

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

Note: some elements of this submission have been drawn from or repeat points made in others.

## 1. The ABC is a pillar of Australian Democracy - to define it merely as a “government business activity” is to misunderstand its role

I note the Inquiry’s description of competitive neutrality:

“Government business activities should not enjoy net competitive advantage simply by virtue of their public ownership. At the same time, competitive neutrality principles do not imply that government businesses cannot be successful in competition with private businesses.”

While those using purely economic definitions might define the ABC merely as a “government business”, doing so misconstrues its role. One might as well argue that the Parliament provides a “business” in the field of engagement and representation. The ABC is not a first and foremost a media business – it is a core institution of Australian democracy, crucial for ensuring “the nation's capacity to be a well-informed and therefore competent country” (1).

Perhaps the inquiry should consider recommending ways in which the ABC can be constituted as an independent body reporting to the Parliament, with an independent Board appointed by the Parliament, rather than a corporation, so as to reinforce this point.

## 2. Competition

The ABC is *not* in ‘competition’ with commercial media – it is a different kind of media organisation:

- the ABC is subject to a charter that enforces requirements, standards, burdens and restrictions which do not apply to commercial media e.g. it is required to be impartial, to provide information in times of emergencies (bushfires, floods etc), to follow strict complaints procedures
- the ABC’s programs are qualitatively and quantitatively different (more in-depth, longer, more diverse) from what is offered by commercial media – this reflects its role as a public broadcaster, owned by all Australians as part of our “commonwealth”
- the ABC should not just do more of what everyone else does – we want it to lead the way and raise the bar on what we should expect from Australian media as knowledge providers and the type of “third estate” that can hold governments to account
- commercial media compete to gain the largest audiences – that is not what the ABC is mandated to do; nor should it be
- the standards of transparency that are applied to the ABC do not apply to commercial media
- the ABC must use *all* platforms otherwise it is not meeting its obligations as a publicly funded body, while commercial media can choose what to pursue as they see fits their commercial interests
- the commercial media compete to provide advertising – the ABC is not in this market, so the question of competitive neutrality does not apply
- In addition, the ABC is a non-commercially driven institution. The ABC is not beholden to commercial interests and can therefore challenge them.

### **3. Avoiding further damage to the ABC**

The ABC is currently facing criticism from two sources – those who wish to see it undermined, and those who want to see it improved – and wish to see the damage done by progressive budget cuts and management decisions reversed.

Democracies around the world are sliding into authoritarianism. Dismantling independent media is a key signal a country is at risk (2). Australia would not prosper with a media landscape characterised by corporate media without strong, trusted and independent public broadcasters.

Some of the suggestions put to the inquiry would directly undermine the ABC's role in our democracy. For example, pay walls would dramatically reduce many people's access to quality media; they are anti-democratic – *everyone's* access to the national broadcaster is fundamental to Australian democracy.

Similarly, limiting its use of digital space would run counter to the responsibility of the national broadcaster, which is funded through our taxes, to reach out in as many ways and to as many people as possible. We need the ABC to be doing more in the digital space, not less.

Restricting the ABC will certainly undermine it, but will definitely not improve it. I urge the inquiry to listen to the voices and suggestions of those who want to improve the ABC – for the sake of our democracy.

**(1) The ABC is vital to Australian democracy – Fiona Stanley (Australian of the Year)**

<https://www.smh.com.au/opinion/the-abc-is-vital-to-australian-democracy-20140916-10hgs4.html>

**(2) Democracy's retreat: after decades of triumph, democracy is losing ground. Why? *The Economist* June 16<sup>th</sup> 2018**

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