

22<sup>nd</sup> August 2022

## **RE: A new National Cultural Policy**

We are submitting to you in relation to the invitation to comment on the new National Cultural Policy.

Specifically, we would like to address the pillar that concerns the centrality of the Artist as worker.

We acknowledge the extensive support offered to our industry by way of the Australian Screen Production Incentive. A program that is intended to both support the creation of Australian content and attract international production to Australia to underwrite the continuing growth of the industry.

Our business benefits from both the Location and PDV incentives, these incentives ensure Australia remains financially competitive, stimulates private sector investment in screen production, creates highly skilled employment opportunities in this rapidly growing part of the global creative economy.

We are proud to be a part of such a diverse, creative and vibrant export industry, we believe that screen production has a large impact on the whole creative industry.

We believe strongly that the transition from the current Location Incentive to a permanent Location Offset at 30% would see enormous benefit in terms being able to provide ongoing stable employment and ongoing growth to our business.

Blackbird is a proudly Australian owned family business, we invested our first home deposit to start our business and have grown it from the ground up to be in a position where today we are competing on a global scale against companies bigger than us, who have been doing it longer than us. In short, we punch above our weight and are proud to do so.

As part of the screen industry, we are a cultural business operating in a complex cultural ecosystem and while our focus in this submission is on addressing the export side to our business, it's worth noting that we deliver creative services to both Australian and international clients.

To date, the current Location Incentive has helped support us in almost doubling our team over the past two years. As a direct result of this program, we were able to achieve our first international production

credit that saw us win subsequent substantial, high profile international projects. We are currently working on two productions that access this incentive, these productions have provided employment for approximately twenty five staff over the past eight months. In short, this is an incentive that undeniably provides employment and opportunity for growth for companies within our sector. We are aware that the current allocation of funds is near exhaustion and we have serious concerns about the impact to our business when the funds run out. Our ability to offer stability of employment will be under threat as we enter a period of uncertainty waiting to hear if more funds will be allocated. It is for this reason that we would like to strongly advocate for the transition from the Location Incentive to a permanent Location Offset at 30% so we can continue to be internationally competitive and plan with confidence in the longer term. It will help ensure we can achieve maximum growth potential and remain financially relevant and competitive in the global market.

As a visual effects company, our work is highly skilled and, in an environment, where skilled labour is tight, this means we need to invest in training graduates more than ever before. To be able to make this investment, we need to know there is the stability of ongoing work, it can be challenging to find this stability in project based businesses that are exposed to the ebb and flow of the production cycle but a move to a permanent Location Offset will assist significantly with that.

We offer employment in roles ranging from accounting, legal, production assistants, production coordinators, VFX producers, concept artists, title designers, VFX Supervisors & VFX artists. The nature of the work we execute is highly creative.

As part of our current phase of growth, we have invested significantly in new infrastructure, we're upskilling employees and we've invested heavily in our cyber security credentials.

Where we have been able to begin key international relationships under the current incentive and invest in infrastructure and growth, we want to make sure we can see a future path for the company that can realise its full growth potential with ongoing export opportunities.

We believe the overall objective for the National Cultural Policy should be to maintain a healthy eco system of companies that can continue to put Australian creative and technical talent on a world stage providing opportunities for new jobs and innovation.

It's important to note that the work we do on international production contributes to the Australian sector in a significant way. The revenue generated on international productions enables us to offer more favourable



budget levels to local Australian productions. We have the opportunity to develop skills and innovation on international productions that we can utilize on local productions.

Blackbird wants to remain globally relevant and competitive so that we can continue to demonstrate Australian creative and technical excellence to the world.

On behalf of our entire team here at Blackbird, we thank you for your time in considering our submission.

Yours sincerely,

Nerissa Kavanagh & Nicholas Ponzoni