

NATIONAL POLICY PROPOSAL — COMMONWEALTH OF AUSTRALIA

National Australian Production Fund

A proposal for Australian screen sovereignty, cultural export growth, and long-term industry stability.

“Australia does not lack production — it lacks a sovereign pipeline for Australian-owned stories.”

\$300M Annual fund allocation p.a. from Year 1	1.5–1.8× Indicative value-add per \$1 of activity (Deloitte / SAFC)	20–30 Australian original productions p.a. from Year 1	0.038% Of federal expenditure (\$785.7B budget)
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2026 · Prepared for Government Distribution · Revive 2.0 Submission

SUBMISSION CONTEXT

About This Proposal

This proposal is submitted to the Australian Government's New National Cultural Policy consultation (Revive 2.0) for consideration as a priority action. It has been developed by Charles Jazz Terrier (FANTOME). The structural problem it addresses is documented in the screen sector's own published words (see below); no endorsement of the NAPF is claimed or implied.

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The Sector's Own Words

The structural problem this proposal addresses is documented in the sector's own published words. The statements below are **publicly relevant statements**, quoted accurately from published sources — not endorsements of the NAPF. No organisation named here has been asked to endorse this proposal, and none is implied to have done so. Formal endorsements, where secured, will be listed separately with written permission.

- **Screen Producers Australia** (Matthew Deaner, CEO, 4 Dec 2025): "Expenditure does not equal resilience — producers are not retaining meaningful rights in the stories they create." (*Publicly relevant statement.*)
- **Screen Australia** (Chair Michael Ebeid, Screen Forever 2025): the agency could fund only 27% of applications, down from 30%. (*Publicly relevant statement.*)
- **Nick Hayes, *Made, Not Seen*** (Oct 2025): Australia is "making more films than ever, but far fewer Australians are seeing each one — a policy-design problem." (*Publicly relevant statement.*)

This proposal is a developed policy concept intended to open government and industry discussion — not final legislation. Detailed settings remain subject to independent economic modelling, legal and taxation advice, First Nations co-design, intergovernmental consultation and industry development. The author welcomes engagement from government, departmental advisors and industry stakeholders on all aspects of the NAPF.

Submitted to Revive 2.0 · Now under Expert Panel review for the New National Cultural Policy · arts.gov.au

EXECUTIVE SUMMARY

Australia's Screen Industry Needs a Sovereign Pipeline

Australia does not lack production — it lacks a consistent, sovereign pipeline for Australian-owned stories.

Australia has a globally respected screen industry. What it lacks is a consistent, sovereign pipeline of Australian-led productions capable of sustaining the talent, stories, and cultural identity that define us. Foreign productions continue to use Australia as a filming destination — but Australian stories remain comparatively under-funded, under-capitalised, and irregularly produced.

This proposal introduces the National Australian Production Fund (NAPF): a dedicated \$300 million annual fund for domestic film and television production, governed by an independent board. The NAPF addresses one specific structural gap: enabling a consistent sovereign pipeline of Australian-led productions at the scale required for international competitiveness. The \$300 million figure is anchored in demonstrated demand: Screen Australia can currently fund only 27% of the applications it receives, leaving roughly three in four assessed, industry-vetted projects unfunded each year — the fund is sized to bring 20–30 of those viable Australian-owned productions to screen annually, within the sector's demonstrated capacity. All IP must be Australian-owned and remain with Australian filmmakers and production companies.

Key Components

- \$300 million per annum, available in full from Year 1 — the full annual slate may be committed from commencement; individual project cash payments occur across production schedules and may span financial years, and committed amounts do not lapse. Subject to a full independent review at Year 5 (maintain at \$300M, scale toward \$400M, or refine)
- An approved production may receive **up to 100% of its independently assessed financing requirement** — pre-production through post-production, marketing and release; external finance is permitted but not a prerequisite for approval
- A production receiving a full NAPF award is **ineligible for the Producer Offset, Location Offset and PDV Offset** on the same production expenditure (proposed policy, subject to legal and taxation advice)
- Australian ownership and controlling rights retained in Australia — incorporation alone is insufficient; international co-productions eligible only where Australian-led, the IP is held in Australia, and the story is Australian
- Independent governance preventing political interference, industry capture and geographic concentration — a recipient-concentration cap (proposed 15%) and a separate national geographic-distribution duty
- The full \$300M is available for approved productions; the reasonable cost of administration is separately appropriated and publicly reported
- Optional private co-investment adds flexibility in how the reliable \$300M is met — it can lower the Commonwealth's upfront outlay (for example \$200M government + \$100M private = a full \$300M fund) or expand the fund above \$300M; never required for launch, approval or annual operation, and the goal is a stable \$300M every year rather than volatile levels; where private co-investors participate they recoup after the producer and ahead of the Commonwealth, which is paid last

“Expenditure does not equal resilience. If Australian producers are not retaining meaningful rights in the stories they create, then this level of production activity does not translate into long-term business sustainability, reinvestment, or cultural sovereignty.”

— Matthew Deaner, CEO, Screen Producers Australia, December 2025

CONTEXT

Why Action Is Needed Now

- Global streaming platforms are contracting local content investment — what looked like a boom is proving structurally fragile.
- Matchbox Pictures and Tony Ayres Productions both closed in 2026, demonstrating that commercial success offers no protection when parent company strategies shift.
- Global competition for screen audiences is intensifying — South Korea, the UK, and India are all scaling investment in cultural content as a strategic export.
- Australian IP ownership is declining as international platforms commission local content but retain the rights — the long-term value of Australian creativity flows offshore.

The closure of Matchbox Pictures in February 2026 illustrates the structural challenge precisely. A commercially successful, NBCUniversal-owned Australian studio was dismantled when its global parent's strategy shifted — thirty full-time positions eliminated and two decades of institutional capacity lost overnight. Commercial success offered no protection: the same year, Tony Ayres Productions — the company behind Netflix's acclaimed, Tasmanian-shot series *The Survivors* — also closed. This is not an isolated warning. While Australian companies remain dependent on strategic decisions made offshore, further closures of hard-won capacity are foreseeable consequences of the current structure.

Streaming content obligations are now in force. The Communications Legislation Amendment Bill has passed, requiring streaming platforms — Netflix, Disney+, Stan, Prime Video and Paramount+ — to invest 10% of their Australian expenditure, or 7.5% of their Australian revenue, into Australian content, effective 1 January 2026. As Minister Burke put it: “We should never underestimate how important it is for Australians to see themselves on screen.” This is a genuine legislative win — but it creates a new problem: there is no domestic production pipeline at the scale required to meet the demand the government has now created by law. Screen Australia funds 27% of applications. Australian titles fell from 89 to 71 in a single year. **The law created the demand. The NAPF is the supply.**

The sector's scale and the audience appetite are both now documented. Screen Australia's *Screen Currency 2026* report (released 19 August 2026) finds Australia's screen and games sector contributed **\$11.1 billion in gross value added** to the economy (2023/24) and **directly employed 68,844 people** (2024/25). It also confirms the demand: **84% of Australians say access to local screen content is important and 75% want to watch more** — yet only 36% find it easy to locate. The appetite for Australian-owned stories is proven; the NAPF is the mechanism to supply them.

