

Qualifying Western Australian Expenditure (QWAE) Guidelines

These guidelines have been prepared to assist applicants to understand what is and is not considered Qualifying Western Australian Expenditure (QWAE).

Acronym	Meaning
QWAE	Qualifying Western Australian Expenditure
WAR	Western Australian Resident as per definition in the Screenwest Glossary of Terms. Exemptions may apply where the resident can demonstrate a strong track record and commitment to the Western Australian screen industry over a minimum two-year period. The Board also reserves the right to make further exemptions in cases where there are exceptional benefits for the local industry.
WAC	Western Australian Resident Company as per definition in the Screenwest Glossary of Terms. Exemptions may apply where the company can demonstrate a strong track record and commitment to the Western Australian screen industry over a minimum two-year period. The Board also reserves the right to make further exemptions in cases where there are exceptional benefits for the local industry.
WALC	Western Australian Located Company - a company physically located in Western Australia (i.e. a branch or an office) but the company may not be owned in Western Australia as defined in the Screenwest Terms of Trade.

General Notes

Freight and airfares calculation

Because interstate and international travel and freight costs are complex and it is difficult to break down the flow-on benefits to Western Australia, Screenwest will approve the following percentages as QWAE:

- 100% of travel within Western Australia is considered QWAE.
- 50% of interstate travel is considered QWAE where the flight or freight either leaves from or arrives in Perth. Flights that do not leave from or land in Perth (e.g. Sydney to Melbourne leg) are not considered QWAE.
- 50% of international travel is considered QWAE where the flight either leaves from or arrives in Perth. Flights that do not leave from or land in Perth (e.g. New York to Los Angeles) are not considered QWAE.

Some budget line items allow WALC to qualify as QWAE, but many industry-specific lines do not.

Non-Western Australian qualifying expenditure

Where a Western Australian based and registered production company has a permanent presence in another state or country (e.g. a production office), special conditions may apply regarding staff costs that can be considered as non-Western Australian qualifying expenditure.

The fees set out in approved production budgets for non-Western Australian resident employees and executives working on a project which is applying for general production funding may be considered by Screenwest as forming part of the levels of minimum QWAE for stage 1 and stage 2 general production funding. This is capped at 25% of the total Above-the-line budget, or 5% of the total production budget, whichever is less.

The office running costs or other related costs incurred by the production company in having a presence in another state or country will not be considered forming part of the levels of minimum QWAE.

Above-the-Line Costs

Ref	Above-the-line Costs	QWAE Descriptions
A.1	Story and script	All fees paid to a WAR or a WAC only are QWAE.
A.2	Screenwest funded development	The total Screenwest development funds plus premium charges regardless of whether some of those costs were paid to a non-WAR or a WALC are QWAE.
	All other non-Screenwest funded development costs	Other development funds paid to a WAC are QWAE. If paid to a non-WAC then only funds paid directly to a WAR or WAC are QWAE.
B.1	Producers	Fees paid to producers, directors and cast who are WAR are QWAE. Fees paid to non-WAR producers, directors and cast are not QWAE.
B.2	Directors	
E(a)	Principal Cast	

Below-the-line Costs

Ref	Below-the-line Costs	QWAE Descriptions
C.	Production unit fees and salaries	All fees, overtime and loadings paid to a WAR or a WAC are QWAE.

D.	Fringes and worker's compensation	All holiday pay paid to a WAR is QWAE. All payroll tax paid in Western Australia is QWAE. All superannuation paid on behalf of a WAR is QWAE. If this is too hard to calculate then calculate based on the following equation (e.g. if 70% of wages go to a WAR or a WAC, then 70% of superannuation is QWAE). All worker's compensation is QWAE if brokered by a WAR or a WAC.
E.	Cast and casting	Casting fees and audition fees are QWAE if using a WAR casting director, regardless of where the auditions take place. Cast, stunts, extras, presenters, narrators and voicing fees are QWAE if fees are paid to WARs.
F.1 F.2	Costumes - hire and purchases Make-up and hairdressing supplies and SFC makeup	Where hire and purchases occur in Western Australia and are paid to a WAR, WAC or WALC then costs are QWAE.
G.1 G.2	Locations Studio/Stage Rentals	Permits, rentals and fees, including security, gratuities and council fees that are paid for Western Australian locations, studios etc. are QWAE.
H.	Sets and properties	All activity occurring in Western Australia in relation to set building, buying of equipment, hiring of property and equipment is considered QWAE if money is paid to a WAR, WAC or WALC. For information on freight calculations refer to the general note on freight and airfares on page 1.
H.1	Construction (set construction and freight and cartage)	If construction materials are bought in Western Australia from a WAC or a WALC then this is considered QWAE. For information on freight calculations refer to the general note on freight and airfares on page 1.
H.2	Props and set dressing and standby props truck and equipment	If props and set dressing material are bought in Western Australia then this is considered QWAE if bought from a WAC or a WALC. If standby prop truck and equipment is owned by a WAC or a WAR then this is considered QWAE.

