



25 February 2026

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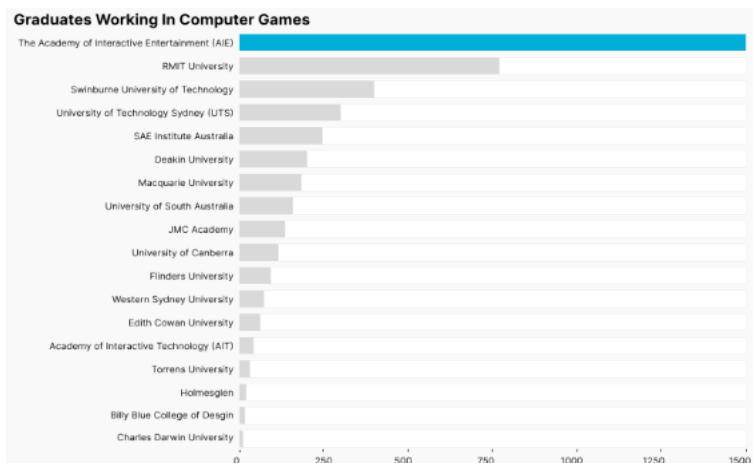
ACT Budget Consultation 2026-2027

BACKGROUND

The Academy of Interactive Entertainment Limited (AIE) welcomes the opportunity to again provide input into the ACT Budget process specifically in relation to the games and screen industry.

By way of background: AIE is a non-profit educational institution that is committed to investing in Canberra and delivering vocational and higher education qualifications in the areas of games, animation, film and visual effects. AIE is also the parent company of AIE Institute Limited, which is an accredited degree-granting institute of higher education that commenced delivering a Bachelor of Game Development specialising in game art, game design and game programming in 2024.

AIE is the educator with the highest graduate employment outcomes in the Australian games industry. Research based on LinkedIn company insights showed just how many more AIE graduates are working at games studios than any other educator. In fact, AIE outperformed the next two closest educators combined, however most of the jobs are in NSW and Victoria who provide strong industry support to the games and film industry.



Source: [Want a Career in Games? Here's Where You Should Study](#)

**academy of
interactive
entertainment**

AIE is highly focused on supporting innovation and job creation through its work-integrated learning and industry partnership model that it plans to expand through the delivery of

Stage 1 of its Watson campus renewal masterplan. Included in Stage 1 is significant studio/production space which is due to break ground in 2026 (currently awaiting final DA approval).

INVESTMENT IN THE SCREEN INDUSTRY

As we mentioned in last year's budget submission, we acknowledge that the ACT Government has made long-term investments in the screen industry through the core funding of Screen Canberra and the provision of the ACT Screen Investment Fund and the ACT Screen Attraction Fund (The Funds) over the last nearly 20 years.

In 2007, the ACT Government cut its internal capacity to support the industry. Industry lobbied and agreed to form an organisation to represent the interests of this growing sector eventually becoming Screen Canberra.

The work of Screen Canberra, the ACT Government and the Funds have led to a dramatic increase in production and jobs and has positioned the Territory as a viable, cost effective and desirable location of choice.

Historically, AIE has invested in the industry through education, cash and in-kind investment into local and incoming productions such as AACTA nominated *SISSY*, horror comedy *ME AND MY MATES VS THE ZOMBIE APOCALYPSE* and the 2025 Oscar nominated *NAWI* on which AIE graduates did all the visual effects.

And that investment is about to become much larger, underpinned by the inclusion of production infrastructure as part of the redevelopment of the AIE's Watson campus.

AIE STUDIO

AIE is further investing in the industry through significant funding in the AIE's Watson campus renewal project. Not only in the physical infrastructure, which includes a 1300m² sound stage, but also in developing a unique system of film production and backing at least one Hollywood-level budget feature film per annum.

The AIE is also gradually increasing its ownership of high-end equipment – from a large array of LED volume screens to professional camera packs, lighting, and other production equipment, not previously available in the ACT. This adds to previous acquisitions of a Technodolly in 2021 (worth over \$1million) and a KUKA robot in 2025 (the only one in the country which is used for making sets & props) already owned by AIE.

This new state of the art facility will be of benefit to the AIE, but also to UC, ANU and CIT film students as we develop closer collaboration, and alumni and local and incoming productions.

RECOMMENDATIONS

1. FUNDING

We acknowledge the Government's commitment to the industry in the 2025-2026 budget through the introduction of the Canberra Screen & Games Fund and the ongoing support of Screen Canberra to deliver this fund. Much welcome news.

