

This is best printed in colour as it contains colour coded graphs

**A submission to the Budget Policy Division, Department of the Treasury**

**PRE-BUDGET SUBMISSION 2016: THE SBS COMMUNITY VIEW**

**A submission from the peak body representing supporters & friends of SBS**

**There is strong evidence that SBS's ability to comply with its Charter obligations was severely diminished by disrupting programs for commercial breaks, thus making it less efficient in its primary function.**

*Save Our SBS Inc*

Save Our SBS Inc  
PO Box 2122  
Mt Waverley  
VIC 3149  
A0051182D  
ph: 03 9008 0644  
www.SaveOurSBS.org  
SaveOurSBS@SaveOurSBS.org



Budget Policy Division  
Department of the Treasury  
Langton Crescent  
PARKES ACT 2600  
EMAILED TO: prebudgetsubs@treasury.gov.au

5 February, 2016

## EXECUTIVE SUMMARY

Save Our SBS Inc welcomes this opportunity to make this formal submission on the triennial funding for SBS from the perspective of consumers of SBS. With some 62,000 supporters nationally, Save Our SBS is the peak body advocating as a *supporter & friend* of SBS. We are represented in all States and Territories.

We cite very strong local and international evidence that SBS's operations have been severely hindered by advertising, particularly that disrupting programs. Although there would be clear community support if advertising were removed from SBS, given the economic climate, alternative approaches are also examined.

**We outline a series of options that range from no commercial activity at one end, to limiting advertising to between programs only at the other, and a compromise of not more than one commercial break mid program (except in sport, which may have more). Costings of each scenario are given. One such proposal is revenue neutral. We provide financial calculations that clearly show SBS could be funded such that advertising is maintained at current levels with commercial breaks reduced compared to existing practice.**

We also explain from a Charter perspective why it is important to pursue one of the options we provide.

SBS will be best served if its acceptance of the overall budget is conditional on one of the options detailed. Such arrangement will enhance SBS – not harm it – and go a long way in answering the expressed concerns of those that fund the broadcaster – the tax payer – in their viewing experience.

Tied funding for SBS is not new. Tied funding is when monies are appropriated to SBS on the condition that the broadcaster agrees to act in a specific manner.

At one stage the Howard Coalition government was reported as tying funding to the acquisition of The Ashes and the Rudd Labor government tied a sum of money for SBS to commission Australian content<sup>i</sup>.

We propose that a significant portion of the joint cuts that were made to both national broadcasters be handed back to the leaner broadcaster, SBS, but in a specific manner that the evidence shows will lead to SBS being more compliant in their Charter obligations, hence more efficient in their primary reason for existence.

**Save Our SBS Inc**

## TABLE OF CONTENTS

Pre-Budget Submission 2016: The SBS Community View .....	1
Executive Summary .....	2
The Charter and advertising relationship.....	4
Distinctiveness and Charter faithfulness.....	5
Why in-program commercial breaks sidestep the Charter .....	6
Financial options and remedies.....	7
Market pressures shift focus away from Charter to advertisers .....	8
NITV .....	9
Why tie a revenue neutral advertising option to a budget process?.....	9
Appropriation Bill or ministerial direction .....	9
Conclusion.....	9
Appendix.....	10
References .....	11

## THE CHARTER AND ADVERTISING RELATIONSHIP

In late 2006, SBS reinterpreted the SBS Act 1991 and commenced positioning commercial breaks within programs. In doing so, SBS promised that **all** the money raised from advertising would be used to commission more Australian content<sup>ii</sup>. However, while audiences suddenly had their viewing experiences disrupted multiple times per hour, SBS failed to deliver. Following a transient spike, local content decreased and the most that SBS ever invested in commissioning local content was 37% of advertising revenues in 2011-12<sup>iii</sup>. Only 10% of programming on SBS is currently first run Australian content<sup>iv</sup>.

There is very strong evidence that the efficiency of SBS in adhering to its Charter – the core reason for its existence – diminished proportional to the level of in-program advertising, that is, as SBS shifted advertising to within programs (instead of between them) the degree to which SBS complied with the Charter fell markedly. To attract advertisers, programs in languages other than English (LOTE) in primetime were all but removed<sup>v</sup>.

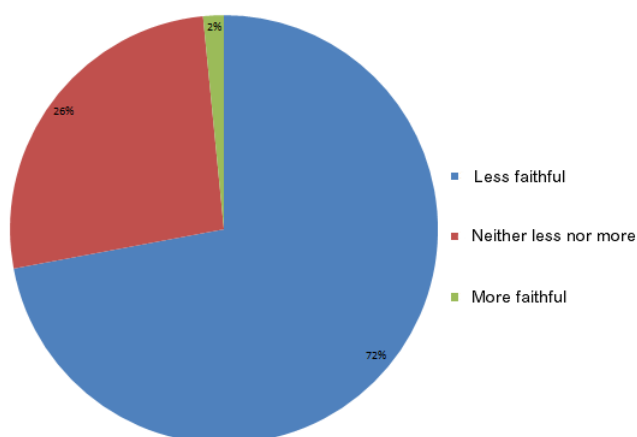
In 2014 the Department of Communications *ABC and SBS Efficiency Study* found that increased–

