

LevelK—a part-time, six-month internship—has resulted now in a full-time ongoing role. She in fact is in Cannes as we speak. That position would never have eventuated and that person would not have got that sales and distribution experience—and sales and distribution has always been dominated by men—without the program. The fact that LevelK engaged her so quickly after that internship shows that it is getting traction, which is good. We will have more updates and relevant stats and analysis—because we are looking at these things very carefully—at the Melbourne International Film Festival 37-degree South Market in early August.

Senator LUDLAM: Welcome back, Ms Cameron. I have a ton of questions about the Australian games and digital arts industry that I would love to put to you, but I fear I am going to need to put them to Senator Fifield, because I do not think Screen Australia currently has any formal responsibility for funding that sector. Senator Fifield, why is that?

Senator Fifield: There was a previous decision of government that I think related to a program you had a particular interest in.

Senator LUDLAM: It was not just me who had the particular interest.

Senator Fifield: No, but I am just acknowledging your interest.

Senator LUDLAM: Let's be clear. Does Screen Australia have any other capacity or capability for funding digital arts or the games industry?

Ms Cameron: No. Subsequent to the cessation of that program, we removed ourselves from it.

Senator LUDLAM: Minister Fifield, I will put the balance of these through you because, in the absence of support from the industry, I have got to go through you. I have got some requests to make of you. Firstly, are you aware of an open letter that Mr Ron Curry, who is the CEO of the IGEA, the Interactive Games and Entertainment Association, wrote to you yesterday?

Senator Fifield: I am aware of it.

Senator LUDLAM: Are you roughly across the content? Is it okay if I ask you some specifics?

Senator Fifield: Yes.

Senator LUDLAM: Why is this sector specifically excluded from qualifying from government funding?

Senator Fifield: Do you mean in terms of Screen Australia?

Senator LUDLAM: Anywhere across the public sector, there is no ability to apply for a tax offset. There is no fund, which was what you were alluding to before. There is nowhere for people to go. There are some scraps of state and territory funding out there but nothing from the Commonwealth, and I do not understand why.

Senator Fifield: There would, in the industry portfolio, be some supports for industry in the broad, not specific to gaming. Some of these businesses and enterprises would be eligible for consideration.

Senator LUDLAM: Can you give us an example of what you might mean?

Senator Fifield: There are various business start-up supports in the industry portfolio.

Senator LUDLAM: I can pursue that kind of stuff with industry?

Senator LUDLAM: Yes.

Senator LUDLAM: Do you think the Department of Communications and the Arts is the right place for responsibility for this sector?

Senator Fifield: I think so. In that open letter, I read that, when Communications and the Arts came together, that part of the industry thought that was a good thing. They thought this was the natural home.

Senator LUDLAM: So did I. Do you, as minister, agree?

Senator Fifield: I think it is an appropriate place. While of course there will always be general government policies, I think it is appropriate that they feel that this portfolio is one that has an interest in them.

Senator LUDLAM: But they do not.

Senator Fifield: Sorry?

Senator LUDLAM: I am sorry to break this terrible news; they do not feel that at all. There are two examples given. You gave, I understand, an otherwise excellent keynote to the Australian content conversation conference. Mr Curry's letter says you spoke about audiences turning away from the traditional linear content models, and about children growing up with Australian content.

It feels as though you were speaking directly to this constituency of incredibly technically and artistically talented people without actually referencing them directly or coming up with anything to provide any kind of

sector support to the industry. I am not coming at you with any hostility at all; I am genuinely baffled as to why this is. Is it a generational thing? What is actually going on?

Senator Fifield: You and I have spoken a couple of times briefly about the concerns of that part of the industry. I have indicated a willingness to have a look. I would point to the content review, which we have announced.

Senator LUDLAM: Is that with ACMA?

Senator Fifield: It is the combined Screen Australia and ACMA Australian content review.

Senator LUDLAM: Minister, you also delivered the keynote at that announcement and also managed to not mention games again.

Senator Fifield: I would welcome submissions to that review.

Senator LUDLAM: People are listening to this hearing. Would you welcome submissions to that review?

Senator Fifield: I would welcome submissions.

Senator LUDLAM: That is a good start. It has been now 391 days since the unanimous recommendations of the Senate standing committee into this industry. We did really good work. We had really impressive buy-in by some of your coalition Senate colleagues. Some of them, I think, were seeing this industry for the first time. Whether you are coming at it from an artistic perspective or from a trade and industry perspective, the industry put on a very impressive show, and we got some really strong recommendations out of that report. You are no doubt aware of it. Why has there been 391 days without any hint of a government response since we handed that down? When can we expect one?

