



MEDIA RELEASE: Tuesday 29 September 2020

Australia-first rebate for video game development now open as SAFC launches guidelines for new suite of programs

A ground-breaking, Australia-first rebate for video game developers, new financial support for South Australian screen businesses and improved career pathways for diverse screen practitioners are among the pioneering industry initiatives launched today by the South Australian Film Corporation (SAFC), with the official release of guidelines for its new suite of funding programs.

The new program guidelines follow the launch in July of the [SAFC Strategic Plan 2020-2023](#), and come as a result of extensive industry consultation.

The first of its kind in Australia, the [South Australian Video Game Development Rebate \(SA VGD Rebate\)](#) mirrors the SAFC's successful [PDV Rebate for Post-Production, Digital and Visual Effects](#), by enabling video games studios to claim a 10% rebate on costs incurred to develop a game in South Australia.

Claimable on eligible projects with a minimum South Australian spend of \$250,000, the rebate aims to establish South Australia as a leading location for games development by encouraging established local games studios to scale up, and by incentivising non-South Australian games studios to establish a base or undertake work in the state.

Since the introduction of the SA PDV rebate in 2018 expenditure on post-production, digital and visual effects in South Australia has increased by 50%, jumping from \$44 million in 2017/18 to \$66 million in 2018/19, according to Screen Australia's National Drama Report.

Minister for Innovation and Skills David Pisoni said the new SA VGD Rebate would give South Australian games companies a significant advantage in the global marketplace.

"The SAFC's ground-breaking new South Australian Video Game Development Rebate will not only drive jobs growth and attract international investment in our thriving games sector, it will allow South Australia to take a bigger bite of what is a \$180 billion global industry," he said.

"As the first state in Australia to launch a Video Game Development Rebate, the Marshall Government further demonstrates its commitment to advancing innovation and investment in this growing industry."

SAFC CEO Kate Croser said the agency would continue to work closely with industry in rolling out the Australia-first rebate, set to herald a new era for games development in the state.

"The SAFC's hugely successful PDV rebate has led to South Australia cementing its place as an international centre of excellence for post-production, digital and visual effects, and we want this new video games rebate to do the same for the state's games sector," she said.

"The new SA VGD Rebate furthers the SAFC's commitment to South Australia's games industry, building on the support we have delivered over the last 12 months including \$300,000 in development funding for 11 South Australian games projects, workshops and other industry initiatives.

"We are excited to work even more closely with the state's thriving games sector and respond to the needs of industry as we roll out this brand new rebate scheme for Australia."

South Australia's growing, independent games industry continues to have an international impact with worldwide hits such as *Hollow Knight* from 2018 Australian Studio of the Year Team Cherry, named one of the 12 best games for the Nintendo Switch by games industry bible Kotaku; *Sugar Slam* from 2019 Australian Studio of the Year Mighty Kingdom, which reaches more than 238 million users a day on messaging app

Snapchat; and Foxie Games' *Horse Riding Tales* with more than 10 million downloads and 1.5 million monthly players globally.

Director of the Interactive Games and Entertainment Association (IGEA) Ron Curry said the SA VGD Rebate would not only further enhance South Australia's reputation as a home of world-class game development, but would have a positive impact on the entire Australian games industry.

"Rebates have proven to be an effective lever to accelerate the growth of the video game development industry, the most popular global entertainment medium. A thriving local game development industry will ensure greater export revenue for the entire country and encourage investment in the games industry, along with establishing a highly skilled and technologically literate workforce," he said.

"We have been fortunate to work closely with the South Australian government on this initiative and we congratulate them on embracing this opportunity for their state, which is already home to world-class game development studios such as Mighty Kingdom. The future is bright for those studios working and looking to establish a base in South Australia. IGEA looks forward to continuing our work with the SAFC and our members to ensure the initiative's success."

Mighty Kingdom CEO Philip Mayes said the new rebate was a game-changer for the industry.

