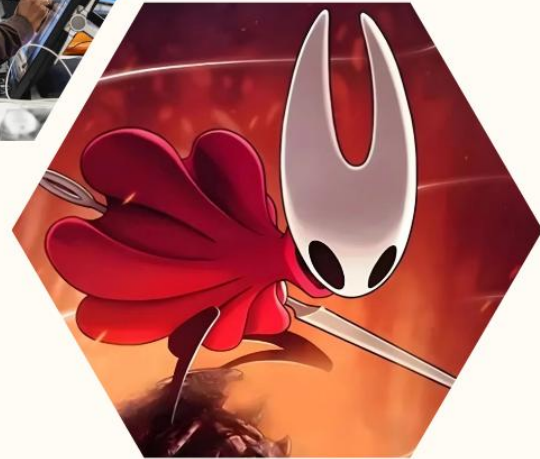


Submission to the  
Office for the Arts

# The Long Game: Building a Globally Competitive Australian Video Games Industry

Response to *Towards a  
New National Cultural  
Policy* Public  
Consultation Paper

May 2026



# IGEA

interactive games & entertainment association

## Overview

The Interactive Games & Entertainment Association (IGEA) welcomes the opportunity to provide a submission on the *Towards a New National Cultural Policy* Public Consultation Paper, led by the Office for the Arts.

IGEA is the industry association representing and advocating for the video games industry in Australia, including the developers, publishers and distributors of video games, and the makers of the most popular game platforms, consoles and devices.

Video games are a major part of Australian life and culture. More than 80% of Australians play video games,<sup>1</sup> and the sector generates \$3.8 billion in annual consumer sales,<sup>2</sup> alongside \$608.5 million in export revenue from Australian-made games in the 2024/25 financial year alone.<sup>3</sup>

As one of the fastest-growing areas of Australia's cultural and creative economy, the industry drives innovation, supports high-skill careers across technology and the arts, and contributes significantly to national economic growth and digital capability. The Australian Government has recognised this momentum: updated figures from the Bureau of Communications, Arts & Regional Research (released as part of *National Cultural Policy: Revive*) show that digital games development has been the fastest-growing domain of cultural and creative activity from 2014-15 to 2023-24, averaging 15.9% annual growth and expanding from \$92 million to \$336 million in cultural and creative gross domestic product (GDP).<sup>4</sup>

Over the previous parliamentary term, Australia's video games sector benefited from meaningful cross-party support, which the industry has genuinely appreciated. A major milestone was the 2023 enactment of the Digital Games Tax Offset (DGTO), a foundational step toward a more competitive and resilient Australian video games industry. Measures like the DGTO continue to play a crucial role in strengthening Australia's international position, boosting economic activity, and creating long-term creative and technical career pathways.

The same term also saw the revival of the Australian Interactive Games Fund (AIGF), followed by Screen Australia's rollout of new funding opportunities aimed at building industry capability. These initiatives have provided targeted support across the ecosystem, including original games (Games Production Fund), emerging gamemakers (Emerging Gamemakers Fund), and professional development (Future Leaders Delegation).

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<sup>1</sup> IGEA, 'Australia Plays' (September 2025), <https://igea.net/2025/09/australian-parents-embrace-the-power-of-play/>

<sup>2</sup> IGEA, '2024 Australian video game consumer sales results' (Media Release, July 2025), <https://igea.net/2025/07/2024-australian-video-game-consumer-sales-results/>

<sup>3</sup> IGEA, 'Australia's video game industry shows revenue of AU\$608.5 million' (Media Release, March 2026), <https://igea.net/2026/03/agds-2025/>

<sup>4</sup> Bureau of Communications, Arts & Regional Research, 'Frequently Asked Questions: Cultural and Creative Activity in Australia, 2014-15 to 2023-24' (September 2025), p. 3, <https://www.infrastructure.gov.au/sites/default/files/documents/cultural-and-creative-activity-in-australia-2014-15-to-2023-24-methodology-refresh-faqs-9september2025.pdf>

Despite this progress, Australian game developers (like those across other advanced technology and creative sectors) have faced a period of considerable disruption. External pressures have slowed momentum and constrained growth, and the industry is still recovering from almost a decade of limited federal support. Current funding remains well below that provided to film and television, and the sector has yet to regain the momentum lost post-Global Financial Crisis (GFC).

While existing policy settings have helped sustain industry activity, they are less effective at supporting long-term structural transformation. Current support enables the development of individual projects, but does not consistently enable studios to scale, build sustainable businesses, or retain long-term value from their intellectual property (IP). As the industry evolves, there is an opportunity to ensure policy settings more fully reflect the reality of contemporary game development as an export-driven, technology-enabled and commercially-oriented sector.

The scale of the opportunity is clear. Australia's game development sector employed only 2,443 full-time equivalent (FTE) workers and generated \$608.5 million in revenue in the 2024/25 financial year.<sup>5</sup> By comparison, Canada's industry employs more than 34,000 FTE workers and contributes \$5.1 billion CAD (approx. \$5.2 billion AUD) to its economy,<sup>6</sup> while New Zealand's industry generates \$759 million NZD (approx. \$623 million AUD) with a comparatively smaller workforce of 1,418 FTE workers.<sup>7</sup> These and other international examples highlight the importance of sustained government support. With the global video games industry now larger than the music and film industries combined, Australia has significant potential to replicate the success achieved in its traditional screen sector, if supported with long-term strategic investment.

The broader economic and cultural spillover benefits of the video games industry are often underappreciated in traditional fiscal assessments. Investment in game development supports high-value digital skills, drives innovation across adjacent sectors such as education, mining, defence, and film and television, and strengthens Australia's global competitiveness in creative and technical fields. These benefits extend well beyond direct recipients of funding and reinforce the importance of sustained, strategic government support.

As the global games market evolves, the policy challenge is ensuring that foundational measures such as the DGTO are supported by complementary settings that reflect the realities of contemporary game development. Modern studios increasingly operate across distributed teams, iterative production cycles and long development timelines, and rely on post-launch content, community engagement and international market access to succeed.

Policy settings should also remain flexible to support a range of platform and business models. These include premium, mobile, live service, user-generated content platforms

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<sup>5</sup> IGEA, 'Australia's video game industry shows revenue of AU\$608.5 million' (Media Release, March 2026), <https://igea.net/2026/03/agds-2025/>

<sup>6</sup> Entertainment Software Association of Canada, 'Canada's Video Game Industry: Powering the Future of Play' (Report, January 2025), [https://theesa.ca/wp-content/uploads/2025/01/CVGI\\_2024\\_EN\\_FINAL.pdf](https://theesa.ca/wp-content/uploads/2025/01/CVGI_2024_EN_FINAL.pdf)

<sup>7</sup> NZGDA, 'New Zealand game development industry breaks records with \$759M in revenue and 1,418 jobs' (November 2025), <https://www.nzgda.com/blog/new-zealand-game-development-industry-breaks-records>

(where creators build and monetise interactive experiences within shared ecosystems), as well as co-development, tools, middleware and service-based businesses. This reflects the diverse ways in which Australian studios operate. Aligning support across these phases is critical to building a sustainable and globally competitive Australian industry.

As we pass the midpoint of the Australian Government’s *National Cultural Policy: Revive*, this consultation presents an important opportunity to rebuild momentum, restore investor confidence, and lay the foundations for a globally competitive, future-proof industry. Continued industry development enabled through the DGTO is critical, including ensuring long-term funding for this foundational measure. Increased investment and support would help build a more sustainable and internationally competitive sector, while delivering broader economic and cultural benefits.

To help chart that path, our submission outlines practical steps the Government can take to unlock the industry’s full potential, as summarised below. Our recommendations are specifically designed to reinforce the five pillars of the *National Cultural Policy*. By addressing current scale-up barriers and funding gaps, the Government can ensure that digital games continue to strengthen Australia’s cultural infrastructure, support the centrality of our artists, and provide a place for every story to reach a global audience, while always putting First Nations first.

In framing the recommendations below, we have sought to distinguish between initiatives that would extend or formalise existing delivery mechanisms already operating within the sector, and proposals that represent new policy interventions required to address identified structural gaps. This distinction is intended to support practical implementation and to clarify where recommendations build on established practice versus where new investment or policy design would be required.

The policy gaps identified in this submission reflect different stages of the game development lifecycle, from early concept and market validation through to production, launch, post-launch support and reinvestment. Taken together, these measures form a coherent ecosystem approach, ensuring that Australian studios are supported to create games, as well as build sustainable businesses and reach global audiences.

Topic	IGEA’s recommendations
Pillar 1: First Nations First	<ul style="list-style-type: none"> <li>• <u>Targeted First Nations mentorship and leadership</u>: Develop a First Nations-focused initiative that nurtures emerging and established creators through culturally informed guidance, practical business capability building, and support to engage confidently with investors. This builds on existing First Nations-led programs (such as the First Nations Game Studio Fund) and culturally safe delivery models already operating within Australia’s digital and screen sectors. The initiative would address the systemic barriers that limit the growth of First Nations-led studios, helping them move from small-scale production into larger, sustainable operations that can pursue AA/AAA opportunities. It would also strengthen pathways to capital by building investor understanding of the value and commercial potential of First Nations game development,</li> </ul>