Senator Fifield: As you would know, the recommendations do relate to a number of different portfolios, so there is a process where draft responses are worked through with the different portfolios. That process is still in train.

Senator LUDLAM: Can you talk me through that process. I am obviously not going to try to draw you out on cabinet considerations, but what is the formal structure of the process you have underway to produce a response to that report specifically.

Senator Fifield: I will ask Mr Eccles to talk through that.

Mr Eccles: I understand that the report was finalised in late April or early May 2016.

Senator LUDLAM: It is starting to seem like a long time ago.

Mr Eccles: The election obviously took place, and after the election, once the government was formed, we in the department spoke with the Treasury, Austrade and the Department of Industry, Innovation and Science to try to establish some advice to the government on a possible government response.

Senator LUDLAM: That is great. Mr Eccles, before you go on, do you have the lead on that process? Who is actually running that?

Mr Eccles: Yes, this department does have the lead on that.

Senator LUDLAM: No, is it you personally? Or is it somebody within the department?

Mr Eccles: It is someone within my team; yes, certainly.

Senator LUDLAM: I am not asking you to name names—I am not sure that is appropriate—but who within the department, where within the organisational chart?

Mr Eccles: It is in the office for the arts.

Senator LUDLAM: The office for the arts.

Mr Eccles: Yes, it is in our arts division.

Senator LUDLAM: At what level?

Mr Eccles: In effect, it is a shared responsibility. Ultimately, I have oversight of it, but it is—

Senator LUDLAM: Again, sorry, just to cut it short, because I know we are a little bit on the clock, I am not asking you to name an individual; I am not even sure I could do that. But—

Mr Eccles: We have got a—

Senator LUDLAM: is there an individual whose job it is to draw together that response and coordinate it?

Mr Eccles: Amongst other things, absolutely. There is a team of people in the office for the arts that will be doing this work along with other elements of work. So we have been working with those departments. We went out to them earlier this year with a draft response, and we have since finalised that draft response.

Senator LUDLAM: There is a finalised draft response. It is not every day you learn something new in estimates, but today is one of those days. What happens next?

Mr Eccles: It gets submitted to the government for consideration.

Senator LUDLAM: Has that occurred yet?

Mr Eccles: Yes, it has.

Senator LUDLAM: It is on Senator Fifield's desk.

Mr Eccles: But it has not been there for very long at all. It is only very recent.

Senator LUDLAM: This is excellent. Senator Fifield, have you had a chance to read the draft yet?

Senator Fifield: I think it might have arrived last week.

Senator LUDLAM: I am sure it has been a busy week with the budget and all, but have you at least looked at the table of contents and the executive summary?

Senator Fifield: It is there, and I can visualise where it is on my desk, so that is where it is.

Senator LUDLAM: Jokes aside—

Senator Fifield: That is more than you were expecting to get.

Senator LUDLAM: It was more than I was expecting to get—that is exactly right. Within reason, how long do you anticipate it is going to take before the Senate sees the government's response?

Senator Fifield: I cannot put a particular time frame on it.

Senator LUDLAM: I am not asking you to set a stopwatch, but would it be days or weeks or months?

Senator Fifield: No.

Senator LUDLAM: It has been 391 days, and there is an industry out there that is ready to make a massive contribution to Australia, even if all you are interested in is the economics.

Senator Fifield: While there is the draft there, it still has yet to go to clearance in other portfolios. That is a stage that still has to occur.

Senator LUDLAM: So multiple copies of the draft fan out. You have the lead for it, Senator Fifield, but who else gets a copy—Treasury? Industry?

Mr Eccles: And Austrade. Treasury, Austrade, Industry.

Senator LUDLAM: Do you have any contact, or is it part of the process to make contact, with anybody outside the Public Service? For example, do you talk to any of the people who made submissions that informed the work of that committee?

Mr Eccles: I might just get someone who has been involved in this a little bit longer than me.

Senator LUDLAM: Brilliant. Thank you.

Ms Allan: Lyn Allan, Assistant Secretary, Creative Industries.

Senator LUDLAM: When a government or the Public Service is formulating a response to a Senate committee report such as this one, do you ever seek guidance, input or feedback from people who might have made submissions to the source inquiry?