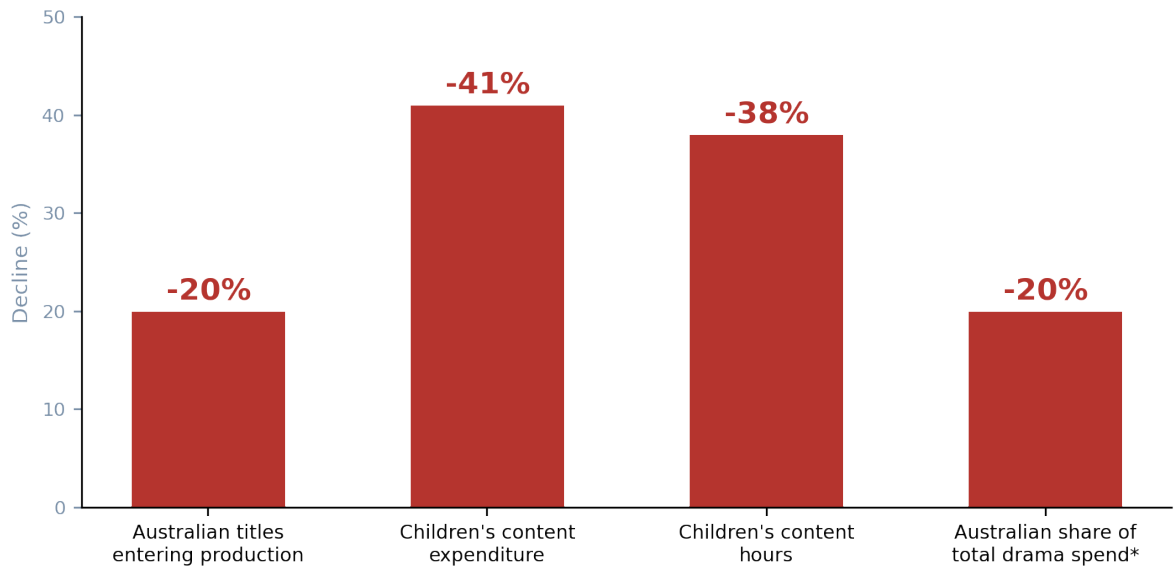
If No Action Is Taken

- Production volume continues declining — Australian titles projected to fall to 40–50 by 2028–30. Australia becomes a service economy for international stories.
- Australian IP continues leaving the country — funding Australian stories that ultimately belong to international platforms. Royalty flows leave permanently.
- Screen talent migrates overseas in search of consistent work, taking skills and experience the Australian industry funded.
- Australia's reliance on foreign production cycles deepens. Further closures and losses of hard-won institutional capacity become foreseeable consequences of the current structure, not remote possibilities.

SECTION 01 — AUSTRALIAN INDUSTRY DATA

The Structural Decline: What the Numbers Show

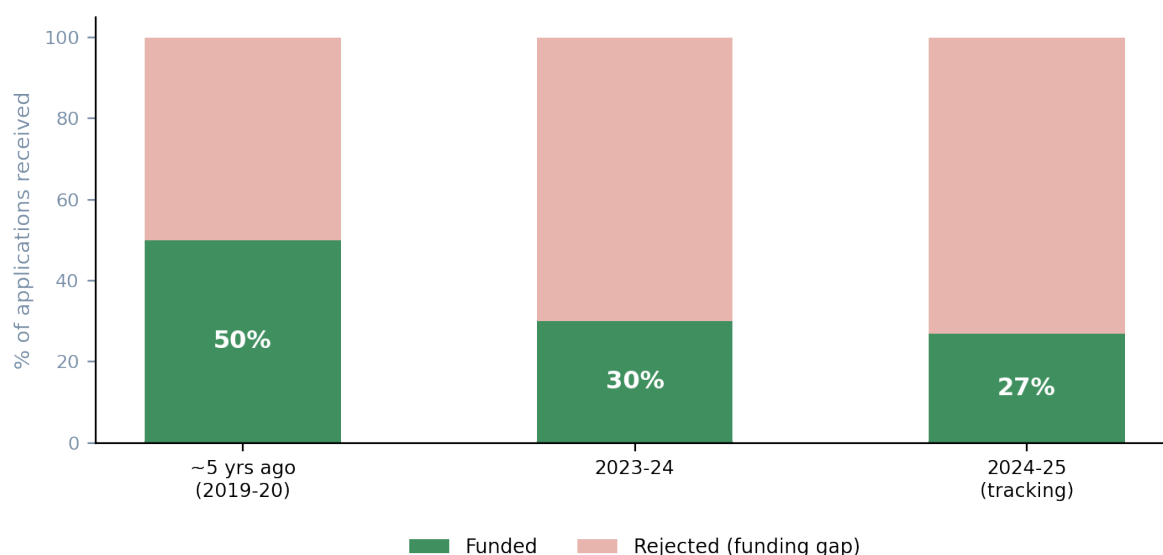
The following data is drawn from Screen Australia's Drama Reports and Screen Currency 2026 report, Screen Producers Australia, and Australian Government impact analysis documents. These are not projections — they are the industry's own reported outcomes.



Source: Screen Australia Drama Report 2024-25 (December 2025). *Australian share of total drama spend fell from 50% to 40% — a 20% relative decline.

Why the Headline Spend Number Is Misleading

- \$1.3 billion — 48% of total spend in 2024-25 — was on 22 international titles, nearly triple the previous year. Local productions now account for less than half of total expenditure for the first time in the industry's history.
- The number of Australian titles fell from 89 to 71 in one year — a 20% decrease. Children's television dropped 41% in expenditure: only 5 titles and 21 hours produced nationally.
- Producers' IP rights are being removed or devalued in commissioning deals — a structural loss that does not appear in expenditure figures.



Source: Screen Australia Chair Michael Ebeid, Screen Forever Conference 2025.

New evidence — the financing gap, confirmed (July 2026): A Screen Australia analysis published this month (reported in Variety and ScreenHub, 9 July 2026) examined 197 narrative production applications from January 2023 to October 2025. It found marketplace financing — presales, co-production partnerships, distribution advances — consistently fails to fully fund productions on its own: presales were used in only **19%** of films, co-production partnerships in just **6%**. This is the most current, directly on-point evidence for the NAPF's core financing-gap argument.

