

Submission to the
Inquiry into the Competitive Neutrality of the National Broadcasters

I write as a concerned Australian citizen and someone for whom the ABC is the predominant source of broadcast and internet media information, education and entertainment.

Competition is endorsed as government policy because it is supposed to foster consumer choice. Restricting the ABC and SBS – and continuing to reduce their support from taxpayer funds as has happened over recent years – would undermine options for me as a consumer of broadcast media. ***My choice***, which is by no means unique, is to watch and listen to ABC TV and radio (mostly RN). ABC Classic FM and local ABC radio are now so emasculated that I rarely listen to them. SBS TV is an alternative to the ABC when ABC programs do not appeal, and is sometimes my first preference. If the ABC or SBS have nothing to offer me, I switch off or watch a DVD. I would have *more* choice as a media consumer if SBS programming was not interrupted by advertisements.

If there were no ABC or SBS, I would not engage with broadcast media at all. Commercial TV and radio, and their digital off-shoots, are not options for me because they are too shallow, too commercially driven, too sensationalist, often too stupid, sometimes odious in the causes their presenters espouse, and, as a source of information, definitely too unreliable and often dishonest.

The problems faced by commercial media do not stem from any unfair competition from the ABC or SBS. The significant competitors for commercial media, and source of their current financial weakness, are the so-called FANGs (Facebook, Amazon, Netflix and Google). Leaving aside the deal struck with Pauline Hanson that gave rise to this Inquiry, the ABC is being targeted as a scapegoat for commercial broadcasters' inability to compete with or attack these giants. A good start to placing commercial media on a more even competitive playing field would be to ensure the FANGS pay their proper share of taxes.

In fact, it is incorrect to see the national broadcasters as being in competition with commercial media or vice versa. Unfortunately, SBS has been *forced* into competing with commercial media for advertising and therefore audiences in order to survive. The quality and diversity of media offerings overall would be improved if SBS did not have to do this.

What might the public and commercial broadcasters compete for? The most obvious answer is audiences. But ***their existing and potential audiences are quite different***. ABC and SBS audiences seek reliable news and reporting, probing current affairs analysis, important national conversations that are serious, in-depth and long-form, and programming that extends their thinking and takes risks. (Of course, that is not to say that these audiences are always satisfied with what they get.)

The commercial media have no interest in this kind of audience. They seek audiences that will buy the products they advertise.

The ABC and SBS play a different role to commercial media in Australian society, culture and the economy. The ABC is a national institution whose fundamental mission is to enhance the quality of Australian democracy and our distinctive identity as Australians. The SBS plays a unique role in expanding Australians' vision of themselves as a tolerant multicultural society. Integral to ***the mission of both organisations is their goal of broadening and deepening our understanding of Australian society and the wider world***, as seen in programs such as the ABC's *Mystery Road* and the live star-gazing programs with Brian Cox, or SBS's focus on African youth just when the commercial media and political elements (including within Government) were stirring the racist pot. (As I understand it, considering the merger of these two organisations is not part of the Inquiry's brief but, for the record, I would be opposed to any attempt to do this.)

In contrast, ***the role and mission of the commercial media are directed to maintaining and increasing share prices and dividends for shareholders***. This is a legitimate role but it is quite different from that of the public broadcasters.

Any moves towards making the ABC and SBS less reliant on government support and to compete with commercial media for advertising and audiences ***would fundamentally undermine the diversity that competition is supposed to promote. Such moves would narrow consumer choice by pushing the public broadcasters to become more like the commercial ones in order to remain viable.*** I am absolutely opposed to making the ABC reliant in any way shape or form on commercial advertising – its own advertising is bad enough!

The public broadcasters in the USA, Canada and New Zealand (where I have lived at various times) are obvious examples of the consequences of reducing taxpayer support for public broadcasting. In the USA, public broadcasting plays little or no role in national conversations. In Canada and New Zealand, the national broadcasters are compromised, dumbed down and made timid by their relationships with advertisers. ***In these countries, programming and their crucial democratic role of pursuing a wide variety of topics of public interest are clearly weaker than in Australia.*** I do not want the ABC to be weakened as has happened in these countries. The strength of the ABC and SBS contribute substantively to my pride in being Australian.

The claim that the ABC and SBS are advantaged by support from taxpayer funding is false for the following reasons.

1. The ABC and SBS are ***restricted*** by this dependence because it imposes a range of standards and conditions they must meet: ***impartiality, independence, transparency, and responsiveness to criticism*** – all of which enhance the quality of Australian media and benefit our public life. I have no objections to requirements that make the ABC and SBS transparent users of taxpayer funding.

