



**Senator the Hon Stephen Conroy  
Minister for Broadband, Communications and the  
Digital Economy**

**Deputy Leader of the Government  
in the Senate**

**Screen Producers Association of Australia  
2009 Conference**

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15 mins

Thanks, Geoff [Brown, executive director of the Screen Producers Association of Australia].

It's a pleasure to be with you for lunch today, at the end of what I hear has been a very stimulating conference, and one that comes at a time when the Australian screen production sector **is in great shape**.

As I'm sure you're all aware, figures released by Screen Australia earlier this month demonstrated a very strong year for local production activity in 2008-2009, **well above** the five-year average.

The Drama Production Survey reported 38 features, 653 hours of television and nine foreign projects that had post production, digital or visual effects work in done Australia, with a combined value of **\$688 million**.

That's a significant contribution to our economy, but an even more important contribution **to our culture**.

The survey highlighted an estimated Australian Government contribution of \$23 million to 17 features and \$31 million to 26 television dramas **through the Producer Offset**.

The Rudd Government is absolutely committed to supporting Australian content, whether for cinema, television or the many new content delivery platforms that are **blossoming** in the digital media age.

I know many of you have strong feelings, and some concerns, about the protection of Australian content in the multi-channel, **multi-platform world**, and I'll talk about that a little later.

But first I'd like to outline some of the exciting programs the Government has successfully put in place in our first two years in office – achievements that we believe will have a **very positive impact** on the screen production sector.

In this year's Budget, we provided the ABC with the biggest funding boost it has had **since incorporation** in 1983.

Over the next three years, the Government will maintain the ABC's base funding in real dollar terms and provide an additional \$165.3 million of **new funding**.

This funding will, among other things, enable the ABC to provide a dedicated digital children's television channel and a **vastly increased** amount of **new Australian drama**.

Of course, it was one of Labor's election commitments to increase **original Australian drama** on the ABC.

The current drama requirement for commercial television broadcasters equates to approximately 90 hours per annum of first run Australian drama – and let me assure you **we have no plans** to decrease that.

In contrast, under the previous government's budget cuts, the level of Australian drama on the ABC **fell** to less than 20 hours per year in 2007 – that's around **20 per cent** of the minimum requirement of commercial TV.

I'm delighted that we were – in the middle of the most significant global economic downturn in 75 years – able to deliver this fantastic outcome for the ABC – **and for independent producers.**

The ABC now has a direct injection of funds to allow it to commission high-quality, original drama from Australia's **talented and passionate** screen production community.

By partnering with the independent production sector, the national broadcaster can maximise its funding and ensure

that it showcases the **best** of Australia's creative talent in a **wide array** of drama programs.

I'm sure that most, if not all of you here are ready and waiting **with a pitch** for Kim Dalton and his team once the commissioning work is in full swing – *if you haven't already collared him over the last couple of days!*

I'm equally pleased that we were able to support the ABC's plans for an advertising-free, digital children's channel, ABC3, which will be launched here in Sydney **two weeks from now**.

In 2008-2009, the Australian production sector created 15 combined children's titles, equating to 161 hours of **new** Australian children's programming.

Producing high-quality children's content is something the Australian production sector does **particularly well**.

Australian kids' shows are broadcast all over the world, and punch **well above their weight** in terms of international recognition and awards.

But as you all know, getting an independent production up without a pre-sale to an Australian network is **nigh on impossible**.

ABC3 will obviously be the number one destination for children's TV producers seeking a home for their ideas.

The ABC has indicated that ABC3 will deliver 15 hours of children's programming per day from 6am until 9pm, **commercial free**.

Crucially, the ABC3 is aiming to include a minimum of 50 per cent of Australian content **across all genres** by around the third year after its launch.

That will eventually equate to over two and a half thousand hours a year of **Australian made kids' programs** on the national broadcaster.

Again, I'm sure many of you here are **well advanced** in your plans to pitch ideas for new children's programming to the ABC.

*In fact, I'll be surprised if Kim gets out of here without a few cuts and bruises from the rush!*

Of course, SBS also received new funding in the Budget - \$20 million over three years to support an increase in its Australian-produced **multicultural** television programming.

SBS has commissioned some fantastic programs from Australian producers recently, including ground-breaking dramas like “East West 101” and “The Circuit”, and the **landmark** documentary series, “First Australians.”

The Government demonstrated its support for local content on SBS with its funding boost this year – the biggest SBS has had for around **five triennia**.

We hope this funding will enable SBS to commission more of the kind of challenging programming it has invested in recently – programs which show the real Australia, **in all its diversity**.

Speaking of diversity, perhaps the **most diverse** production sector in Australia is that represented by **community television**.

Community TV in Australia is the **unsung hero** of local content, producing more than 100 hours a week of local programs across the country.

As you may know, when the previous government introduced digital television in 2001, **all** commercial and national stations were given the spectrum and support to commence digital simulcasts.

Unfortunately, community television was left **marooned** on analogue.

Before the last election, I made a promise to community TV that the Labor Party placed a high value on its role in the Australian media sector, **and we would not leave it behind.**

I am delighted that we have been able to **keep this promise.**

Just two weeks ago we announced a **pathway to digital** for community TV.

The Rudd Government **greatly values** the role of these broadcasters.

They form an essential part of Australia's media landscape, and provide an **important voice** for people and communities who otherwise may not be heard.

Some of the programs are a little rough and ready, but they're **genuine Australian programs**, produced with

passion and commitment by a hugely diverse array of volunteer producers **and emerging talent**.