Ms Allan: I think that would depend on the inquiry.

Senator LUDLAM: How about this particular one?

Ms Allan: For this inquiry in particular, we did not go out again.

Senator LUDLAM: Okay. That is kind of a shame, but I guess that is just a matter of my opinion. So then that goes out to various ministers and then it is fed back through you, Mr Eccles, or is it resolved at the ministerial level from that point once you have handed it off?

Mr Eccles: I would imagine that the process is that, once Minister Fifield is comfortable with the directions of the report, we would ensure that other ministers were given an opportunity to look and consider as it impacts on their portfolios as well.

Senator LUDLAM: Is there any good news in the draft report, Senator Fifield? Is there anything people should be holding out some hope for—just the vibe of the thing?

Senator Fifield: It is difficult to convey vibes in the context of estimates. We are on broad—

CHAIR: I have to say talking about vibes is probably about as close as you are getting into this particular item at the moment. You take a little bit of licence in terms of the topic, Senator Ludlam.

Senator LUDLAM: Yes, everybody is being very patient. But this is important. When Prime Minister Turnbull took office, reading through the first few speeches and indeed some of the language that you have used since you have been in the Arts portfolio, Senator Fifield, has been as though you were describing this sector by name, and yet they keep getting stomped on. That is why I am being so persistent. You have not given us an undertaking as to when it will be, but obviously we have just gone through a budget and there is nothing for the sector. Does that mean that there is no expectation of any financial support that could impact on the budget until 2017-18?

Senator Fifield: I cannot speculate on what future decisions may be.

Senator LUDLAM: What about current decisions?

Senator Fifield: I cannot speculate as to what future decisions may be.

Senator LUDLAM: Okay. I will wrap. Thank you very much for providing me with more information than I anticipated. There is a huge constituency of people out there who will vote for the guy who throws some support underneath this industry, which it deserves.

CHAIR: Ms Cameron, one final question if I could. In relation to my own home state—in fact, our home state—I just wonder if you could give us a bit of an update of what is happening in the industry in WA. There is obviously a lot happening. Are you able to give us state specifics, or would you like to take it on notice?

Ms Cameron: Probably on notice. As you rightly say, WA is a bit of a powerhouse, particularly with feature films and documentaries as well. I know there have been a number shooting in WA over the last little while. Of course I was in Busselton this time last year, when *Jasper Jones* had its preview, and of course it was shot not too far away from that location—a wonderful backdrop to that program. There are a couple of other features filming there, but it would be great if I could put a little bit detail on notice.

CHAIR: That would be lovely. I will pre-empt Tasmania, so maybe you could give us a state-by-state breakdown that we could share with our colleagues.

Ms Cameron: Not just the capital cities but the regional centres around Perth and Hobart have been extensively on screen. Certainly one of my favourites lately, *Rosehaven*, is showing up Tasmania particularly well and beautifully. It is really lovely to see.

CHAIR: Thank you very much for appearing here again, Ms Cameron. We look forward to welcoming you back.

Australia Council for the Arts

[12:38]

CHAIR: Welcome back, Mr Grybowski. It is good to see you again, and Mr Blackwell. Would you like to make an opening statement?

Mr Grybowski: No, thank you.

CHAIR: I will go straight to Senator Urquhart, then.

Senator URQUHART: I want to get some clarity on the funding that is being restored to the Australia Council and the expenditure. We have now seen the actual amounts that have been returned to the Australia Council in this year's budget and across the forward estimates from the closure of Catalyst and the transfer of the Major Festivals Initiative and Australian World Orchestra. From those figures, can you update the amount of uncommitted funding in total and over each of the four years from 2017-18, year by year, that is available to the Australia Council to support the small to medium sector.

Mr Grybowski: The amount of uncommitted over the four years is \$25.8 million. I think I said at the last hearing that that would obviously be phased in and transitioned as the commitments made through the Catalyst program would conclude.

Senator URQUHART: What is the time frame for the phasing in?

Mr Grybowski: It is over four years, but the commitments are largely in 2017-18. We see a modest increase in 2017-18, with—

Senator URQUHART: Can you tell me what those figures are? Do you have the figures for those four years?

Mr Grybowski: They are dependent on the final round of Catalyst, which is still under consideration.

Senator URQUHART: So you do not have the breakdown of the uncommitted funds for those four years?