

# **ABC Submission to the ACCC Digital Platforms Inquiry**

**20.04.18**



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# Summary

The Australian Broadcasting Corporation (**ABC**) welcomes the opportunity to respond to the Australian Competition and Consumer Commission (**ACCC**) Issues Paper for its **Digital Platforms Inquiry** – the impact of digital search engines, social media platforms and other digital content aggregation platforms on the state of competition in media and advertising services markets.

This submission is informed by the statutory role of the ABC and its place in the Australian media landscape, including the ways in which the ABC distributes its content on digital platforms. The submission also addresses a number of the specific issues raised in the ACCC's Issues Paper.

The table below provides a summary of the key themes in this submission.

**Digital platforms have contributed to an unprecedented level of disruption to Australia's news media landscape**

Australians are increasingly accessing news via a variety of platforms, in effect fragmenting the news media landscape. In this environment, the ABC is delivering quality news and journalism to audiences where they are searching for it and where they are spending significant amounts of time, while adapting to and harnessing the capabilities that digital platforms can offer.

**Audiences have moved online, so it is critical that media content creators follow them**

The shift away from traditional media delivery methods increases the need for strong, impartial news providers that are focused on the Australian market, like the ABC. The ABC is continually responding to the changing environment and is striving to fulfil its mandate of reaching as many Australians as possible by delivering news and journalistic content on the ABC's trusted and advertisement-free digital platforms. At the same time, the ABC is engaging with digital platforms in ways that are efficient, effective and convenient for its audiences. This means the ABC's independent news service can reach more Australians, including those who are not actively seeking news content.

**The disruption created by digital platforms has created an increased demand for trustworthy and reliable news media content**

The disruption from digital platforms has led to an increasing demand from audiences for independent, trustworthy, local news and journalistic content. To reflect these audience demands, the ABC suggests a multi-faceted approach to measuring quality and choice of news and journalism. The key characteristics of measuring quality news content include coverage of relevant and publicly important topics, diversity and timeliness, as well as impartiality, accuracy and in-depth investigation.

# 01 Background

## 1.1 Overview of the ABC

The ABC is internationally recognised as a multi-platform source of Australian conversations, culture and stories—valued and trusted as the national public broadcaster since 1932 while evolving its content and services to meet changing audience behaviours and community needs. The ABC’s Charter—which guides the Corporation—tasks the ABC with the functions, among other things, of:

1. Providing within Australia innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system consisting of national, commercial and community sectors and, without limiting the generality of the foregoing, to provide:
  - a. Broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community; and
  - b. Broadcasting programs of an educational nature;
2. Transmitting to countries outside Australia broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:
  - a. Encourage awareness of Australia and an international understanding of Australian attitudes on world affairs; and
  - b. Enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs; and
3. Providing digital media services.<sup>1</sup> These services, which are provided in addition to the ABC’s broadcasting services are important for reaching the broadest Australian audience in the contemporary media environment.

The ABC is striving to continually meet these objectives, while adapting to the current disruption in the media sector. The ABC uses various distribution platforms and channels to efficiently reach Australians.<sup>2</sup>

The ABC holds an important position in Australia in the supply of news and journalistic content. This position was recognised by the Select Committee on the Future of Public Interest Journalism, which stated that:

***The committee reaffirms the importance of Australia's public broadcasters to our media landscape, particularly the ABC as one of our most trusted national institutions, and that government should support both their capacity to report in the public interest and their journalistic independence.***<sup>3</sup>

In support of this conclusion, the Committee recommended that the government adequately fund the ABC, as well as SBS, “so that they can deliver on their charter obligations, support rural and regional service provision and have a strong fact checking capacity.”<sup>4</sup>

# 01 Background

The ABC's Investing in Audiences strategy demonstrates the absolute focus of the Corporation on delivering outstanding services and programming. Under this strategy, the ABC is prioritising new, innovative ways of reaching as many Australians as possible. Historically the majority of the ABC's digital engagement has been through its own services, such as ABC iView, streaming, ABC News and Current Affairs online, ABC Open, abc.net.au and podcasts. However, in recent years the ABC has increasingly sought to distribute its content on third-party platforms to ensure that ABC content is easily accessible to all Australians.

