

ADDITIONAL COMMENTS BY SENATOR VICKI BOURNE TO INQUIRY INTO ABC ONLINE

1.1 This is the final report to the Senate Environment, Communications, Information Technology and the Arts References Committee which was referred three terms of reference to inquire into the proposed Telstra/ABC online content deal.

1.2 The Committee presented its interim report in April 2000. This report focussed on the first two terms of reference:

any existing commercial arrangements for the production, supply or distribution of Australian Broadcasting Corporation (ABC) material online, including, but not limited to, mechanisms for ensuring ABC editorial control and independence;

any proposed commercial arrangements for the production, supply or distribution of ABC material online, including, but not limited to, mechanisms for ensuring ABC editorial control and independence.

1.3 In the Committee's interim report, the Democrats made ten recommendations, designed to ensure the integrity and independence of the ABC is upheld and maintained. Given the majority of these recommendations related to the specifics of the Telstra/ABC deal it is not necessary to restate them in their entirety. This does not diminish their importance, and we refer readers back to the Committee's interim report.

1.4 It is, however, important to restate those recommendations which relate to the ongoing independence and integrity of the ABC – and which are broader than the Telstra deal itself.

1.5 The first is the recommendation calling on the ABC Board to maintain the ABC's prohibition on advertising and sponsorship on ABC online and any ABC content sold to third parties. The Democrats restate our commitment to the prohibition on advertising and sponsorship for all ABC programs across all ABC services.

1.6 Most recently, the Committee considered the final term of reference, that:

any extension to legislation which could be considered to ensure that the ABC is able to effectively provide an independent, innovative and comprehensive service in the online delivery environment.

1.7 The Committee, following its deliberations, has recommended that:

“at this time, any extension to legislation to ensure that the ABC is able to effectively provide an independent, innovative, and comprehensive service in the online delivery environment is not warranted”.

1.8 However, while the Committee is of this view, the Democrats make the following additional comments.

1.9 When commenting on the final term of reference in the interim report, the Democrats indicated that the legislative coverage of ABC online is a significant factor in bringing uncertainty into the future direction of the ABC and ABC online.

1.10 The Democrats noted that ABC Online is a unique case in that the ABC Act does not yet cover it.

1.11 We raised concerns about the creeping commercialisation of the ABC in a climate of substantial reductions in public funding. There were fears that the ABC was becoming increasingly reliant upon external funds, and that further pressures to accept external funding for programming, either directly or through advertising, may become more intense if the funding crisis continues.

1.12 We were concerned that the proposed deal between the ABC and any other third party had the potential to compromise of the ABC's editorial independence and integrity through a dependence on commercial revenues through fees, which itself imposes a commercial imperative. The Democrats are absolutely opposed to the ABC operating services solely for the purpose of deriving commercial revenues.

1.13 The Democrats strongly disputed the ABC's views that it is a matter of Board discretion as to whether to allow advertising on ABC online. The technologies which make up ABC online were not foreseen when the ABC Act was drafted, however, it is clearly a general intention of the ABC Act that the prohibition on advertising and sponsorship should apply to all ABC services, something which current Board policy recognises.

1.14 The Democrats agree with the recommendations presented in evidence that it is simply a matter of amending section 31 of the ABC Act to extend the prohibition on advertising to ABC online.

1.15 We further maintain that the maintenance of ABC online should continue as a core ABC activity. Inappropriate constraints should not be imposed on the ABC's freedom of action in developing a strong presence in the evolving convergent environment. However, this freedom needs to be balanced in accordance with the ABC's charter and core responsibilities as a respected public broadcaster and institution. Editorial integrity and independence are to be preserved to ensure the continuation of the value of the 'ABC brand'.

1.16 A number of witnesses recommended that the role of ABC online should be defined in the ABC Act. Having further considered the evidence brought before the Committee by several submitters, the Democrats agree that legislative amendment is required to reflect the growth of additional services, where these services are delivered by new technological means. This is in order that current ABC editorial policies to protect the independence and integrity of the services can apply without confusion. It

is also to ensure that the current prohibition on advertising and sponsorship can equally apply to the provision of new services.

1.17 In their supplementary submissions to the ABC Online inquiry, the CPSU, the Australian Key Centre for Cultural and Media Policy, and Mr Quentin Dempster were of the view that the ABC Act should be amended to provide a reference to online technologies. Further, the CPSU and Mr Dempster were concerned that the Senate Committee has not received a copy of the legal advice which the ABC sought to uphold their view that the ABC Act did not require additional amendment to prevent advertising on ABC online services.

1.18 However, during debate on the Broadcasting Legislation Amendment Bill, the issue of amending the ABC Act to prohibit advertising on ABC Online arose. The Democrats are of the view that the ABC Act should be amended to fully reflect the Board's current policy that this prohibition be extended. A simple amendment to the ABC Act at section 31 would preserve the ABC's independence and integrity in an online environment.

1.19 The Democrats reserve the right to pursue any concerns in relation to the ABC's provision of online services, if and when any concerns may arise.

1.20 The Democrats will table a Private Senator's Bill to reflect the concerns raised in the Senate Committee in relation to the prohibition on advertising and sponsorship on ABC online services. Simply, this Private Member's Bill will amend section 31 of the ABC Act in accordance with the wishes of those who made submissions to the third term of reference to the Senate Committee.

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