



## Screenwest Definition of Qualifying Western Australian Regional Expenditure (QWARE)

A Western Australian Region is defined as one of the nine regions established by the *Regional Development Commissions Act 1993 (WA)*.

The nine defined regions are:

- Gascoyne
- Goldfields-Esperance
- Great Southern
- Kimberley
- Mid West
- Peel
- Pilbara
- South West
- Wheatbelt.

Acronym	Definition
QWARE	Qualifying Western Australian Regional Expenditure
WAR	<p>Western Australian Resident as per definition in the Screenwest Terms of Trade:</p> <p><i>A Western Australian resident is a person who is domiciled in Western Australia, and who has been in Western Australia during more than six months immediately preceding the application and is registered on the Western Australian electoral roll. In extenuating circumstances where a person is a Western Australian resident but is unable to be registered on the Western Australian electoral roll, proof of residency in Western Australia for more than six months must be provided.</i></p> <p>You may be required to provide Screenwest with written evidence of your Western Australia Residency which is available from the Australian Electoral Commission.</p>
WAPC	<p>Western Australian Production Company as per definition in the Screenwest Terms of Trade:</p> <p><i>A Western Australian Resident Company must be registered under the Corporation Law and have:</i></p> <ol style="list-style-type: none"><li><i>Its principal place of business in Western Australia; and</i></li><li><i>At least 50 per cent beneficial ownership by a WAR.</i></li></ol> <p>Exemptions may apply where the Company can demonstrate a strong track record and commitment to the Western Australian industry over a minimum two-year period immediately preceding the application. The Screenwest Board also reserves the right to make further exemptions in cases where there are exceptional benefits for the local industry.</p>
WARR	<p>A Western Australian Regional Resident is defined as a person who has been domiciled in one of the nine Western Australian Regions, for more than six months immediately preceding the application and can provide proof of that residency if required.</p>

WARPC	A Western Australian Regional Production Company is defined as having its principal place of business registered in one of the nine Western Australian Regions, for more than six months immediately preceding the application.
WARC	A Western Australian Regional Company is defined as having a principal place of business, or a branch or outlet, registered in one of the nine Western Australian Regions.
<b>General Notes</b>	
	All qualifying costs paid to a WARR, WARPC or WARC is considered QWARE irrespective of which Western Australian Regions the filming activity is taking place in.
Freight and airfares calculation	Because of the complexity of interstate and international travel and freight costs and the difficulty of breaking down the flow on benefits to regional Western Australia, Screenwest will approve the following percentages as QWARE:  <i>100% of travel within WA is considered QWARE.</i>  <i>50% of interstate and/or international travel is considered QWARE where the flight or freight either initiates or terminates in WA. Flights that do not land or leave from WA (e.g. Sydney to Melbourne leg or Los Angeles to "Sydney leg) are not considered QWARE.</i>

	<b>Above the Line Costs</b>	<b>QWARE descriptions with accompanying comments</b>
<b>A.1</b>	Story and Script	All fees paid to a WARR or a WARPC are QWARE.
<b>A.2</b>	Screenwest funded development	Screenwest development funds plus premium charges paid to a WARR or WARPC are QWARE.
	All other non-Screenwest funded development costs	Other development funds paid to a WARR or WARPC are QWARE.
<b>B.1</b> <b>B.2</b> <b>E</b> <b>(a)</b>	Producers Directors Cast	Fees paid to producers, directors and cast who are WARR are QWARE.  Producers, directors and cast expenses incurred in the Western Australian Region are QWARE.  10% of all fees, overtime and loadings paid to all ATL personnel for services while in the Western Australian Region qualify as QWARE.
<b>C</b>	Production Crew Fees & Salaries	All fees, overtime and loadings paid to a WARR or WARC are QWARE.  10% of all fees, overtime and loadings paid to a non-WARR or WARC, for services while in the Western Australian Region is QWARE.
<b>D</b>	Fringes & Workers	All holiday pay paid to a WARR is QWARE.

	Compensation	<p>All superannuation paid on behalf of a WARR is QWARE. If this is too hard to estimate then calculate based on the following equation, i.e. if 70 per cent of wages go to a WARR or WARC, then 70 per cent of superannuation is QWARE.</p> <p>All workers' compensation is QWARE if brokered by a WARR or WARC.</p>
<b>E</b>	Cast and Casting	<p>Casting fees and audition fees are QWARE if using a WARR casting director, regardless of where the auditions take place.</p> <p>Cast, stand-ins and doubles, stunts, extras, presenters, narrators and voicing fees, overtime, loadings and holiday pay are QWARE if fees are paid to WARRs.</p> <p>10% of all fees, overtime and loadings paid to a non-WARR or WARC, for services while in the Western Australian Region is QWARE.</p> <p>Superannuation – As for D above.</p>
<b>F.1</b> <b>F.2</b>	Costumes Make-Up & Hairdressing	Purchases and hire occurring in the Western Australian Region and paid to a WARR or WARC are QWARE.
<b>G.1</b> <b>G.2</b>	Locations Stage Rentals	Permits, rentals and fees, including security, gratuities and local government fees that are paid for locations, studios, etc. in the Western Australian Region are QWARE.
<b>H</b> <b>H.1</b> <b>H.2</b> <b>H.3</b> <b>H.4</b> <b>H.5</b> <b>H.6</b> <b>H.7</b>	Sets & Properties Construction Props & Set Dressing Action Props and Vehicles Livestock SFX and Armoury VFX Animation and Puppetry	<p>All activity occurring in the Western Australian Region in relation to set building, buying of equipment, hiring of property and equipment is considered QWARE.</p> <p>If construction materials are bought from a WARR or WARC this is considered QWARE.</p> <p>If props and set dressing material are bought from a WARR or WARC this is considered QWARE.</p> <p>If the standby props truck and equipment is owned by a WARR or WARC then this is considered QWARE.</p> <p>If vehicles, boats, livestock, vet fees, etc., hire or purchase are sourced from a WARR or WARC this is considered QWARE.</p>
<b>I.</b>	Image Capture	<p>Data storage bought in the Western Australian Region from a WARR or WARC is considered QWARE.</p> <p>Data management fees and expenses are QWARE if paid to a WARR or WARC.</p>
<b>J</b>	Inserts, Stock Footage and Archival Footage	<p>Archives and the associated copyright fees sourced from a WARR or WARC are QWARE.</p> <p>Expenses associated with new footage are QWARE if paid</p>