Topic	IGEA's recommendations
	<p>enabling studios to grow on their own terms without relying on public listing.</p>
<p>Pillar 2: A Place for Every Story</p>	<ul style="list-style-type: none"> <li>• <u>Modern studio structures</u>: We encourage federal, state and territory agencies to adapt to modern studio structures, including distributed teams, co-productions, hybrid pipelines and service-oriented business models. Evaluation should prioritise project outcomes over geographic spend. Moreover, service providers to the industry should be eligible for game-related funding, by adapting existing assessment and eligibility settings to better reflect contemporary studio operations, rather than establishing new funding mechanisms.</li> <li>• <u>Regional and decentralised opportunity</u>: Decentralise opportunity through funding for regional hubs, incubators, co-working spaces, and state- and territory-based events. Encourage cross-state collaboration and reduce barriers for studios outside major cities. This would extend and better coordinate existing state- and territory-based regional initiatives, with a stronger emphasis on cross-jurisdictional collaboration and connection.</li> </ul>
<p>Pillar 3: Centrality of the Artist</p>	<ul style="list-style-type: none"> <li>• <u>Targeted mentorship and leadership</u>: Building on proven industry-led models already operating at smaller scale, establish a program offering structured mentorship, business development training and investor-readiness support to close the 'growth gap', the prohibitive difficulty of scaling to AA/AAA levels in Australia's shallow investment landscape, and help ambitious studios transition into sustainable businesses aligned with market opportunities. Equip studios to scale ambitiously without needing to go public and educate domestic investors to see games as a viable sector for early-stage capital.</li> <li>• <u>Professional development</u>: Co-fund programs that build business acumen, leadership capacity and commercial literacy, scaling proven professional development programs already delivering demonstrated sector impact. This should include targeted mentorship in business operations, production management and investor literacy, helping to rebuild the leadership pipeline hollowed out since the GFC. Prioritise peer mentoring, founder support and access to expertise in under-resourced states and territories.</li> <li>• <u>Friction-free skilled migration</u>: Improve the accessibility, speed and attractiveness of migration pathways for specialised game development roles, ensuring recognised Occupation Standard Classification for Australia (OSCA) roles are supported by streamlined visa processing, competitive settings and responsive assessment criteria. This will help address immediate shortages in senior and specialist roles while domestic training and upskilling</li> </ul>

Topic	IGEA's recommendations
	<p>initiatives build long-term capability. This focuses on improving the operation of existing migration pathways, particularly for OSCA-recognised roles, rather than introducing new visa categories.</p> <ul style="list-style-type: none"> <li>• <u>Science, Technology, Engineering, the Arts and Mathematics (STEAM), and education pipeline</u>: Continue investment in STEAM education and training programs in schools, universities and vocational institutions, including initiatives that promote game development as a viable career pathway. This continues established STEAM investment settings, with specific attention to game-relevant pathways already delivering workforce readiness benefits.</li> <li>• <u>Industry-education partnerships</u>: Support industry-led facilitation of partnerships between government, tertiary providers and the games sector to strengthen alignment between education and workforce needs, recognising the complexity of formal co-development across institutions. Industry is well-placed to help convene stakeholders, identify emerging skills requirements and inform relevant training approaches, building on existing collaboration between industry and educators to improve consistency, quality and national outreach.</li> <li>• <u>Diversity and inclusion</u>: Continue investment in diversity and inclusion initiatives that broaden participation in game development and strengthen Australia's long-term talent base. This recommendation supports the continuation and scaling of existing diversity and inclusion initiatives, rather than creating new standalone programs.</li> <li>• <u>Workforce data</u>: Funding support should be provided to resource the Australian Bureau of Statistics (ABS) through Screen Australia to publish statistics annually on digital games in Australia, to help inform the impact of government programs for supporting the video games industry, the size of the industry's workforce, talent demands and skills shortages. This builds on the ABS's existing data collection role, increasing frequency and resourcing to better reflect the pace of industry change.</li> <li>• <u>Market insights</u>: Supplementing workforce data, funding should also support the expansion of the ABS's existing data collection role, through Screen Australia, to incorporate aggregated, anonymised data on the commercial performance of Australian games. This could include metrics such as sales performance, export outcomes, audience reach and platform distribution.</li> </ul>
Pillar 4: Strong Cultural Infrastructure	<ul style="list-style-type: none"> <li>• <u>Long-term support for the DGTO</u>: Continued industry development enabled through the DGTO is critical. Ensuring long-term funding and policy stability for this foundational measure will</li> </ul>

Topic	IGEA's recommendations
	<p>provide certainty for studios and investors, support sustained industry growth, and reinforce Australia's competitiveness in the global games market.</p> <ul style="list-style-type: none"> <li>• <u>Missing middle</u>: Address the funding gap between early-stage prototyping and large-scale incentives like the DGTO by introducing mid-tier production funding (\$150K-\$500K). This would allow studios to retain staff, finish vertical slices and reduce risk when engaging publishers or investors, and act as a funnel into the DGTO by enabling more studios to reach offset scale.<sup>8</sup> This is a targeted new intervention, informed by the proven performance of the former AIGF and calibrated to an identified structural funding gap.</li> <li>• <u>Business continuity</u>: Support continuity between project milestones, particularly post-launch and pre-greenlight phases, to avoid team dissolution. This would operate as a complementary layer to existing project-based funding, addressing points of demonstrable workforce risk between milestones.</li> <li>• <u>Cashflow and accessibility</u>: Extend the DGTO to improve cash flow alignment, certainty and accessibility. Allow annual claims, remove restrictive requirements and take inspiration from developer-friendly international models (e.g. Canada). These changes refine the existing DGTO architecture to improve cashflow alignment and accessibility, without altering its core policy intent.</li> <li>• <u>Coordinated policy</u>: Addressing current disparities, both across the federal, states and territories, and compared to overseas jurisdictions, requires integrated reforms. With coordinated tax policy, equitable funding and targeted initiatives, Australia can position itself as a global leader in the flourishing international markets for games development and transmedia opportunities. This recommendation emphasises coordination and alignment across existing policies, rather than introducing additional standalone schemes.</li> <li>• <u>AIGF 2.0</u>: Introduce a program resembling the previous AIGF with a blend of repayable loans, milestone-linked grants and success-based reinvestment. The fund should focus on supporting studios between prototype and publisher-readiness stages, bridging the 'missing middle' while encouraging scalable, long-term commercial growth and ambition. This proposal revives and modernises a previously successful funding model, incorporating lessons learned from the original AIGF.</li> </ul>

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<sup>8</sup> In this submission, we refer to the 'missing middle', arising where there is a structural gap between small-scale prototype grants (typically \$30K-\$100K) and large-scale mechanisms like the DGTO (which only deliver value at multi-million-dollar scale and post-release).

Topic	IGEA's recommendations
	<ul style="list-style-type: none"> <li>• <u>Shared transmedia infrastructure</u>: Maximising support across creative sectors, by extending the benefits of investment in film to the video games sector, fostering shared infrastructure and cross-industry collaboration, and investing in transmedia opportunities. This extends the benefits of existing screen sector investment to games, leveraging established infrastructure and partnerships.</li> <li>• <u>Increased funding</u>: The \$12 million funding committed for Australian video game development as part of the <i>National Cultural Policy</i> should be increased to \$25 million in recognition of the critical need for 'catch-up' investment in the sector. This represents catch-up investment following a prolonged period of underfunding, rather than a step-change in policy ambition.</li> </ul>
Pillar 5: Engaging the Audience	<ul style="list-style-type: none"> <li>• <u>Marketing and distribution</u>: Recognise the importance of marketing, community management and content updates to long-term success. Provide targeted grants or tax support for activities both prior to and beyond initial development. This recommendation acknowledges activities already essential to commercial success, ensuring support mechanisms better reflect contemporary development practice.</li> <li>• <u>National promotion</u>: Establish a dedicated national promotion mechanism for the Australian video games industry. Create a sector-specific body, either as an extension of Ausfilm or a standalone initiative, responsible for positioning Australia internationally as a premier destination for game development. This mechanism would provide a clear entry point for global publishers, investors and partners, and consistently promote Australia's incentives, studios, talent and co-production opportunities. This would introduce a new coordinating mechanism, drawing on existing models such as Ausfilm rather than creating delivery capability from scratch.</li> <li>• <u>Austrade support</u>: Strengthen Austrade's role in supporting international market access for Australian game developers. Equip Austrade to work in partnership with IGEA and state and territory agencies to deliver coordinated trade missions, targeted outreach in key markets (particularly Asia), and investor engagement for the games sector. This would ensure consistent national messaging, improved market intelligence, and stronger pathways for export and inward investment. This builds on Austrade's existing trade and investment mandate, with more consistent sector-specific engagement for games.</li> <li>• <u>International market access</u>: We welcome the Government's launch of the \$50 million Accessing New Markets Initiative (ANMI) and its focus on diversifying Australia's exports. To maximise the program's impact, we recommend extending eligibility to additional creative sectors, including the video games industry,</li> </ul>

Topic	IGEA's recommendations
	<p>which is currently not represented within the creative category beyond a single film sector organisation. Expanding access would ensure that high-growth digital creative industries, such as games, can also leverage ANMI to reach new international markets and contribute to Australia's export diversification. This recommendation expands eligibility within an existing program, enabling high-growth digital creative industries to participate.</p> <ul style="list-style-type: none"> <li>• <u>Export market travel support</u>: Establish rolling travel grants for studios and service providers attending international events. This is vital for networking, pitching and attracting foreign investment. This would provide a modest rolling support mechanism.</li> </ul>

As a whole, these recommendations show that strategic investment in Australia's video games sector is a powerful opportunity to drive economic growth, strengthen national competitiveness, and unlock long-term cultural and technological benefits that extend well beyond the industry itself.

With global markets expanding rapidly and international competitors moving decisively, Australia must act now to ensure local studios can scale, innovate and compete on equal footing. The measures outlined above offer practical and fiscally responsible reforms that will build capability, attract private investment and support the development of a resilient, future-ready creative ecosystem.

With sustained and coordinated support, Australia can secure a thriving video games industry that delivers strong economic returns and positions the nation as a leader in the digital economy.

In this context, IGEA welcomes ongoing engagement with the Office for the Arts as it embarks on the next chapter of developing a new national cultural policy. For further questions or information about our submission, please contact us at [policy@igea.net](mailto:policy@igea.net).

