



12 June, 2020

Department of Infrastructure, Transport, Regional Development and Communications
contentoptionspaper@communications.gov.au

Australian content and children's TV on SBS – a submission to the *Supporting Australian stories on our screens—Options paper*¹

Save Our SBS Inc is the national peak body for supporters & friends of SBS. As such we welcome this opportunity to provide our feedback in this submission to the **Supporting Australian stories on our screens—Options paper**.

The *Options paper* raises four points of interest that relate to SBS. In summary these are:

- Children's programming.
- Funding children's programs.
- Reporting requirements.
- Producer Offset.

We discuss the impact of the above points on SBS and the wider community.

Currently there are no set quotas for any Australian content on SBS. However, SBS's Charter states that a principal function of SBS is to "*reflect Australia's multicultural society*".

Children's programming and funding

The *Options paper* refers to SBS providing children's programs:-

The ABC and SBS would be required to allocate specified amounts of funding for Australian children's programming to distribute on their services, whether linear or online. This requirement would counter-balance the likely reduction in preschool and children's production by commercial FTA broadcasters, and ensure that the particularly vulnerable genre of children's programming continues to be made available to audiences for free².

At present SBS is not required to allocate any funds for Australian children's programming. Neither is the ABC.

SBS does not have a specific TV channel dedicated to children's programs. The ABC does.

Save Our SBS believes SBS could make an important contribution to our nation and its children in commissioning Australian children's programs, *"taking into account the contribution of the Australian Broadcasting Corporation"* to comply with SBS Charter obligations.

SBS is well positioned to focus on multicultural and multilingual programs for and about children with a focus on Indigenous children. However, an ongoing commitment of this magnitude will, without additional financial support, take considerable funds and resources from other areas of SBS. As such, public funding for SBS ought to be increased accordingly.

The *Options paper* mentions a possible *"Australian Production Fund (APF), to be administered by Screen Australia [with] allocated funding for Australian children's programming [to the] National broadcasters"*. An option provided in the paper, is that the APF would be funded from *"commercial content service providers (including subscription services)"*³. Save Our SBS agrees with this, and has floated a similar idea in the past⁴.

The *Options paper* poses the question:

*What would be an appropriate level of funding for national broadcasters to allocate to children's content?*⁵

The answer is:

The appropriate level of funding ought to be such that all children's programs are fully-funded from the public purse which may include funds from the APF.

For this purpose, fully-funded means all the costs incurred to commission, acquire, broadcast and stream children's content is fully paid for from the public purse and without the need for SBS to carry advertising. If it is not, then to aid development of long-form focus skills^{6,7} and protect children from advertising harm^{8,9,10,11,12} ahead of commercial gain, advertising on SBS needs to be more tightly regulated than currently applies as to the types of advertisements permitted in and around children's programs with a similar model to that regulated in the UK of 30 minutes program time between commercial breaks during children's programs¹³ on SBS.

In 2017, SBS put the case for Australian content on it to be *"fully-funded"* so it may *"deliver more SBS Charter aligned content to the community, and support the Australian screen industry"* including *"Indigenous"* programs for children¹⁴.

The *Options paper* discusses Indigenous programs. Save Our SBS firmly believes that public funds must be significantly boosted to SBS/NITV as part of a bigger picture in closing the gap for Indigenous audiences who are generally underrepresented on TV. An on screen cultural shift may be a step towards righting some past wrongs exploring contemporary themes and truth-telling of injustices as highlighted in the Black Lives Matter movement.

For future generations, there is now a real need for Indigenous children's programs.

SBS and NITV are the broadcaster of obvious choice in this regard and adequate funding will assist in creating entertaining and educational children's and youth content. This will help in closing the gap of the Aboriginal and Torres Strait Islander (ATSI) disadvantage; such being a broad policy of government¹⁵.

The Royal Commission into Aboriginal Deaths in Custody recommended that ATSI media organisations should receive adequate funding, where necessary, in recognition of the importance of their function¹⁶. Such would require increased funding directed to NITV, as it is such media. Additional monies ought to be appropriated to SBS for this purpose.

Children need stories to anchor, nourish and direct them. To be effective these stories need to have meaning to the child. The children of Australia's First Peoples need stories of Indigenous culture. Australia's First Peoples in the past obtained education from dreaming or creation stories. These oral myths contain stories about ethics, country, tool use, food sources, survival, healing, punishment, a sense of belonging, trade and travel. It is imperative with the loss of many languages already, that the remaining stories about Country are sensitively recorded now before more creation stories are lost. Investment in broadcasting & online and continuing the oral tradition is vital. Many children, teenagers and their parents are dealing with displacement and despair. A failure to reflect all aspects of Australia and the failure to invest properly in television for children is a loss for us all.

By allocating funds for Australian children's programs – whether by appropriation to SBS or from an APF for SBS – the production sector will also be helped in getting back on its feet following its virtual shutdown from the COVID-19 disruption. Such stimulus is necessary.

RECOMMENDATIONS

A quota of multicultural, multilingual and Indigenous children's programming be set for SBS provided same is fully-funded from the public purse.