		to a WARR OR WARC.
<b>K</b>	Equipment and Stores	All equipment sourced from a WARR or WARC are considered QWARE.
<b>L</b>	Rentals and Storage	If the production office and storage is located in the Western Australian Region for the entirety of the filming activity, then all rental costs are considered QWARE.  If more than one production office and storage is set up during production and is outside of the nine Western Australian Regions, i.e. is in the Perth metropolitan region, then the total expenses need to be divided accordingly.
<b>M</b>	Travel and Transport	100% of travel activity that occurs within WA (flights, car hire and freight) are considered QWARE.  50% of interstate travel or international costs are QWARE regardless of who the fee is paid to as long as the 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 QWARE.  Petrol costs spent in the Western Australian Region are considered QWARE*.  Only Vehicle Allowances for vehicles belonging to a WARR may be claimed as QWARE.  Travel costs associated with the transportation of equipment trucks to the regional filming activity are considered QWARE*.  *Screenwest may require evidence verifying the Western Australian Region travel agent, freight agent, transportation and associated costs.
<b>N</b>	Accommodation, Living, Catering	All accommodation based in the Western Australian Region is considered QWARE if the fee is paid to a WARC.  Where the caterer is a WARC, then associated costs are QWARE.  Where the caterer is a non-WARC, then 40 per cent of the catering costs are considered QWARE.  All per diems paid for production activity that occurs in the Western Australian Region, regardless of whether paid to a non-WARR or non-WARC, is considered QWARE.
<b>O</b>	Insurances	If insurances are sourced using a insurance broker or a WARC based in a Western Australian Region, then costs are QWARE.
<b>P</b>	Office Expenses	Office expenses, supplies, hire etc. bought or sourced from a WARR are considered QWARE.
<b>Q</b>	Offshore Shoot	Equipment and materials bought or hired from a WARR or

		<p>WARC and transported to an overseas shoot component is QWARE.</p> <p>If a WARR or WARC is employed for an overseas shoot component their fees are considered QWARE.</p>
<b>R</b>	Post-Production Crew	<p>All fees, overtime and loadings for crew that qualify as WARR are considered QWARE.</p> <p>10% of all fees, overtime and loadings paid to a non-WARR or WARC, for services while in the Western Australian Region is QWARE.</p>
<b>S</b>	Post-Production Rentals & Office Expenses	<p>If the post-production office is set up within the Western Australian Region for the entirety of the filming activity, then all associated costs are QWARE.</p> <p>If more than one post-production office is set up and is outside of the nine Western Australian Region, i.e. is in the Perth metropolitan region, then the total expenses need to be divided accordingly.</p>
<b>T</b>	Post-Production Travel and Accommodation	As per travel and accommodation costs above. See M and N.
<b>U</b>	Image Post-Production (finishing on tape)	<p>If picture post activity occurs within the Western Australian Region then this is QWARE.</p> <p>If titles and graphics are created using a WARR or WARC then associated costs are QWARE.</p> <p>If digital visual effects are created by a WARR or a WARC then costs are QWARE.</p>
<b>V</b>	Sound Post-Production	If sound post-production is done by a WARR or WARC then costs are QWARE.
<b>W</b>	Music	<p>Where a WARR or WARC is involved with the performing, composing, recording, research, hire of equipment, etc. then this is considered QWARE.</p> <p>Pre-existing music rights and clearance costs are not QWARE unless the fee is paid directly to a WARR or if the music was produced by a WARR musician, band etc., then regardless of who owns the rights, clearance costs are QWARE.</p>
<b>X.1</b>	Publicity and Stills - Production and Post-Production	<p>If the Electronic Press Kit is produced by a WARR or WARC this is QWARE.</p> <p>If stills or print fees are paid to a WARR or WARC then this is QWARE.</p>
<b>X.2</b>	Delivery Requirements	Any associated costs e.g. post-production scripts, freight of delivery items etc., paid to a WARR or WARC are QWARE.
<b>Y</b>	Legal and Business	If legal representatives or tax accountants are WARR or WARC then costs are QWARE.

		<p>If the auditor or the company is WARR or WARC then associated costs are QWARE.</p> <p>Rebate application costs are not QWARE.</p> <p>Interest is not QWARE unless interest payments are being made to a WARR or WARC.</p> <p>Bank fees are QWARE if the branch used is based in the Western Australian Region.</p> <p>If the company is a WARPC then company fees and expenses are QWARE.</p> <p>Exchange rate fluctuation contingency is not QWARE.</p>
<b>Z.</b>	Overheads	If the production company is a WARPC then overheads are QWARE.
	Completion Guarantee	As there are currently no WARR or WARC Completion Guarantors, this is not QWARE.
	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 QWARE contingency.
	Finance costs	If a prospectus document or offer document is created using a WARR or WARPC then costs are QWARE.