## 1. Pillar 1: First Nations First

### CASE STUDY: First Nations-led digital storytelling

The potential of games as a vehicle for First Nations self-determination is increasingly being demonstrated by Australian creators. In the Pilbara region of Western Australia, the Karlka Niyaparli Aboriginal Corporation RNTBC and the Niyaparli community worked with DEPT to create *Niyaparli Widi*. The game is a mobile language-learning game built to preserve a critically endangered language with just eight fluent speakers remaining.<sup>9</sup> It is entirely community-voiced and designed in real, culturally significant places on Niyaparli Country. Following its release, it

<sup>9</sup> DEPT Agency, 'Niyaparli Widi: Bringing a 41,000-year-old culture back to life through gaming', <https://www.deptagency.com/en-au/case/bringing-a-41000-year-old-culture-back-to-life-through-gaming/>

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has won international recognition,<sup>10</sup> and its creators hope it can serve as a blueprint for other language groups across Australia.<sup>11</sup>

Separately, an Indigenous-led initiative through Bilbie XR Labs developed *Virtual Songlines*.<sup>12</sup> It is a sovereign spatial platform for Indigenous cultural heritage that delivers immersive experiences to corporate, government, education, community, and public audiences, through digital reconstruction of pre-colonial Australian landscapes.<sup>13</sup>

Together, these projects highlight how, when First Nations creators retain creative control and cultural ownership, interactive technologies can support intergenerational knowledge transfer and cultural sovereignty.

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Stories that recognise, respect and celebrate First Nations cultures must be told in every medium, including games. While projects like *Nyiyaparli Widi* and *Virtual Songlines* have demonstrated that immersive media is particularly powerful and compelling for telling First Nations stories, a historical lack of federal support for our sector has meant that countless Australian stories have been unable to be told, including First Nations ones.

Industry discussions, including a past IGEA-Awesome Black webinar on best practices for hiring First Nations talent, have highlighted that meaningful engagement requires more than recruitment.<sup>14</sup> It requires cultural readiness, long-term relationship building, and respect for Indigenous Cultural and Intellectual Property (ICIP). First Nations creators have been clear: the sector must move beyond tokenism and build systems that genuinely support Indigenous leadership, creative control and economic participation.

Initiatives such as the First Nations Game Studio Fund have been critical in creating culturally safe spaces for First Nations people to grow their skills in game development. Sustaining programs such as these will contribute to addressing Australia's talent deficit and ensure that First Nations creators can participate fully in the industry's growth.

**Recommendation:**

- Targeted First Nations mentorship and leadership: Develop a First Nations-focused initiative that nurtures emerging and established creators through culturally informed guidance, practical business capability building, and support to engage confidently with investors. This builds on existing First Nations-led programs (such as the First Nations Game Studio Fund) and culturally safe delivery models already operating within Australia's digital and screen sectors. The initiative would address the systemic barriers that limit the growth of First Nations-led studios, helping them move from small-scale production into larger, sustainable operations that can pursue AA/AAA opportunities. It would also strengthen pathways to capital by building investor

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<sup>10</sup> National Indigenous Times, 'Nyiyaparli Widi mobile game wins five global Anthem Awards' (November 2025), <https://nit.com.au/24-11-2025/21438/nyiyaparli-widi-mobile-game-wins-five-global-anthem-awards>

<sup>11</sup> YourLifeChoices, 'Award-winning game breathes new life into endangered First Nations language' (November 2025), <https://www.yourlifechoices.com.au/life/award-winning-game-breathes-new-life-into-endangered-first-nations-language/>

<sup>12</sup> ACMI article (September 2020), <https://www.acmi.net.au/stories-and-ideas/preserving-indigenous-culture-through-vr-brett-leavys-virtual-songlines/>

<sup>13</sup> See: <https://virtualsonglines.com/>

<sup>14</sup> GamesHub, 'Best practices for hiring First Nations talent in games, according to Awesome Black' (June 2023), <https://www.gameshub.com/news/education-student-news/best-practices-for-hiring-first-nations-indigenous-talent-2619039/>

understanding of the value and commercial potential of First Nations game development, enabling studios to grow on their own terms without relying on public listing.

## 2. Pillar 2: A Place for Every Story

Video games are no longer simple electronic pastimes. They are one of Australia's most powerful platforms for contemporary storytelling, cultural expression and artistic innovation. Locally made games increasingly reflect Australian landscapes, humour, histories and identities, from adaptations of iconic stories like *Storm Boy* to uniquely Australian titles such as *Burnout Masters*, *AO Tennis 2* and *AFL 26*. Even games with more universal settings often carry a distinctly Australian sensibility, as seen in the global success of *Untitled Goose Game*. International studios also draw on Australian environments and settings, such as *Death Stranding 2: On the Beach*, demonstrating the global appetite for Australia.

As content consumption shifts toward interactive media, video games have become a vital medium for ensuring Australian stories, especially those that resonate with younger generations, remain visible, relevant and globally influential. Just as Australian film and television shape how the world sees us, games now play a critical role in cultural diplomacy, soft power, tourism and trade. This makes it essential that federal, state and territory governments treat game development as a core cultural industry and ensure that creators across the country can access the support needed to tell Australian stories at scale.

Video games are also one of Australia's most potent digital outlets for art and culture. They serve as the primary gateway for young Australians to engage with STEAM, fostering a pipeline of digital literacy that is essential for a future-ready workforce.

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### CASE STUDY: Commercial successes in the Australian way

The commercial and cultural potential of Australian game development can be illustrated by three recent examples. *Untitled Goose Game* (developed by Melbourne-based studio, House House, with VicScreen support) sold over one million copies within three months of launch and became a global success, later cited by the Australian Government as a case study in its *Revive* cultural policy framework.<sup>15</sup> It has since been jointly acquired by ACMI, the National Film and Sound Archive of Australia, and Powerhouse Museum, preserving the game for generations to come.<sup>16</sup>

Melbourne-based studio Massive Monster's *Cult of the Lamb* provides a further example of the role of early public support, with initial VicScreen funding contributing to the development of a market-ready prototype and the securing of an international publishing partnership.<sup>17</sup> The title sold over one million copies within its first week of sale and went on to receive multiple

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<sup>15</sup> Gamespot, 'Untitled Goose Game honks its way to huge milestone' (December 2019), <https://www.gamespot.com/articles/untitled-goose-game-honks-its-way-to-huge-mileston/1100-6472452/>; Game Developer, 'Honk! A live performance of Untitled Goose Game helped shape Australia's cultural policy' (January 2023), <https://www.gamedeveloper.com/game-platforms/honk-a-live-performance-of-untitled-goose-game-helped-shape-australia-s-cultural-policy>

<sup>16</sup> ACMI, 'Honk! World premiere exhibition celebrates Untitled Goose Game' (Media Release, July 2024), <https://www.acmi.net.au/about/media/media-releases/honk-untitled-goose-exhibition/>

<sup>17</sup> ArtsHub, 'Victoria's games industry continues to thrive: Other states must take note' (August 2022), <https://www.artshub.com.au/news/features/vicscreen-victoria-melbourne-games-industry-state-government-funding-is-key-2572805/>

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international award recognition,<sup>18</sup> demonstrating how targeted public investment can help Australian studios translate early-stage support into scalable global success.

Brisbane-based studio Witch Beam's *Unpacking*, developed with Screen Queensland investment,<sup>19</sup> similarly highlights the capacity of games to deliver universal storytelling. The title sold over one million copies within a year of launch, winning at the BAFTA Games Awards, and earning a Peabody Award nomination.<sup>20</sup>

Together, these examples indicate that targeted public investment in Australian game development can support both cultural and commercial success in international markets.

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To understand how well current support structures reflect this cultural and economic importance, IGEA conducted a qualitative research initiative in mid-2025 involving interviews with 24 studios across all Australian states and territories. These ranged from sole developers to mid-tier mobile studios and AAA-scale teams. The central goal was to determine whether current funding models are fit-for-purpose, what gaps remain, and how support mechanisms can evolve to reflect the industry's commercial and cultural realities. A key issue that arose was regional disparity in government support.

## 2.1 Regional disparity

Mid-sized studios reported difficulty accessing state- and territory-based support due to distributed workforces spanning multiple jurisdictions. This has become a post-COVID norm that helps with talent attraction, retention and scaling, but it conflicts with state- and territory-based funding rules requiring most qualifying expenditure within a single state.

While these rules are intended to stimulate local economies and job growth, they no longer reflect modern distributed production models. This highlights the need for federal programs that are platform- and location-agnostic, and focused on project outcomes rather than geographic considerations.

Gaps in support are felt most acutely outside of the major East Coast hubs. Studios in WA, NT and Tasmania also face similar concerns, including geographic and structural isolation, limited access to mentors, peers, training and skilled workers. Funding alone was seen as insufficient without connection, follow-through and embedded support that provides proximity to knowledge, networks and feedback loops.

### Recommendations:

- Modern studio structures: We encourage federal, state and territory agencies to adapt to modern studio structures, including distributed teams, co-productions, hybrid

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<sup>18</sup> Devolver Digital, 'Cult of the Lamb proclaims one million followers joining the flock' (August 2022), <https://www.devolverdigital.com/propaganda/cult-of-the-lamb-proclaims-one-million-followers-joining-the-flock>; IMDb, Cult of the Lamb Awards, <https://www.imdb.com/title/tt21907812/awards/>

<sup>19</sup> ABC News, 'Meet the Brisbane couple who claimed two major prizes at the BAFTA Game Awards' (April 2022), <https://www.abc.net.au/news/2022-04-15/unpacking-brisbane-baftas-game-of-the-year-best-narrative/100992020>

<sup>20</sup> GamesHub, 'Unpacking has sold one million copies worldwide' (November 2022), <https://www.gameshub.com/news/news/unpacking-witch-beam-million-game-copies-sold-awards-32904/>; BAFTA, 'Unpacking wins the EE Game of the Year Award at the 2022 BAFTA Games Awards' (April 2022), <https://www.bafta.org/media-centre/press-releases/unpacking-wins-the-ee-game-of-the-year-award-at-the-2022-bafta-games-awards/>; Peabody, <https://peabodyawards.com/award-profile/unpacking/>

pipelines and service-oriented business models. Evaluation should prioritise project outcomes over geographic spend. Moreover, service providers to the industry should be eligible for game-related funding, by adapting existing assessment and eligibility settings to better reflect contemporary studio operations, rather than establishing new funding mechanisms.

- Regional and decentralised opportunity: Decentralise opportunity through funding for regional hubs, incubators, co-working spaces, and state- and territory-based events. Encourage cross-state collaboration and reduce barriers for studios outside major cities. This would extend and better coordinate existing state- and territory-based regional initiatives, with a stronger emphasis on cross-jurisdictional collaboration and connection.

