



Australian Government

SCREEN  
AUSTRALIA

**‘SIGNIFICANT AUSTRALIAN CONTENT’:  
GUIDANCE ON ELIGIBILITY FOR THE PRODUCER OFFSET**  
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To be entitled to a certificate or a provisional certificate for the Producer Offset, an applicant must satisfy Screen Australia that a film meets the relevant conditions including that it has a significant Australian content (SAC).

A film is not required to satisfy the SAC requirement if it is approved as an official co-production, that is, it has been made under an arrangement entered into between the Commonwealth or an authority of the Commonwealth and a foreign country or an authority of a foreign country, either a co-production treaty or a memorandum of understanding (MOU). For further information on Australia’s co-production program, please visit [www.screenaustralia.gov.au/copros](http://www.screenaustralia.gov.au/copros).

Whether a film has a SAC is determined by Screen Australia in accordance with section 376-70 of the Act. Under that section, Screen Australia must have regard to the following:

- The subject matter of the film
- The place where the film was made
- The nationalities and places of residence of the persons who took part in the making of the film
- The details of production expenditure incurred in respect of the film, and
- Any other matters that Screen Australia considers to be relevant.

### **Meeting the SAC test**

The matters outlined above are not exclusively qualitative or quantitative in nature. They are matters required to be taken into account and not ‘criteria’ to be met. Accordingly, Screen Australia will consider all these factors as part of an overall assessment, applied on a case-by-case basis, to determine whether a film has SAC. No single factor is determinative. Rather, Screen Australia will consider and weigh up all relevant factors in coming to its determination.

Screen Australia emphasises that the level of Australian content must be ‘significant’, which means that it must be ‘important’, ‘notable’ or ‘of consequence’. Guidance is provided below as to how Screen Australia will approach its consideration of the relevant factors.

#### **1. The Subject Matter of the Film**

Screen Australia will have regard to the extent to which the subject-matter of a film, for example its story and setting, is recognisably about Australia or Australians. The following types of films would be considered to have a strong claim in relation to this matter:

- A film set in Australia and about Australians.
- A film set in Australia about foreigners’ experiences in Australia. or

- A film set in a foreign land about Australians (i.e. portraying an Australian perspective on the world).

The subject-matter of the following types of films are unlikely to be considered to have a strong claim in relation to the level of Australian content:

- A film set in a fictional, fantasy or 'not of the human world' setting.
- A film set in a foreign land with non-Australian characters.

Such films may still meet the SAC test, but are likely to need to have strong claims in relation to other relevant matters.

In the case of documentaries, the subject-matter will also be considered to have a strong claim in relation to the level of Australian content where there is a recognisably Australian perspective on the events or issues depicted, regardless of whether the events or issues are prima facie 'Australian'.

## **2. The place where the film was made**

Screen Australia will have regard to the place where the film was made including the extent to which the film is to be produced in Australia. Each phase of the production cycle will be separately examined (e.g. development, pre-production, production and post-production) in considering a film's level of Australian content in relation to this matter.

Generally speaking, a film which undertakes most or all of its work in Australia will be considered to have a strong claim against this matter.

A film would have a weak claim in relation to this matter if the majority of principal photography is not undertaken in Australia. If a film is to be mostly shot offshore, therefore, the film is likely to be required to have particularly strong claims in relation to other relevant matters, such as subject matter, in order to meet the required level of Australian content.

## **3. The nationalities and places of residence of the persons who took part in the making of the film**

Screen Australia will examine the nationalities and places of residence of the persons who took part in the making of the film, for example, producers, directors, authors, scriptwriters, composers, actors, editors, directors of photography, production designers and other film technicians.

The nationalities and places of residence of the following key creative roles will be considered to be particularly important in determining a film's Australian content: producers, writer, director, key cast and Heads of Department. The inclusion of foreign personnel in any of these roles would reduce the film's overall claim in relation to the level of Australian content.

As a part of its consideration of the nationalities and places of residence of the persons who took part in the making of the film, the proportion of other cast and crew that are Australian nationals or residents will also be considered.

## **4. The details of the production expenditure incurred in respect of the film**

In this context, Screen Australia will consider the percentage of total production expenditure that will occur in Australia. Production expenditure will occur in Australia only if the money is physically expended here (e.g. if a film is shot in another country, the expenditure on Australian residents for that period does not occur in Australia).

## **5. Any other matters that the film authority considers relevant**

Screen Australia must take into account any other matter it considers to be relevant in determining the level of Australian content of a particular project.

Generally, such matters will be considered relevant if, having considered the four factors referred to above, Screen Australia is not satisfied that the film has a SAC. In such cases, Screen Australia is likely to consider the following matters to be relevant:

- (a) *Core origination*: the extent to which the initial concept, idea or underlying work is created by Australians and the extent to which the development of the project originated in Australia (?) and is controlled and owned by Australians;
- (b) *Creative control*: the extent to which the actual control over the creative aspects of the production is in the hands of Australian citizens, e.g. is an Australian producer the “lead producer” or are there non-Australian executive producers who will exercise significant creative control;
- (c) *Australian investment*: the extent to which finance will be raised from Australian sources from Australian nationals or residents.
- (d) *Financial return*: the extent to which Australian nationals or residents recoup any investment and/or share in any profits in relation to the film;
- (e) *Copyright*: the extent to which copyright ownership is held by Australians;
- (f) *Length of association*: the extent to which Australian writers, producers and directors have been involved in the development of the project.

Screen Australia will also consider any other factors it considers relevant to a specific film project on a case by case basis.