

1. Sector: Multimedia

1. Major change drivers impacting on the sectors in the industry, now and over the next five years.

Internal Industry Issues

a. Current

- Small companies and single operators dominate with few large players.
- As multimedia is about translating the imagination into reality, the skills required include thinking and writing. There is, however, a lack of new entrants who can 'think' and 'write' coherently as well as being creative and IT literate.
- Multimedia is a global industry and is driven by the creativity and useability of the product. The FTA may effect the Australian multimedia industry however if the content is good the origin of the product becomes largely irrelevant.
- In some ways the multimedia industry is still a cottage industry as many of the players are niche with a narrow focus.
- Multimedia has become a very popular area for people who may in the past have entered into the IT industry.
- Convergence with other industries is starting to happen and become apparent, eg delivery of educational and training programs.
- There is an increasingly symbiotic relationship developing with other areas of the media, such as film and TV.
- The games area is still a big part of multimedia and will grow due to greater convergence with TV and film.
- Legal issues such as copyright, rights management and piracy will always be problematic because of the rapid change in technology.

b. Future I (next five years)

- A more mature industry generally translates into consolidation of organisations. There will be a move away from an industry dominated by small companies and single operators to larger production houses
- There will still be boutique organisations but mid-sized companies employing around 20 people will be swallowed up or merged due to the necessity of having economies of scale.
- As the industry matures there will be a need for better skill business skills.
- People employed in the multimedia industry will need to be eclectic as the skills sets needed include the ability to think and write clearly, design creativity, think globally and have an understanding of business. They will also need very strong understanding of the media and moving images as well as traditional IT and programming skills.
- Increasing digital content across a variety of platforms also means an increasingly multiskilled workforce
- Content will change;
 - One on one entertainment will grow.
 - Films becoming more interactive
 - Games industry is also moving into film & TV.
- E-learning will become a 'real area' not just a substitute for lack of teachers.

- Growth and take-up of iTV (interactive TV) will be critical to the success of multimedia.

External Industry Influences

a. Current

- Availability of adequate bandwidth in Australian homes and business and schools. Without universal access to broadband people will be unable to utilise multimedia programs. This will hinder the growth of the industry and stifle the growth of local content. Inadequate bandwidth will stop educational institutions from utilising e-learning initiatives

b. Future (next five years)

- Multimedia continues to operate on a global basis making the origin of the program irrelevant.
- E-learning will become truly global and will revolutionise the way people learn
- Multimedia will be used more effectively in professions such as medicine etc.
- Convergence will be major issue across all media and multimedia will become embedded in these areas.
- FTA may effect the development of local content.

2. Enterprise and sector strategies to address the impact of the change drivers.

Internal Strategies

- SMEs will need to merge or consolidate to stay alive.
- Larger players are looking to expand current offerings from pure multimedia to other areas such as graphic design, marketing and production.

External Strategies

- Government needs push the universal rollout of broadband ensuring that adequate bandwidth is accessible to all.
- Greater support for locally made TV, film and music will flow into the multimedia industry.

3. Implications of these strategies for training need over the next five years, both positive and negative.

Impact on Individuals

- People entering the industry will need to be multiskilled. They will need skills in business, communication, IT and design.

Impact on the Industry Sector

- Industry will need to expand on current skills and knowledge requirements to suit client needs.