***advertising [would] risk charter related content and decrease distinctive content in favour of a broader, more populist schedule<sup>vi</sup>.***

The above is consistent with two major studies of SBS viewers conducted in the period since SBS introduced in-program advertising, one in 2008<sup>vii</sup> and the other in 2013<sup>viii</sup> (NITV not included). The studies (n = 1733 in 2008 and n = 2044 in 2013) required participants read SBS's Charter in order to answer specific Charter related questions. The outcome of the different study groups from different time periods was virtually the same. Three-quarters (71.6% in 2008 and 72.1% in 2013) of SBS viewers nationally said:

***SBS is less faithful to the Charter since it introduced in-program advertising.***

Faithfulness to the SBS Charter since in-program advertising began



source: SOSBS, 2013, *A study of 2044 viewers of SBS television on advertising, Charter, relevance and other matters*, (pg 12)

The above is consistent with other studies. A University of Queensland study found advertising caused a “relative failure”<sup>ix</sup> of SBS to follow its Charter. The largest study ever done into advertising on public broadcasters commissioned by the BBC and carried out by McKinsey & Co in 19 countries, found very strong evidence that increased advertising focused the needs of the advertiser ahead of the viewer and concluded:

***Our analysis shows clearly that an increased dependence on advertising has led inexorably to a more populist and less distinctive schedule<sup>x</sup>.***

## DISTINCTIVENESS AND CHARTER FAITHFULNESS

**The SBS Charter describes a very special broadcaster, one that is like no other, distinctive in character.**

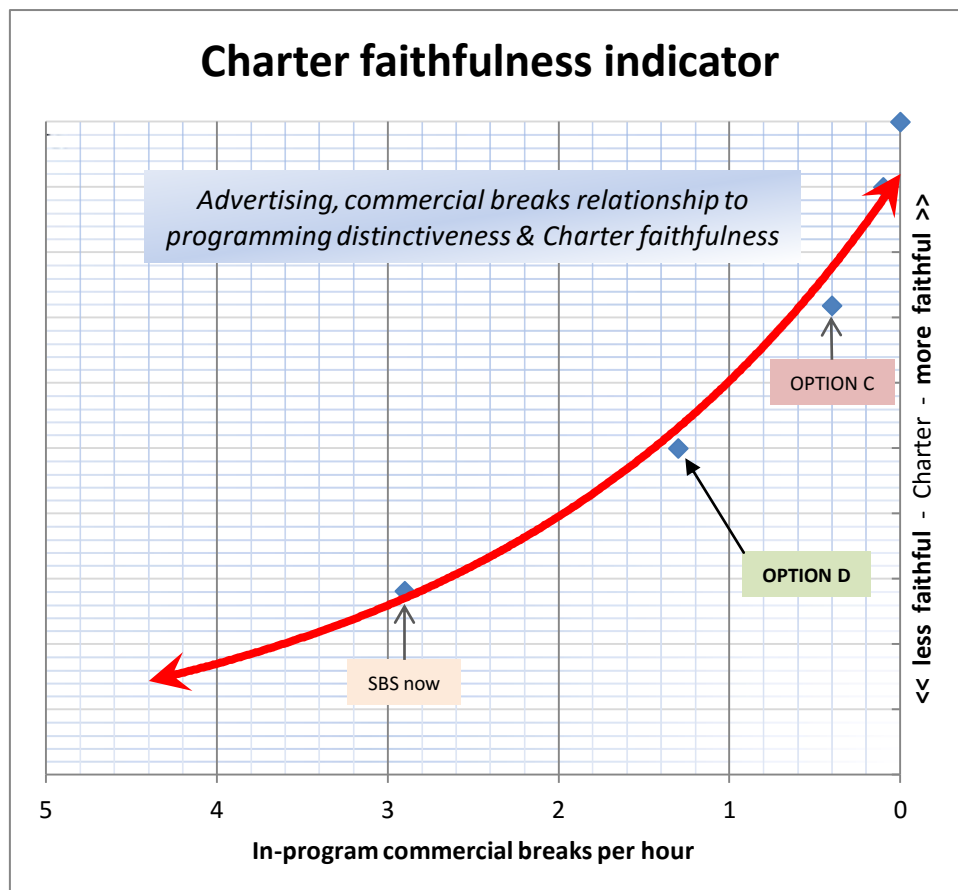
Distinctiveness is what should separate SBS from commercial broadcasters and from the ABC. A distinctive SBS is one that would compliment rather than compete with other broadcasters.

Data from the preceding four studies points to advertising and the number of hourly commercial break disruptions, as having a direct impact on distinctiveness or Charter faithfulness in a given scenario.

**Put simply, the evidence shows that the greater the quantity of commercial breaks, the less distinctive SBS will be, and the more difficult it becomes to fulfil Charter obligations.**

The *Charter faithfulness indicator* is calculated from known variables extrapolated from the cited studies<sup>xi</sup>.

For an explanation of the options in the graph below, refer to the table on page 7.



