

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

## Submission – Keith Thompson (22 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?

### The national broadcasters are meeting the needs of the community by good management and programming not by any notion of undue advantage. The mainstream media should be trying to do better not drag the ABS and SBS down.

### 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 national broadcasters are very obviously, as Government owned businesses, subject to much greater scrutiny and regulation than commercial broadcasters. Any contrary ideas are nonsense.

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

### Yes. And really competitive neutrality cant sensibly be talked about without considering the quality of the product. ABC and SBS do it better, it is that simple - of course they have an advantage - on quality. And Government policy has always recognised that better is good and worth paying for. Or are you saying Government now wants rubbish broadcasting.

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?

### I am sure that being responsible to unbiased Government owners gives a big advantage over private competitors who have to satisfy very different agendas, to the detriment of the community.

### 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?

### It is clearly difficult, but generally it is doing it quite well.

### 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?

### Yes they do. And new digital platforms change nothing - they still have to serve the community.

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

### Competitive neutrality is fine when we are talking about things like full cost pricing for competitive tendering for government contracts. It is different where there is community benefit at stake and government policy that supports that community benefit. For example, it isn’t fine in the training market where quite clearly TAFE has a special role determined by government policy and is funded accordingly, thereby allowing it to compete (particularly on quality) with private training businesses for contestable funded training programs and privately funded students. It isn’t fine in the market for outsourced Government welfare services where tax exempt business arms of religious organisations are favoured by Government contracts – again policy reasons. The ABC and SBS were set up with a specific policy role of which we are all aware. It has been universally agreed that a government owned and funded (noting ads on SBS) service is appropriate for that role. This doesn’t change just because the methods of providing the service have changed. You can’t really sensibly talk about competitive neutrality for an important community service without talking about quality of the product. And quality of product, what the community gets, from the ABC and SBS is consistently, on average, clearly superior to the alternatives. Speaking personally, this household, like many others would suffer substantially without the quality it gets (usually – and I certainly complain if quality drops) from the ABC and SBS. They clearly have an advantage in what they are able to do to meet the needs of a very large segment of the community. And where I need an additional service I subscribe to online services (eg to my local News Ltd daily paper) or I regularly buy a Fairfax paper. And I watch AFL on commercial TV. But generally, most mainstream commercial media serves up much too much boring rubbish and is clearly overused by owners and MPs for political campaigns. Again boring. And with the increasing volume of unreliable news quality content is becoming much more important. Competitive neutrality really is a “red herring” in the arguments about the ABC. It appears that vested interests are simply opportunistically using the changes in media transmission methods to make disingenuous claims in the hope that Government intervention will do for them what they have not been able to do with their own poor management and programming. I would say to other media outlets, start competing on quality and you might not need to make these spurious claims. The ABC and SBS are providing a quality service. They should be well funded to continue doing that and should not be pulled down by stealth to the level of the poorer alternatives or sold off with the same result. We would all be poorer for that.