Screen Australia was able to fund only 30% of applications in 2023/24, and its Chair told Screen Forever 2025 the current year was tracking at 27%. The fund is not failing. The demand for Australian production far exceeds what any existing mechanism can support.

The Ownership Gap — The Loss That Never Appears in the Figures

Record expenditure hides a loss the reporting does not capture: the long-term value of the IP itself. Australian producers were commissioned roughly **\$492 million of streaming (SVOD) drama in 2024-25**, and full-finance streamer arrangements commonly require the transfer of **all or substantially all controlling rights** — only 40% of producers now regard their rights terms as fair, down from 74% (Screen Producers Australia). No official figure exists for the value this exposes to offshore transfer; SPA describes it as “currently unmeasured.” On a transparent, deliberately conservative first-order estimate — valuing that content at a floor of one times its production cost as a retained library asset — the indicative annual Australian ownership-value exposure is approximately **\$0.5–1 billion**, roughly **\$5–10 billion over a decade**. This is not an official measured loss; independent IP valuation is required.

Method (inputs sourced): at-risk pool = \$492M Australian SVOD commissions (Screen Australia Drama Report 2024-25; streaming funds 73% of TV/VOD investment); controlling-rights transfer common under full-finance streamer arrangements (Lateral Economics for SPA, 2023); IP-value factor = 1× production cost (floor) — conservative, given downstream exploitation is ~74% of a film's lifetime revenue (ABN Amro) and content libraries trade at 5–10× annual licensing. A first-order approximation, and precisely the figure the recommended independent modelling (Section 10) should formalise. The NAPF's mandatory-IP condition is the mechanism that retains this value onshore.

SECTION 02 — PROPOSED SOLUTION

One Fund. One Purpose.

The NAPF is straightforward: \$300 million per year from the federal government, dedicated entirely to the creation and production of original Australian stories. There is no budget split between pillars, no ring-fenced sub-funds, and no separate streams. The board has full discretion over annual allocation within the published eligibility framework.

What It Is	What It Funds	Who Decides
\$300M — A Sovereign Production Fund. A dedicated annual allocation from the federal government for Australian-led production across all formats and genres. It is not a conventional grant program or a retrospective rebate; it is an at-scale sovereign production allocation made through enforceable funding agreements. It draws on a principle demonstrated across successful screen economies — stable sovereign support for nationally originated production — adapted to Australia's own legal, cultural and institutional environment. Comparator nations use different combinations of grants, equity, recoupable loans, tax relief, levies, public broadcasters and content obligations; the NAPF is not identical to any one of them. Revive established an Australian content requirement for streaming services and increased the Location Offset to 30 per cent. One created obligation; the other attracted foreign production. Neither built the capacity to originate and own Australian stories.	Up to 100% of the Assessed Requirement. An approved production may receive up to 100% of its independently assessed financing requirement — pre-production, principal photography, post-production, completion and delivery, approved contingency, domestic and international marketing, sales and distribution, and localisation where appropriate. External finance is permitted but not a prerequisite. Not every production receives the maximum requested; all budgets are independently assessed for necessity, market rates, value for money, feasibility and release viability.	Independent Governance. An independent board assesses all projects against publicly published criteria. No minister sits on the board. No ministerial approval is required for individual productions. The government sets the budget. The board decides what gets made.

Working With Streaming Platforms

The NAPF is designed to work alongside — not in opposition to — global streaming platforms. By providing a consistent pipeline of development-ready Australian content, the fund helps platforms meet their now-legislated Australian content obligations while reducing their own development risk.

How a Funded Title Reaches Its Audience

Because the producer retains the IP, they retain the right to license it freely to any distributor, broadcaster or platform, in Australia or abroad, without surrendering ownership. Funding runs through to release and marketing, so a title arrives fully finished and promoted, not stranded at delivery. The streaming content obligations in force since 1 January 2026 mean the major platforms are now legally seeking exactly this Australian content — the NAPF supplies a pipeline of it that platforms can carry while ownership stays home. And because titles are selected with audience and export potential assessed up front, they are built to travel.

What This Means in Plain Terms

- Less than five cents per \$100 of federal spending.
- Keeps Australian stories Australian-owned.

- Supports approximately 2,400–3,600 direct jobs a year — a deliberately conservative estimate — in every state and territory; about 3,700–5,500 once flow-on is counted, and up to ~7,000 at international multipliers.
- Reduces reliance on foreign production cycles and platform decisions.
- Demonstrated across Canada, the UK, Ireland, New Zealand, South Korea, France and Japan through varied national mechanisms — none has reversed course.

SECTION 03 — FUND DETAIL

Annual Production Slate and Eligibility

The fund provides \$300 million annually, allocated to the full production cycle — pre-production, principal photography, post-production, and marketing, distribution and delivery. Development origination and training programs remain with Screen Australia and the state agencies, which the NAPF does not duplicate; within an approved production budget, however, the board may ring-fence a small final-development component to bring a greenlit script to its strongest form (see Design Features). Every approved project receives its independently assessed budget in full, from production through to release. The category splits below are indicative — the board retains full discretion over annual allocation.

Category	Projects	Budget/project	Total	Purpose
Centrepiece productions	2–3	\$50–60M	\$120–150M	Internationally competitive Australian drama and feature film
High-end productions	4–5	\$18–20M	\$80–90M	Premium series and films for Australian and global audiences
Mid-tier productions	5–6	\$8–10M	\$50–60M	Series, features, documentaries for broad Australian audiences
Independent / First Nations	6–8	\$2–2.5M	\$12–20M	First Nations, regional, documentary, emerging voices — assessed by panels including First Nations and Indigenous representatives
Micro / Digital	5–8	\$250–500K	\$3–6M	Short-form, digital-first, experimental, emerging creators

Eligibility Criteria

All supported productions must: be Australian-led with Australian creative control; retain Australian IP ownership; employ a majority of Australian cast and crew; and be developed primarily for Australian audiences.

What This Proposal Is Not

The NAPF does not replace existing incentives. It does not discourage foreign productions. It does not centralise industry power or subsidise individual companies. A production receiving a full NAPF award is ineligible for the Producer Offset, Location Offset and PDV Offset in respect of the same production expenditure: no production receives more than its independently approved financing requirement, so the offsets are neither required nor claimable for that production. A distributor, broadcaster or platform may still add genuinely additional marketing, release or distribution finance, fully disclosed and unable to move Australian ownership offshore. Where a future program provides only partial NAPF funding, interaction with existing offsets must be expressly authorised and capped so total Commonwealth support cannot exceed the approved financing requirement. (Proposed policy — subject to legal and taxation advice.)