On average, SBS interrupts programs almost three<sup>xii</sup> times hourly and at this number of hourly disruptions 3,821 SBS viewers nationally said it was less faithful to its Charter than compared to the pre-2006 model (refer to page 4) when there were no interruptions except in sport, indicated in the graph at option C above. Short of removing advertising, all the studies strongly suggest that if the total number of hourly in-program commercial breaks were reduced, then SBS would significantly shift focus to that of their Charter obligations ahead of advertisers. In such an environment executive brain space is less concerned with ratings and commercial 'sell-ability' and therefore the centre of attention becomes that of fulfilling Charter requirements.

## WHY IN-PROGRAM COMMERCIAL BREAKS SIDESTEP THE CHARTER

Multiculturalism is an Australian success story. Walk through the food court of a shopping mall in any major Australian city and visible are Asian families eating burgers and chips, Anglo Australians eating Asian and Middle Eastern food, Africans enjoying coffee and cake. Behind the counters there may be Chinese working at the Sushi bar, Greeks in the Italian café, a mix of diametrically opposed Middle Eastern backgrounds working at the Kebab shop and so on. In the food court we see people of all ages and cultures eating comfortably under the one roof. We do not see such diversity in Australian television programs.

At home, 24% of all Australian's converse in LOTE as do 54% of recent migrants<sup>xiii</sup>. Culturally and linguistically diverse (CALD) communities are a significant portion of Australian society. The SBS Charter recognises such diversity and describes a distinctive broadcaster, one that is substantially different from commercial media and the ABC.

At section 6 of the SBS Act 1991, the Charter states:

***The principal function of SBS is to provide multilingual and multicultural radio, television and digital media services that inform, educate and entertain all Australians and, in doing so, reflect Australia's multicultural society.***

SBS management is in a very difficult position. In order to attract advertising dollars SBS needs to transmit programs that will rate. Programs that rate well with the mainstream Australian population attract higher advertising dollars. In order to achieve that end, the Charter is, understandably, compromised.

The Charter also states that in performing its principal function, SBS must:

***increase awareness of the contribution of a diversity of cultures to the continuing development of Australian society [and broadcast programs] in their preferred languages.***

In primetime viewing weeknights between 6pm and 11pm, SBS-ONE had few programs exclusively or predominately in LOTE and Anglo-centric programming increased proportional to the quantity of in-program commercial breaks<sup>xiv</sup>. The *Charter faithfulness indicator* graph on page 5 at option C shows that prior to 2006 when there were no in-program ad breaks (except in sport), Charter compliance was greater than post 2006 when in-program commercial breaks commenced. The evidence in the studies cited thus far is that Charter compliance was weakened as in-program commercial content increased (see page 4 graph).

### **Advertising and frequency of commercial breaks disrupting programs directly impacted Charter adherence.**

It was a bold move in late 2006 when SBS introduced in-program advertising; the proceeds to be earmarked for local content but as already detailed the experiment was to the detriment of the Charter and the local content target never attained. It is an understatement to say this decision is Australia's loss. Not only are we missing a much needed true expression of the CALD Australian society, we are missing out on investment in local productions. Advertising – assumed to be the saviour – has proved to be the opposite for SBS-TV.

However, SBS radio and digital services fulfils the language and cultural component of SBS's Charter providing national coverage in 74 languages a week. These in-language programs provide news and information. The makeup of languages on SBS radio largely reflects the census statistics of languages spoken in the community. SBS-TV with its wider reach and appeal to advertisers in the Anglo higher-rating programs is a different story.

## FINANCIAL OPTIONS AND REMEDIES

The calculated average of recent years shows that typically SBS generated around **\$64m per year<sup>xv</sup>** from **advertising** (including the transitional spikes that occur every four years due to the FIFA World Cup soccer broadcasts). Every fourth year SBS generated more, as high as \$78m<sup>xvi</sup> once, for that year only. In some non-FIFA World cup years, ad revenue dropped to around \$50m<sup>xvii</sup>.

The total **cuts** announced for the ABC and SBS was **\$60.72m per year**, for five years<sup>xviii, xix</sup>.

If all advertising were shifted to between programs only – including sport – SBS forecast a 64%<sup>xx, xxi, xxii</sup> annual reduction in advertising revenues. The actual average difference between the pre-2006 model (when ads were only between programs except for the natural breaks in sport) and recent years (where every program is disrupted multiple times for commercial breaks) shows the loss to be about 44%<sup>xxiii</sup> of current ad revenue if all advertising were now to be shifted to between programs except in sport. These figures might be artificially skewed upwards because they do not take account of the changed SBS advertising policy to accept almost any type of advertiser<sup>xxiv</sup> which occurred when SBS commenced in-program advertising<sup>xxv</sup>. Prior to that, SBS was very selective as to the types of advertisements that they would broadcast<sup>xxvi</sup>.

Without altering that policy we propose an improvement on the current model that will assist SBS to become more compliant in its Charter obligations. In option D, neither the 64% nor 44% reduction would apply.

The following table provides the dollar component calculated from the cited figures that relates to advertising activity (not the overall SBS budget) and provides various financial options according to the number of commercial breaks disrupting programs.