Community TV is a fantastic training ground for future media professionals, and a platform for the broadcast of some really creative **and original** Australian programs

I'm delighted we have found a way to bring them with us **into the digital age**.

Of course, Australian productions are not only important on national and community TV – the protection of Australian culture and the preservation of media diversity require that **commercial broadcasters**, as well, **play their part**.

As you know, the Government protects the amount of local content on Australian commercial television, and stipulates a minimum of new Australian drama and other local content, through a **variety of regulations**.

The *Australian Content Standard* ensures that there is a substantial amount of Australian content available on free-to-air TV by placing a **55 per cent quota** on broadcasters.

The *Australian Content in Advertising Program Standard* requires that at least 80 per cent of advertising screened on free-to-air television **is produced in Australia**.

Pay television providers are also subjected to Australian content regulation.

At least 10 per cent of their total program expenditure **must** be on **new Australian drama**.

There's also the all-important "points system," which requires commercial broadcasters to invest in original Australian scripted programs – something the pressures of economic forces **might otherwise prevent**.

Television is currently undergoing a massive change in Australia as we progressively **make the switch** to digital-only broadcasting.

The previous Government's inaction on digital television left Australia **lagging** behind the majority of the developed world.

The Rudd Government recognised that a firm switchover timetable is important to give certainty to industry **and consumers**.

That is why, upon coming to Government, we announced the **firm date** for the completion of switchover – 31 December, 2013.

**Later today**, the Government will formally register these switchover dates, and they will take legal effect from tomorrow.

Mildura and the Sunraysia district of Victoria will lead switchover, turning off analog by 30 June 2010 followed by a **phased transition** to digital-only television for the rest of the country.

Major capital cities will be the last to make the switch, by 31 December 2013.

Digital television offers improved picture and sound quality and greater program choice with access to **new digital channels**.

There are already **more than double** the number of channels available digitally than in analogue.

I know many of you are concerned that, as we move to digital-only television, the level of Australian content on free-to-air television **might not be protected**.

So far, the digital multi-channels have not been subject to the *Australian Content Standard*, and I know many of you are concerned to see them launch with **so much** overseas content.

While the Government is committed to preserving Australian content, we also recognise that, for commercial broadcasters, rolling out a suite of new digital channels in four years is **a technical and economic challenge**.

Getting these channels to air is vital to achieving digital switchover – as those in this room know better than most, it is content that drives take-up, and new channels **have to offer attractive programs**.

That's why I firmly believe that Australian audiences will **demand** Australian content on all the many, varied channels they will come to take for granted in a few short years.

After all, the most highly rated drama program in Australian history was an Australian production that went to air on a commercial network **this year** – I'm talking, of course, about *Underbelly* on Channel 9.

And, on Channel 7, *Packed to the Rafters* is out-rating every international program its competitors can throw at it, regularly achieving the kinds of ratings figures that a few years ago seemed **confined** to big sporting events.

Australian audiences want to see Australian stories **on screen**, and I can assure you that the Australian Government **shares this desire**.

But “**on-screen**” doesn’t just mean television anymore.

The digitisation of content and emergence of new delivery platforms enables consumers to receive content through a range of media, including **online, broadcast and mobile**.

The Rudd Government’s planned investment in the National Broadband Network will have a profound effect on the way Australians are entertained and informed **over the coming decades**.

High-speed broadband has the potential to revolutionise the way film and TV content is **delivered and consumed**.

The building of the NBN, which now underway, will **significantly enhance** the experience for content consumers – *or audiences, as we used to call them in the analogue age!*

High-speed broadband will create an explosion of choice, allowing people to choose to access a **broader range** of content online.

The NBN will be an enabling platform for a whole range of new content business models and **opportunities** for generations of producers to come.

Already free-to-air and subscription broadcasters are increasingly making their programs available online, **including Australian drama.**

As you know, there are no Australian content requirements specifically applicable to delivery of programming **via the internet.**

Along with the exponential growth in channels available on broadcast television created by the switch to digital, the creation of the NBN is a **game changer** for your industry.

In response to these changes the Government will **need to consider** the degree to which existing regulatory settings for audiovisual content – including those dealing with Australian programming – **remain relevant.**

In our discussion paper on telecommunications reform for the 21<sup>st</sup> Century, the Government flagged its appetite to consider the **overall regulatory framework** for communications services in a converged environment.

I'm sure you will all agree that consideration of these issues is **extremely important** if we are to maximise the cultural and social benefits of digital television and the NBN, as well as the economic ones.

The challenge facing the Government, and indeed content creators and distributors, is how to ensure that quality Australian stories are **widely available** in the future.

I know that all of you here have strong views on this challenge, and I look forward to hearing your ideas when we commence a review of convergent media regulation – a review that is **crucial** to the future of Australian content.

I can assure you that the Government has **no desire** to see Australian cultural content swamped by a massive influx of **cheap, overseas programming**.

We're investing in the enabling infrastructure so that you can tell your stories to **more** people, in **more** formats, **than ever before**.

This is a huge opportunity for this sector to provide the content to send down the pipes and over the air, to ensure that the revolution in Australian media and communications **remains Australian at its core.**

Your expertise and knowledge of the issues facing us as we undertake this journey will be essential, and I know we'll have many **fascinating conversations** in the coming months.

Let me close by congratulating you all once again on a fantastically successful year, in which you brought us some of the most challenging, **and popular**, film and television we have seen.

I look forward to seeing your ideas come to fruition on the many new channels we're seeing on Australian television, on our cinema screens, on our mobile 'phones and **broadband-linked screens** in the years ahead.

It's a truly exciting time for the screen production sector, and I'm thrilled to be on the journey with you.

Thank you.