### **3. Pillar 3: Centrality of the Artist**

At the heart of Australia's digital creative economy are 2,443 full-time developers, artists, producers, engineers and specialists. They require stable long-term career pathways to thrive. However, Australia's talent base is under sustained pressure. The industry faces a chronic shortage of mid- and senior-level developers, a legacy of the post-GFC 'brain drain' and the collapse of many studios in the 2010s. As a result, labour supply is not meeting the high demand for experienced workers, particularly in specialised roles required for modern AA/AAA production.

This shortage is already constraining growth. IGEA's monthly job reports show long-term demand for experienced roles, while member studios report that skills gaps in specialised positions are causing delays, disruptions and even cancellations of multimillion-dollar projects. With the DGTO now in force, the degree of specialisation required in Australia will only increase as larger productions take place domestically.

To maintain Australia's competitive edge and prevent further 'brain drain', policy must focus on talent retention, leadership development and the creation of stable and sustainable career pathways. These workers are highly trained, technology-based creatives with deeply transferable skills - exactly the kind of workforce a 21<sup>st</sup>-century Australia needs to increase its economic complexity and global competitiveness.

In the games sector, supporting the artist also means supporting the business and production capabilities that sustain creative practice. Founders and creative leaders are often required to operate as studio executives, navigating investment, workforce growth, production risk and market strategy alongside creative decision-making. Targeted support in business capability, investor literacy and leadership development is therefore central to enabling Australian creators to build sustainable globally competitive studios.

#### **3.1 Upskilling**

A major barrier to studio growth is the 'growth gap'. That is, the difficulty of scaling from a mid-sized studio to AA/AAA level, due to limited private capital and investor unfamiliarity with games as a viable sector. Without going public or securing foreign investment, growth is near impossible.

At the same time, the shortage of senior talent makes it difficult for studios to expand teams or take on larger projects. Education-focused solutions alone cannot meet the immediate

need for mid- and senior-level developers, as these roles require years of experience and mentorship that the current ecosystem cannot supply at scale.

Industry-led initiatives such as IGEA's Agile Games Production course and the long-running Games Connect Asia-Pacific (GCAP) Conference demonstrate the sector's commitment to upskilling. However, these efforts require sustained national support to reach the scale needed to close the capability gap.

To bridge this gap, smaller studios seeking to scale would welcome enterprise funding schemes, proactive government investment support, investor education and targeted co-investment schemes. Hiring incentives and payroll tax exemptions could also encourage studios to bring on new staff and grow sustainably.

Another key scale-up barrier is the shortage of senior leadership and business acumen. Many creative founders are highly skilled in craft disciplines but lack structured pathways into executive, production or commercial roles. Respondents stressed the need for a holistic approach that values long-term studio investment across multiple projects, rather than short-term interventions.

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### **CASE STUDY: Linking government support to business acumen and sustainability**

The Centre of Digital Excellence (CODE), funded through New Zealand's Ministry of Business, Innovation and Employment, offers a useful model worth considering for Australia. In addition to providing direct grants to game developers (ranging from prototype through to scale-up support),<sup>21</sup> CODE incorporates capability-building elements into its funding conditions.<sup>22</sup> Grant recipients are required to participate in structured mentorship, such as business development, marketing, technical skills (e.g. programming, design, art, QA), or CODE grant application advice. A similar approach in Australia (where grant support is linked to participation in business development training or mentorship programs) could help maximise the return on public investment, build a more commercially sustainable industry, and better align creative talent with the entrepreneurial skills needed to succeed in global markets.

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#### **Recommendations:**

- **Targeted mentorship and leadership:** Building on proven industry-led models already operating at smaller scale, establish a program offering structured mentorship, business development training and investor-readiness support to close the 'growth gap', the prohibitive difficulty of scaling to AA/AAA levels in Australia's shallow investment landscape, and help ambitious studios transition into sustainable businesses aligned with market opportunities. Equip studios to scale ambitiously without needing to go public and educate domestic investors to see games as a viable sector for early-stage capital.
- **Professional development:** Co-fund programs that build business acumen, leadership capacity and commercial literacy, scaling proven professional development programs

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<sup>21</sup> See: <https://www.nz-code.nz/funding>

<sup>22</sup> CODE, 'CODE announces Pay-it-Forward Mentorship Programme' (April 2025), <https://www.nz-code.nz/post/code-announces-mentorship-programme>; GamesHub, 'CODE NZ builds new mentorship program into funding grants' (April 2025), <https://www.gameshub.com/news/news/code-nz-mentorship-2703666/>

already delivering demonstrated sector impact. This should include targeted mentorship in business operations, production management and investor literacy, helping to rebuild the leadership pipeline hollowed out since the GFC. Prioritise peer mentoring, founder support and access to expertise in under-resourced states and territories.

### 3.2 Skills shortage

Australia's video games industry faces a well-documented and structural shortage of senior and highly specialised talent, particularly for large-scale ('AAA') and globally competitive productions. The issue is not a lack of Australians entering the industry, but a critical deficit at the mid-to-senior level i.e. the cohort required to lead teams, deliver complex projects and mentor junior staff.

Independent industry data confirms that the majority of current hiring demand is for experienced professionals rather than graduates. IGEA's Game Development Survey has consistently identified "hiring employees with specialised skills" as one of the top three challenges for the sector, and the number one challenge from 2020 to 2023. Complementing this, analysis of nearly three years of IGEA job report data shows that senior and management roles account for 40-55% of all advertised positions, reaching as high as 65% in some periods. By contrast, only around 4% of roles are junior, indicating that the constraint is not entry-level supply but experienced capability.

Importantly, these shortages extend beyond programmers. Less than half of advertised roles are technical, with the remainder spanning art, design, production, animation, writing, audio, QA, data, live-ops, and people and culture leadership. Many of these roles require hybrid or project-specific expertise that is not captured by existing occupational classifications.

Two structural factors explain why Australian candidates cannot currently fill these roles at scale:

1. Domestic training lag and mentoring bottleneck: The key workforce constraint is not graduate supply but senior mentoring capacity. Modern game studios require experienced senior leaders (typically with 8+ years of large-scale production experience) to train, supervise and retain junior staff. Australia currently lacks sufficient depth at this level, which limits the number of graduates studios can absorb. Without access to senior talent, frequently from overseas, studios cannot expand junior employment or build sustainable domestic capability.
2. Legacy of the GFC: The contraction of Australia's larger studios following the GFC resulted in a prolonged 'brain drain' during the 2010s, as experienced developers moved overseas and local career progression pathways collapsed. This created a lasting hollow in the mid-to-senior talent pool that cannot be rapidly rebuilt domestically. Screen Australia's Production, Infrastructure and Capacity Analysis confirms that the sector is now disproportionately bottom-heavy, with insufficient

senior practitioners to support growth, and that studios seek international hires not as substitutes for Australians, but to provide leadership and mentoring capability.<sup>23</sup>

The consequences of this shortage are tangible. Studios report high application volumes but extremely low suitability rates for senior roles – often over 90% of local applicants lack the required large-scale production experience. Specialist positions routinely remain unfilled for 3-12 months or longer, delaying production, increasing risk, and in some cases contributing to project cancellation or lost investment. Even when suitable candidates are identified, Australian studios frequently lose them to international competitors offering clearer, faster migration pathways.

Access to international senior talent is therefore an operational necessity, not a substitute for local workforce development. These high-salary roles enable studios to remain viable, keep Australians employed, and expand junior hiring through mentorship and on-the-job training. Without appropriate migration and permanency pathways for senior specialists (particularly in non-technical and hybrid roles that are poorly captured by existing classifications), Australia risks ongoing delays, reduced competitiveness, and further loss of both projects and domestic talent to overseas markets.

In short, Australians are entering the video games industry in growing numbers, but Australia lacks the experienced cohort needed right now. Strategic access to international senior talent is required to bridge this gap while domestic pipelines mature and to ensure the long-term sustainability of the local games ecosystem.

Migration settings compound these challenges. Studios consistently report that visa pathways for specialised overseas talent are inaccessible, slow or unattractive compared to competitor jurisdictions. While many roles essential to modern game development have now been recognised under the new Occupation Standard Classification for Australia (OSCA) (formerly ANZSCO), further work is required to ensure migration settings are sufficiently friction-free, timely and responsive to the operational realities of the sector.

**Recommendation:**

- **Friction-free skilled migration:** Improve the accessibility, speed and attractiveness of migration pathways for specialised game development roles, ensuring recognised OSCA roles are supported by streamlined visa processing, competitive settings and responsive assessment criteria. This will help address immediate shortages in senior and specialist roles while domestic training and upskilling initiatives build long-term capability. This focuses on improving the operation of existing migration pathways, particularly for OSCA-recognised roles, rather than introducing new visa categories.

### 3.3 Talent pipeline

Australia's long-term competitiveness also depends on building a sustainable talent pipeline. While the country benefits from a highly educated and technologically capable

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<sup>23</sup> Olsberg SPI, Report to Screen Australia, 'A Production, Infrastructure and Capacity Analysis for Australia's Screen Production Sector' (April 2026), p. 101, <https://www.o-spi.com/news/spi-publishes-a-production-infrastructure-and-capacity-analysis-for-australias-screen-production-sector>

workforce, the next generation of developers will only emerge if governments continue to prioritise STEAM. Strengthening STEAM pathways in schools, and ensuring tertiary and vocational institutions are adequately resourced to deliver high-quality games-relevant training, is essential to maintaining a steady flow of workforce-ready junior talent.

Diversity and inclusion initiatives also play a critical role in expanding and strengthening the talent pool. Ensuring that underrepresented groups can access training, mentorship and employment opportunities will help grow the industry's capacity and resilience over the long term.

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### **CASE STUDY: Spillover benefits**

The connection between game development and broader strategic and economic capability is increasingly supported by evidence. Internationally, a 2023 study by FTI Consulting and UK trade body Ukie found that video game technology spillovers supported nearly 10,000 jobs and contributed approximately £760 million to UK GDP from non-game sectors alone, including healthcare, film and television, information technology and energy.<sup>24</sup> These findings suggest the potential for comparable spillover benefits in the Australian context, particularly given existing linkages between game development and adjacent sectors such as defence, education and screen production.

