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Focus Area: Rectifying the Structural Deficit in Exhibition, Distribution, and Youth Audience Engagement

1. Introduction and Studio Context

This submission is informed by systematic inquiry undertaken within the RMIT University media studio, *Australian Cinema: The Rebrand*. This research unit was established to investigate the systemic disconnect between the contemporary Australian screen sector and domestic audiences. Over the course of the semester, this cohort has analysed local distribution bottlenecks, theatrical exhibition metrics, and shifting youth consumption habits. Our objective has been to diagnose why domestic audiences are not engaging with local screen content, and to propose structural, market-driven interventions to rectify this deficit.

I am facilitating this submission as an individual educator and practitioner, deeply informed by the collective findings, data analysis, and lived experiences of my students.

When this studio commenced, the prevailing consensus among this cohort of young media makers was that "no good Australian films existed" and that local cinema was fundamentally disconnected from their cultural reality. This initial scepticism reflects a pervasive, nationwide cultural prejudice. However, upon auditing contemporary case studies, such as the international theatrical trajectory of *Talk to Me*, or the refreshing boldness of films like *Fwends*, and analysing industry datasets, these assumptions were entirely dismantled.

The students discovered a fiercely original, highly sophisticated local industry. Crucially, their initial apathy was diagnosed not as a rejection of Australian content, but as a direct consequence of a broken system that fails to manage **awareness, availability, and habit**. Young Australians are not hostile to local stories; they are simply starved of access to them due to systemic market distortions between production funding and theatrical delivery.

2. Pillar 1: Reclassifying Theatrical Exhibition as Cultural Infrastructure

While recent policy frameworks have made necessary progress regarding streaming quotas and local production incentives, the physical theatrical space has been entirely left out of the strategic equation.

- Independent and local cinemas represent approximately 29% of screens in Australia and act as the primary lifelines for domestic films. Yet, they receive no structural infrastructure support. Currently, Australian narrative fiction films account for a mere 3.8% of annual cinema releases, routinely crowded out by international studio intellectual property that dictates screen allocation based strictly on opening-weekend box office performance.
- The National Cultural Policy must reclassify local cinemas as critical **cultural infrastructure**, treating them with the same civic value as libraries, galleries, and community hubs. We propose introducing proportional content obligations for exhibitors alongside a **four-week minimum theatrical run** across a rotating network

of screens. This structural safeguard ensures that local films are granted the necessary time to build word-of-mouth momentum and allow audiences to actively schedule around their releases.

3. Pillar 2: Systemic Interventions in Distribution and Marketing

The current funding paradigm operates under the flawed assumption that financing the creation of a film is sufficient. The mechanism between manufacturing a film and securing an audience is fundamentally fractured.

- The abolition of dedicated theatrical marketing funds, such as Screen Australia's former P&A Plus mechanism, has left independent Australian releases financially defenceless against the multi-million-pound marketing campaigns of Hollywood studios.
- We advocate for the establishment of a permanent, non-discretionary **Distribution Offset** alongside a dedicated structural marketing fund, drawing on highly successful international frameworks such as the British Film Institute (BFI) Audience Projects Fund and the French Centre National du Cinéma (CNC) self-financing ticket levy. Furthermore, we recommend a mandatory policy requiring multiplexes to include trailers for upcoming Australian films before international studio blockbusters, addressing the awareness deficit at the point of maximum audience receptivity.

4. Pillar 3: Engaging the Next Generation (The Gen Z Imperative)

The students in this cohort represent Generation Z, a demographic frequently mischaracterised as purely consuming fragmented, short-form media via mobile devices. Our research completely refutes this stereotype.

- Industry datasets from 2024–2025 demonstrate that Gen Z is actively driving the post-pandemic resurgence in theatrical cinema admissions. For young adults, the cinema is increasingly valued as a premium, distraction-free, communal event—an essential antidote to digital ad-fatigue and the isolation of individual streaming algorithms.
- Despite this high appetite for the theatrical experience, international streaming data reveals that over 96% of viewing time within Australia is dominated by foreign content. If the National Cultural Policy does not structurally intervene to embed local stories into the premium cinema spaces young people are actively frequenting, an entire generation will grow up viewing their own national culture as secondary and invisible.
- To foster long-term audience sustainability, we propose a multi-tiered audience development strategy:
 1. The implementation of a structured, nationwide Australian cinema curriculum in secondary schools to build early cultural literacy.
 2. The introduction of a consumer tax deduction or rebate on ticket purchases for qualifying local films (a "reverse offset" for audiences) to lower economic barriers during cost-of-living pressures.
 3. Mandating rigorous, platform-neutral audience data transparency as a condition of receiving public production funding, ensuring future filmmakers can accurately map and engage their target demographics.

5. Conclusion

Australian screen culture is not underperforming due to a deficit of creative talent or a lack of audience curiosity. It is struggling because our cultural policy funds the birth of a story but completely abandons its journey to the public.

By restructuring the mechanisms of exhibition and distribution, we can transform the domestic box office from a space of financial precarity into a sustainable ecosystem of cultural longevity. The young media makers in this studio began the semester as sceptics and ended it as passionate advocates. We urge the government to mirror their optimism and construct a policy framework that gives Australian stories the visible, protected, and celebrated screens they rightfully deserve.