

17 December 2009

To:

The Treasurer
Parliament House
Canberra

Copies:

Minister for Broadband,
Communications & Digital Economy;
Minister for Finance;
Chairperson of SBS;
Managing Director of SBS

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Dear Mr Swan

SBS Internet Funding: May 2010 Budget Request

Funding for our public broadcasters has normally been on a triennial basis although there have been prior occasions when adjustments have been made part way through a triennium.

Save Our SBS was encouraged by comments made by the Minister for Broadband, Communications and the Digital Economy at Senate Estimates on 19 October 2009, when he said that the government was open to suggestions for amendments to the SBS budget before the conclusion of the triennial period in 2012.¹ As such we make our suggestion as outlined below for consideration in the May 2010 Budget.

The SBS on the Internet – from marginal to mainstream

Until relatively recently radio and television services have been seen as the main outputs for the ABC and the SBS.

But now more Australians have access to the Internet at home than have access to either digital television or digital radio.² Yet it appears that the government has made no funds available for the Internet services provided by the SBS. While this was understandable in the early years of the Internet, we believe that it is more than time for a rethink.

Technological changes and other developments are threatening the funding models of both newspapers and free to air television. As a result access to information, and effective participation in community life is likely to become restricted. Global media proprietors including Rupert Murdoch are threatening to erect pay walls. The division between the information rich and the information poor is likely to grow.

In his recent speech “*The BBC and public space*”, the Director General of the BBC, Mark Thompson outlined a different vision.

Wherever it can be – and certainly in the case of the BBC – public space is free at the point of use. And the more people who use it the better. In the case of the BBC, there’s another

¹ ENVIRONMENT, COMMUNICATIONS AND THE ARTS LEGISLATION COMMITTEE 19/10/2009
BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY PORTFOLIO Special Broadcasting Service

² A study (*Media and Society Report 2007*) by the Australian Communications and Media Authority found that nine in ten Australian families had access to the Internet at home, three quarters of them through a broadband connection. In a separate survey (*Digital TV in Australian Homes*) in the same year the ACMA found that only 42% of Australian families had digital TV. More recent figures indicate that while ownership of digital television is growing it still lags well behind access to the Internet at home.



*important characteristic. There's no demand curve and no exclusion. You can't buy a better service from the BBC no matter how wealthy you are. And you can't stop people who are less well off than you enjoying just as good a service as you do.*³

Australia is fortunate to have the SBS as well as the ABC. With adequate funding for its online services the SBS would have the opportunity to create a genuine public space. This would give new arrivals further avenues to shake off their isolation.

At present however the Internet presence of the SBS is limited. We understand that there has never been any specific funding for the SBS website. As a result, the SBS site has never realized its potential.

While lack of specific funding for the web presence was understandable in the early days, the Net has now moved from marginal to mainstream. Without appropriate support for its online activities the SBS faces the prospect of its connection with its audiences being largely a one-way conversation.

Funding to expand its Internet presence would enable the SBS to add value to its existing output in two ways.

First, by expanding its capacity to make downloads of programs available on demand, it could extract greater value from existing productions.

Second, and more significantly, the SBS could interact more effectively with its diverse audiences by extending its conversation with viewers and listeners through the Internet.

Save Our SBS requests that in the May 2010 Budget, specific funding be made available to SBS to further develop its Internet services.

Yours sincerely

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for the Committee of Management
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DOWNLOAD in PDF this *May 2010 Budget Request*: <http://saveoursbs.org/archives/921>

FURTHER READING *SBS funding for 2009 - 2012*: <http://saveoursbs.org/archives/323>

³ The BBC and Public Space 18 November 2009 http://www.thinkingfaith.org/articles/20091118_1.htm