

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

## Submission – Tanya Henley (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 ABC and the SBS have different charters and responsibilities to the Australian public than the private commercial sector. The content provided by the ABC and the SBS necessarily provides us with a wide appreciation of the Australian story which is linked to our national identity and addresses diversity, multi-culturalism, sports, science and the arts, providing access to local content that the public would likely otherwise not have access to. The content also necessarily includes educational material and reporting on the news (local and international - both are important given we are a multi-cultural society), on government processes, and our society. Provision of Australian content to overseas is a necessary requirement to ensure international awareness of our heritage and the part Australia has to play in the global meaning of things, as well as to provide updates to our travelling citizens. The content needs to come in a variety of forms to address access to the information being provided, and different demographics in our community.

### The private commercial sector priorities are different from those of the national broadcasters. Their content can also be influenced by different priorities, funding and ownership preferences. National broadcasters and the private commercial sector therefore have very different roles to play and should not be assessed against the same criteria.

### The national broadcasters have effectively adapted to trends in the media - this has been necessary to ensure access by the Australian community's to the public service remains equitable and relevant to changing information and technological needs. They have carried this out despite uncertainties in funding and budgets, and reduced funding, through innovation and determination which is a reflection on their work culture environment, the staff they have been able to retain, and efficiency of processes.

### I believe the 'best endeavours' approach to compliance with the principles of the competitive neutrality policy is being implemented. I also agree that policies and regulations should not inhibit adaptation to changing markets and technologies, particularly given the wider responsibilities of Government and the National Broadcasters to work on behalf of the Australian public, with the best interests of the public in mind.

### 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?

### If the private commercial sector broadcasters are experiencing negative impacts given current trends and changing markets, this is because they are not competing well against other private commercial sector information sources for advertising revenue, and the public is making different choices about where to go for information.

### The ABC and SBS are also being impacted by these changes to the media environment but have developed effective methods for ensuring public access to their content can continue to be provided to the Australian community as per their charters and as per their responsibility to the public.

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

Yes. I would let them get on with the job they have to do - which they do very well.

The Australian Government (all parties) should be very proud of the service provided by our National Broadcasters. The ABC and SBS provide an additional link between the Government and the community. Disconnecting this link will hamper Australia's ability to continually improve as a country and as a society.

I am proud of our National Broadcasters and I am Australian. Without this service or with a commercialised approach to these services, I know I would struggle to find a meaningful lasting identity within Australia. Identity and community is very important right now, particularly in the context of globalisation and trends in the market, and with expanding cities like Sydney where it is increasingly challenging to find a sense of community. We need a link back to a secure baseline and something we can depend upon. The ABC and the SBS provide this link and this stronghold.

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?

If the private commercial sector broadcasters are experiencing negative impacts given current trends and changing markets, this is because they are not competing well against other private commercial sector information sources for advertising revenue, and the public is making different choices about where to go for information. It is a challenging environment to work within given the Google, Netflix and Facebook forces at work.

The ABC and SBS are also being impacted by these changes to the media environment but have developed effective methods for ensuring public access to their content can continue to be provided to the Australian community as per their charters and as per their responsibility to the public.

### 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 will leave that up to the ABC and the SBS to report on, and the panel to assess. The SBS provides different content to the ABC and increases access to local and international content, particularly as it relates to diversity, multiculturalism and heritage. It provides vital links to our aboriginal heritage.

### 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. As per their charter responsibilities which I also believe are balanced and relevant.

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

### The guiding principles as I have understood these to be are:

### 1) public interest is the primary focus;

### 2) competition serves the public interest by promoting efficiency and choice, but it does not encompass the whole public interest;

### 3) competitive neutrality is a necessary part of competition policy because of the substantial participation by government entities in markets;

### 4) successive governments have decided that funding of the national broadcasters is in the public interest;

### 5) transparency by government entities is needed for accountability and confidence that obligations and policies are being properly implemented; and

### 6) as far as possible, policies and regulations should be implemented in ways that do not inhibit adaptation to changing markets and technologies.

### I agree strongly with 1), 4), and 6).

### With regard to 2) I agree and in any case it would be impossible for the National Broadcasters to service the whole public interest from an entertainment perspective.

### With regard to 3), I believe that it is the Australian Government's role to provide us with a link to our national identity without interference by commercial or vested interests. The ABC and SBS are achieving their part in this. In addition, the principles should be applied keeping in mind that the private commercial sector should be competing with the private commercial sector. The National Broadcasters perform a very different role, and should not be compared against our private commercial sector as if they are 'like for like'. This would not be ethical or acting in the best interests of Australia.

With regards to 5), I believe this principle is important across any organisation, and at the core of it, our own Government to ensure our leaderships are accountable to the public that employ them to do their jobs well. However, the level of scrutiny imposed on the ABC has become increasingly intrusive and extensive, and the attention paid to it by the Australian Government is I believe, not being undertaken with the best interests of the public at front of mind. For example, how many times can you undertake an 'efficiency' review without it eventually leading to a detrimental impact on quality.