Design Features — De-risking, Development and Sustainability

Recoupment and replenishment (recommended, and flexible to appetite). The producer retains the IP and recoups their own investment and a producer's margin at the industry-standard rate first (the margin is tied to the prevailing industry standard rather than a fixed figure, with the exact mechanism set in co-design). Only then does the NAPF share in a proposed 10–15% of net profit (revenue above the point at which the producer has fully recouped its investment and margin), with standard audit rights, returning to the fund to finance future productions. The Commonwealth is paid last — never ahead of the people who made the work, and never as the recoupment-first position that constrained the former Film Finance Corporation. In the core program the order is

simply the producer, then the fund; no third party recoups unless optional co-investment is activated. Over time this reduces the annual Commonwealth contribution required: a fund that increasingly replenishes itself. The mechanism can be adopted, scaled or phased in line with industry and government response.

Final-development component (optional, board-directed). Where the board identifies a fixable narrative or structural weakness at approval, it may, in agreement with the producer, ring-fence a small portion of the awarded budget for final script development, ensuring a greenlit project is at its strongest before principal photography. This does not increase the financing a project requests; it is allocated within the package, only where useful, and is directed solely at strengthening the script — narrative, structure and craft.

Attachments and mentorship (recommended, fully funded). The NAPF encourages, and where useful recommends, two attachments costed within the production budget so they are paid roles: emerging-creative placements (director, producer, head-of-department and marketing) that open the industry without gatekeeping; and, where a team lacks senior experience, a proven-leader attachment to support the emerging team and de-risk delivery. Neither is mandated; both are genuinely funded.

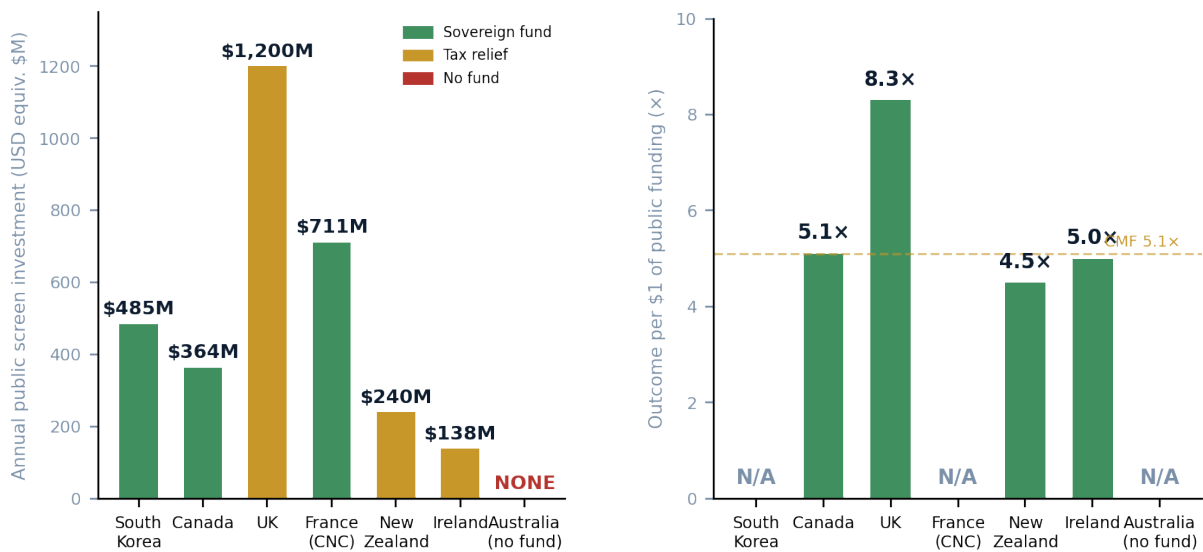
Audience and market assessment. Every application is assessed for audience and export potential alongside creative and cultural merit — the market discipline the sector has too often lacked. This is an input, not a veto: a defined share — proposed at one in five funded titles — is reserved for distinctive, ambitious or breakout work that audience-testing alone would never predict. The model is Denmark's DR — market insight that sharpens storytelling rather than flattening it.

Merit-based, arms-length selection. Projects are assessed on creative merit, cultural value and audience potential by an independent board built to resist insider capture — decisions on the project, not the relationship. The NAPF complements the existing agencies by adding a permanent, merit-and-audience-first production fund, without replacing or duplicating them.

SECTION 04 — INTERNATIONAL EVIDENCE

What Every Peer Nation Has That Australia Does Not

Eleven nations comparable to Australia in population, GDP, or cultural profile, in three groups: **sovereign funds** that finance content the country owns (Canada, France, South Korea, Denmark, Israel, Norway); **tax-relief schemes** that reward production after the fact (UK, Ireland, New Zealand) — the same family as Australia's own offsets, but larger and paired with a national production body; and **national content strategies** that back the whole sector for export (Japan, Spain). Every one keeps or builds ownership at a scale Australia has not. Australia already does the service half; it has never built the ownership one.



Sources: Canada Media Fund 2024-25 Annual Report; BFI Screen Business (Olsberg SPI) 2021; NZ Ministry for Culture and Heritage 2023; Screen Ireland; KOCCA; InvestKorea. France's CNC has commissioned an EY Consulting evaluation of its full economic weight which is not publicly accessible; no single return multiple is cited for France here — its verified distinction is 80 years of unbroken continuity.

Nation	Pop.	Type	Fund / Mechanism	Annual scale	Contribution & evidence
South Korea	51 M	Sovereign	KOCCA + Ministry of Culture (since 1998)	≈\$485M USD — KOCCA (2023)	\$14.08B content exports (2024). \$180 consumer goods per \$100 content (InvestKorea). 688,121 content-industry jobs (2024, KOCCA).
Canada	39 M	Sovereign	Canada Media Fund (est. 2010)	≈\$364M CAD (2024-25)	≈\$5.10 of production activity triggered per \$1 of CMF funding. \$1.8B activity. ~20,000 FTE jobs p.a.
United Kingdom	67 M	Tax relief	Screen-sector tax reliefs + BFI Film Fund	£6.8B production spend (2025)	£8.30 GVA per £1 of film tax relief; £13.48B GVA; 218,790 FTE jobs (2019, most recent audited BFI study)
France	68 M	Sovereign	CNC — est. 1946, one of the oldest continuous national screen funds in the world	≈€711M annually (2023)	298 feature films approved in 2023 — among the largest in Europe. Cinema & audiovisual sector generates 340,000+ jobs. Unbroken 80 years across every government and political cycle. (CNC cinema aid 2023: €311.2M of €1.34B total French film investment.)