## 1.2 Australia's media landscape

### (a) Growing competition

New entrants, digitisation and innovation have led to many changes in Australia's media environment in recent years. Over-the-top digital content distribution means that traditional broadcast networks and distribution systems are no longer the only audio and visual channels for reaching audiences. Further, it has reduced distribution barriers for media content creators and dissolved geographic borders. Some key consumer trends in this environment are:

- One-to-one over one-to-many: digital content can be tailored to the individual user—unlike traditional radio and television broadcasts, for example, the ABC app is the main application for ABC news and it enables users to receive breaking news notifications as well as local news for their area, Australian news and world news;
- On-demand over scheduled content delivery: 24/7 on-demand services are increasingly popular, particularly among younger audiences; and
- Mobile over fixed: the shift in consumption of news content on mobiles has experienced rapid growth, with 74% of Australians sourcing news on mobile platforms in 2017.<sup>5</sup>

Today's digital distribution platforms enable increasing numbers of people to create and disseminate journalistic content to global audiences in a way that is structured and targeted for individual users. Audiences have greater choice than ever before. This has proven challenging, as audience performance for the ABC in this new media landscape is increasingly fragmented across TV, radio and online—which includes various and numerous platforms.

As audience choice in news and journalistic content has grown, demands on news and media content creators have also increased. News organisations need to deliver their content almost instantaneously on digital platforms and to ensure it is available on multiple platforms. This requires content makers to commit additional resources to ensure that the content is of a high standard. Further complicating the picture is the fact that output has to be tailored for the needs of each of these new and emerging distribution channels.

In this competitive climate, some media content creators have excelled at evolving. Overseas, organisations such as *The Washington Post* and *The New York Times* have developed sustainable new business models by strategically focusing on and investing in quality journalism, as a result growing their subscriber bases.

# 01 Background

In Australia, the ABC strives to be at the forefront of these media changes to remain relevant as a trusted source of Australian content. The ABC has a long established online presence, including the on-demand portal ABC iview, the ABC Radio player app, abc.net.au, mobile applications and, more recently, a run of successful podcasts. The ABC's Digital Network team drives the ABC's strategy in providing content to audiences that are increasingly consuming content digitally. In 2017, 49.9% of Australians aged 18-75 years accessed ABC News and Current Affairs content across a variety of platforms<sup>6</sup> each week. <sup>7</sup> ABC News Digital (comprising of the ABC News website and ABC News app) reached 24.6% of online Australians per month in 2017. In addition, the ABC currently reaches approximately 18.8% of Australians over 18 years of age each week through third-party digital platforms.

## (b) Increasing importance of local and distinctive content

There are ways in which the trends discussed in section 1.2(a) have negatively impacted news and journalism consumers in Australia. One important example highlighted by the Select Committee on the Future of Public Interest Journalism is that rural and regional communities have fewer reliable sources of local news. <sup>8</sup> In this context, the ABC's role as a supplier of localised and distinct media content to all Australians, including those in rural and regional areas, has become increasingly important.

The ABC aims to reach and represent every Australian in its news and journalism and, as highlighted by the Select Committee, it has now become the only regional broadcaster for some areas, "*following the withdrawal of commercial players from providing local news and other content.*" <sup>9</sup> Demonstrating its strong and increasing dedication to creating Australian content, the ABC:

- Provides more local news and current affairs reporting than any other Australian media outlet, and maintains fully-staffed and equipped local newsrooms in every state and territory capital city;
- Offers audiences collections of local, state, national and international news curated by journalists from a trusted Australian source;
- Has offices in 56 locations around Australia and employs 231 journalists in regional areas; <sup>10</sup>
- Has 1134 terrestrial transmission services throughout Australia, including 8 digital radio services and 706 analog radio services. ABC Local Radio services transmitted terrestrially are capable of reaching 99.58% of the Australian population (**Figure 1**);
- Established a Regional division in 2014 to ensure it continued meeting the needs of audiences in rural and regional Australia;
- Has, as part of its Investing in Audiences strategy, invested an extra \$15.4 million a year in regional Australia, with 80 new content roles created across the country;
- Creates a wide range of programming with a rural and regional focus that is highly regarded by its audiences, including *Country Hour*, *A Big Country*, *Landline*, *Taste of Landline*, *Australia All Over* and *Back Roads* (**Figure 2**);
- Focuses on regional issues in its news coverage, including extensive coverage of the following major stories: dairy industry and milk prices (June 2017), fracking in the Northern Territory (June 2017), Adani coal mine (May-June 2017), Cyclone Debbie (March 2017), the Women on Farms forum in Harrow in Western Victoria (March 2017), the NSW bushfires (February 2017), the South Australian floods and power outage (September 2016) and the Tasmanian floods (June 2016); and
- Has increased content by regional journalists in 2017 on national radio by approximately 4% (**Figure 3**) and on television 7pm news by approximately 5% (**Figure 4**).

