

Media Release
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SBS LEGISLATION CREATES 4TH COMMERCIAL TV LICENCE BY STEALTH

Free TV Australia has called on the Senate to block moves to allow SBS to double its advertising in prime-time.

Free TV Chairman Harold Mitchell AC says, "The proposed Bill in effect creates a new commercial broadcasting licence by stealth. SBS will have the same amount of advertising in prime-time as commercial broadcasters and they will target the same advertisers with their programming."

SBS continues to assert that it will only gain an additional \$28.5 million over four years from the changes, but there is no transparency of the revenue figures on which that claim is based.

Independent analysis demonstrates that SBS will have the potential to earn an additional \$148 million in advertising revenue over four years¹.

Mr Mitchell says, "Everyone knows that any additional revenues SBS attracts will come from the existing television advertising pie, so effectively commercial broadcasters are being asked to subsidise a government funded broadcaster.

"Commercial broadcasters are the major investors in quality Australian programming including drama, news and sport.

"SBS will not be required to invest one cent of additional revenues in Australian content."

Mr Mitchell adds, "This comes on the same day that Netflix has launched in Australia announcing that they will not make any Australian content and that they will not charge any GST on their services in this country."

"By contrast Australian commercial broadcasters invest over \$1.5 Billion in Australian content, pay a licence fee on top of our normal taxes and are subject to a raft of regulations that do not apply to any other media platform.

"Allowing SBS to double its advertising in prime-time is bad public policy and will come at the expense of programming and jobs in commercial free-to-air television.

"We call on the Senate to reject the Bill and ask that the Government and SBS find other efficiencies to fund what they claim is a 'shortfall' of just over \$7 million a year," Mr Mitchell says.

For media enquiries contact Free TV Australia on (02) 8968 7100

¹ The analysis was conducted for Free TV by Anomaly, a specialist market research and intelligence company. The Anomaly modelling is based on SMI revenue data (a proprietary industry standard measurement) and makes conservative assumptions on fill rates and on peak revenue (prime time) as a percentage of total revenue.