

23 January 2024

Pre-Budget Submissions

Treasury

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Dear Treasury

Building and sustaining Australian video games industry development

The Interactive Games & Entertainment Association (IGEA) is the industry association representing and advocating for the video games industry in Australia, including the developers, publishers and distributors of video games, as well as the makers of the most popular gaming platforms, consoles and devices. IGEA also organises the annual Games Connect Asia Pacific (GCAP) conference for Australian game developers and the Australian Game Developer Awards (AGDAs) that celebrate the best Australian-made games each year.

IGEA has over a hundred members, from emerging independent studios to some of the largest technology companies in the world. A full list of our membership is available on [our website](#).

The video games industry is a major contributor to the Australian digital economy. According to our most recent data, video games are worth around \$4.21 billion annually in Australia,¹ while Australian-made games brought in \$345.5 million in largely export revenue last year.² Moreover, because the video games sector uniquely sits at the intersection of entertainment, the arts and technology, video games companies hire a wide range of artistic, technical and professional roles and are thus a wellspring of adaptable and in-demand careers and are an engine for growth in the Australian national economy. Indeed, Australian video game developers are internationally renowned, and ours has the potential to be one of Australia's most important future growth industries and an integral component of the Government's vision for Australia to be a top 20 digital economy and society by 2030.

Our Pre-Budget Submission for the 2024-25 Federal Budget wishes to acknowledge, with gratitude, the Australian Government's committed funding announced in 2023:

- The restoration of the Australian Interactive Games Fund (AIGF), a longstanding focus of IGEA's advocacy, ensures vital funding for small to medium Australian game creators with game budgets below \$500,000. As part of the Revive National Cultural Policy, the Government committed \$12 million over four years to support independent game developers through Screen Australia.

¹ [Australians subscribe to video game growth - IGEA](#)

² [AGDS-2023-Report-Final.pdf \(igea.net\)](#)



- Building on the restoration of the AIGF, Screen Australia's introduction of three new funding, directly supporting original games (Games Production Fund), emerging gamemakers (Emerging Gamemakers Fund), and professional development (Future Leaders Delegation).
- The long-anticipated Digital Games Tax Offset (DGTO) legislation, which IGEA has advocated for several years, was successfully passed through Parliament. The DGTO, a federal initiative, offers a 30% tax incentive for Australian video game developers undertaking projects above \$500,000. The DGTO will have retrospective effect from 1 July 2022, benefiting both new and existing game projects.

These announcements, coupled with select state government initiatives, ensure that Australian studios of all sizes and locations can access government funds, ultimately leading to a diversified local development ecosystem. It recognises the video games industry's importance in the broader national cultural, screen, and creative industries, emphasising Australian video game developers' essential role in digitally delivering stories to diverse audiences.

If well-utilised, the funding commitments position Australia as having one of the world's most generous gaming incentives, fostering project delivery by highly creative digital businesses and enticing multinational games studios to establish a presence in Australia.

To this end, it is critical that these commitments continue for the long term. Ensuring they are built and measured for success would also be valuable. Therefore, it is important that the government has access to up-to-date, timely and accurate information over a reasonable period to help better inform it about the effectiveness of its industry programs.

While IGEA publishes its industry data, which helps inform government policy, it would be useful for government agencies such as the ABS to add value to the conversation, given its role as Australia's national statistical agency.

For instance, we note that the ABS has undertaken consultation on its comprehensive review of the Australian and New Zealand Standard Classification of Occupations (ANZSCO).³ As part of the series of consultation rounds, IGEA has advocated for reforms to ANZSCO to reflect the modern video games development industry and workforce. This would not only properly inform the impact of government programs, but also other indicators such as the size of the industry's workforce, talent demands and skills shortages.

Complementing this, through Screen Australia, the ABS publishes statistics on film, television, and digital games in Australia every 3-5 years.⁴ The most recent dataset was produced for the 2021-22 financial year and published in June 2023. Given the ever-evolving state of the emerging video games industry, we recommend that this occurs annually. Therefore, the Federal Budget should allocate sufficient funding to resource this work accordingly.

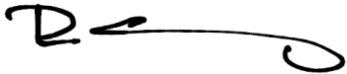
³ [ANZSCO comprehensive review - consultation round 3](#)

⁴ [ABS, Film, Television and Digital Games, Australia datasets](#)



For further questions or information about our submission, please contact IGEA's Director of Public Policy & Government Relations, Charles Hoang at charles@igea.net or policy@igea.net.

Regards,



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