# 01 Background

Figure 1: Broadcast Local Radio in Australia <sup>11</sup>

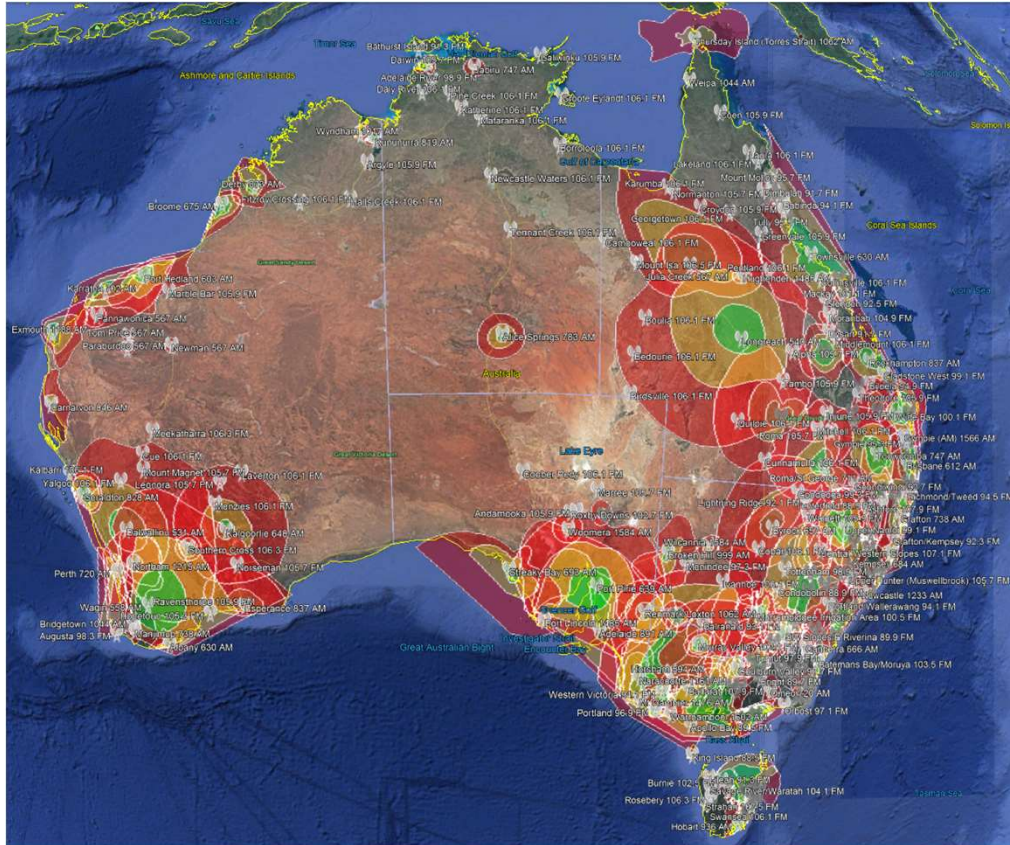
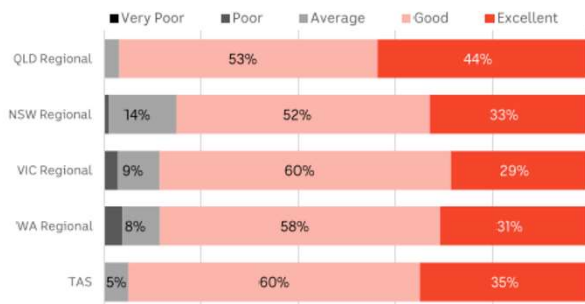
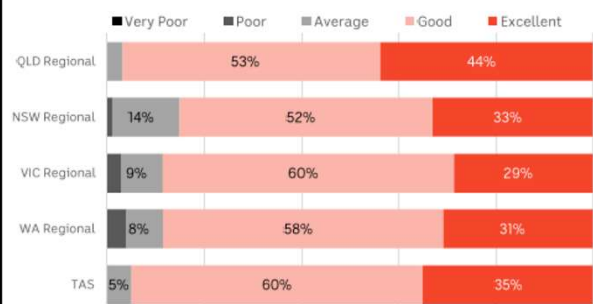


Figure 2: ABC audience responses to rating the quality of Country Hour and Rural Report <sup>12</sup>

