



14 April 2022

Streaming Services Reporting and Investment Scheme Consultation
Department of Infrastructure, Transport, Regional Development and Communications
GPO Box 2154
CANBERRA ACT 2601

via email: content@communications.gov.au

Dear Sir/Madam

Discussion Paper – Streaming Services Reporting and Investment Scheme

We support the implementation of the *Streaming Services Reporting and Investment Scheme* (the Scheme) to ensure streaming video on demand platforms (SVODs) are fostering Australian content to reflect an appropriate level of Australian identity, character and cultural diversity. It is crucial the Scheme provides for adequate protections and capacity building opportunity for small business content producers. As such, we provide the following comments.

- 1. The proposed threshold for local investment of 5% is low by international standards. Our submission to the Media Reform Green Paper highlighted comparable international jurisdictions requiring greater investment in local content creation. While the discussion paper highlights an increasing collective year-on-year investment from SVODs, this low level of ongoing expectation may impact future investment levels in local content, and provides limited scope for capacity building contracts for small Australian content producers. To assist the Scheme in supporting capacity building opportunities, we recommend the investment rate be geared to ensure the commissioning of new Australian content and ensuring local independent producers are engaged.
- 2. The Scheme relies heavily on Ministerial discretion with limited regulatory requirement for investment. The high level of Ministerial discretion within the proposed Scheme may create uncertainty through the industry. This lack of clarity regarding the ongoing investment by SVODs in local content may drastically reduce the confidence of small business content producers to invest resources in the development of new projects.
- 3. We remain concerned that the proposed Scheme does little to address the power imbalance between SVODs and producers. With survey data indicating that 49% of independent screen producers cite "broadcaster bargaining power" as the most common challenge faced by the industry¹, we recommend the Scheme include minimum terms of trade and appropriate external dispute resolution mechanisms between commissioning companies and producers.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Mr Cameron Dyson-Smith on 02 5114 6105 or at Cameron Dyson-Smith@asbfeo.gov.au.

Yours sincerely

The Hon. Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

¹ Deloitte. Screen production in Australia: Independent screen production industry census. 2019. Page 25.