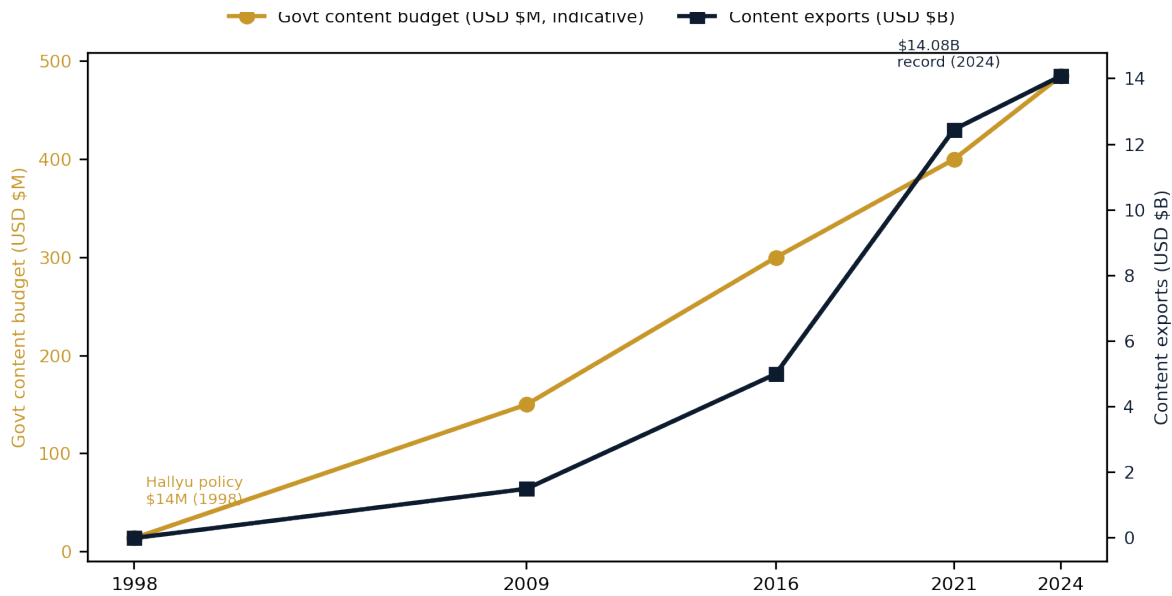
Nation	Pop.	Type	Fund / Mechanism	Annual scale	Contribution & evidence
New Zealand	5M	Tax relief	NZ Screen Production Rebate + NZ On Air (est. 2014)	\$240M NZD total screen investment (2022-23)	\$5.2B qualifying expenditure vs \$1.15B rebate cost, 2014–22 (NZ MCH). ~24,000 jobs; \$3.5B annual revenue (2025).
Ireland	5M	Tax relief	Section 481 Film Tax Credit (+ Screen Ireland)	€127–138M p.a.	€692M sector value vs €138M cost (~5×, derived). 11,960 jobs. A record 14 Oscar nominations in 2023.
Denmark	6M	Sovereign	Danish Film Institute (1972) + DR, under the 1997 Film Act	DR licence-fee funded; DR and TV 2 required by decree to co-finance Danish film	The Killing, Borgen, The Bridge exported to as many as 120 countries. International sales were only ~5% of budgets — funded domestically, exported afterwards.
Norway	5.5 M	Sovereign	Norwegian Film Institute + NRK, plus a separate 25% incentive	Two mechanisms, structurally separated	Menon Economics (2019, for the Ministry of Culture) found the service incentive not directly relevant to promoting domestic culture. Domestic-funded content travelled: Skam, remade internationally.
Spain	48 M	Strategy	Spain Audiovisual Hub Plan · ICAA	€1.6B public investment 2021–25	Spanish-language content globalised: Money Heist, Elite. Sector revenue ~€8.7B (2025). Hybrid model — domestic content plus inward investment.
Israel	9M	Sovereign	Israel Film Fund · Israel Cinema Project (Rabinovich Foundation)	Modest — the model, not the money	Global IP export from a domestic base: Fauda, Shtisel, Tehran. Prisoners of War licensed as Homeland; BeTipul as In Treatment — rights held in Israel.
Japan	125 M	Strategy	Agency for Cultural Affairs + Cool Japan content strategy	Export target: \$131B by 2033	Overseas content sales ~\$38B (2023). Anime market: record \$25B (2024, AJA); 56% of revenue from overseas.
Australia	26 M	None	Screen Australia + Producer Offset & Location Offset (tax relief only; no sovereign fund)	No sovereign fund. SA funds 27% of apps.	Local titles down 20% (89 to 71). Local share of spend 40%, down from 50%. Children's content down 41%.

Type: **Sovereign** = state finances content the country owns; **Tax relief** = rebate after spend (Australia already does this); **Strategy** = national content-export programme.

SECTION 04 CONTINUED — THE KOREA BLUEPRINT

South Korea: The 25-Year Case Study

South Korea's cultural dominance was not accidental. It was the deliberate, sustained result of a national economic strategy launched in 1998 and maintained across successive governments for 25 years.



Sources: US Army War College (2025); UNCTAD; Korea Creative Content Agency (KOCCA); InvestKorea.

Year	Government action	Measurable result
1998	Kim Dae-Jung launches Hallyu Industry Support Plan. Budget: \$14M USD.	Cultural industry given legislative and financial mandate.
2008–09	Ministry of Culture, Sports and Tourism formed (2008); KOCCA established by merger (2009).	A single national agency takes carriage of content-industry strategy.
2019	Parasite wins Palme d'Or.	Content industry exceeds \$10B in first half of year.
2022	Netflix pledges \$2.5B investment over 4 years.	Exports: \$13.24B, a record at the time (later \$14.08B in 2024). Korea top-5 Netflix producer globally.
2026	President pledges top-5 soft power status. Film budget +80.8% to \$108M.	Culture Ministry raises 2030 K-culture export target to \$110B (from \$36B), under an expanded definition spanning tourism, food, beauty and fashion alongside screen and creative content. Screen and arts content exports specifically reached a record \$14.9B in 2025.

Key multiplier: every \$100 of K-content exported generates \$180 in additional consumer goods exports (InvestKorea, official Korean government investment body). Over 80% of foreign visitors to Korea cite Korean pop culture as a major motivation for their trip. Australia has equivalent creative assets — locations, talent, cultural distinctiveness — and none of the institutional investment infrastructure that turned Korea's assets into a \$13.24B export industry by 2022. Korea started with \$14M in 1998. Australia is proposing to start with \$300M.

SECTION 05 — POLICY ALIGNMENT

The NAPF as the Natural Next Step for Revive 2.0

Revive (2023) correctly diagnosed the structural challenges facing Australian screen. It delivered important reforms — but could not, within its budget envelope, address the upstream financing gap. The NAPF fills that specific gap.

Revive 2.0 status (as of July 2026): the consultation closed for submissions on 24 May 2026 and is now under active review by five Expert Panels — one of which is specifically the “Engaging the Audience” panel, covering the distribution and audience-reach dimension of this proposal directly.