The proposed Australian Production Fund be established and administered by Screen Australia to provide allocated funding for Australian children's programming on SBS, and the APF be funded from commercial content service providers (including subscription services).

Public funding for Australian children's programs be set at a level which does not cause SBS to rely on advertising in children's programs, and if that is not achieved, then the types of advertising permitted in and around children's programs be tightly regulated with a model similar to that in the UK of 30 minutes program time between commercial breaks to enable development of long-form focus in children.

Reporting

The *Options paper* seeks more transparent financial reporting arrangements for SBS:

[The] national broadcasters would be required to report to Parliament on total Australian drama, documentary and children's programming expenditure and hours broadcast/provided online¹⁷.

SBS already provides a level of reporting in its Annual Reports.

Safeguards need to be built into any enhanced reporting requirements so that commercial in-confidence is not put at risk, and SBS is not placed at a disadvantage in negotiating the commissioning of future programs.

Divulging the cost of each and every program or episode would disadvantage SBS in negotiating costs and expenditures for equivalent future programs.

However, budgets covering broad categories of programs ought to be published including all sources of funding, especially from advertising revenues used in (or preventing) the commissioning or acquiring of content. This may be a function of Budget Estimates.

Save Our SBS does not generally support reporting on individual program production costs.

RECOMMENDATION

Greater transparency in financial reporting is welcome provided it does not place SBS at a disadvantage in negotiating future content.

Producer Offset

SBS does not pay tax but the production houses from whom SBS commissions content do.

In 2015, Screen Producers Australia (SPA) commissioned a joint report with the Australian Subscription Television & Radio Association (ASTRA) provided by PwC. As a result of this analysis, SPA reported that: *"doubling the Producer Offset from 20% to 40% would cost the Commonwealth a maximum of \$15.5 million in foregone tax revenue, but would generate an additional \$119.4 million in economic activity, making the overall economy better off by more than \$103 million"*¹⁸.

A 40% Producer Offset for television would:-

1. match the level already provided for feature films;
2. increase Australian screen content;
3. lead to a stronger Australian television production sector, and new television production jobs;
4. reduce filtering and assessment of projects to a single process undertaken by the commissioning broadcaster.

SBS supported increasing the Producer Offset for television drama and documentaries to 40%¹⁹.

Whilst a 40% tax offset would achieve the four points above, possibly an even greater level of screen content and employment – that being the principal purpose – could be achieved if a modified version of the original 10BA (150% tax concession) were re-introduced applicable to all productions screened, irrespective of the medium.

Tax concessions under 10BA were gradually reduced over many years until it was replaced by the Producer Offset in 2007. 10BA ended in 2009.

A plethora of Australian content was produced from 1981 under 10BA. That is no longer the case.

The problem with 10BA was that there was no requirement to have the production screened²⁰. A modified version of 10BA (with a very high tax concession) could address that in determining a concession rate. Screened productions stimulate the economy.

RECOMMENDATION

Increase the Producer Offset for television to 40% (from the current 20%).

Summary of recommendations

- A quota of multicultural, multilingual and Indigenous children's programming be set for SBS provided same is fully-funded from the public purse.
- The proposed Australian Production Fund be established and administered by Screen Australia to provide allocated funding for Australian children's programming on SBS, and the APF be funded from commercial content service providers (including subscription services).
- Public funding for Australian children's programs be set at a level which does not cause SBS to rely on advertising in children's programs, and if that is not achieved, then the types of advertising permitted in and around children's programs be tightly regulated with a model similar to that in the UK of 30 minutes program time between commercial breaks to enable development of long form focus in children.
- Enhanced transparency in financial reporting is welcome provided it does not place SBS at a disadvantage in negotiating future content.
- Increase the Producer Offset for television to 40% (from the current 20%).

Save Our SBS Inc
Committee of Management

Australian content and children's TV on SBS – a submission to the *Supporting Australian stories on our screens—Options paper* is released into the public domain and may be freely cited and published in part or full with credit to Save Our SBS and is available at: <https://saveoursbs.org/wp-content/uploads/2020/06/australian-content-and-childrens-tv-on-sbs.pdf>

REFERENCES:

