they're the ones with the money effectively to drive the story.

**Ebony Bennett** [00:42:49] And just another recommendation before I go, I've been watching how the family law, which I think you can get on SBS on demand if people are looking for a lovely comedy during lockdown. The next question that I've got is I accidentally leave the questions down. Um, the next question that I've got is from Stephen Masters, who says, why the Australian arts and entertainment sectors apparently so servile to foreign interests, effectively leaving the local industry with crumbs. And I guess it's similar to another question here about asking how you negotiate with these extremists and bargain directly with them, or are you relying on the government to kind of set the rules? Matthew, I might give you that one first.

**Matthew Deaner** [00:43:42] Yeah. And Eric, you probably have to deal with this as your business grows. You're dealing with that conversation. Well, look, I think that connected in that if you don't have a framework in which we are operating, it puts the bar. It puts us at a disadvantage. Right, because there is. Every reason why we can't cut a good deal, that is essentially the full benefit of the people who are commissioning us and maybe give them everything they want as part of that commercial transaction, then they can upstarts and go somewhere else. It's not they don't have to be in this market. And I think we've always been the question that brought the starting question was why we sort of serve international interests. I mean, we're trying to not be essentially we want to be partners. We we're going to be balanced in partnerships. We don't want to be begging and pleading for these people to be operating here. We want to make sure that there's an ongoing interest and that there's a comfortable requirement, because I think the issue is that people might talk the talk at the moment, but then business interests change in a couple of years or someone's got a particular focus on Mexico or that the exchange rate in Canada goes up or or something else is operating, so that as a global business, they're going to make the first decision usually about the money side of that business that's going to go, whereas we want a longer operational commitment to being, investing and working in Australia. I think that then sets up a dynamic that's a bit more balanced in trying to cut deals. But the reality is that these deals are really very difficult for local businesses and the producers to be having at the moment. And there's a global conversation about those deals because other territories are having to intervene in the market as governments to set up their framework directly around what that deal should look like or the length of the rights that are given to people when they commission the content so that some of the work resides back with the businesses to then be able to supply the resources back to the creators. So it is required of government to intervene. And we think that's probably going to need to happen in Australia at the moment. The only sort of kind of umpire at the table is sometimes when an agency like Screen Australia is investing with the production company, others in the in the picture, they get to say where you are not going to get my money unless you play fairly and you've got to give some back and you've got to kind of. But otherwise the starting point can be, well, take it or leave it. And you're not going to get any victory, any margin or upside or in fact, people will compromise their face. And just to make the project, which is a terrible situation, is a lot of people can be end up in a lot of debt and for a risky proposition that maybe people don't

realise that perhaps the stress and strain on the sector, because it's it's it's like going into a really difficult operational exercise over a tight period with a group of highly skilled people. And there's a lot that can go wrong. And people and invariably things do go wrong. And often that means that people some people, usually the production producers are paid necessarily as part of that process. So there's a great deal of risk that can play out if you haven't got a sort of a fair deal going on behind the scenes with all of the people that are working on the project.

**Ebony Bennett** [00:47:21] Just to go to, I guess, a different point, apart from local content stuff. I've got a question here from Gerard Noonan. He's from Media Supah. He says that Media Super has been underwriting the Australian film and TV series for nearly 10 years via the Producer Offset Scheme. And can we do more to work on the streaming services or pressure government to oblige them taking stock, taking a free ride? So are there other mechanisms there, I guess available?