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#### **Recommendations:**

- STEAM and education pipeline: Continue investment in STEAM education and training programs in schools, universities and vocational institutions, including initiatives that promote game development as a viable career pathway. This continues established STEAM investment settings, with specific attention to game-relevant pathways already delivering workforce readiness benefits.
- Industry-education partnerships: Support industry-led facilitation of partnerships between government, tertiary providers and the games sector to strengthen alignment between education and workforce needs, recognising the complexity of formal co-development across institutions. Industry is well-placed to help convene stakeholders, identify emerging skills requirements and inform relevant training approaches, building on existing collaboration between industry and educators to improve consistency, quality and national outreach.
- Diversity and inclusion: Continue investment in diversity and inclusion initiatives that broaden participation in game development and strengthen Australia's long-term talent base. This recommendation supports the continuation and scaling of existing diversity and inclusion initiatives, rather than creating new standalone programs.

### **3.4 Supporting data**

If well-utilised, Australia has one of the world's most generous games incentives, fostering project delivery by highly creative digital businesses and enticing multinational games studios to establish a presence in Australia.

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<sup>24</sup> FTI Consulting and Ukie, 'The Economic Impacts of Video Game Technology Spillover' (Report, November 2023), <https://ukie.org.uk/publications/the-economic-impacts-of-video-game-technology-spillover>

To this end, it is critical that commitments such as the DGTO continue for the long term. Ensuring they are designed and measured for success would also be valuable. Therefore, it is important that the government has access to up-to-date, timely and accurate information over a reasonable period, to help assess the effectiveness of its industry initiatives.

Through Screen Australia, the ABS publishes statistics on film, television and digital games in Australia every 3-5 years.<sup>25</sup> The most recent dataset was produced for the FY2022 and published in June 2023. For context, from FY2016-FY2025, Australia's game development workforce has grown by about 190%, essentially tripling in size from 842 to 2,443 FTE workers.<sup>26</sup> Given the rapid growth of the industry, alongside its evolving nature and technological advancements such as AI, we recommend that this occurs annually, with sufficient funding allocated to resource this work.

While workforce data is essential, it provides only a partial picture of industry performance. There is also limited visibility across government into how Australian games (including those receiving public support) perform commercially in domestic and international markets. This creates a gap in the evidence base needed to assess whether policy settings are supporting commercially sustainable outcomes and export growth.

A sustainable talent pipeline also requires visibility into the skills emerging from Australia's education and training systems. More frequent and granular data on graduate outcomes, workforce readiness and alignment between education and industry needs would help ensure that STEAM and games-related initiatives are delivering the capabilities required for modern production environments.

Improved outcome tracking would help both government and industry better understand how public investment translates into employment growth, export outcomes, IP retention, cultural impact, follow-on investment and long-term studio sustainability. Strengthening this evidence base will support more transparent, effective and accountable policy design over time.

#### **Recommendations:**

- Workforce data: Funding support should be provided to resource the ABS through Screen Australia to publish statistics annually on digital games in Australia, to help inform the impact of government programs for supporting the video games industry, the size of the industry's workforce, talent demands and skills shortages. This builds on the ABS's existing data collection role, increasing frequency and resourcing to better reflect the pace of industry change.
- Market insights: Supplementing workforce data, funding should also support the expansion of the ABS's existing data collection role, through Screen Australia, to incorporate aggregated, anonymised data on the commercial performance of

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<sup>25</sup> See: <https://www.abs.gov.au/statistics/industry/technology-and-innovation/film-television-and-digital-games-australia>

<sup>26</sup> See: <https://igea.net/game-research-and-facts/australia/game-development-industry/>

Australian games. This could include metrics such as sales performance, export outcomes, audience reach and platform distribution.

Building on the strong foundation established under *Revive*, the next phase of cultural policy should continue to integrate cultural and commercial objectives. This ensures support mechanisms both nurture distinctive Australian voices and enable studios to scale sustainably in global markets.

## 4. Pillar 4: Strong Cultural Infrastructure

### 4.1 Celebrating the success of the DGTO to date

We reiterate that the DGTO is widely praised in its intent, especially by larger studios, as a transformative, globally competitive policy that boosts Australia's reputation in game development. It builds publisher confidence, retains local talent and supports diverse projects, including long-term and strategic work. Ongoing support for the DGTO is therefore critical.

Below are several real-world examples of how the DGTO has helped various Australian-based studios.<sup>27</sup>

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#### **CASE STUDY ONE: Trusted Australian developer for co-dev, full games, ports, remasters, and original IP – all supported by the DGTO**

Founded in 2022 by veteran developers from Wicked Witch, Glinda Games is a Melbourne studio built on decades of experience across production, engineering, art, and design. Collectively, its team members have contributed to more than 150 shipped titles for some of the world's most recognised publishers.

Glinda operates across original IP, co-development, full development, ports, and remasters, with additional strengths in technical research and development (R&D), AI and advanced visual solutions. This multi-track approach enables Glinda's team members to contribute to beloved global franchises while also creating new experiences from Australia for players worldwide.

For Glinda, the DGTO has been transformative – making local labour costs globally competitive, and enabling the studio to scale confidently while planning long term. This support has allowed the team to contribute to world-renowned franchises. Team members have played key roles in projects such as *Age of Empires II: Definitive Edition*, *MultiVersus*, and *Harry Potter: Quidditch Champions*, while also building on Glinda's own IP, technical R&D, full development, and AI-driven workflows.

Glinda's multi-track model demonstrates how Australian studios can deliver world-class projects for global publishers. By combining decades of experience across production, expert engineering solutions, full development capability, and advanced AI and visual solutions, the team integrates seamlessly with international partners and consistently delivers at AAA standards.

With rising production costs, sustaining multiple projects at once is challenging for any independent studio. The DGTO has enabled Glinda to grow to over 25 developers in under three years, providing new employment opportunities for Australian talent.

This stability allows the studio to support large-scale co-dev and remaster projects while also investing in original IP. For example, Glinda's team members have a long history working on major

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<sup>27</sup> See IGEA's [gameonaustralia.com](https://gameonaustralia.com) website for further information: <https://gameonaustralia.com/the-digital-games-tax-offset/>

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Australian sports titles, including *Rugby Challenge 4* and *AFL Evolution 2*, while the studio continues to develop its own franchises such as *Catapult King* – a mobile success with more than 50 million downloads and #1 rankings in over 100 countries.

Support from the DGTO and VicScreen's Victorian Digital Screen Rebate program has given Glinda the confidence to plan long term, invest in emerging talent, and experiment with new ideas that otherwise would not be possible. These initiatives not only provide stability for the studio but also allow Australian developers to compete on equal footing with much larger overseas counterparts.

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### **CASE STUDY TWO: How the DGTO enables Big Ant to share Australian culture through sport**

Sport is heavily intertwined in Australian culture. Millions of Australians each year watch and attend sports matches for Aussie rules, rugby league, cricket, tennis and rugby union. Our national icons include sports stars, whose exploits are passed down generations. In recent years, sports codes have turned to video games as an outlet for fans to extend their love for the game, beyond the pitch.

Fans of sports video games will be familiar with Big Ant Studios. Since the PlayStation 3 and Xbox 360 era, it has been the face of Australian sports video games. Its AFL, cricket, rugby league and tennis games have helped fans develop stronger connections to the sports and sports stars they love.

Big Ant Studios' goal is to make Melbourne the video game sport capital of the world, and the DGTO is helping one of Australia's longest-running game studios realise its dream.

The studio points out that Big Ant Studios has always been profitable. However, the DGTO has produced more sustainable organic growth by reducing the financial risks of taking on more projects while putting more development resources into the next iterations of its franchises. As a result, each iteration of Big Ant Studios' games has included improvements to stadium visuals, player designs and likeness, ball physics and player behaviour.

Since the DGTO was implemented, Big Ant Studios has grown its studio from about 50 employees to over 140 employees. It is hoping to reach 200 employees soon. It has also expanded its footprint, opening a new arm of the studio in Adelaide to support its Melbourne head office.

A majority of Big Ant Studios' new hires have been emerging Australian talent. The studio has a history of developing Australian talent, with former workers going on to found and contribute to other popular Australian studios, including Halfbrick (*Fruit Ninja*, *Jetpack Joyride*) and Hipster Whale (*Crossy Road*).

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### **CASE STUDY THREE: The DGTO supports long-term employment, Science, Technology, Engineering and Mathematics (STEM) talent development, and finds Carmen Sandiego**

Founded in France in 1999, Gameloft operates 18 development studios worldwide and publishes games for mobiles, game consoles and PC. In 2014, the company established a presence in Australia through the opening of Gameloft Brisbane. What started as a small team of 15 has since grown to over 110 full-time employees. It is one of Australia's few full end-to-end game development studios, handling product development and marketing from its hub in Brisbane.

Gameloft Brisbane is most recognised for its modern reimagining of the gaming classic, *The Oregon Trail*, which has won multiple international awards and was one of the most downloaded titles on Apple Arcade in 2021.

In 2025, Gameloft Brisbane released a new title in a series close to many gamers' hearts, *Carmen Sandiego*. This ambitious cross-platform title was created in partnership with Netflix and HarperCollins, and includes some iconic Queensland landmarks such as Brisbane's South Bank

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and the Great Barrier Reef. Accessing the DGTO was a key component of *Carmen Sandiego's* creation, and has allowed the studio to set its sights higher.

Utilising the DGTO and additional funding from Screen Queensland allowed Gameloft Brisbane to develop *Carmen Sandiego* with less risk and a higher return on investment. This improved the internal business case for developing the game in Brisbane. By factoring in the DGTO to its production budget, Gameloft Brisbane secured internal funding from its parent company, Vivendi (based in Paris), to develop *Carmen Sandiego*. For a studio like Gameloft Brisbane, which is part of a worldwide network, this has strengthened the studio's autonomy and resilience.

