



Subscription TV industry spends \$17.7 million on Australian drama programs



The subscription television industry spent \$17.707 million on eligible Australian and New Zealand drama programs in 2003-04 in meeting its obligations under the subscription television drama expenditure scheme.

'The subscription television industry provides substantial support to Australian drama production. This support provides an opportunity for Australians to create and participate in a wide variety of productions ranging from short films such as *Hooked* and *Essington*, feature films such as *Somersault*, and television series such as *McLeod's Daughters*, *Love My Way* and *The Cooks*,' said Lyn Maddock, Acting ABA Chair.

Under the scheme arrangements set out in the Broadcasting Services Act, licensees and channel providers are able to nominate eligible drama expenditure towards meeting requirements from 2003-04 or 2002-03.

Of the \$17.7 million spent in 2003-04, \$8.937 million was nominated to acquit expenditure obligations from 2002-03, with the remaining \$8.472 mil-



Aggregate expenditure by subscription TV drama services on new Australian drama

	2003-04	2002-03	2001-02
Total program expenditure	\$177,206,673	\$199,326,879	\$206,377,600
New Australian drama 10 per cent requirement	\$17,720,667	\$19,932,688	\$20,637,760
Actual new Australian drama expenditure	\$17,707,528	\$19,130,511	\$19,924,155
Expenditure nominated to acquit previous year's obligation	\$8,937,272*	\$8,246,506	\$7,804,142
Expenditure toward current year's 10 per cent requirement	\$8,472,625	\$10,965,030	\$12,120,013
Obligation to be met in the next financial year	\$9,248,042	\$8,967,658	\$8,246,506

* Make up expenditure for the 2003-04 financial year has not been fully met due to the subscription television licensee TARBS World TV Australia Pty Ltd failing to provide a return for its drama channels for 2003-04. In addition, the shortfall in expenditure to be made up in the next financial year does not necessarily equal the difference between the 10 per cent requirement and the expenditure nominated toward this requirement, because some services spent in excess of 10 per cent of their total program expenditure on new Australian drama programs.

lion nominated towards the 2003-04 requirement. An amount of \$9.248 million has to be spent in 2004-05 to meet the drama expenditure requirement for 2003-04.

Background

The Broadcasting Services Act defines a *subscription television drama service* as a service devoted predominantly to drama programs - that is, more than fifty per cent of the programming consists of drama programs.

Expenditure on new eligible drama programs in 2003-04 included investment in and payment of licence fees for a range of programs including shorts, feature films and drama series.

Under section 103B of the Broadcasting Services Act:

drama program means a program that has a fully scripted screenplay in which the dramatic elements of character, theme and plot are introduced and developed to form a narrative structure, and includes:

- (a) a fully scripted sketch comedy program or
 - (b) an animated drama or
 - (c) a dramatised documentary
- but does not include:
- (d) a program that involves the incidental use of actors or
 - (e) advertising or sponsorship matter (whether or not of a commercial kind).

eligible drama program means:

- (a) a drama program that is

- an Australian program or
- (b) a drama program that is an Australian/New Zealand program or
- (c) a drama program that is a New Zealand program or
- (d) a drama program that is an Australian official co-production

within the meaning of the Australian Content Standard.

expenditure, in relation to a program or program material, means:

- (a) expenditure incurred in acquiring the program or program material or
- (b) expenditure incurred in producing the program or program material or
- (c) pre-production expenditure incurred in re

- lation to the program or program material or
- (d) expenditure incurred by way of the making of an investment in the program or program material and includes nil expenditure.

Under section 103K of the Act, (1) ... if a person incurs expenditure on an eligible drama program, the eligible drama program is *new* if, and only if, the whole or a substantial part of the program has not been televised in Australia or New Zealand on a broadcasting service at any time before the expenditure is incurred. ☒