Option	\$ p.a.	Advertising placement	Comment
A	\$64m	Nil	This may wipe out advertising totally.
B	\$41m	All advertisements would be broadcast between programs only.	
C	\$28m	All advertisements would be positioned between programs only, except in sports programs which would continue to broadcast advertisements during program.	This is the former (pre-2006) model of where SBS positioned advertisements.
D	NIL	<b>*Every program would contain not more than one commercial break (mid program) – except for sports programs which would continue to broadcast advertisements during natural program breaks.</b>	<b>Whatever monies are appropriated to SBS, it would be on condition that the placement of advertising would be as described*. This may occur via an appropriation bill or a ministerial direction under s 11 of the SBS Act.</b>
E	NIL	^Every program is interrupted multiple times for a specified number of commercial breaks.	^This is the current SBS model. Shown for comparison only. <i>We recommend against this.</i>

The wider SBS community strongly opposes option E<sup>xxvii, xxviii, xxix, xxx, xxxi</sup>. Therefore, options A to D ought to be considered. In the current economic climate, option D is certainly worth pursuing however only on the assumption that funding for options A, B or C are not available. **Whichever option is chosen – A, B, C, or D – the budget needs to be offered on the basis that SBS reduces the number of in-program commercial breaks.**

Whist we argue that SBS ought to have a funding increase, the thrust of options B and C is that either should, if implemented, be tied to the *displacement* (not removal) of advertising.

**Although option D is revenue neutral, we also believe that its implementation will only occur if linked to, although not a cost of, the monies appropriated to SBS.**

An explanation as to why option D is revenue neutral is as follows:-

The SBS Act limits advertising to 5 minutes per hour.

Currently SBS places some advertisements between every program and the remainder within each program.

At the moment, most commercial breaks are about 2 minutes on SBS. By comparison, in-program breaks on commercial TV are about 3½ minutes, sometimes longer.

In addition to the advertising break between programs, SBS currently positions two commercial breaks within a half-hour program, and three within an hour program. Hence, if two back-to-back half-hour programs fill one clock hour, the SBS viewer currently sees five commercial breaks<sup>xxxii</sup>.

The published transmission logs in six hour blocks of 42 hours of monitoring of SBS spread over differing periods reveal that on average, SBS disrupted programs 2.9 times per hour for in-program commercial breaks, plus 1.3 times per hour for advertisements broadcast between programs (7 day average, noon to midnight)<sup>xxxiii</sup>.

**If option D were implemented, there is no reason for SBS to abolish their standard break between programs. That break could remain the same length but there would be fewer commercial breaks disrupting programs of a similar or slightly longer length as currently applies, with hourly advertising remaining at 5 minutes.**

**Two examples are given as to how SBS could position advertising under option D.**

**2x half-hour programs:** TWO minutes of advertising MID program 1; ONE minute of advertising BETWEEN programs 1 & 2; TWO minutes of advertising MID program 2.

**1 x one hour program:** THREE minutes of advertising MID program 3; TWO minutes of advertising BETWEEN programs 3 & 4 (the next program).

In fact the breaks would vary slightly from that above depending on precise program duration and promo fill which is 44%<sup>xxxiv</sup> of non-program-matter and not included in the 5 minute advertising limit set by the SBS Act.

**In the examples given – these being the most common program durations – the viewer experience would contain fewer disruptions and each commercial break would still be less than that typically broadcast on free-to-air commercial television.**

Option D would increase Charter compliance however not to the extent of the benchmark, option A.

## MARKET PRESSURES SHIFT FOCUS AWAY FROM CHARTER TO ADVERTISERS

With some fluctuations and a transitional peak every four years due to the FIFA World Cup, the advertising and sponsorship growth rate of SBS (excluding FIFA World Cup years) has been declining since soon after SBS introduced in-program advertising (see “Advertising/sponsorship growth rate” graph in the Appendix). This trend is consistent with declining revenues from advertising world-wide and has caused many commercial broadcasters to supplement with other forms of income. Understandably the focus on advertising pressures on SBS in such a market occurs at the expense of their Charter: ‘advertisers before viewers’.



## NITV

Although SBS's acquisition of NITV in 2012 gave NITV a national voice on free-to-air, the funding set aside for NITV is woefully low, it being subject to SBS's overall budgetary constraints. Australia's First Peoples deserve an NITV service funded significantly more than has been the case, guaranteed specifically for that service.

## WHY TIE A REVENUE NEUTRAL ADVERTISING OPTION TO A BUDGET PROCESS?

SBS consumers want a better – less disruptive – viewing experience, a format other than that currently on offer from their national multicultural broadcaster.

Considering the budgetary restrictions, a way of moving forward to confront the overwhelming evidence that in-program advertising has diminished SBS's faithfulness to the Charter, funding SBS ought to be on condition that it reduce the number of commercial breaks interrupting programs.

**In the absence of a requirement, the SBS Board may not take the initiative sought. For this reason the consumers of SBS – the taxpayers that fund it – want the parliament to respectfully tie SBS to one of the options stated. This is crucial if SBS is to become more efficient in its primary reason for existence.**

## APPROPRIATION BILL OR MINISTERIAL DIRECTION

A reduction in commercial breaks could be done via an appropriation bill, section 45 amendment to the SBS Act 1991 – or without legislative change – by the communications Minister issuing a direction under section 11 of the SBS Act 1991, noting such direction would refer to the placement of 'non-program-matter only' (advertisements and commercial breaks), not the scheduling of programs, thus a lawful use of section 11.