## The Rural Report



## The Country Hour



# 01 Background

Figure 3: Content by Regional Journalists on National radio <sup>13</sup>

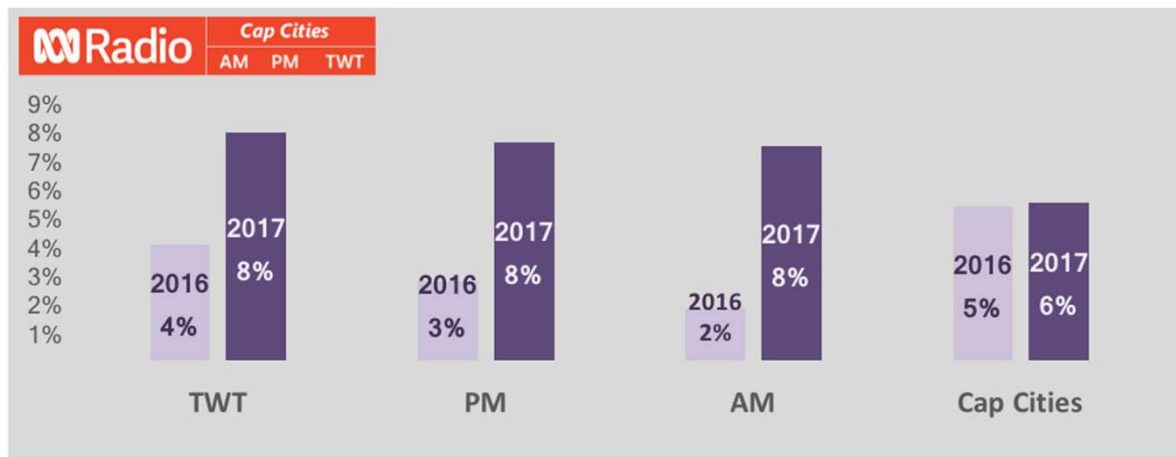
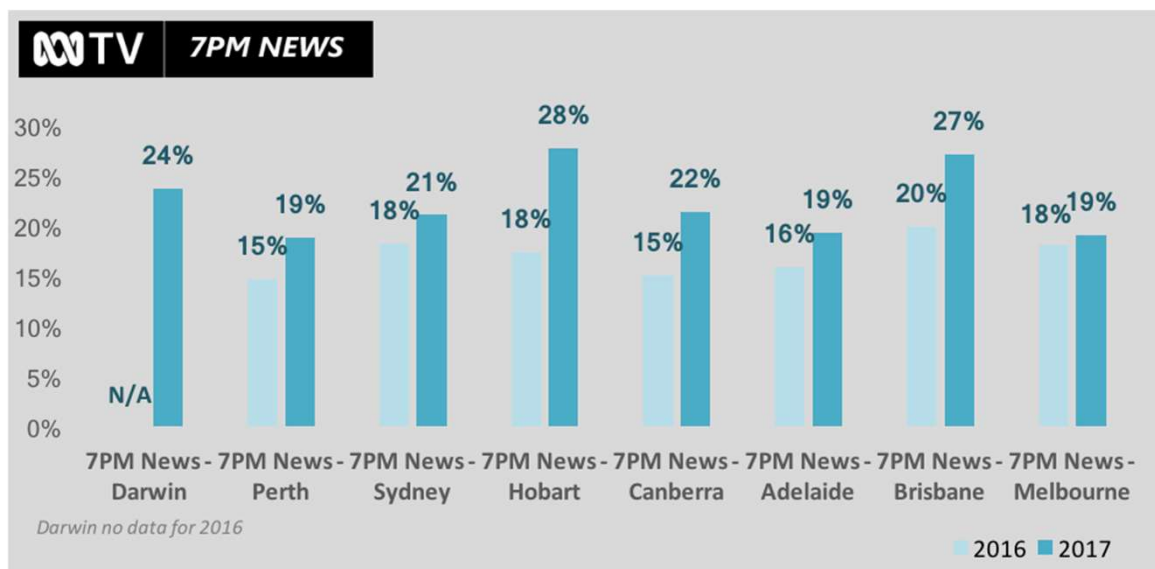


Figure 4: Content on Regional topics on 7PM television <sup>14</sup>





# 01 Background

## (c) Increasing importance of trustworthy news content

The challenge of monetising digital content in this disrupted and increasingly global media landscape has coincided with a decline in the level of trust the public places in traditional sources of news media. Overall, audience trust in the Australian media as an institution is at an all-time low,<sup>15</sup> and the level of trust in the mainstream media’s ability to tell full, accurate and fair news has decreased.<sup>16</sup> Simultaneously, digital platforms have contributed to an increase in public concern about ‘fake news’<sup>17</sup> and there is a growing demand for news and journalistic content that is explained and verified.<sup>18</sup>