**Matthew Deaner** [00:47:54] Eric, do you want to tackle that one or do

**Erik Thomson** [00:47:55] they know that sounds like your area?

**Matthew Deaner** [00:48:00] No numbers and money. Okay, so I showed it to Jared, who is someone who's been supporting the industry through the Industries Media Fund, which has made it super. What made you super do? There's a there's a borrowing scheme essentially that maybe a super underwrites in different ways to be able to help provide liquidity to businesses that wouldn't otherwise be able to get the money to basically start to put the projects together, to then fund all the people on set to create the work and then they get paid back. So there's kind of a way of having an opportunity for the industry to be supported through super, which is not a bad thing. And it's a way to reassure people. It's a very riskless exercise for anyone that easy. So it is a balancing thing. Look, what other sort of support can happen? I think that is obviously a conversation directly with government that people need to have about either the street three or four triggers that support the industry. One of them is this regulatory framework and making it fair and reasonable across lots of businesses that are supplying content to Australians. So if want to have a fair and level playing field and honest conversation about why you're doing this, let's do some of this then. Is the conversation about the degree to which a national broadcasters is supported by government and people. If they care about the ABC and SBS is institutions, they can also be forthright with the government and say, look, these are really important institutions. I think those people, Australians best really do that. The national broadcasters, because they are critical to developing and working with the sector, is a sort of a baseline of investment. And Eric's talked about his experience and aftertaste. That's probably as many examples where they lead and talent grow and then they end up on lots of different services. And the other two conversations are about the the financial investments. One of them is through Screen Australia on a federal level. But every state government also has little pockets of money that the South Australian Film Corporation probably is friends with, with Eric, because that's a bond that you make people realising that when those institutions operate well, they are curating talent. They're kind of working behind the scenes and helping to develop an industry. And for all the benefits that come and is also the final point is a tax credit that is given to both to international productions that come to Australia, but also to Australian productions. And that is a way of, as I said before, to the day, risking some of the projects and part. But it also builds money. Domestic and international projects all have international money that come to them from other other parts of the world. And they often need that trigger of someone going, well, this is first, there's money on the table here. All right. The security in us putting in some money here and here and here that

builds the project up because otherwise you're dealing with the spike R&D exercises usually that are potentially fraught. You don't always know that a show is going to work. And we don't often talk about the ones that don't work. But in fact, Australia's very lucky because most of the shows work quite well. And yeah, I think

**Ebony Bennett** [00:51:36] I was just going to say I'm ARINC. I just want to pick up on that idea of talent that Matthew was just talking about. We've got a question in here from Rachael. He says, it seems like Australian TV acts as a bridge for a lot of actors to then get into larger scale films in Hollywood and elsewhere. We've obviously seen a pipeline of neighbours and home and away stars. But how important is a strong TV industry in terms of them crossover into film and other areas for things like making sure you've got all the crew well trained and supported, as well as a bridge to to bigger things?

**Erik Thomson** [00:52:18] Well, it would be great if those bigger things were here. Really, that's that's the big thing, is that I think the ceiling, if you get to a certain point and of course, America is a massive brain drain where people head over there, they get to a certain point here. They want to go over there. And as we saw during the pandemic, a lot of the L.A. based Australian actors all came back to Australia and have been working here quite consistently for the last year or so. But I think obviously, you know, I suppose our business I think it's a maturity thing. I mean, I when I was a young director, I see things as stepping stones to something bigger. You know, maybe if I do that, maybe I'll get an opportunity over here. And the longer I've done it, the more I realise that they're not stepping stones. They're experiences that I want to I want to make the most of. So I'm not I'm no longer thinking about, you know, what might what might be generated out of the work. It's more just a case of, you know, I came to Australia from New Zealand. I was I was cast in the production over here and from Australia represented in many ways. What America represents for Australia now is just a bigger area to expand and for more opportunities to to be developed. So I think it's I think to bring it back to what we're discussing with the streamers and funding and everything, I think if there was a more consistent pipeline of funding and productions that are that are being made here, then you wouldn't lose people as quickly as you do. And on that note, too, I think it's important that that if there's a lot of pressure on productions these days to, you know, you might get Australian writers, Australian directors, Australian crews, Australian production companies, and then you get to casting and it's like, oh, we need some American swimming, we need some Brits. We need to to give this production a bit more kudos, a bit more international sensibility. And I think at that point, and it happens all the time when you suddenly get the leads cast out of the UK or the leads cast out of America, I think from standing up for the actors at the moment, it really would be great for us to push through because again, and someone mentioned in the chats about, you know, we talk about the Muriel's weddings and stuff and they were a long time ago, but they did create they didn't take unknown actors and make them the Toni Collette and Rachel Griffiths. You know, they took the basil and they made him the international star that he is, that they were unknown people. There were simply good and good at telling their stories. So I just think that it's yeah, we just need more opportunities and consistency. And I think and that's hopefully what we're trying to get out here with, with increasing the. Yeah. The the responsibility of the streamers to perhaps put up some cash. And that's the government's responsibility to make those systems workable.