"As a growing part of the South Australian screen industry, we're really excited to have the continuing support of the South Australian Film Corporation as recognition for the growth potential of the near \$200 billion dollar games industry. This nation-leading Video Game Development Rebate will provide certainty in investment in video games in the state, and we expect to see industry growth, jobs and some awesome games being made by South Australia's talented game developers," Mr Mayes said.

Foxie Games Founder and Director Dineth Abeynayake, whose mobile game development studio has grown from three employees to more than 25 in two years and has been ranked in [South Australia's top three fastest-growing companies in business consultancy firm BDO's Fast Movers SA index](#), said he appreciated the opportunity to provide feedback on the rebate during the consultation process to ensure it met the needs of industry.

"The SA VGD Rebate is really exciting for the local game development industry. For Foxie Games, it will allow us to build bigger and better original games, and help us unlock larger opportunities and stay competitive in the global marketplace," Mr Abeynayake said.

The rebate was launched today as part of a suite of new SAFC funding programs and initiatives, including:

[Screen Business Programs](#)

Up to six South Australian screen businesses will be supported to grow and attract investment through business training, mentoring and cash loans under a new SAFC screen business initiative.

With applications opening today, the new **Screen Business Planning and Mentoring Program (BPMP)** will support six South Australian screen companies with up to \$5,000 each towards business training and mentoring in order to create comprehensive business plans for growth and attracting investment. At the conclusion of the program, the six companies will become eligible to apply for the SAFC's new **Screen Business Accelerator Program**, taking their plans for innovation and expansion to the next level through business loans of up to \$200,000 per annum for up to two years to drive growth through slate funding, research and development, marketing and more.

[Matched Market Development Grant](#)

Trialled earlier this year as an additional COVID-19 support measure, this new grant provides uncapped matched funding to South Australian production companies for projects intended for commercial release with secured third-party development support from the market. The Matched Market Development Grant empowers South Australian producers to attract market partners for their slates and projects, with the certainty that the SAFC will match their development contribution.

Targeted Development Grant

Also introduced as a COVID-19 support measure, this new grant supports the development of South Australian owned Intellectual Property (IP) by way of the advancement of ambitious and original South Australian screen projects that can be produced and post-produced in South Australia and which have the potential to deliver substantial benefits to the state's screen sector. Applicants can apply for up to \$20,000, depending on the type of project, the development activities proposed, the scope of the final project and the level of market interest.

Attachment Scheme

The SAFC's long-running attachment scheme facilitates the growth of South Australia's below-the-line crew base, essential to the ongoing advancement of the state's screen industry, by providing opportunities for paid on-set work experience and training for early and mid-career South Australian crew. The program has now been split into two streams: [Professional Crew Attachments](#), and [Targeted Diversity Attachments](#), designed specifically to provide first on-set experiences for practitioners from groups underrepresented in the South Australian screen industry including women, First Nations practitioners, Deaf and disabled practitioners, and practitioners from Culturally and Linguistically Diverse backgrounds, LGBTQIA+ communities and regional and remote areas. This new two-stream approach to the attachment scheme not only ensures the ongoing upskilling of South Australian crew, but delivers on the SAFC's strategic aim to diversify the pool of South Australian screen sector crew and build a more inclusive screen industry in the state.

Also released today are updated guidelines for the SAFC's [Screen Production Fund](#) which now give greater clarity to producers on the way the SAFC will support production in South Australia.

SAFC CEO Kate Croser said the new guidelines built on the SAFC's strategic aims to enable entrepreneurship and grow capability in the state's screen sector, as well as champion South Australian practitioners and businesses.

"After extensive consultation with industry the SAFC is pleased to deliver this suite of new funding programs and initiatives to continue our practical support of South Australia's screen sector right across the spectrum, from the development and production of film and TV to games, and from producers and production companies to key creatives and crew," she said.

Guidelines for all SAFC programs and initiatives can be viewed and downloaded at safilm.com.au

MEDIA CONTACT: Cathy Gallagher 0416 22 72 82 cathy@abcfilm.com