

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

## Submission – Pauline Brown (5 May 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?

### Wher they are purchasing some goods and services the public broadcasters are at a disadvantage as they cannot possibly compete with the commercially owned broadcasters. For example, Channel 9 recently won the rights to broadcast the Australian Open tennis for 5 years from 2020 for $300 million. If you compared the salaries of the top presenters on commercial broadcasters with those of the top presenters on the national broadcasters, you will find those of the national broadcasters are much lower. 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 most important requirement of the national broadcasters is to provide a service to the public. As commercial broadcasters do not have this requirement, it could be said that they have an advantage. For example, ABC Radio is the Emergency Broadcaster so this takes priority over usual programming. In the case of the Black Saturday bushfires in 2009, all programs were suspended for days. In such a case, there could well have been adverse impacts for ABC Radio.

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

Yes The national broadcasters are subject to parliamentary scrutiny to a far greater extent than the commercial broadcasters. For example, every year the public can watch the ABC Managing Director being questioned at length during Senate Estimates. Then they are frequently being questioned in extraordinary detail by Ministers and MPs about specific programs and articles. It seems that these requirements put them at a disadvantage.

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?

### As above, I perceive that the reverse is the case.

### 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?

### I don;t have sufficient knowledge of SBS to answer this question.

### 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?

### I believe that the ABC certainly does so in radio and television. In fact ABC 774 this year has undergone changes to bring it more in line with the style of its commercial competitiors. In my view this has been detrimental. In regards to the new digital platforms, I believe you need to consider all broadcasters i.e. not just the traditional ones. Including all forms of broadcasting on digital platforms, again I perceive that the ABC is at a disadvantage simply because of sheer size.

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

These guiding principles must be viewed in the light of the major responsibility of the national broadcasters to provide a service to the public. Therefore, it is wrong to try to compare them to commercial broadcasters as if they were the same. To do so could potentially undermine them in this role.