H.3	Action props and vehicles	If vehicles, boats, livestock, vet fees etc., hire or purchase are sourced from a WAR or a WAC then this is considered QWAE. For information on freight calculations refer to the general note on freight and airfares on page 1.
H.4	Livestock	
H.5	Special effects and armoury	
H.6	Visual effects	
H.7	Animation and puppetry	
I.	Stock processing and transfers	Stock bought in Western Australia from a WAC or a WALC is considered QWAE. Processing and transfers that occurs in Western Australia is considered QWAE if associated costs paid to a WAC or a WALC.
J.	Inserts, stills and archival footage	Archives and the associated copyright fees that are sourced from Western Australia are considered QWAE. Footage purchased from the ABC or SBS, or National Film and Sound Archives are only considered QWAE if the footage was produced or shot in Western Australia. State based archives sourced from the State Library of Western Australia, or local commercial or free-to-air networks including local ABC or other local sources, would be considered QWAE regardless of where the footage was shot or produced.
K.	Equipment and stores	All equipment sourced from a WAR or a WAC as would be considered QWAE.
L.	Rental and storage	If office and storage is located in Western Australia then all expenses are considered QWAE even if the provider is a WALC.
M.	Travel and transport	100% of travel activity that occurs within Western Australia (car and airfares) and associated hire, petrol, and freight costs etc. are considered QWAE. 50% of interstate travel or international costs are QWAE regardless of who the fee is paid to as long as the travel activity starts or ends in Western Australia. This includes visa costs, excess baggage etc. No ground travel costs (hire of cars, petrol, parking and toll costs etc.) that occur interstate or overseas are considered QWAE.

N.	Accommodation, living, catering	All accommodation based in Western Australia is considered QWAE if the fee is paid to a WAC or a WALC. Where the caterer is a WAC, then associated costs are QWAE regardless of where the production activity is taking place (i.e. if shooting in Northern Territory but using a WAC caterer then costs are QWAE). All per diems paid for production activity that occurs in Western Australia regardless of whether they are paid to non-WAR is considered QWAE. All accommodation costs and per diem costs that are paid on production activity that does not occur in Western Australia are not QWAE.
O.	Insurances	If insurances are sourced using a locally based insurance broker or a WAC, then costs are QWAE.
P.	Office expenses	If the office is located in Western Australia and all expenses, office supplies, hire etc. are sourced from Western Australia, then this is considered QWAE. If there is more than one office set up during production (and an office is set up outside of Western Australia) then the expenses need to be divided accordingly.
Q.	Offshore shoot	Does not qualify as QWAE unless stock and equipment are bought or hired in Western Australia from a WAC or a WALC and transported overseas. If industry specific gear is hired (e.g. camera etc.) this must be hired from a WAC to be eligible as QWAE.
R.	Post-production crew	Wages for crew that qualify as a WAR are considered QWAE.
S.	Post-production rentals and office expenses - editing	If the office is owned by a WAC, then it is considered QWAE. If supplies such as disk drive hires are hired from a WAC then this would qualify as QWAE. If the post-production office is set up within Western Australia then all associated costs are QWAE.
T.	Post-production travel and accommodation	Refer to M – Travel and transport and N – Accommodation, living, catering.
U.	Picture post-production (finishing on tape)	If transfer activity occurs within Western Australia then this is QWAE. If titles and graphics are created using a WAC or a WAR then associated costs are QWAE. If digital visual effects are created by a WAC or a WAR then costs are QWAE.
V.	Sound post-production	If sound post-production is done by a WAR or a WAC then costs are QWAE.

W.	Music	Where a WAR or a WAC is involved with the performing, composing, recording, research, hire of equipment, etc. then this is considered QWAE. Pre-existing music rights and clearance costs are not QWAE unless the fee is paid directly to a WAR or if the music was produced by a Western Australian musician, band etc., then regardless of who owns the rights, clearance costs are QWAE.
X.	Publicity and stills - production and post-production	If the electronic press kit is produced by a WAR or a WAC then it is considered QWAE. If stills or stock processing or print fees are paid to a WAR, WAC or WALC then it is considered QWAE.
Y.	Legal and business	If legal representatives or tax accountants are a WAR or a WAC then costs are QWAE. If the auditor or the company is a WAR, WAC or WALC then associated costs are QWAE. Rebate application costs are not QWAE. Interest is not QWAE unless interest payments are being made to a WAR or a WAC. Bank fees are QWAE if branch used is based in Western Australia. If the company is a WAC then company fees and expenses are QWAE. Stamp duty costs are QWAE. Exchange rate fluctuation contingency is not QWAE.
Z.	Overheads	If the production company is a WAC then overheads are QWAE.
	Completion guarantor	If the completion guarantor is considered a WAR or a WAC then it is considered QWAE.
	Contingency	Calculation of contingency is left to the production company's discretion, taking into consideration, where pre-production, principal photography and post-production is occurring. Screenwest reserves the right to question the level of QWAE contingency.
	Finance costs	Screenwest administration fees are QWAE. If prospectus document or offer document is created using a WAR, WAC or WALC then costs are QWAE. SPA and ADG levy is not QWAE.

Contact the team

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