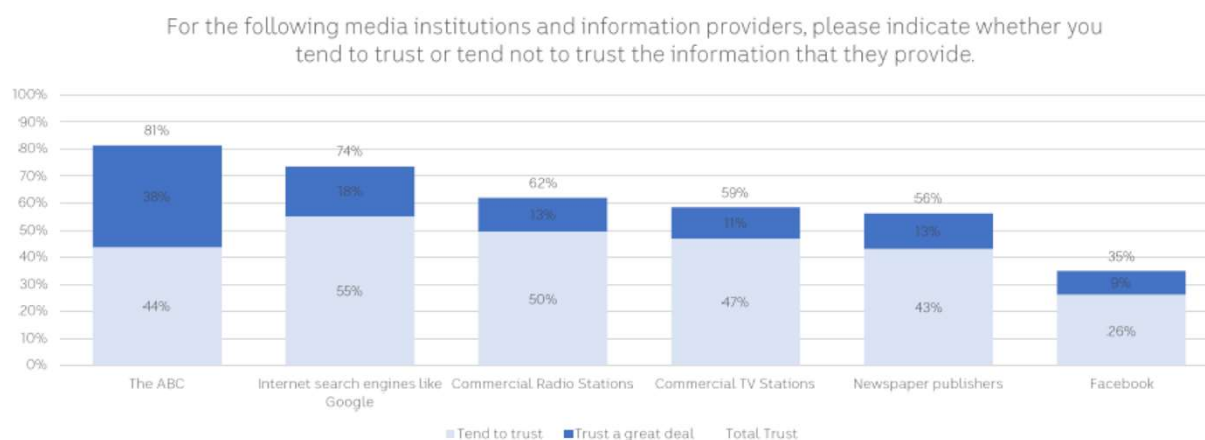
In this environment, the ABC—an independent and trusted Australian media organisation—has an increasingly important role to play. As seen in **Figure 5**, 81% of Australian adults trust the information provided by the ABC. This figure is even higher, at 91%, for the ABC News website. This is a significantly higher level of trust, compared to commercial media, search engines, newspapers and Facebook. The ABC’s commitment to providing choice and quality of news and journalistic content is discussed in more detail in section 2 of this submission.

The ABC Charter charges the ABC to operate with editorial independence from government,<sup>19</sup> and the duties of the ABC Board require it to ensure that the ABC gathers and presents news and information accurately and impartially.<sup>20</sup>

The ABC has been successful in maintaining its reputation for journalistic integrity and trustworthiness. As noted by the Select Committee on the Future of Public Interest Journalism:<sup>21</sup>

***The ABC and SBS have proven themselves in opinion polls to be the Australian media organisations that are regarded as most trustworthy and reliable by the general public.***

**Figure 5: Trust in various media institutions and information providers <sup>22</sup>**



# 01 Background

## 1.3 Critical importance of engagement with digital audiences

The changes to the media landscape outlined above are not merely changes in the way that media content is supplied. They reflect a fundamental shift in the way it is consumed. In this context, it is of critical importance to all media content suppliers, including the ABC, to engage effectively with digital audiences. Audiences are living in an era of real-time updates and accessibility to breaking news throughout the day. Australians are connected to local, regional and international stories and events as they happen.

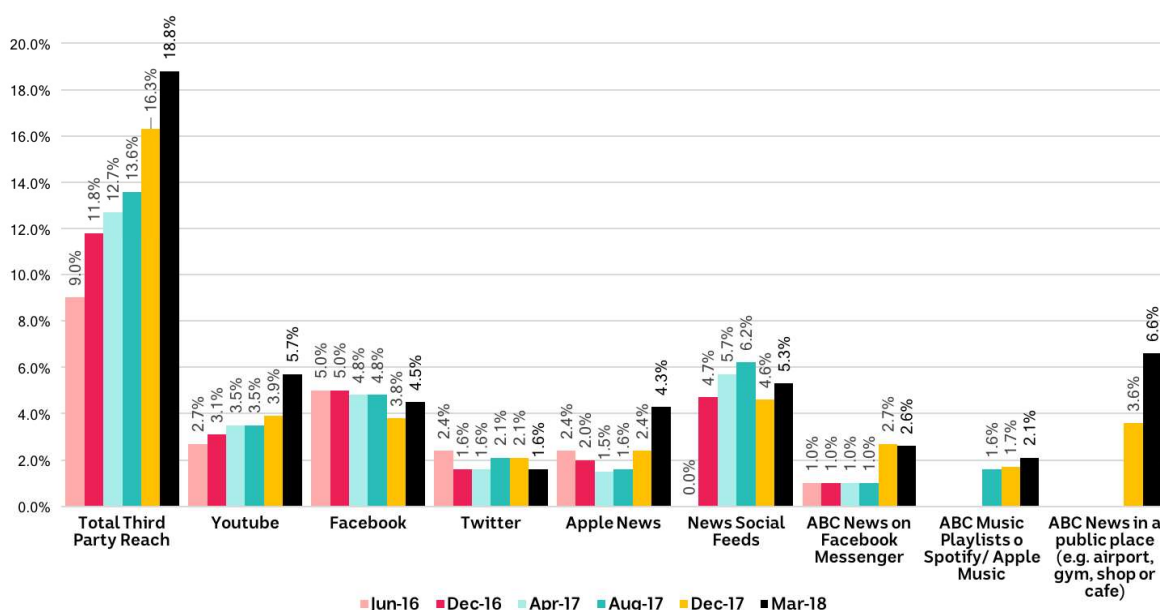
### (a) How the ABC is responding

The ABC is increasingly engaging with digital audiences through distribution of content over its own and third-party platforms.