## CONCLUSION

The connection to the pressures of advertising and its conflict with the Charter is obvious and is evident in the studies. The shift in recent years to compete rather than complement other broadcasters greatly distresses the *supporters & friends* of SBS.

***SBS television executives no longer talk in terms of multicultural programming. Rather, they are focused on reflecting Australian society back to itself. This is a dangerously self-immolating approach, suggesting that SBS's work in fostering a culturally diverse society has been done*** <sup>xxxv</sup>.

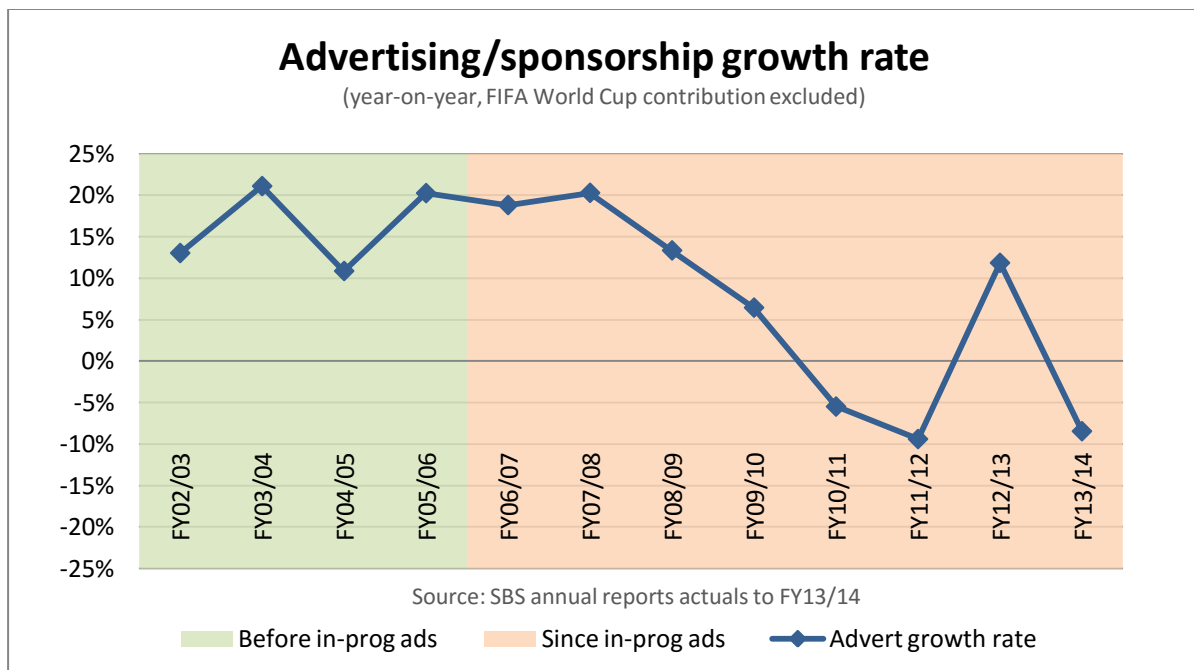
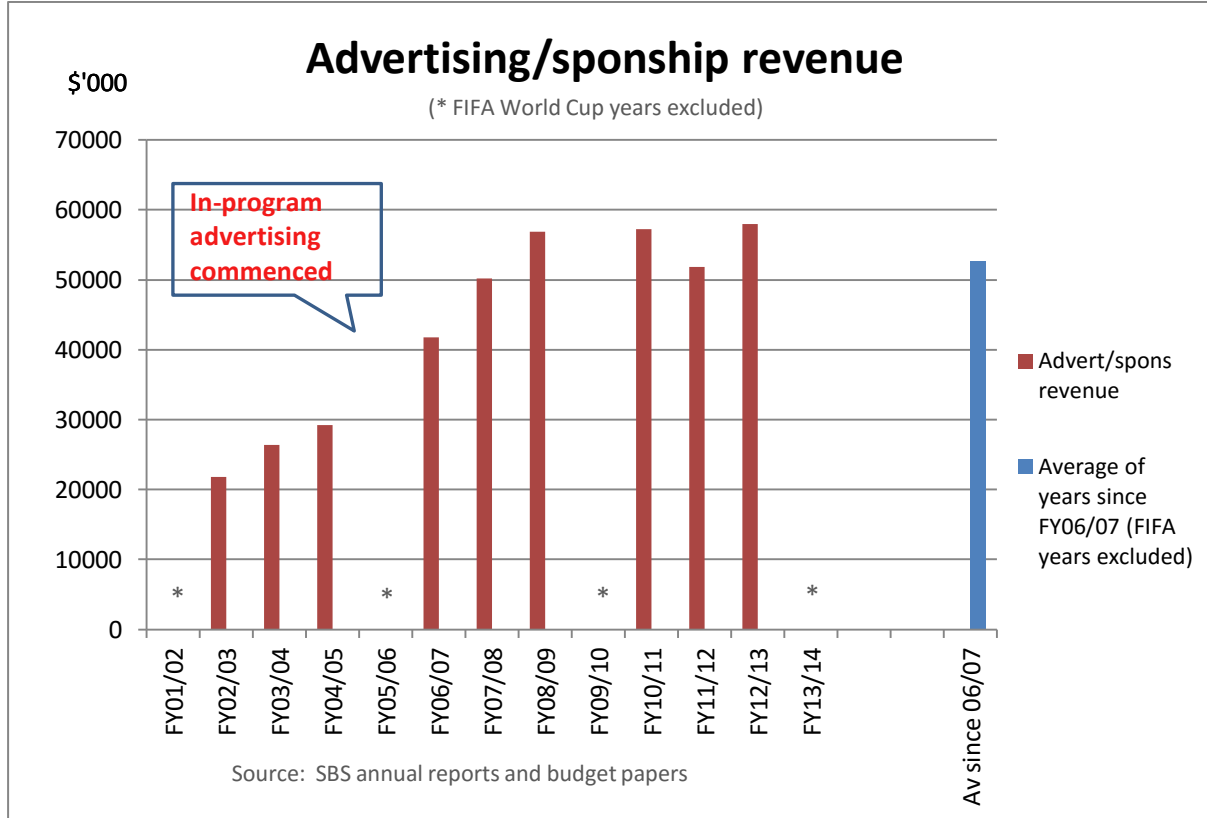
To satisfy commercial needs, SBS now competes with commercial broadcasters; it even looks the same. Contrary to a Charter requirement that SBS use "***innovative forms of expression***", it rarely presents itself as a 'special' broadcaster with a policy that programs should be of "broad, general appeal"<sup>xxxvi xxxvii</sup>.

