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## **ABC reinforces value to media sector and Australian society**

The ABC's submission to the Federal Government's inquiry into competitive neutrality has reinforced the value of public broadcasting to both Australian society and the media sector.

The submission rejects any notion that the ABC has an unfair advantage or is crowding out commercial media companies.

ABC Managing Director Michelle Guthrie said public and commercial media had successfully co-existed since the founding of the ABC 86 years ago.

"This mixed media model has contributed enormously to media diversity, a well-informed public and a richer Australian culture," she said.

"As its submission shows, the ABC is well aware of its privileged position in Australian society. The ABC uses its government funding efficiently and effectively to deliver on its Charter obligations to provide comprehensive and innovative public broadcasting and digital media services to Australian audiences.

"It rigorously supports the principles of competitive neutrality – that public and commercial sector entities should function on a level-playing field – and applies them appropriately.

"Far from disadvantaging commercial media, the evidence shows the ABC has a positive influence on the broader media sector, including in its focus on innovation and its ability to serve as a launchpad for ideas and fresh talent."

Ms Guthrie said the transformed media landscape was affecting all media organisations. As people consumed more content online, the ABC had a public responsibility as well as a legislative remit to ensure its taxpayer-funded output was accessible to as many Australians as possible.

"Any move to curtail the ABC's activities would serve only to punish Australian audiences who trust and value us," she said.

"The ABC looks forward to engaging further with the Panel and having an opportunity to respond to the concerns raised by other participants in the inquiry."



The ABC's submission to the Competitive Neutrality Inquiry and the RBB Economics executive summary are available at [abc.net.au/future](http://abc.net.au/future).

## Key points in the ABC submission:

- **The ABC is driven by the mandate in its Charter, not profit incentives or competition for advertising dollars.** The ABC is guided by and operates within its legislative obligations, including the ABC Charter. Unlike commercial content suppliers, the ABC is not guided or driven by profit motivations or advertising dollars.
- **The ABC strives to create high-quality, innovative and distinctive content.** In accordance with its Charter, the guiding principles in the ABC's strategy are to ensure that its content is of a high quality, innovative and distinctive from that offered by the commercial and community sectors.
- **The ABC supports the principles of competitive neutrality and applies them in its business activities.** The ABC recognises the importance of competitive neutrality and acts in a way that is consistent with the Commonwealth's Competitive Neutrality Policy in its business activities, including by accepting complaints made about the ABC. There has been one such complaint made previously to the Australian Government Competitive Neutrality Complaints Office, the outcome of which was that the ABC's pricing of the relevant services was determined to be consistent with competitive neutrality principles.
- **The ABC appropriately takes into account the interests of the commercial and community sectors in all of its activities.** The ABC focuses on providing distinctive content, and actively takes account of services provided by the commercial and community sectors. The ABC's activities do not crowd out commercial and community content suppliers. To the extent that there is any competitive overlap between the ABC and commercial and community sectors, the ABC enhances competition and innovation, resulting in better outcomes for audiences. The ABC also delivers benefits to the Australian creative community and media sector by investing in that sector and developing capability and talent over time.
- **The regulatory obligations on the ABC do not provide it with an unfair competitive advantage.** The ABC operates under strict regulatory obligations. Although these obligations are different to those of commercial content providers, the ABC does not enjoy any unfair competitive advantage as a result of differential regulatory treatment when the relevant regulations are examined holistically.

## For more information:

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