

15 March 2011

The Hon Simon Crean MP
Minister for the Arts
Parliament House
Canberra ACT 2600

Dear Minister

The Australian Subscription Television and Radio Association (ASTRA) welcomes the opportunity to respond to the Report of the 2010 Review of the Australian Independent Screen Production Sector.

ASTRA notes that the Report identifies various issues of concern for the screen production industry, including issues raised by ASTRA in its submission such as the cash flow difficulties independent producers may face with the operation of the Producer Offset within the taxation system; and the impacts on current uptake of the Location Offset.

ASTRA is, however, disappointed that the Report did not address ongoing concerns of the subscription television industry in relation to Government funding support programs. As detailed in ASTRA's submission to the Review, we continue to have concerns that some direct and indirect Government assistance currently distorts the operation of the market by discouraging co-investments with Government bodies. There continues to be a need to recognise the differences in commercial structures of various players in the industry to ensure Government funding enhances, rather than hinders, the willingness of organisations to invest. ASTRA is particularly disappointed that the Report made no reference to the different regulatory and economic structures between free to air and subscription broadcasting that, in turn, create differences in the models for the financing of television productions.

We would refer you to our submission to the Review in May 2010 for greater detail on these issues, and would welcome the opportunity to discuss these issues further as the Government develops its implementation plan in response to the Report of the Review.

Yours sincerely

A handwritten signature in black ink that reads "Petra Buchanan". The signature is fluid and cursive.

Petra Buchanan
CEO

