

# Inquiry into the competitive neutrality of Australia’s national broadcasters

## Submission – David Bath (19 June 2018)

### Question 8: Considering the commercial activities of the national broadcasters (e.g. where they are selling or purchasing goods and services), is there evidence that they have taken undue advantage of their government ownership, to the detriment of competitive outcomes?

### No.

### Question 9: What is the differential impact of regulation on commercial and national broadcasters, and is there evidence of consequent adverse impacts on competition and outcomes?

### The ABC and SBS have obligations and restrictions on content, in the services to the public they provide, especially outside the capital cities, and in the accuracy and relevance of the news and analysis services, essential to the development of an informed and active citizenry without which democracy cannot function. These obligations are not imposed at all upon commercial broadcasters. If such obligations for completeness, relevance and accuracy of news reporting, as well as other public interest obligations, were imposed on commercial broadcasters, they would protest that it was interfering in their commercial freedoms. There is no evidence, both now, and over decades, that the ABC is soaking up creative talent that would otherwise be employed by the commercial TV stations. Indeed, the ABC has a history of creating audiences, and proving creative talent, that are sometimes taken up by the commercial stations, later. No honest person would assert that the ABC having PlaySchool has prevented the commercial channels from airing something of a similar standard. The commercial channels haven't. Are we saying there are no other presenters and writers available in the country who could do that? It's not as if PlaySchool has cornered the market on egg cartons and teddy bears so the commercial channels cannot put on a similar show. The same goes for pretty much everything else in the ABC catalog.

### Question 10: Is the reporting and accountability by the national broadcasters on their best endeavours to observe competitive neutrality adequate?

The reporting is onerous, especially when one considers the slackness of reporting and enforcement of the banking and financial systems. Politicians would have served us much better worrying about competition policy in that area.

Question 11: Are you aware of any specific instances where the ABC or SBS may have received any other competitive advantage, due to their public ownership, to the detriment of a private competitor?

### No.

### Question 12: The SBS Charter requires it to take into account the activities of the ABC and community television on radio and television. In the context of the competitive neutrality principles how in your view, is the SBS complying with this requirement? From your perspective does it adequately cover the activities of the SBS?

### Yes.

### Question 13: From your perspective do the national broadcasters seek a balance between competing in the market and complementing the market? Is that balance the same for traditional broadcasting and for new digital platforms?

### The national broadcasters not merely are balanced between competing and complementing the market in both traditional broadcasting and free-distribution digital platforms, because they have a history of creating new markets and audiences that commercial broadcasters are free to move into, create an inventory of proven performers that the commercial broadcasters are free to employ. In this way, the ABC creates opportunities for the commercial broadcasters that would not otherwise exist.

### Question 14: Do you have comment on these guiding principles?

The key guiding principles should be excellence, rather than allowing commercial broadcasters to be complacent. There should indeed be mutual competition where there is necessary overlap, particularly in the news and analysis programs, with the removal of "self-regulation" of news for accuracy and relevance, and the same standards and disciplinary mechanisms used across all broadcasters, as the mutual obligation for their access to frequencies.

The very premise of this inquiry presupposes that public enterprises might be more efficient and capable of producing products more trusted by, and useful to, our democracy, than commercial enterprises. If that is the case, we should completely unshackle the public enterprises, except for requiring their work to ever approach excellence, and then see if the commercial enterprises are capable of doing better.