However, over a year of uncertainty in the industry prior to the announcement and contracting, has had a negative effect on the reputation of Canberra as a location of choice and many projects were lost to other states that could offer immediate funding. An example of this is series 3 of Austin which went to South Australia.

There is still a genuine concern amongst local and incoming producers re the renewal of funding for investment in 2027 and beyond. A year at a time is not conducive to alleviating that concern. Continuity is key, along with an enticing and realistic level of support to retain local talent and attract production.

On top of these 12 months of uncertainty, the ACT still does not compete with incentives such as what is known as PDV (post-production, digital and visual effects rebate). All of the other States and Territories provide a minimum of 10% of the spend in these areas as a grant. Given the AIE, UC and CIT all have graduating students with these skills, we need to be providing job security, or we lose this talent to states that do provide this incentive. AIE Studios will need these workers to support production increases created through an annualised production pipeline.

We also note that development funding is no longer supported by Screen Canberra making the ACT the only jurisdiction in the country that does not support this activity, making it very difficult for local talent to develop local IP.

As the ACT's production capacity increases, and this will be spurred along by AIE Studios, it is highly likely that much larger budget projects will be looking at Canberra. As such, the Fund will not be sufficient to attract future \$30million plus productions. A timely process and facility should be developed in consultation with industry, for these important, economic and job boosting projects.

RECOMMENDATION 1 – Funding

- 1a. A longer-term horizon for the Fund (at least 5 years) with a suggested level of funding of \$2million a year.
- 1b. Fund renewal determined 1 year in advance.
- 1c. Consider other funding support such as PDV rebates of at least 10% of the spend.
- 1d. Develop a facility and timely process within Government on a case-by-case basis for investment into larger budget projects \$20million+. This is in line with the offerings from other States and Territories and keeps the ACT competitive
- 1e. Allocate funds for development of projects.

2. GAMES

The inclusion of games as an eligible format for Funding, is welcomed. The ACT can now leverage 30% federal funding allocated to games.

The line between “games” and “screen” are further blurring.

Gaming skills are not just for video games – for example, games development skills are used in programming, VR, AR, simulation and training, construction, marketing and advertising, design and architecture and the Defence and medical fields.

Games skills are also the driver of the LED volume screens, which is now the norm for most features and TV content and the lines between games and film/tv are further blurred.

The inclusion of games is as eligible is definitely welcome, but now is another demand on already small resources both from the Fund and Screen Canberra point of view.

As such, the lack of funding support for the games industry means loss of talent and opportunity in the fastest growing sector of the creative industries.

RECOMMENDATION 2: Games

2a Consider point 1a (increase in the yearly allocation) given games will take up an amount of the existing funding.

3. SCREEN CANBERRA

As the peak body for the screen industry, Screen Canberra has an important and vital role in the continued development of industry. They have maximized and leveraged the existing Funds and brought investment, spend and exposure to the ACT and have built a solid reputation in the Australian screen industry.

RECOMMENDATION 3: Screen Canberra

3a Support Screen Canberra to continue to service and grow the industry through **appropriate** core funding.

3b Continue to deliver The Funds with an independent board and industry assessment committee to ensure timely decisions and disbursement.

3c Consider the interest earned by the Funds, to be used by Screen Canberra for development of projects and talent.

IN SUMMARY

The AIE endorses both Screen Canberra's and the IGEA's budget recommendations.


Our recommendations are as follows:

1. Substantially replenish the Funds with a long-term investment horizon of 5 years minimum. 10 years would be preferable.
2. A \$2million per annum investment into the Funds
3. Consider other support mechanisms such as PDV rebate
4. Develop a process in collaboration with industry on a case-by-case basis for large budget project support
5. Increase base support for Screen Canberra to deliver meaningful services to the industry including delivery of the Funds and growth of IP and local businesses.
6. Allow Screen Canberra to use the interest on Funds for development.

Thank you for your time. We look forward to discussing this submission further as part of the peak body round tables (both as an educator and screen industry infrastructure contributor).

For further information, clarification or discussion, please feel free to contact John De Margheriti on jdm@aie.edu.au or Monica Penders on monica.penders@aiestudios.com

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'John De Margheriti', enclosed in a thin black rectangular border.

John De Margheriti,

CEO

The Academy of Interactive Entertainment Ltd