Revive pillar	Gap Revive could not fill	How NAPF addresses it
First Nations First	Aspiration to First Nations screen content without sovereign funding attached.	Indigenous board member with full voting authority + First Nations representation on every selection panel. The First Nations governance, assessment, allocation, cultural-authority and Indigenous Cultural and Intellectual Property (ICIP) framework must be co-designed with First Nations screen organisations, practitioners, communities and legal experts before legislation — not settled in advance.
A Place for Every Story	Fragmented funding cannot deliver consistent volume of diverse Australian stories.	\$300M fund creates a stable slate of 20–30 Australian productions p.a. from Year 1 across every genre and format.
Centrality of the Artist	Production workforce in short-term cycles; talent migrating overseas.	≈2,400–3,600 FTEs supported p.a. (indicative, requires modelling). IP ownership requirements protect creator long-term income.
Strong Cultural Infrastructure	Regional studios underutilised; no production pull beyond metropolitan concentration.	Governance mandates regional allocation. Production volume at scale justifies regional infrastructure investment.
Engaging the Audience	Streaming content obligations (in force 1 Jan 2026, 10% AU expenditure or 7.5% AU revenue) with no domestic production pipeline at scale to meet that demand.	NAPF creates 20–30 development-ready Australian originals p.a., available for platform co-commissioning. The government's own legislation created the demand. NAPF is the supply mechanism.

SECTION 06 — GOVERNANCE

Independent, Transparent, Anti-Concentration by Design

The governance model is designed to prevent the three failure modes that have undermined cultural funds in the past: political interference, industry capture, and geographic concentration.

Element	Design	Prevents
Independent board	Twelve seats: one representative from each state and territory screen body (eight seats), one Indigenous Australian board member with full voting authority, one senior business/finance/investment leader, one senior industry representative who acts as the fund's figurehead and champion, and one senior arts-sector government representative whose role is oversight only — ensuring the fund follows its published rules, goals and mission, with no say in which productions are selected. No minister sits on the board. The eight jurisdictional positions are jurisdictionally nominated, independently appointed directors who owe their duties to the NAPF as a national institution and may not favour or direct decisions for the benefit of the state or territory that nominated them.	Political interference and conflicts of interest.
Administration — separately appropriated	The full \$300M annual appropriation is available for approved productions. The reasonable cost of administering the fund (staff, assessment, board, legal, audit, compliance, evaluation, First Nations co-design, enforcement) is separately appropriated and publicly reported. The fund is not run at zero cost.	The production allocation being eroded by running costs; hidden overheads.
Mentor & partner-matching	For development-ready projects without a mature distribution strategy, the board matches them with an experienced producer, distributor or platform partner already active in that genre or market — rather than declining on commercial grounds alone.	Development-ready projects stalling for lack of a distribution strategy.
Two-stage independent assessment	Stage 1 — creative assessment (story, cultural value, originality, audience, merit), anonymised where practicable. Stage 2 — full due diligence (capacity, budget, rights and chain of title, ownership and control, delivery and release plan, conflicts, value for money). No ministerial approval for individual productions. The funding decision cannot be blind; the creative stage may be anonymised.	Industry capture and connected-party bias.
Recipient-concentration cap (proposed 15%)	No producer, company, parent entity or related beneficial-ownership group may ordinarily receive more than 15% of annual approvals, aggregated across related and controlled entities. A narrow, publicly explained centrepiece exception may apply where a single project needs more than the remaining cap, without creating recurring control. Proposed setting, subject to consultation.	One producer or ownership group capturing the fund.
IP ownership requirement	All NAPF-funded productions must retain Australian IP with the producing company. International platform partners may co-commission but cannot hold primary rights.	Long-term royalty value leaving Australian ownership.
National geographic distribution	A separate safeguard from the recipient cap. Production activity must be distributed nationally across a rolling three-year period — no jurisdiction receiving a structurally disproportionate share, every state and territory participating meaningfully. Place-specific stories are made where they belong; geographically flexible productions are the primary tool for balancing the national portfolio. Not an equal mathematical share.	Structural capture by Sydney and Melbourne.

Element	Design	Prevents
Year 5 performance review	A comprehensive independent evaluation at Year 5, assessing not only economic impact but the outcomes the fund exists to deliver: audience reached (at home and abroad), cultural exports and the returns on them, a measurable rise in Australia's global cultural-export standing, and the value of Australian-owned IP retained onshore. Government may maintain at \$300M, scale toward \$400M, or refine settings.	Fiscal drift and unaccountable ongoing expenditure.
Published slate-composition reporting	The board publishes slate composition — genre mix and classification (G/PG through MA15+) mix — as a monitored annual outcome. Adopted from the Made, Not Seen findings (M/MA15+ = ~70% of local films; G/PG ~15%).	A drift towards a narrow, over-adult slate that misses family and younger audiences.

“No state dominates. No city captures a disproportionate share. The fund belongs to the country, and the country benefits from it in full.”

SECTION 07 — FISCAL CASE

Public Receipts the Activity Generates

The \$300M NAPF generates four streams of public tax receipts — income tax, GST and company tax accrue primarily to the Commonwealth, while payroll tax accrues to the states and territories. These are indicative, derived from published benchmarks, not independently modelled, and are not a repayment to the Commonwealth. Final jurisdictional allocation requires independent modelling.

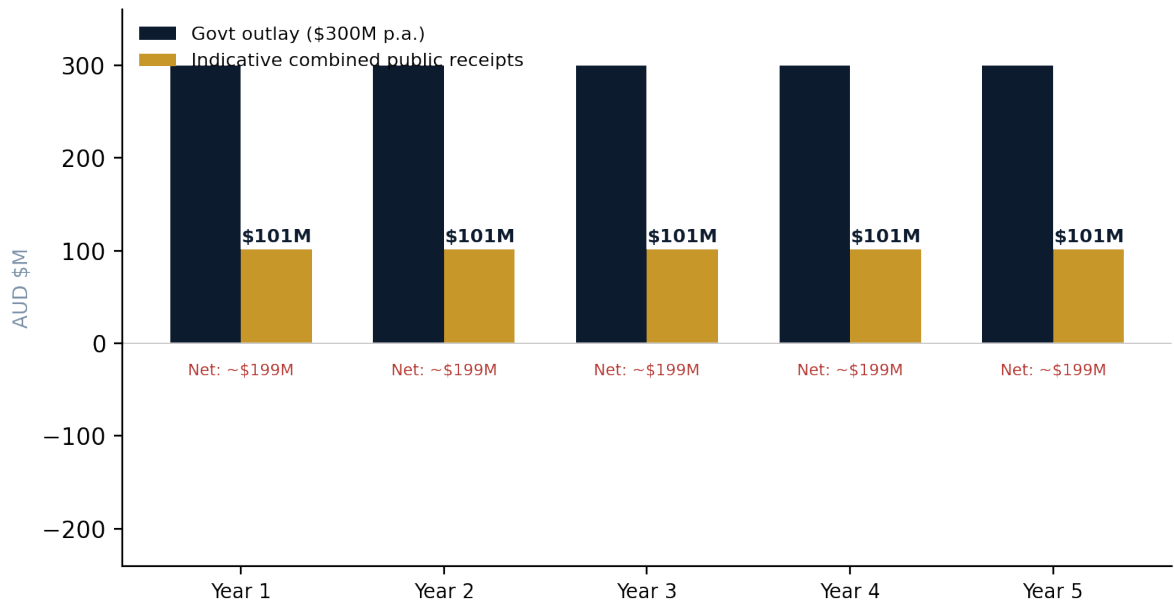
Revenue stream	Methodology	Est. at full deployment
Income tax	8–12 FTE per \$1M applied directly to the \$300M NAPF allocation × assumed avg salary \$85K × ~23% avg effective rate	\$47–70M
GST	Assumes 55% of the \$300M allocation is GST-liable supply chain × 10%	\$17M
Company tax	Screen ecosystem — VFX, post-production, facilities, agents	\$11–16M
State payroll tax	Avg state rate 4.85% applied to the FTE wage base above	\$10–15M
Total indicative combined public receipts	Combined across all four streams at full deployment — Commonwealth and state/territory, applied directly to \$300M, no assumed leverage	\$84–118M