Conversely, the commercial media is not restricted in any of these ways. Their regulatory body has no teeth. The only real redress citizens have against these organisations is in the courts, an avenue that is expensive and itself limited. Commercial broadcasters are ***held to account against quite different criteria***, viz. shareholder profit. In regard to transparency, the evidence is completely lacking in the public domain for the commercial media's claim that the ABC and SBS have a competitive advantage: what precisely is this advantage? The answers to this question cannot be tested because they are hidden behind the veil of "commercial-in-confidence".

These different forms of accountability underpin the contrast between the proper and distinctive roles of public versus commercial broadcasters in a vibrant democracy. National broadcasters are directed to furthering the national, public good across the wide spectrum of social, cultural and economic life. Commercial broadcasters serve competing private for-profit interests.

2. The dependence of the ABC and SBS on the public purse also makes them ***completely vulnerable to the shifting priorities of Government budgets and indirect attacks from Government through funding cuts***, as is currently the case. The ABC and SBS are financially insecure in ways that are entirely beyond their control and that they cannot plan for. This vulnerability and unpredictability do not affect commercial broadcasters.
3. ***The commercial media benefit (via different channels) from taxpayer funding.*** Taxpayers shoulder the cost of advertising because this cost is built into all the products we buy. We pay for commercial broadcasters even if we never access them. In regard to transparency, and unlike with the public broadcasters, it is impossible for consumers to know what we pay for commercial broadcasting.
4. Far from being disadvantaged by the ABC and SBS's access to taxpayers' funding, ***the commercial media (and their consumers) benefit from the innovative work done by the ABC and SBS, and the risks they take in programming.*** For example, Andrew Denton's long interviews in "Enough Rope" began on the ABC but have now been taken up by commercial TV.

If competition is supposed to foster innovation, limiting the ABC in the digital space would have the reverse effect. In fact, the ABC has led the way in the digital space in Australia. In that respect, the competition it provides is an incentive for commercial media outlets to do better. Rather than curbing the ABC's digital

ventures and thereby weakening the dynamic for innovation, a way of promoting digital innovations in broadcasting would be for the Government to offer small grants to individuals working in this space, *including* those in commercial broadcasting, and for commercial broadcasters to support their employees in doing this work.

As a taxpayer funded institution, the ABC has an obligation to reach out to as many people as possible in as many forms as possible (including by promoting itself on Google). I therefore oppose any form of paywall to access the ABC and SBS. This restriction would assist in undermining the justification for taxpayer support.

I would be willing to pay a dedicated tax levy to guarantee maintaining and improving both the ABC and SBS, if this levy applied to all other taxpayers. However, in the current political climate – where elements within and beyond Government are openly attempting to undermine public support for the ABC and the broadcaster’s independence – I would interpret any such proposal as a strategy designed to advance the goal of undermining public support, and would therefore oppose it.

The role of Government in promoting competition is to act an impartial steward in the marketplace. It is not only failing in this respect, it is explicitly working to undermine public confidence in the ABC by its constant criticism. It is disgraceful that the Minister for the Arts is betraying his responsibilities in this way.

The problems that afflict the ABC and SBS mostly stem from insufficient resources. The threat to its budgets has set the ABC on a path of dumbing down its programs to attract new audiences. The glossy promos for ABC IView and SBS On Demand give no hint of problems in accessing these services – I cannot chrome-cast either, and assistance offered has been so frustrating that I have given up. ***But whatever problems exist with the ABC and SBS (and there are certainly some) will not be solved by making them less accessible, less comprehensive, less innovative and even more cash-strapped.*** Likewise, their problems will not be solved by further underwriting or subsidising commercial media.

To conclude:

The problems faced by commercial broadcasters in the competitive media marketplace ***will not be solved by weakening public broadcasters or driving them to become more like commercial ones.***

If this Inquiry seeks to promote ***competition, diversity, innovation, independence, consumer choice and a healthy broadcast media in Australia,*** it should ***not*** make recommendations that would further weaken or restrict the ABC and SBS, or that undermine public support for these organisations.

On the contrary, the Inquiry should direct its recommendations to ***supporting and strengthening the ABC and SBS as distinctive national institutions that are fundamental to Australian democracy and our social, cultural and economic life.***

Helen Moore

[REDACTED]

[REDACTED]

[REDACTED]

email: [REDACTED]