In recent years, Gameloft Brisbane has seen a 77% increase in full-time employees covering all sectors of the business, including game development, administration, finance, human resources and marketing. In a typical studio environment, it may be challenging to keep full-time staff once a project is finished. However, the success of *Carmen Sandiego*, made possible with the help of the DGTO, earned Gameloft Brisbane the trust of international partners and has opened up new opportunities for the studio. It has since worked on other new projects with world-renowned IP holders, which has enabled it to retain full-time talent employed between projects.

Outside of the traditional games business, Gameloft Brisbane has launched education-focused initiatives to encourage more Australians to explore STEM pathways. In the last three years, the studio has welcomed over 150 school students and 80 students from universities and colleges through studio visits, events and dedicated programs.

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#### **CASE STUDY FOUR: Finding live service success through the DGTO**

Not Doppler is a Sydney-based game development studio and publisher that has been developing gaming experiences for 20 years. The team started as a web games portal in 2005 and established itself as a studio in 2015 to focus on mobile gaming. To date, its games have generated over 300 million downloads across iOS and Android.

Not Doppler's most popular series is *Earn to Die*. The series started as a web game before transitioning to mobile. The *Earn to Die* games task players with driving vehicles through a zombie apocalypse to collect resources to upgrade the vehicle so it can travel further towards safety. The games are available on iOS and Android, and the series has received over 200 million downloads.

The studio also developed the hit game *Crash of Cars*, a real-time multiplayer game where players battle one-another to collect as many crowns as possible before being destroyed. *Crash of Cars* has over 50 million downloads.

Not Doppler accessed the DGTO and ScreenNSW Digital Games Rebate to help fund development on a new live-service game in the *Earn to Die* series, *Earn to Die Rogue*. Thanks to the support of DGTO and ScreenNSW rebates, and the commercial success of the game (15 million downloads in its first year, and an excellence in mobile award at the Australian Game Developer Awards), *Earn to Die Rogue* became profitable much sooner than expected, only eight months after launch.

This success, and knowing they will be able to continue to access DGTO assistance, has allowed Not Doppler to retain staff to provide ongoing support for the game and invest further in sequels and formats for the popular franchise. The studio also has the confidence to take more risks on new projects.

Accessing the DGTO has influenced the studio's hiring process. Rather than looking to hire remote contractors from overseas, Not Doppler has decided to focus on employing a local team and leverage the savings of the DGTO to train and retain a well-balanced team of Senior, Mid-Level and Junior game development professionals across the company.

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Nevertheless, there are necessary technical refinements to ensure the DGTO's long-term effectiveness. There is clear scope to build on the DGTO so it can better serve the full breadth of Australia's game development ecosystem.

**Recommendation:**

- Long-term support for the DGTO: Continued industry development enabled through the DGTO is critical. Ensuring long-term funding and policy stability for this foundational measure will provide certainty for studios and investors, support sustained industry growth, and reinforce Australia's competitiveness in the global games market.

## 4.2 The 'missing middle'

One key concern is that video games projects with budgets below the \$500K minimum spend are ineligible for the DGTO, and also fall short of the minimum spend thresholds in most states and territories. This effectively leaves lower-budget projects without meaningful support at any level. Ensuring targeted assistance for studios working with lower budgets will be essential to fostering a more inclusive and sustainable industry.

Our consultation with studios revealed a strongly shared sentiment across interviews regarding the existence of a structural 'missing middle' in Australia's funding landscape: a gap between small-scale prototype grants (typically \$30K-\$100K) and large-scale mechanisms like the DGTO, which only deliver value at multimillion-dollar scale and post-release. While early-stage support helps test concepts, studios with proven potential often lack the capital or investor-readiness to scale, leaving them stuck in a 'valley of death'.

What is missing is targeted mid-stage production funding in the \$150K-\$500K range, essential for hiring, completing vertical slices, expanding pipelines, and negotiating with publishers and platforms. This tier of investment would help studios grow sustainably and create a pathway to access larger incentives like the DGTO. A proposed minimum spend of \$150K serves as a working baseline: low enough to support accessibility for smaller developers, yet high enough to ensure a tangible and meaningful investment, providing a practical starting point for further refinement.

Studios stressed that they are not seeking handouts, but commercially structured support. Many praised the former AIGF for its flexible and scalable model that helped launch successful studios and recouped its investment. Building on this concept, interviewees proposed a new repayable mid-stage fund, designed to bridge this gap and foster long-term and sustainable games businesses in Australia.

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### CASE STUDY: The case for the original AIGF

The track record of the original AIGF provides a useful evidence base for considering a dedicated mid-stage games funding mechanism. Screen Australia's data shows that \$4.178 million invested across 43 projects in the fund's games production component generated total production budgets of \$14.3 million – a leverage ratio of approximately 3.4:1.<sup>28</sup> Studios including SMG

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<sup>28</sup> Crikey article (May 2016), <https://www.crikey.com.au/2016/05/02/a-quick-way-to-boost-innovation-in-video-games/>

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Studios that received the original AIGF support remain in operation today, having grown beyond their initial grant support and delivered additional products for global audiences.<sup>29</sup> The AIGF indicates that market-readiness intervention through modest, commercially-oriented public investment can help bridge the gap between prototype-stage studios and the scale required to access larger incentives. Building on this evidence, a new mid-stage fund, calibrated to the current gap between the \$30K-\$100K prototype tier and the \$500K DGTO threshold, could replicate and extend that model.

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#### **Recommendations:**

- **Missing middle:** Address the funding gap between early-stage prototyping and large-scale incentives like the DGTO by introducing mid-tier production funding (\$150K-\$500K). This would allow studios to retain staff, finish vertical slices and reduce risk when engaging publishers or investors, and act as a funnel into the DGTO by enabling more studios to reach offset scale. This is a targeted new intervention, informed by the proven performance of the former AIGF and calibrated to an identified structural funding gap.
- **Business continuity:** Support continuity between project milestones, particularly post-launch and pre-greenlight phases, to avoid team dissolution. This would operate as a complementary layer to existing project-based funding, addressing points of demonstrable workforce risk between milestones.

### **4.3 Timely support and access to capital**

For companies eligible for tax incentives, delayed access to capital remains a significant barrier. The DGTO is only accessible after submitting a tax return and only once a project has been completed. In practice, because rebates are claimable only after game release and not paid until the following tax year, studios often wait two or more years (in some cases up to five) to receive the benefit.

This delay creates significant cash flow challenges for studios needing capital during development, making it difficult for studios to cover upfront costs. It can also dissuade external investors and complicate financial planning.

Additionally, many studios operate on a continuous project cycle to maintain their workforce and remain viable. Without timely support, these businesses face an increased risk of collapse or loss of key staff, undermining the stability of the broader video games industry.

A more sustainable support system should include mechanisms that provide earlier access to funding (e.g. bridging finance or complementary grant schemes), and stability between development cycles (e.g. rolling grants, business continuity funding or operational support). These measures would help studios manage production costs, retain talent, plan ahead and invest in long-term growth.

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<sup>29</sup> Smart Company, 'Video game fund for small studios welcomed by the local industry, despite Labor's \$25 million promise' (January 2023), <https://www.smartcompany.com.au/technology/video-game-fund-for-small-studios-welcomed-by-the-local-industry-despite-labors-25-million-promise/>

In practice, specific solutions could include linking rebates to annual Qualifying Australian Development Expenditure (QADE), rather than to the release of a game. For work-for-hire projects, eligibility could be determined based on contract value, not final release.

The certification process alone can take several months in practice, before a studio can even lodge its tax return. The DGTO must be claimed with the primary corporate tax return, with no ability to amend the return post-lodgement, which makes precise coordination essential and has created a risk of missed claims for several studios.<sup>30</sup> For a multi-year project, the combined effect of development timelines, the certification process, and the tax return cycle mean studios routinely wait two to five years from first expenditure to cash receipt.

#### **4.4 Completed work versus final release of a game**

The DGTO's objective is to support and incentivise Australian game development and the broader benefits it generates. However, tying eligibility to a game's final release creates problematic incentives.

Several studios reported feeling pressured to launch prematurely, which can compromise quality and long-term success. More critically, projects that are cancelled (despite having completed substantial eligible development work) become ineligible for the DGTO. This outcome undermines the DGTO's intent.

Studios have therefore proposed realigning DGTO eligibility to reflect work that has been completed and paid for, rather than making it contingent on final commercial release.

If left unchanged, the current DGTO structure will continue to exclude cancelled projects from eligibility, creating a perverse incentive to prioritise release over quality in order to retain access to the offset. This risks undermining the cultural and creative objectives the DGTO is intended to support.

#### **4.5 Primary developer requirement**

Under current DGTO rules, only one company per project can claim the offset, and only if they secure a 'primary developer' letter from the game's publisher or IP holder. In practice, this creates significant legal and operational hurdles for Australian studios working on work-for-hire or co-development contracts. They must chase overseas publishers or partners for documentation, and are often stalled by staff turnover, legal caution or low prioritisation. As a result, studios lose out on work or rebates, despite meeting the eligibility criteria in substance.

Affected studios recommend removing the primary developer requirement. They argue that the \$500K QADE threshold already guarantees meaningful local development activity and prevents token claims. Simplifying eligibility would broaden access, especially for mid-sized and service-oriented studios, without compromising the DGTO's integrity. The \$65K salary cap for company directors has also been criticised for undervaluing leadership.

The DGTO's own guidelines confirm that only one company can apply per certificate at any time – requiring parties co-developing a game to “clarify through mutual agreement” which

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<sup>30</sup> IGEA, 'Digital Games Tax Offset alert - Timing of tax return lodgement' (May 2025), <https://igea.net/2025/05/digital-games-tax-offset-alert-timing-of-tax-return-lodgement/>

is primarily responsible, and warning that failure to agree “may result in the offset not being available to any company involved in the work on that game”.<sup>31</sup> This creates a structural disincentive for the kind of collaborative, co-production arrangements that are standard in modern game development.

**Recommendation:**

- Cashflow and accessibility: Extend the DGTO to improve cash flow alignment, certainty and accessibility. Allow annual claims, remove restrictive requirements and take inspiration from developer-friendly international models (e.g. Canada). These changes refine the existing DGTO architecture to improve cashflow alignment and accessibility, without altering its core policy intent.