If SBS is to remain relevant, it is crucial that it return to putting the Charter ahead of advertisers. All the reputable evidence is that that will **only** occur as commercial content is moved away from programs.

**Reducing the number of in-program commercial breaks is an overdue necessity that could and should be linked to the budget process.**

## APPENDIX

FY14/15 is not shown as although buried in the text of that annual report SBS state advertising revenue was \$71m, for the first time ever the usual advertising (only) line item was absent from the certified financials. The contribution from the FIFA World Cup spike which overlapped into the FY14/15 was not stated either.



## REFERENCES

This submission may be published at <http://saveoursbs.org/wp-content/uploads/2016/02/Pre-Budget-submission-2016-The-SBS-community-view.pdf>

- <sup>i</sup> Viewed 1 February, 2016
- <sup>i</sup> Conroy, S, Minister, 12 May 2009, *Strengthening our national broadcasters*, Department BCDE, Media Release, "The SBS will receive an additional \$20 million in Government funding over three years to enable it to produce up to 50 hours of new Australian content annually." [http://pandora.nla.gov.au/pas/80090/20091110-0000/www.minister.dbcde.gov.au/media/media\\_releases/2009/034.html](http://pandora.nla.gov.au/pas/80090/20091110-0000/www.minister.dbcde.gov.au/media/media_releases/2009/034.html)
- <sup>ii</sup> SBS, 1 June, 2006, *SBS to Bolster News and Current Affairs. Increase Australian Content*, Media Release, <http://web.archive.org/web/20070105112728/http://www20.sbs.com.au/sbscorporate/index.php?id=1215>
- <sup>iii</sup> Senate committee question No. 2386, sub question 11(b), 19 October 2012, <http://saveoursbs.org/wp-content/uploads/2013/12/A2386.pdf>
- <sup>iv</sup> Evidence of Mr Michael Ebeid to Senate Estimates (Environment and Communications Legislation Committee), Parliament of Australia, Canberra, 24 February 2015, SBS MD, Mr Ebeid: "only about 10 per cent of our schedule is Australian content", <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22committees%2Festimate%2F1ecd1680-d38d-414e-8d96-1b0268357cc3%2F0006%22>
- <sup>v</sup> Cassidy, D, February, 2008, *History of advertising on SBS, SOSBS*, <http://saveoursbs.org/wp-content/uploads/2008/02/the-impact-of-advertising-on-the-sbs.pdf>
- <sup>vi</sup> Department of Communications, April 2014, *The ABC and SBS Efficiency Study Report (redacted)*, (pp 85), [http://www.minister.communications.gov.au/\\_data/assets/pdf\\_file/0003/63570/ABC\\_and\\_SBS\\_efficiency\\_report\\_Redacted.pdf](http://www.minister.communications.gov.au/_data/assets/pdf_file/0003/63570/ABC_and_SBS_efficiency_report_Redacted.pdf)
- <sup>vii</sup> SOSBS, 1 December, 2008, *One Minute Survey Results*, <http://saveoursbs.org/archives/332>
- <sup>viii</sup> SOSBS, 23 July, 2013, *A study of 2044 viewers of SBS television on advertising, Charter, relevance and other matters*, <http://saveoursbs.org/wp-content/uploads/2013/07/A-study-of-2044-viewers-of-SBS-television-on-advertising-Charter-relevance-and-other-matters.pdf>
- <sup>ix</sup> Dr Lawe Davies, C, C 1997, *Multicultural Broadcasting in Australia: policies, institutions and programming*, 1975-1995, PhD thesis, University of Queensland. Advertising directly impacted a "relative failure" of SBS to follow its Charter.
- <sup>x</sup> McKinsey & Co, 1999, *Public Service Broadcasters Around the World*, London, Mimeo (pp 29 PDF 31)
- <sup>xi</sup> Known variables - average in-program breaks per hour (x), charter faithfulness indicator (y): x = 0, y = 99.99; x = 0.1, y = 90; x = 0.4, y = 71.85; x = 1.3, y = 50; x = 2.9, y = 28.15, where 99.99 may be assumed from the McKinsey & Co study, 71.85 and 28.15 are averages extracted from the two SOSBS studies, with 90 and 50 extrapolated from that preceding.
- <sup>xii</sup> SOSBS, 15 April, 2015, *The commercialisation of SBS versus efficiency* (pp 14 – 58), <http://www.aph.gov.au/DocumentStore.ashx?id=e1ef7fcd-8542-49a2-84ea-8a38d06f7fd5&subId=350315>