- ¹ Department of Infrastructure, Transport, Regional Development and Communications, *Supporting Australian stories on our screens—Options paper*, [webpage date 15 April 2020], <https://www.communications.gov.au/have-your-say/supporting-australian-stories-our-screens-options-paper>
- ² ACMA - Screen Australia | infrastructure.gov.au | communications.gov.au | arts.gov.au, *Supporting Australian stories on our screens—Options paper*, March 2020, page 41, <https://www.communications.gov.au/sites/default/files/consultation/pdf/supporting-australian-stories-on-our-screens-options-paper.pdf>
- ³ ACMA - Screen Australia | infrastructure.gov.au | communications.gov.au | arts.gov.au, *Supporting Australian stories on our screens—Options paper*, March 2020, pages 10 and 41, <https://www.communications.gov.au/sites/default/files/consultation/pdf/supporting-australian-stories-on-our-screens-options-paper.pdf>
- ⁴ SOSBS, *Australian content on SBS and related matters*, Senate Environment and Communications References Committee, [Submission 23], Inquiry into Australian content on broadcast, radio and streaming services, 9 February 2018, pages 4, 14, <https://www.aph.gov.au/DocumentStore.ashx?id=401c3201-f1ec-430c-a28e-f01ffe9b3bca&subId=563554>
- ⁵ ACMA - Screen Australia | infrastructure.gov.au | communications.gov.au | arts.gov.au, *Supporting Australian stories on our screens—Options paper*, March 2020, page 42, <https://www.communications.gov.au/sites/default/files/consultation/pdf/supporting-australian-stories-on-our-screens-options-paper.pdf>
- ⁶ Lorenz-Spreen, P., Mønsted, B.M., Hövel, P. et al. *Accelerating dynamics of collective attention*. Nat Commun Vol 10, 2019, <https://www.nature.com/articles/s41467-019-09311-w.pdf>
- ⁷ Daley, David of The Conversation, *Children's attention spans at risk from too much screen time*, 17 February 2014, <https://theconversation.com/childrens-attention-spans-at-risk-from-too-much-screen-time-23051>
- ⁸ American Psychological Association (APA), *Protecting children from advertising*, Volume 34, June 2004, <https://www.apa.org/monitor/jun04/protecting>
- ⁹ Arora, A., Bowman, C.M., Chow, S.J.P. et al of BMC Paediatrics, *A Content analysis of Australian television advertising: focus on child and adolescent oral health*, 2018, https://www.researchgate.net/publication/329497960_A_content_analysis_of_Australian_television_advertising_focus_on_child_and_adolescent_oral_health/fulltext/5c0b2e04a6fdcc494fe1e6a2/A-content-analysis-of-Australian-television-advertising-focus-on-child-and-adolescent-oral-health.pdf
- ¹⁰ Victorian Responsible Gambling Foundation, *Extent of, and children and young people's exposure to, gambling advertising in sport and non-sport TV*, September 2019, https://responsiblegambling.vic.gov.au/documents/679/OBrien-Children-and-young-peoples-exposure-to-gambling-ads-Sep-2019_PBFEEExL.pdf
- ¹¹ Journal of Adolescent Health, *Media and youth consumerism*, Volume 27, Issue 2, August 2000, https://www.researchgate.net/profile/Patti_Valkenburg/publication/12415548_Media_and_youth_consumerism/links/5a0999ce458515afc7afbd8b/Media-and-youth-consumerism.pdf
- ¹² Paediatrics International, *The effects of television food advertisement on children's food purchasing requests*, 5 April 2006, https://www.researchgate.net/profile/Yasare_Aktas/publication/7146003_The_effects_of_television_food_advertisement_on_childrens_food_purchasing_requests/links/5abb7f3845851522ddeb6faa/The-effects-of-television-food-advertisement-on-childrens-food-purchasing-requests.pdf
- ¹³ Ofcom, *Code on the Scheduling of Television Advertising*, 1 April 2016, section 16, https://www.ofcom.org.uk/_data/assets/pdf_file/0014/32162/costa-april-2016.pdf
- ¹⁴ SBS, *Australian and Children's Screen Content Review SBS response to the Consultation Paper*, September 2017, pages 2, 3, 6, 11, 12, https://www.communications.gov.au/sites/g/files/net301/f/submissions/sbs_0.pdf
- ¹⁵ SBS, *Australian and Children's Screen Content Review SBS response to the Consultation Paper*, September 2017, page 2, https://www.communications.gov.au/sites/g/files/net301/f/submissions/sbs_0.pdf
- ¹⁶ Royal Commission into Aboriginal Deaths in Custody, 1991, *Accommodating Difference: Relations Between Aboriginal and Non-Aboriginal People*, recommendation 205, <http://www.austlii.edu.au/au/other/IndigLRes/rciadic/national/vol5/5.html>
- ¹⁷ ACMA - Screen Australia | infrastructure.gov.au | communications.gov.au | arts.gov.au, *Supporting Australian stories on our screens—Options paper*, March 2020, page 41, <https://www.communications.gov.au/sites/default/files/consultation/pdf/supporting-australian-stories-on-our-screens-options-paper.pdf>
- ¹⁸ SPA/ASTRA (media release), 19 October 2015, *New TV tax offsets to boost economy by more than \$103 million annually and give Australia competitive edge internationally*, page 1, <http://www.spaa.org.au/assets/Releases/New-TV-tax-offsets-would-boost-Aust-economy-by-103m-1.pdf> via <http://www.spaa.org.au/insights/offsets-to-boost-our-economy>
- ¹⁹ SBS, *Australian and Children's Screen Content Review SBS response to the Consultation Paper September 2017*, pages 2, 6, 7, 12, https://www.communications.gov.au/sites/g/files/net301/f/submissions/sbs_0.pdf
- ²⁰ ABC, 11 November 2107, Saturday Extra, *Australia's screen future*, 8 mins 03 sec to 9 min Kingston Anderson, CEO of the Australian Director's Guild, <http://radio.abc.net.au/programitem/pg460dK946> via <http://www.abc.net.au/radionational/programs/saturdayextra/australias-screen-future/9138710>