The ABC's own digital platforms are of fundamental importance: they are a trusted source of news content, a direct line to audiences, advertisement-free and available without any restriction. As they are controlled by the ABC, they are not subject to the business decisions and priorities of third parties or reliant on how third-party providers choose to optimise content delivery on their platforms. The ABC will continue to invest in the development of its digital media services to ensure that they meet audience needs. Most recently, the ABC's strategic partnerships initiative was set up in August 2017 as a way to bring all parts of the ABC together to more thoughtfully approach key third-party platforms that could help increase audience reach. As seen in **Figure 6**, the strategy has made progress. In March 2018 the ABC reached 18.8% of total Australian audiences through third-party platforms, above a 15% target.

Figure 6: The ABC's weekly third-party platform reach <sup>23</sup>

### Third Party Reach Trends



# 01 Background

Whilst ABC content is now available on many platforms, the strategic partnership initiative's overarching approach for engagement with digital platforms is "*fewer, bigger, better*". This is because in order to most efficiently engage with Australians who prefer to access content via digital platforms, the ABC must focus its efforts on those platforms with the broadest audience reach in a way that enables for the most effective distribution of its content. As part of this strategy, the key platforms that the ABC is focusing on are:

- **Google/YouTube:** The ABC is working with Google and YouTube across a range of areas. The most important is content distribution and discoverability.
- **Facebook:** The ABC works with Facebook to distribute our content, increase engagement and improve discoverability.
- **Apple:** The ABC is working with Apple to distribute content (Apple News), help develop and promote our apps (ABC, iview, listen, kids etc), podcasts and music.

## (b) Australia's move into digital

In 2017 the Reuters Institute for the Study of Journalism found that 43% of Australians reported online news to be their main source of news.<sup>24</sup>

The ABC's internal research on digital news and journalistic consumption suggests that:

- the shift of audiences to online content consumption has been more prevalent in younger demographics, for example, 42% of *Four Corners*' Engaged Users on Facebook were under 45, compared to 16% of the *Four Corners*' broadcast audiences (see **Figure 7**);
- By engaging with audiences on third party platforms the ABC may be able to show content to Australians that they may not otherwise be aware of, for example, *Four Corners*' Non-Fan Facebook User engagement has reached over 80% numerous times (see **Figure 8**). This means that the ABC is reaching and informing an audience that may not necessarily have otherwise discovered this content on an ABC platform; and
- Providing a digital service enables the ABC to reach Australians who are not accessing ABC content via the broadcasting service. For example, of metropolitan audiences that watched the first-run broadcast of *Four Corners* in 2017, only 28% had visited the ABC News website in the previous month and only 15% visited iview in the previous month. This highlights the low level of overlap between ABC broadcast TV and ABC digital audiences.

# 01 Background

Figure 7: Four Corners Facebook engaged users vs Broadcast audience <sup>25</sup>