Why the public benefit comes as tax receipts rather than project equity. Australia has already tested the alternative. The Film Finance Corporation took recoupment positions in the productions it backed, investing A\$1.345 billion across 1,165 productions over twenty years and recouping A\$274.2 million — a cumulative return of approximately negative 80 per cent (Burns & Eltham, Victoria University; *Media International Australia* No. 136, 2010, peer-reviewed, using the FFC's final annual report). Direct equity in individual screen projects is not where the Commonwealth's return lies. It lies in the four streams above, which accrue whether or not any single production recoups, and in retained IP that keeps future royalty income onshore.

Where the \$300M comes from. The fund is a Commonwealth commitment of \$300 million a year — 0.038% of the \$785.7B federal Budget (2025–26 Budget Paper No.1), under five cents in every \$100 — of which \$84–118M returns each year as the tax receipts above. It can be met from consolidated revenue. A modest levy on the large streaming platforms — the companies profiting from Australian audiences and currently taking the resulting IP offshore — as France has funded its national screen fund (the CNC) since 1946, is a natural future expansion route once the fund is established: not a precondition, and not a substitute for building the fund first. Because the optional recoupment makes the fund increasingly self-sustaining, a levy is an option rather than a requirement. The precise funding mix is a matter for Treasury and co-design; the constant is that the cost to the taxpayer is minimal, and most of it is recovered. (Proposed — subject to Treasury and taxation advice.)

What government gets, beyond the tax. Each dollar the NAPF invests puts Australians to work — 8–12 jobs per \$1M, a total employment footprint of roughly 1.5× once flow-on is counted (Deloitte/SAFC measured 761 direct and 1,170 total FTE in a single-state study) — and returns 28–39% through the four tax streams above. International benchmarks put the wider activity multiple at \$5–8 per \$1 (Canada \$5.10; UK £8.30 GVA); the Australian equivalent is being confirmed with Screen Producers Australia. The deeper return is structural: a permanent, reliable domestic pipeline is what justifies building new studio and post-production infrastructure — capacity no one builds for work that might not come. With the optional recoupment mechanism, the fund also increasingly refills itself, reducing the Commonwealth contribution required each year. And because the NAPF adds to — rather than replaces — the international productions and co-productions that already shoot here, the effect is more total opportunity: more work for cast, crew and screen professionals, for the industry-adjacent businesses that supply every shoot, and more local economic stimulus in the towns and cities where productions film.

A generational investment — and a blueprint. More productions build the workforce of tomorrow, not only the jobs of today: a steady pipeline of Australian-owned production creates real education and talent-development opportunities for current and future students, and the paid placements and on-set professional practice — through the fund's attachment and mentorship program — that turn training into a career. Sustained over time, it makes Australia an international leader not only in cultural exports but in screen jobs, industry capacity and the arts. And a permanent, accountable, self-replenishing fund that works becomes a proven model Australia can extend to other systemic gaps in how the arts are funded.



Government outlay vs indicative combined public receipts at full deployment. All figures indicative — formal independent economic modelling is recommended as the first deliverable of the fund design process.

SECTION 08 — NAPF PROJECTED OUTCOMES

What the NAPF Would Deliver — Year by Year

Metric	Year 1	Year 2	Year 3	Years 4–5
Productions	20–30	20–30	20–30+	30+ incl. export
FTEs supported (indicative)	≈2,400–3,600	≈2,400–3,600	≈2,400–3,600	≈2,400–3,600
NAPF committed	\$300M	\$300M	\$300M	\$300M
Indicative public receipts	\$84–118M	\$84–118M	\$84–118M	\$84–118M
Indicative net public cost	~\$182–216M	~\$182–216M	~\$182–216M	~\$182–216M, before IP value

Indicative annual outcomes at full \$300M slate commitment. The full slate may be committed from Year 1; individual project cash payments occur across production schedules and may span financial years. FTE and receipt figures are derived from published benchmarks — indicative, not a commissioned forecast, and require independent modelling.

The Canadian Precedent — Most Directly Comparable to Australia

- \$364M invested in 2024-25 triggered \$1.8B in industry activity — about \$5.10 of activity per \$1 of funding (audited, published; not a repayment to government)
- Nearly 20,000 direct FTEs supported annually across every province and territory
- Independent board governance — creative decisions fully separated from political involvement

SECTION 09 — THE COST OF INACTION

What Happens If Australia Does Nothing

Nation	Started with	Current position
South Korea	\$14M (1998)	\$13.24B content exports. Netflix top-5 globally.
Canada	\$364M p.a.	≈\$5.10 activity per \$1. \$1.8B activity. 20,000 FTE jobs.
New Zealand	\$240M p.a.	\$5.2B expenditure attracted on \$1.15B rebate cost (2014–22).
United Kingdom	Tax reliefs since 1990s	£8.30 GVA per £1 (2019 audited). 218,790 jobs.
Ireland	€138M p.a.	€692M sector. 11,960 jobs. Record 14 Oscar nominations in 2023.
France (CNC)	Est. 1946	80 years of unbroken sovereign investment across every government and political cycle.
Australia	No sovereign fund	Titles down 20% year-on-year. Children's content down 41% to 21 hours nationally.

ANTICIPATED QUESTIONS

Government and Treasury — Questions and Responses

Why does this require government funding? Why not let the market decide?

The market already determines the majority of screen production in Australia — and the result is structural underinvestment in Australian-led content. International studios and platforms make commissioning decisions based on global strategy, not Australian cultural priorities. The NAPF addresses a specific market failure: the inability of purely commercial forces to consistently fund culturally distinct Australian content at the scale required for international competitiveness.