#### 4.6 Holistic and coordinated approach

A holistic approach is necessary to effectively incentivise growth in the video games industry. This should include a balanced mix of public and private support, ranging from targeted tax reforms to grants and other funding mechanisms. Tax changes can complement, rather than replace, existing grants and regulations to build a more sustainable and flexible support system for the industry.

A more coordinated national approach will be critical to realising this opportunity. Greater alignment across federal, state and territory initiatives (alongside strengthened international promotion and export support) would significantly improve visibility, reduce duplication, and enhance Australia’s ability to compete with more coordinated international jurisdictions.

Australia’s screen funding landscape is shaped not only by federal initiatives such as the DGTO, but also by diverse state- and territory-based initiatives. These vary widely in size, scope and administration, leading to different experiences for studios depending on their location or operating model. Further, many federal, state and territory grants remain less focused on building commercially viable studios. As this consultation focuses on federal incentives, we do not address jurisdiction-specific challenges.

In a global industry, Australia’s combined DGTO and various state- and territory-based incentives represent progress, but they remain complex, inconsistent across jurisdictions and difficult for smaller studios to access. Meanwhile, several countries now offer more streamlined, generous, or business-friendly incentives, making them attractive destinations for game development, particularly for startups and SMEs.

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<sup>31</sup> DGTO Guidelines (July 2023), [https://www.arts.gov.au/sites/default/files/documents/final\\_dgto\\_guidelines.pdf](https://www.arts.gov.au/sites/default/files/documents/final_dgto_guidelines.pdf)

For example:

- **Canada:** Offers various tax credits for video game development across Canada, such as rebates of up to 37.5% on labour costs in Quebec,<sup>32</sup> and 35-40% on eligible expenses in Ontario.<sup>33</sup>
- **Belgium:** Offers a Tax Shelter for Video Games, a scheme that provides up to 30% tax exemption for qualifying investment in video games production.<sup>34</sup> This is further strengthened by funding from the Flanders Audiovisual Fund (VAF),<sup>35</sup> and Wallimage.<sup>36</sup>

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### CASE STUDY: Canada's long game

Considering the Canadian example further, the gap between Canada's approximately 34,000 FTE game development jobs and Australia's 2,443 reflects, in part, structurally different policy settings developed over several decades. Canada's game sector has been supported by provincial refundable tax credits since the mid-1990s, most notably in Québec,<sup>37</sup> where labour-based refundable incentives have long been in place, helping to significantly reduce operating costs for game studios. The key lesson is not that scale is unattainable, but that the predictability, accessibility and longevity of incentives play an important role in supporting workforce growth over time. This remains central to Australia's opportunity, where administrative complexity and uncertainty may limit the effectiveness of existing support settings.

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Effective tax reform and other support require targeted and coordinated action across federal, state and territory governments. Without alignment, conflicting incentives or support gaps may emerge, undermining efforts to sustain and grow the local creative industries. Prioritising intergovernmental collaboration will help ensure complementary policies, reduce administrative inefficiencies, and build a stronger and globally competitive video games sector.

#### Recommendation:

- **Coordinated policy:** Addressing current disparities, both across the federal, states and territories, and compared to overseas jurisdictions, requires integrated reforms. With coordinated tax policy, equitable funding and targeted initiatives, Australia can position itself as a global leader in the flourishing international markets for games development and transmedia opportunities. This recommendation emphasises coordination and alignment across existing policies, rather than introducing additional standalone schemes.

## 4.7 Commercial sustainability

Consultation with studios revealed frustration that government support often overlooks commercial viability, sustainability and modern game monetisation models. Several respondents noted that commercially scalable titles frequently miss out on funding.

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<sup>32</sup> See: <https://www.investquebec.com/fr/financement/programmes-gouvernementaux/attestations-de-credits-dimpots/production-de-titres-multimedias>

<sup>33</sup> See: <https://www.ontariocreates.ca/our-sectors/interactive/tax-credit>

<sup>34</sup> See: <https://www.vaf.be/files/1.-SF-website/Publicaties/brochure-tax-shelter-2024-en.pdf>

<sup>35</sup> See: <https://www.vaf.be/en>

<sup>36</sup> See: <https://www.wallimage.be/en/services/wallimage-enterprises/>

<sup>37</sup> See: <https://www.finances.gouv.qc.ca/documents/Bulletins/en/97-3-a-b.pdf>; <https://international.investquebec.com/fr/choisir-le-quebec/nos-secteurs/jeu-video-et-experiences-creatives>

Studios suggested public funding should be expanded to ensure commercial studios can grow, retain staff and reinvest locally. Greater transparency, through clearer communication of each funding program's goals and evaluation metrics, would further strengthen the system.

The previous AIGF was widely praised for balancing creative ambition with commercial outcomes through grants and repayable loans. It helped studios move from contract work to original IP, hire staff and establish commercially viable operations. With a competitive leverage ratio (reported in the range of between 3.4:1 to 4:1) and national reach, it demonstrated how reinvestment and scalability can be built into funding models.<sup>38</sup> Its past success offers a blueprint for future programs.

**Recommendation:**

- AIGF 2.0: Introduce a program resembling the previous AIGF with a blend of repayable loans, milestone-linked grants and success-based reinvestment. The fund should focus on supporting studios between prototype and publisher-readiness stages, bridging the 'missing middle' while encouraging scalable, long-term commercial growth and ambition. This proposal revives and modernises a previously successful funding model, incorporating lessons learned from the original AIGF.

#### 4.8 Transmedia opportunities

While the Australian Government supports screen content creators, there is an opportunity to strengthen how this support extends to interactive and cross-platform storytelling. Video game developers face comparable early-stage challenges in securing seed funding, attracting investment and building teams, particularly when developing original IP with the potential to extend across multiple formats.

Strengthening support for these early-stage activities would enable more Australian IP to be developed with transmedia potential in mind, supporting collaboration between games, film and television. Such an approach would help better align support across the creative sectors, recognising that modern content creation increasingly spans multiple platforms, while ensuring that support settings are appropriately tailored to the distinct characteristics of interactive development and the video games industry.

Despite critical support through the DGTO and other incentives, the video games sector arguably receives significantly less support than the traditional screen sectors. More is needed to ensure the industry can grow sustainably. The \$12 million committed under the *National Cultural Policy* falls short of what is required after almost a decade of limited federal support. Funding should be increased to \$25 million, matching the Australian Labor Party's 2019 election commitment. This remains considerably less than support received by film and television production, but would allow Screen Australia to expand its funding streams, including enterprise funding.

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<sup>38</sup> IGEA submission (August 2017), p. 22, <https://www.igea.net/wp-content/uploads/2017/08/Interactive-Games-and-Entertainment-Association-IGEA-Inquiry-into-the-Australian-film-and-television-industry.pdf>; Crikey article (May 2016), <https://www.crikey.com.au/2016/05/02/a-quick-way-to-boost-innovation-in-video-games/>

There is also a unique opportunity to extend the benefits of existing screen sector investment to the video games sector, by fostering shared infrastructure, aligned funding mechanisms and cross-industry collaboration. Supporting video games alongside film and television opens new transmedia pathways, where storytelling, technical capability and economic value can be amplified across formats. Australian experience demonstrates that this is not a speculative opportunity, but an established and under-leveraged one.

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### **CASE STUDY ONE: *Storm Boy* - Literary and cultural IP adapted for interactive audiences**

*Storm Boy*, developed by Sydney-based Blowfish Studios, adapts Colin Thiele's iconic 1964 children's novel into an interactive experience based on Australian landscape and storytelling.<sup>39</sup> The project illustrates how established Australian literary and screen IP can be extended into games, broadening audience engagement while maintaining connections to source material.

By expanding a well-known Australian story into interactive media, *Storm Boy* highlights how games can contribute to the ongoing lifecycle of local cultural IP. It also reflects the role of games as a complementary medium within Australia's cultural ecosystem, rather than a competitor to traditional screen formats.

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### **CASE STUDY TWO: *Carmen Sandiego* - Global IP with local production outcomes**

The *Carmen Sandiego* game, developed by Gameloft Brisbane in partnership with Netflix and HarperCollins Productions, and supported by Screen Queensland, illustrates how transmedia collaboration can generate local production opportunities within global franchises.<sup>40</sup> Drawing on a globally recognised IP spanning television and publishing, the project enabled an Australian studio to contribute to an international franchise through local development and creative input.

Featuring Australian locations and talent, the project highlights how aligned screen and games investment can attract international partnerships while supporting the retention of economic and cultural value within Australia.

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### **CASE STUDY THREE: *Bluey's Happy Snaps* - Screen IP extended into video games**

*Bluey's Happy Snaps*, developed by Gameloft Brisbane in collaboration with BBC Studios and supported by Screen Queensland, illustrates how transmedia investment can extend the value of screen IP into video games.<sup>41</sup> *Bluey*, created by Queensland-based studio Ludo Studio, is one of Australia's most successful screen exports, with global reach across television, publishing and licensed products.<sup>42</sup>

Developed in Brisbane, *Bluey's Happy Snaps* adapts the series' tone into a family-oriented game designed for younger audiences. The project highlights how alignment between screen and games investment can support Australian game development and contribute to the longevity of local IP, while helping to retain cultural and economic value within local production contexts.

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<sup>39</sup> See: <https://www.blowfishstudios.com/storm-boy>

<sup>40</sup> Gameloft, 'The chase is on - a new Carmen Sandiego adventure breaks into PC & consoles!' (Media Release, March 2025), <https://www.gameloft.com/newsroom/carmen-sandiego-console-pc-launch>; ABC News, 'Vintage video game gets Brisbane reboot' (September 2024), <https://www.youtube.com/watch?v=KcjtLNHUPPM>

<sup>41</sup> Gameloft, 'Gameloft announces Bluey's Happy Snaps, a family adventure game coming to PC and consoles in 2026' (Media Release, March 2026), <https://www.gameloft.com/newsroom/blueys-happy-snaps-video-game-gameloft-2026>

<sup>42</sup> BBC Studios, 'BBC Studios grows award-winning Bluey licensing program with new partnerships across multiple categories around the world' (Media Release, May 2025), <https://www.bbcstudiospressroom.com/press/bbc-studios-grows-award-winning-bluey-licensing-program-with-new-partnerships-across-multiple-categories-around-the-world/>

**Recommendation:**

- Shared transmedia infrastructure: Maximising support across creative sectors, by extending the benefits of investment in film to the video games sector, fostering shared infrastructure and cross-industry collaboration, and investing in transmedia opportunities. This extends the benefits of existing screen sector investment to games, leveraging established infrastructure and partnerships.

