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Office for the Arts
Department of Infrastructure, Transport
Regional Development, Communications and the Arts

Email to: culturalpolicy@arts.gov.au

Dear Office for the Arts

Submission to consultation for a renewed National Cultural Policy

I am the Managing Director of Plaion Australia, the local arm of Plaion, an international video game development company. I am also the Chair of the Interactive Games & Entertainment Association (IGEA), which represents the Australian video games industry and has separately lodged a submission, which I obviously also support.

Plaion, which until today was known as Koch Media, is one of the world's largest game developers, with ten studios and 2,300 employees. Plaion has developed and/or published a range of world famous titles, including *Metro Exodus* and *Saints Row*, the latter being one of the most successful gaming franchises of all time. On behalf of Plaion, I would like to contribute to the consultation for a renewed National Cultural Policy by advocating for our section of the cultural landscape that historically has often been unrecognised, if not outright dismissed, in artistic, creative and cultural policy discourse.

Too often, conversations about what the 'arts and culture' mean in Australia revolves around what it may have looked like 30 years ago. Often discussed, for instance, are cinema and TV, music and the performing arts, the fine arts, literature and drama, and opera and dance. These are, of course, all essential components of things that are important and beautiful about Australia and the Australian identity. However, a cultural medium often ignored is interactive video games, despite their massive social impact and economic value - both objectively and in comparison to the other cultural sectors.

Video gaming is one of the most loved and popular cultural pursuits in Australia and around the world. According to IGEA's Digital Australia 2022 research, two-thirds of Australians play games, with the average age of Australian gamers being 35 and the fastest growing cohort of gamers being senior Australians. Gameplay is not a trifling or vacuous pursuit either, with games being among the most culturally-rich creations, formed with beautifully-rendered art, emotive music and enthralling narratives.

However, it is in the creation of games where the value of a thriving Australian game development industry can contribute most to Australian culture and most needs to be reflected in a renewed National Cultural Policy. According to IGEA's latest industry survey, there were 1,327 fulltime game developers in Australia, generating income of \$226.5M in 2020-21, almost all from abroad. While they are less often mentioned, I would estimate that many if not most of Australia's most successful Australian cultural exports of the past decade in terms of both reach and revenue would be video games made here.

The profile of the Australian game development workforce is unique among cultural sectors, with the most common workers being artists and designers (32%) and programmers and engineers (34%). Game development is therefore the perfect combination of creativity and technology, with the skills generated by our sector not only contributing to the creation and dissemination of our culture around the world through Australian-made games, but also contributing to the digitally-ready and technology-trained workforce that our 21st century economy will need arguably more than any other.

Despite these positives and our sector's great potential, we are far lagging the games sectors around the world. For example, even after adjusting for our differences in population, the video game development industries in both the UK and Canada are significantly larger than ours in terms of both total workforce and economic value, not just by a little but by several multiples. The reason for this is primarily cultural policy. For while in both countries governmental screen tax incentives and direct funding have been extended to video games, in Australia video games have been excluded from the tax offsets available to film and TV production and, for most of the last decade until last month, excluded from applying for any of Screen Australia's funding programs.

With these challenges in mind, I am incredibly excited about the future for our sector under a modern, visionary and future-focussed National Cultural Policy. I am excited that last month Screen Australia announced the first round of federal funding for game development in almost a decade through the well-designed, if modest, Games: Expansion Pack fund. This funding has already given great optimism to independent Australian game development studios and a renewed National Cultural Policy provides a massive opportunity for the Government to strengthen, expand and diversify this fund.

However, the biggest impact that a renewed National Cultural Policy can provide to the creation, participating in and dissemination of Australian culture via video games is through a commitment by the Government to the Digital Games Tax Offset (DGTO). The DGTO, which was first announced by the previous Government last year and for which draft legislation is ready and waiting to be introduced into Parliament, will fix the most critical policy gap that is standing in the way of hundreds of millions of dollars of global investment and the creation of thousands of skilled technology jobs in Australia. As the creation of a game development tax offset is also supported by Labor, which while in opposition backed formal recommendations for such a policy in three separate Parliamentary inquiry reports during the last two years alone, now is the time for the DGTO to be implemented. With it, the future is bright for Australian game development.

I thank you for considering our submission, which you are welcome to publish. Please let me know if there anything further I can provide to support this important consultation process. Your team can reach me at [REDACTED].



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