Why not simply expand the existing Producer Offset?

The Producer Offset is a rebate applied after production has commenced — it does not solve the financing gap that prevents many Australian projects from getting into production in the first place. A production receiving a full NAPF award is ineligible for the Producer Offset, Location Offset and PDV Offset on the same expenditure — the NAPF provides the complete public production allocation upfront, so the offsets are neither required nor claimable for that production. (Proposed policy, subject to legal and taxation advice.)

What if funded productions fail commercially? Is taxpayer money at risk?

The portfolio model spreads investment across 20–30 productions annually at different budget levels, ensuring underperformance in one project is offset by success in others — identical to how studio slates and venture capital portfolios operate.

Could this crowd out private investment?

Evidence from comparable markets suggests the opposite. Public screen funds in the UK, France, and Canada all operate alongside thriving private production sectors.

How many jobs would this actually create?

Published Australian screen-economy benchmarks indicate a fully deployed \$300M annual slate would support approximately 2,400–3,600 full-time-equivalent positions across production and its immediate supply chain (applying a benchmark of 8–12 FTE per \$1M derived from three Deloitte Access Economics studies). These are indicative FTEs supported by the funded activity, not a commissioned forecast of net additional employment: how many positions are newly created, retained, extended from intermittent to year-round work, or displaced requires independent counterfactual modelling. Commissioning the first current Australian analysis of domestically originated, Australian-owned screen production is one of the proposal's immediate asks. Base figures rely on the \$300M core program alone; optional private co-investment is excluded.

What happens at Year 5 — is there an exit clause?

Year 5 triggers a comprehensive independent performance review. Based on outcomes, government may maintain funding at \$300M, scale toward \$400M within the legislated range, or refine policy settings. This is not an exit clause — it is an evidence gate.

SECTION 09b — RISK & MITIGATION

Every Material Risk, Answered by Design

The objections a cautious Treasury or departmental reviewer would raise, with likelihood and the structural feature that mitigates each. None is left to assurance.

Risk	Likelihood	Mitigation (built into the design)
Absorptive capacity	Medium	Set at \$300M, reviewable within \$200–400M at a Year 5 evidence gate; regional allocation spreads demand; mentor-matching keeps projects moving
Cost / wage inflation	Medium	Counter-cyclical — fills troughs when foreign work leaves rather than stacking onto peaks; conservative 8–12 FTE/\$1M benchmark; regional mandate; monitored at Year 5
Crowding out private investment	Low	Public funds run alongside thriving private sectors (UK, France, Canada); a development-ready pipeline lifts private activity
Political durability	Medium	Legislated permanent allocation (Canada, France, Korea); independent board; renewal earned through the Year 5 review
IP-enforcement / co-production back-door	Medium	Five cumulative eligibility tests; contractual IP retention with breach/claw-back; built on existing SAC and co-production independence rules
Commercial underperformance	Medium	Portfolio across 20–30 productions and five tiers; return via tax + retained IP, not equity recoupment — the error that sank the FFC (–80%); no single title must recoup
Industry capture / concentration	Low–Med	Recipient-concentration cap (proposed 15% of approvals) plus a separate national geographic-distribution duty; two-stage independent assessment; rotating, conflicts-declared members; First Nations governance
Slate bias (too adult / narrow)	Medium	Business-case + distribution assessment; five tiers; published slate-composition monitoring makes bias visible
“Made, not seen” (audience never reached)	Med–High	Marketing & release inside every budget as a condition; distribution strategy assessed up front; mentor/partner-matching

ANNEX — IP RETENTION

How Australian Ownership Is Enforced — And Why It Is Not Novel

The mandatory-IP condition is the fund's defining feature. It is enforceable because it builds on machinery Australia already operates, and it mirrors what comparable sovereign funds already require.

Existing Australian mechanisms the NAPF builds on

- **Significant Australian Content (SAC) test** (Producer Offset, s.376-70 ITAA 1997) — a holistic statutory test of Australian subject matter, place, people and expenditure.
- **Official Co-production Program independence rule** — no common management, ownership or control between co-producers, which already blocks intra-multinational “co-productions” used to move rights offshore; plus a reasonable-equivalence-of-contribution test and a points test on Australian key creatives.
- **Statutory ‘Australian program’ definition** — the streaming content law (in force 1 Jan 2026) uses the same definition as the long-standing Australian Content Standard for commercial television.

What comparable sovereign funds already require

Fund	Participation	Producer IP / ownership condition
Canada Media Fund	Equity investment (recoupable, pro rata pari passu)	Applicant must own all rights; CMF takes a proportionate copyright share only as an equity investor. Certification requires Canadians retain at least 20% of copyright plus creative control (CRTC 2025-299).
Screen Ireland	Limited-recourse repayable loan + net-profit share	The Irish company must hold a meaningful, proportionate share of the IP, with clear chain of title. A 60% recoupment corridor is reserved for the Irish producer, writer and director.
BFI (UK)	Recoupable award	Rights are assigned to the BFI in perpetuity and licensed back, with a producer-benefit ‘Locked Box’ corridor — a useful contrast: even the UK ties public money to a rights position.
NAPF (proposed)	Grant conditional on ownership	Australian IP retained by the producing company; five cumulative eligibility tests; co-production eligible only where Australian-led, IP held in Australia, Australian story.

Sources: CMF Standard Recoupment Policy; CRTC 2025-299 (18 Nov 2025); Screen Ireland Production Funding Guidelines; BFI National Lottery funding terms; Screen Australia Producer Offset & Co-production Guidelines.

SECTION 10

Consultation and Immediate Next Steps

The NAPF is proposed as a starting point for engagement, not a final design. Key stakeholders for consultation include Screen Australia, state and territory screen agencies, Screen Producers Australia, the Australian Directors Guild, the Australian Writers Guild, First Nations screen organisations, streaming platform representatives, independent producers, and broadcasters.

01 Commission independent economic modelling

Recommended deliverable: six months.

02 Establish a cross-agency working group

Treasury, DITRDC, and Screen Australia to assess fund design, fiscal architecture, and legislative requirements.

03 Undertake targeted industry consultation

Structured consultation on governance design and eligibility criteria.

04 Build in a Year-5 evidence review

A legislated \$200–400M range and an independent Year-5 review keep the fund fiscally prudent and evidence-led, without launching below the scale the problem requires.

05 Develop the co-investment regulatory framework

Work with Treasury and APRA on the legislative structure for institutional co-investment.

“Australia has the talent, the locations, the creative capability, and the infrastructure to compete internationally at the highest level. What has been missing is the stable domestic production pipeline to deploy that capability consistently over time. The National Australian Production Fund is that pipeline.”

— Charles Jazz Terrier, *FANTOME*