**Ebony Bennett** [00:55:07] Yeah. Just quickly, Matthew, I've got a couple of questions here about what the rules are around children, television and local content and advertising and things. Is there anything special there that people should know about

**Matthew Deaner** [00:55:23] if they should know that there are zero rules to deliver kids content now in Australia to Australian audiences, which is really quite surprising. What happened was that there had been rules for seven, nine and ten to deliver content and then the start of the year they were removed as a specific children's obligation. So and there hasn't been obligations on national broadcasters ever to really actually have to deliver local content to local Australian content to it, to Australian audiences. And we think that that's a it's a big problem because, as you mentioned, you tapped into it the the concern and it's been a concern that I've worked at government agency. And that concern was very evident right from the start, that people want the children to have an experience of understanding a story they want to place because they want the Bluey's. They want the, you know, in the day round, the twists or Henderson kids or whatever it was that we're watching. And so I look at this is it goes to the heart of whether the rules that need to be put on to the streaming service need to have a part set aside for audience content that's Australian, that is aimed at children and targets and has the Australian children's voice, and that appeals to that level of development and understanding. Because what generally happens is that this is it's a risky exercise we're talking about because it's got money and people children's content can be seen as an even more riskier exercise because it's potentially a smaller market. It may not work and. Your point about advertising, the Christian right was rising, is that part of the reason it hasn't been a particularly promoted exercise on commercial television is that there are strict rules around how you advertise in that environment and so that they would easily monetise. And is the pressure on seven out of 10 has mounted as a business, they've wanted to remove the obligations. Are insurance going to because it's it's a hard thing to make money from. That means, of course, you haven't got children's content where they're going to go. They're going to go to YouTube, which is full of advertising. So I think we need a space. And with the ABC having said that, they don't regulate, it's not very good. They do do this voluntarily and they do a great job. And and I G'day particularly as well, has been doing so great indigenous kids stories. But again, we're talking about the safeguards in the system that stop us in a long sense, having to doubt whether or not a management person will change this or commissioner and Netflix will not like us. So all that money has to be sort of big from its long term planning that we're trying to deal with at the moment as a tectonic shift happens. And I need to contextualise for one other point that I think is really interesting is that we had a really burgeoning and exciting production industry when we kicked off right. In the 1920s. And as structural changes happened around cinemas and they were owned and bought by foreign interests, usually they started to put in their own productions. And when broadcasting started in Australia in the 60s, we could sort of take control of that environment is basically when the cinemas are showing this. We do know now that basically we've got the same challenge where you've now got systems coming into the market, like whether it's Disney or Netflix, but you've got to create a space for Australia in those environments where everyone's watching.

**Ebony Bennett** [00:59:14] And I know people are saying that some of the movies I cited were older, but I've certainly loved the idea that Blooey has bestowed upon international audiences the lexicon of a tactical way and instead of a crossword. So I'm hoping that goes out into the universe far and wide and certainly in in my family with my niece, my nieces. Thank you so much, Matthew and Eric, for joining us today. Thank you, everyone, for your wonderful questions. I'm sorry we didn't get to them all, but I know the Australia Institute is really interested in making sure we've got a strong arts and entertainment sector. So I'm sure this won't be the last webinar that we do on this issue next week. Please join us for a big week of climate change webinars. On Tuesday, we'll be talking to So Griffeth the Victorian minister, Lily D'Ambrosio and the New South Wales

Energy and Climate Minister McCain about rewiring Australia. And on Wednesday, we'll be speaking with the prime minister of Samoa as part of an overall Pacific climate dialogue. So, please, you can find those up on the website and and join us for those next week. That's, of course, as we head to Glasgow. Thanks so much for joining us today, everyone. We hope to see you next week. Thanks again to Eric and Matthew. Stay and get vaccinated as soon as you can and binge watch as much TV as you need to to make it work again.

**Matthew Deaner** [01:00:41] Thanks, everyone, for a technical way. Thank you.

**Ebony Bennett** [01:00:45] Bye.