- <sup>xiii</sup> ABS, 21 June 2012, *2011 Census shows Asian languages on the rise in Australian households*, (media release), <http://www.abs.gov.au/websitedbs/censushome.nsf/home/CO-60>
- <sup>xiv</sup> SOSBS, 15 April, 2015, *The commercialisation of SBS versus efficiency* op. cit., (analysis of programs monitored in 2009, 2011, 2012, 2014: pp 14 - 58)
- <sup>xv</sup> \$64m is calculated from \$57m + \$71m / 2 = \$64m. \$57m is the typical yearly ad revenue, the average of 2008-09, 2010-11, 2012-13 excluding FIFA World Cup broadcasts. \$71m is the transitional peak SBS generated in 2014-15. A peak occurs in FIFA World Cup soccer broadcast years – for that year only (source: data extracted from the *SBS Annual Reports*, <http://www.sbs.com.au/aboutus/corporate/view/id/1111/h/Annual-Reports>)
- <sup>xvi</sup> SBS, 15 April, 2015, *Maintaining multicultural and multilingual media services through advertising and sponsorship*, (see table on pages 16 & 17) flexibility, <http://www.aph.gov.au/DocumentStore.ashx?id=02522511-324a-4d83-be0c-0e0d214ddef5&subId=350334>
- <sup>xvii</sup> Data extracted from the *SBS Annual Reports*, <http://www.sbs.com.au/aboutus/corporate/view/id/1111/h/Annual-Reports>
- <sup>xviii</sup> The Hon Malcolm Turnbull MP, 19 November 2014, *National Broadcasters to implement efficiency measures*, (see table: *Agreed Funding Arrangements for the ABC and SBS, 2014-15 to 2018-19*), [http://www.minister.communications.gov.au/malcolm\\_turnbull/news/national\\_broadcasters\\_to\\_implement\\_efficiency\\_measures#.VpYldVk2FDT](http://www.minister.communications.gov.au/malcolm_turnbull/news/national_broadcasters_to_implement_efficiency_measures#.VpYldVk2FDT)
- <sup>xix</sup> Mid-Year Economic and Fiscal Outlook: 2015, Appendix A: *Policy decisions taken since the 2015-16 Budget*, Special Broadcasting Service Corporation — additional funding (see table: *Expense*) - "The Government will provide \$4.1 million in 2015-16 to the Special Broadcasting Service Corporation (SBS)", [http://www.budget.gov.au/2015-16/content/myefo/html/11\\_appendix\\_a\\_expense.htm](http://www.budget.gov.au/2015-16/content/myefo/html/11_appendix_a_expense.htm)
- <sup>xx</sup> Based on SBS answers to Senate Questions on Notice (referenced below) and calculated as follows:-
- In 2008: \$29.39m/\$50.2m x 100 = 58% potential loss calculated by SBS if advertisements were screened between programs only versus in them.
- In 2008: \$35.72/\$50.2m x 100 = 71% potential loss calculated by SBS if advertisements were screened between programs only versus in them.
- In 2010: \$36m/\$56m x 100 = 64% potential loss calculated by SBS if advertisements were screened between programs only versus in them.
- Therefore 58% + 71% + 64% = 193% / 3 = 64% average potential loss.
- <sup>xxi</sup> THE SENATE QUESTIONS ON NOTICE Special Broadcasting Service QUESTION 93 (sub question 16), 16 June 2008, "between \$29.39m to \$35.72m" [of \$50.2m annual ad revenue] if advertising were positioned between programs only.
- <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22chamber%2Fhansards%2F2008-06-16%2F0157%22>
- <sup>xxii</sup> THE SENATE QUESTIONS ON NOTICE Special Broadcasting Service QUESTION, 30 (d), Hansard Ref: EC 66-67, PDF page 8, Oct 2010, "it is estimated that the previous advertising model would have produced a \$36m shortfall against current projections [\$56m for 2010-11]." [http://www.aph.gov.au/~media/Estimates/Live/ec\\_cette/estimates/supp\\_1011/bcde/sbs?](http://www.aph.gov.au/~media/Estimates/Live/ec_cette/estimates/supp_1011/bcde/sbs?)
- <sup>xxiii</sup> Data extracted from SBS annual reports: \$23.4m/\$52.6m x 100 = 44% potential loss where \$23.4m is the difference between final year in which SBS limited advertising to between program only (except in soccer) and \$52.6m is the yearly average advertising revenue of all the years (less FIFA World Cup years) since SBS introduced in-program advertising up to 2013-14.