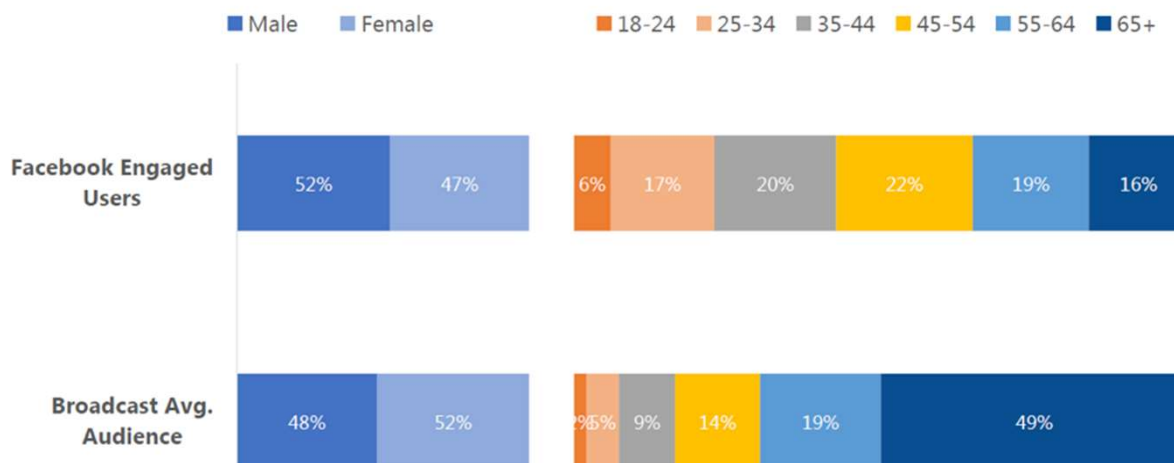


Figure 8: Top Four Corners Facebook Posts by Non-Fan Users <sup>26</sup>

Post Message	Type	Non-Fan Users	% Engaged that are Non-Fans
"Who's going to care for him? It's only me...I'm 88 soon and I'm still battling." Jean Hislop is 88	Video	516,087	97%
The Four Corners crew got out with the story. Here's what happened during the police questioning.	Video	69,043	87%
Here's how the \$13 billion plan to save the Murray-Darling is being undermined.	Video	57,308	89%
Take a look at what Donald Trump is planning in Bali and Java.	Video	54,428	94%
This video shows a fight between two boys in a disabled group home in western Sydney. It was filmed	Video	42,110	82%
Thought you were doing the right thing putting all that glass in your recycling bin? Not all's well	Video	33,862	80%
Watch Digging into Adani: The dubious dealings of India's corporate colossus.	Video	29,797	89%
This is how an illegal dump was able to operate under the eye of the regulators:	Video	29,113	84%
What do we know about the man behind the company looking to set up one of the world's biggest coal m	Video	25,878	81%
There are some surprising allies in President Trump's movement... 'Gays for Trump' was started up by	Video	25,317	93%

# 02

# Choice and quality of news and journalistic content

## 2.1 Measuring choice and quality of news content

As part of the Digital Platforms Inquiry, the ACCC must consider the impact that digital platforms have had on the level of choice and quality of news and journalistic content. In order to do that, the ACCC must consider how to analyse quality and choice in relation to such content.

### (a) Defining and measuring quality

In its Issues Paper, the ACCC defines quality according to the extent to which content produced exhibits characteristics such as: <sup>27</sup>

- 1 Objectivity, which in the ABC's view necessarily requires impartiality, independence and trustworthiness, and entails the ability to hold major public and corporate institutions to account;
- 2 Accuracy; and
- 3 Performing functions such as analysis and investigation, which in the ABC's view must occur in an in-depth, rather than superficial, way.

The ABC agrees with this definition, but would extend it further. Other characteristics the ABC would use to define quality news and journalistic content are:

- 4 Covering relevant and publicly important topics;
- 5 Diversity through representation of various perspectives, and opinions that can provide debate on those important, relevant news topics; and
- 6 Timely, as well as accurate, reporting.

In a recent judgment that focused extensively on the meaning of quality news and journalistic content, the New Zealand High Court stated, "*the concept of quality of online news encompasses a number of dimensions*", including items 3 to 6 in the lists above. <sup>28</sup> Another important underlying trait of the above characteristics is that quality journalism engenders trust. Media content creators can only create trust in their content if the content is accurate, timely and impartial.

Furthermore, the ABC considers that the extent to which journalistic content appeals to or entertains its audiences is not a complete measure of quality. As highlighted by the Select Committee on the Future of Public Interest Journalism:

***...there is a crucial difference between journalism that serves the public good, and journalism that seeks solely to entertain: "...not all journalism is designed to provide a community benefit. Certainly, it is commonly understood that what is in the public interest does not always correlate with that in which the public is interested.*** <sup>29</sup>

## 02 Choice and quality of news and journalistic content

### (b) Defining and measuring choice

The task of defining and measuring choice, rather than quality, of news and journalistic content is simpler. The ABC agrees that choice is best defined as the plurality of news content.<sup>30</sup> In *NZME v Commission*, the Court similarly defined choice as news “plurality”, or sufficiently diverse views expressed by competing voices on differences in political and social life.<sup>31</sup>

Choice and quality of journalistic content are linked. In 1975, Lord Simon of England and Wales’ High Court acknowledged the importance of media content creators raising various arguments and facts in order to best contribute to a democracy:

***People cannot adequately influence the decisions which affect their lives unless they can be adequately informed on facts and arguments relevant to the decisions. Much of such fact-finding and argumentation necessarily has to be conducted vicariously, the public press being a principal instrument.***<sup>32</sup>

Underpinning the notion of a well-functioning public press is a belief in diversity—that the media is not a monolithic entity but a vibrant sector comprising many content creators and content models. Diversity of providers in the Australian landscape results in choice for the consumer and public broadcasting makes a significant contribution to the content available to the public. Moreover, healthy competition between those elements provides the fact-finding and analysis necessary to spark a well-informed population and a dynamic democracy.<sup>33</sup>

### (c) Other issues relevant to choice and quality

In addition to the characteristics mentioned above, the ABC considers that there are other factors that enhance the choice and quality of news and journalistic content, including whether the content:

- Is provided to all Australians regardless of where they live; and
- Builds a healthy and strong creative sector for Australia, for example because the content creator encourages and invests in local production companies, writers and other local capabilities.