#### 4.9 A proposed increase to Australian video game development funding

Noting that the Australian Government allocated \$12 million across three programs announced at GCAP 2023, with funds operational from 2024, this means a full cycle of outcomes data is only now becoming available. A formal mid-point performance review of the \$12 million commitment, timed with this consultation, would itself be a valuable policy action. Alongside our recommendation for annual ABS data reporting, this will help enable such reviews going forward.

The case for increasing games funding from \$12 million to \$25 million is best understood through return on investment, not cost. The former AIGF generated \$3.42 in total production expenditure for every \$1 of public investment, based on a 3.4:1 leverage ratio confirmed by Screen Australia's own data (as discussed earlier). Applied to our proposal for an additional \$13 million to industry funding, this implies approximately \$44 million in new production activity, much of it feeding into the DGTO pipeline and generating further downstream tax and export revenue.

Against a sector already generating \$608.5 million in annual export revenue and growing at 15.9% per annum, this additional investment represents just over 2% of current exports. This modest uplift has the potential to sustain and accelerate growth, with conservative projections indicating export revenue could exceed \$1 billion within five years.

The question is not whether Australia can afford \$25 million, but whether it can afford to forgo the production leverage and export growth potential that such investment has historically unlocked. This includes tens of millions in additional production activity and the opportunity to sustain progress toward a billion-dollar export sector.

A proposed \$13 million increase to funding for Australian video game development could be allocated to address the specific policy gaps (as recommended in this submission), including development, scale-up and go-to-market activities, such as:

- AIGF 2.0 (mid-stage repayable fund): Largest funding gap, with proven 3.4:1 leverage ratio from prior AIGF;
- First Nations Game Studio Fund and mentorship: Sustained culturally safe pathways, addressing structural barriers;
- Enterprise / scale-up mentorship program: Closes 'growth gap' for studios scaling to AA/AAA;
- Marketing, playtesting and community-building support: Addresses discoverability constraints, ensuring game concepts gain traction;

- Regional hubs, incubators and events: Addresses geographic isolation outside East Coast hubs;
- Transmedia and co-production support: Cross-sector storytelling, aligning with screen sector investment;
- Workforce and market insights data (ABS annual reporting): Enables evidence-based policy tracking including DGTO impact; and
- Diversity, inclusion and STEAM pipeline: Expands talent base, complementing education investments.

#### **Recommendation:**

- Increased funding: The \$12 million funding committed for Australian video game development as part of the *National Cultural Policy* should be increased to \$25 million in recognition of the critical need for 'catch-up' investment in the sector. This represents catch-up investment following a prolonged period of underfunding, rather than a step-change in policy ambition.

## **5. Pillar 5: Engaging the Audience**

Australia's game development sector already demonstrates the hallmarks of a world-class export industry: it produces globally successful titles, earns the vast majority of its revenue from overseas markets, and creates weightless, IP-driven products that generate long-term value.

Engaging audiences in today's global games market requires more than creating a high-quality game. Contemporary games policy must support the full lifecycle through which games reach audiences, including market validation, community development, localisation, discoverability, post-launch support and international business development, particularly in an increasingly discoverability-constrained global market.

Among these factors, discoverability, community engagement and sustained post-launch support are particularly essential to both commercial performance and cultural impact. Policy settings must therefore extend beyond production alone to support how games reach audiences, maintain relevance, and grow communities over time.

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### **CASE STUDY ONE: Longevity is built and maintained**

A clear example of an Australian game that has achieved successful market penetration through strategic perseverance is *Cult of the Lamb*, developed by Melbourne-based studio Massive Monster and published globally by Devolver Digital.<sup>43</sup> Since its release, the game has sustained international success, including through ongoing content updates that maintain community interest, rather than relying solely on launch-period visibility, generating multimillion dollar revenue.<sup>44</sup> Its global reach and longevity illustrate how post-launch support and audience

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<sup>43</sup> IGEA's Game Wise podcast with Massive Monster: <https://igea.net/2026/03/game-wise-the-igea-educates-podcast-cult-of-the-lamb-the-long-road-to-an-overnight-success/>

<sup>44</sup> PC Gamer, 'Devolver's financials show Cult of the Lamb is its best seller, earning more than \$90 million with DLC a significant factor: Gamers are spending more time on known IPs' (April 2025), <https://www.pcgamer.com/gaming-industry/devolvers-financials-show-cult-of-the-lamb-is-its-best-seller-earning-more-than-usd90-million-with-dlc-a-significant-factor-gamers-are-spending-more-time-on-known-ips/>

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cultivation can be critical to converting creative success into enduring cultural and commercial impact for Australian games.

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### **CASE STUDY TWO: Audience engagement is not an option**

The post-launch activities of Witch Beam's *Unpacking* illustrate why marketing, distribution and community engagement can be understood as integral to a game's cultural and commercial success, rather than treated as optional add-ons. Witch Beam has described maintaining a "steady heartbeat" of content and sustained audience engagement after *Unpacking* went viral, reflecting the studio's view that early attention was only a starting point.<sup>45</sup> This momentum was supported through ongoing audience interaction, incremental content updates and developer-led stewardship, rather than relying on passive promotion alone. To date, *Unpacking* has accumulated nearly 40,000 Steam global reviews.<sup>46</sup>

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For an export-oriented sector such as digital games, international market access is not discretionary promotion, but a core component of a competitive export strategy, enabling Australian studios to compete in global markets and connect with key publishing, platform and investment partners.

However, despite this natural alignment with Australia's broader export strengths, federal support for game-related trade and international promotion remains almost non-existent. This absence is felt acutely at major global industry events, where Australia lacks the coordinated presence that other export sectors enjoy. As a result, international investors and partners remain largely unaware of the country's proven capability. Developers also point to Australia's 'tyranny of distance' as a barrier to networking, highlighting the value of travel grants. Studios stresses that these should be offered on a rolling-basis rather than being tied to fixed dates or events.

The scale of the opportunity becomes even clearer when compared internationally. Australia's 2,443-strong workforce and \$608.5 million in revenue sit far below countries like Canada, where sustained investment and export-focused policy have helped grow a 34,000-person workforce contributing over \$5 billion. Closing this gap is not only achievable - it represents a major opportunity to expand Australia's cultural footprint, increase high-value exports, and position Australian-made games as a flagship creative industry.

Strengthening trade support, improving visibility at global showcases, and backing export-ready studios would allow Australia to capture a far greater share of the global market, and unlock the full economic and cultural potential of its game development sector.

#### **Recommendations:**

- **Marketing and distribution:** Recognise the importance of marketing, community management and content updates to long-term success. Provide targeted grants or tax support for activities both prior to and beyond initial development. This

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<sup>45</sup> GamesIndustry.biz, 'How Unpacking kept a steady heartbeat after going viral years before launch' (October 2021), <https://www.gamesindustry.biz/how-unpacking-kept-a-steady-heartbeat-after-going-viral-years-before-launch>; see also IGEA's Game Wise podcast with Witch Beam: <https://igea.net/2026/04/game-wise-the-igea-educates-podcast-unpacking-success-how-quiet-craft-built-a-global-hit/>

<sup>46</sup> See: <https://steamdb.info/app/1135690/charts/>

recommendation acknowledges activities already essential to commercial success, ensuring support mechanisms better reflect contemporary development practice.

- National promotion: Establish a dedicated national promotion mechanism for the Australian video games industry. Create a sector-specific body, either as an extension of Ausfilm or a standalone initiative, responsible for positioning Australia internationally as a premier destination for game development. This mechanism would provide a clear entry point for global publishers, investors and partners, and consistently promote Australia's incentives, studios, talent and co-production opportunities. This would introduce a new coordinating mechanism, drawing on existing models such as Ausfilm rather than creating delivery capability from scratch.
- Austrade support: Strengthen Austrade's role in supporting international market access for Australian game developers. Equip Austrade to work in partnership with IGEA and state and territory agencies to deliver coordinated trade missions, targeted outreach in key markets (particularly Asia), and investor engagement for the games sector. This would ensure consistent national messaging, improved market intelligence, and stronger pathways for export and inward investment. This builds on Austrade's existing trade and investment mandate, with more consistent sector-specific engagement for games.
- International market access: We welcome the Government's launch of the \$50 million Accessing New Markets Initiative (ANMI) and its focus on diversifying Australia's exports. To maximise the program's impact, we recommend extending eligibility to additional creative sectors, including the video games industry, which is currently not represented within the creative category beyond a single film sector organisation. Expanding access would ensure that high-growth digital creative industries, such as games, can also leverage ANMI to reach new international markets and contribute to Australia's export diversification. This recommendation expands eligibility within an existing program, enabling high-growth digital creative industries to participate.
- Export market travel support: Establish rolling travel grants for studios and service providers attending international events. This is vital for networking, pitching and attracting foreign investment. This would provide a modest rolling support mechanism.

## **About IGEA**

IGEA is the industry association representing and advocating for the video games industry in Australia and New Zealand. Our industry includes the developers, publishers, and distributors of video games, as well as the makers of the most popular video game platforms, consoles and devices.

IGEA has over a hundred members, from emerging independent studios to some of the largest technology companies in the world.

Among our various activities, IGEA also organises the annual Games Connect Asia Pacific (GCAP) conference for Australian game developers and the Australian Game Developer Awards (AGDAs), which celebrate the best Australian-made games each year.

Find out more: [www.igea.net](http://www.igea.net)

## **Acknowledgement of Country**

IGEA acknowledges and pays respect to the past and present Traditional Custodians and Elders of this land and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples. We would like to extend our acknowledgments to the indigenous people from countries overseas and recognise their strength, wisdom and creativity.