- <sup>xxiv</sup> Shoebridge N, 27 February 2006, *FIFA world cup kicks off SBS ad sales*, Australian Financial Review, quoting Richard Finlayson (then SBS sales) "In the past SBS has been reluctant to carry some ads, such as hard-hitting, in-your-face retail ads. That's changing." [http://afr.com/p/business/media\\_marketing/item\\_rMMJrPN43ehS62ripiXmkJ](http://afr.com/p/business/media_marketing/item_rMMJrPN43ehS62ripiXmkJ)
- <sup>xxv</sup> Dempster, Q, July 2007, *Come Clean On Commercialisation*, edition of the Walkley Magazine (archived from the Way Back Machine), quoting Richard Finlayson (then SBS sales), SBS is out "to position SBS as Australia's fourth commercial network". [http://web.archive.org/web/20090322222338/http://magazine.walkleys.com/the\\_news/stories/come\\_clean\\_on\\_commercialisation\\_20070617104](http://web.archive.org/web/20090322222338/http://magazine.walkleys.com/the_news/stories/come_clean_on_commercialisation_20070617104)
- <sup>xxvi</sup> SBS, 2005, *Codes of Practice 2005* PDF page 23, (archived from the Way Back Machine) "As far as possible, SBS ensures that potential advertisers are informed of SBS's responsibilities as a national multicultural broadcaster ... some advertisements broadcast by commercial stations may not be suitable for SBS because of SBS's other programming policies and objectives." [http://web.archive.org/web/20051030104706/http://sbs.com.au/media/9736Text\\_Codes\\_SCREEN.pdf](http://web.archive.org/web/20051030104706/http://sbs.com.au/media/9736Text_Codes_SCREEN.pdf)
- <sup>xxvii</sup> Department of Broadband Communications and Digital Economy, 2008, *ABC SBS Review* (public submissions 2008), [http://web.archive.org/web/20091026130301/http://www.dbcde.gov.au/consultation\\_and\\_submissions/abc\\_sbs\\_review/\\_submissions](http://web.archive.org/web/20091026130301/http://www.dbcde.gov.au/consultation_and_submissions/abc_sbs_review/_submissions)
- <sup>xxviii</sup> SOSBS, 27 January, 2008, petition to the communications minister opposing in-program commercial breaks, <http://web.archive.org/web/20080127131901/http://www.saveoursbs.org/phpPETITION/Index.php>
- <sup>xxix</sup> SOSBS, 2008, *One Minute Survey Results*, <http://saveoursbs.org/archives/332>
- <sup>xxx</sup> SOSBS, 2013, *A study of 2044 viewers of SBS television on advertising, Charter, relevance and other matters*, opt. cit., (pp 98 Q1, pp 99 Q5, Q6, Q10, pp 100 Q14)
- <sup>xxxi</sup> Pomeranz M & Dempster Q, 2015, *Preserve its Integrity! Don't Increase Ads on SBS*, 61,933 petitioners opposed increased advertising on SBS and the petition stated, "Commercial breaks disrupting SBS programs are not natural and should be stopped". <http://web.archive.org/web/20150811104506/https://www.communityrun.org/petitions/preserve-its-integrity-don-t-increase-ads-on-sbs>
- <sup>xxxii</sup> SBS, 2006, (still current), *Guidelines for the Placement of Breaks in SBS Television Programs September 2006*, (this specifies the number of commercial breaks), [http://media.sbs.com.au/home/upload\\_media/site\\_20\\_rand\\_1995575143\\_sbs\\_advertising\\_guidelines\\_2006.pdf](http://media.sbs.com.au/home/upload_media/site_20_rand_1995575143_sbs_advertising_guidelines_2006.pdf)
- <sup>xxxiii</sup> SOSBS, 15 April, 2015, *The commercialisation of SBS versus efficiency* (data extrapolated from pp 14 - 58) op. cit.
- <sup>xxxiv</sup> Ibid.
- <sup>xxxv</sup> Dawson, E, SMH, 1 July 2005, *Ashes might as well be the charred remains of multicultural broadcasting*, <http://www.smh.com.au/news/Opinion/Ashes-might-as-well-be-the-charred-remains-of-multiculturalbroadcasting/2005/05/31/117305617679.html>
- <sup>xxxvi</sup> Warren, K, SBS Program Assessment Manager, 26 March, 2015, SBS, (program policy email), "As a broad general channel we can only acquire documentaries with broad, general appeal", <http://saveoursbs.org/wp-content/uploads/2016/01/150326-SBS-policy-email-As-a-broad-general-channel-we-can-only-acquire-documentaries-with-broad-general-appeal.pdf>
- <sup>xxxvii</sup> Robin, M, 15 May, 2015, "As a broad general channel we can only acquire documentaries with broad, general appeal", Crikey, <http://www.crikey.com.au/2015/05/15/a-broad-general-channel-is-sbs-ignoring-its-charter>