## 02 Choice and quality of news and journalistic content

### 2.2 The ABC's dedication to news and journalism

The ABC prides itself on delivering high quality news and journalistic content to the Australian public. The Corporation's distinct focus on news and journalism is seen in the fact that:

- The ABC **spends** 20% of its annual funding on News;
- The ABC **employs** 855 journalists; <sup>34</sup>
- Under its **Investing in Audiences strategy** the ABC has broadened its daily investigative and specialist journalism services to become the largest provider of these services in Australia.<sup>35</sup> This is backed up by the ABC News strategy which has a growing emphasis on providing more analysis. For users, that means the Corporation does not simply provide short "*sound bite*" updates. It enables audiences to be informed on news and journalistic content in an in-depth way;
- In 2010, the ABC grew its **television** offering with the launch of *ABC News24*, the first Australian free-to-air 24-hour news channel where audiences can access news coverage whenever needed. Now known as ABC NEWS, the channel has become a prime destination for breaking news events;
- The ABC complements its televised news with a strong **radio** presence, including five national radio networks comprised of Radio National, triple j, Classic FM, Local Radio and ABC NEWS on radio. ABC NEWS on radio is a dedicated 24 hour per day news service capable of reaching 96.5% of the Australian population. ABC Local Radio delivers regional news across 8 capital cities as well as 54 regions throughout Australia;
- As seen above, to adapt to Australia's increasingly **digital** audiences the ABC has expanded its digital capabilities, particularly through its web portal ABC News and Current Affairs online as well as through third-party partnerships such as those with Apple News; and
- The ABC News **cadetship** program is an established initiative that helps talented people with diverse backgrounds and skills become proficient and capable creators of multiplatform news and journalistic content. <sup>36</sup>

More generally, in 2017:

- ABC News on television reached 4.3 million Australians each week across metro and regional areas. This equated to 28% of the metro population and 28% of the regional population each week; <sup>37</sup>
- ABC News & Current Affairs content on radio reached 16.1% of metro Australians over 10 years old each week; <sup>38</sup>
- ABC News Digital (comprising of the ABC News website and ABC News app) reached 24.6% of online Australians over 2 years old each month; <sup>39</sup>
- Each month the ABC News website had on average 119,362,000 page views, which has increased by 3% year-on-year; <sup>40</sup> and
- ABC podcasts within the News genre, averaged 6,575,000 monthly downloads. Throughout 2017, 'News' was the second most downloaded podcast genre, behind 'Society' (which includes the most downloaded ABC podcast – Conversations). <sup>41</sup>

## 02 Choice and quality of news and journalistic content

### 2.3 How the ABC delivers choice and quality in news journalism

#### (a) The ABC and the quality and choice of news

Delivery of quality news and journalistic content is an integral part of the ABC's remit. The ABC Charter requires the ABC to provide "comprehensive broadcasting services of a high standard".<sup>42</sup> The ABC's Editorial Standards reflect this task:

***Quality content and good journalism are integral to Australian civic life. By setting high standards for ourselves and living up to them, we can ensure our work cuts through the contemporary clutter, distinguishes the ABC from the competition and sustains that important public trust.*** <sup>43</sup>

Through its news operations, the ABC exhibits each of the characteristics of quality news and journalistic quality mentioned above:

- 1 Impartiality, independence and trustworthiness:** under the ABC Charter, the ABC is to consider its responsibility as "the provider of an independent national broadcasting service",<sup>44</sup> and to ensure its news and information gathering and presentation is "accurate and impartial according to the recognised standards of objective journalism".<sup>45</sup> The Corporation has highlighted above how crucial the ABC's independence is to how it defines itself. Proof of the ABC's perseverance in exemplifying this characteristic is seen in the uniquely high trust that Australians place in the ABC and ABC content. As mentioned above, providing an independent and trusted voice is particularly important in a world of increasingly contested views and facts.

Independence and accountability have grounded the ABC's approach to journalism from its early origins. As outlined in the ABC submission to the Public Interest Journalism Report, in June 1940 the Government's Director-General of Information Sir Keith Murdoch briefly took responsibility of the ABC's main evening news bulletin. Within a few weeks, the Government returned the responsibility to the ABC to allow it to maintain independent reporting, and because listeners found the government reporting "*stale and propagandist*".<sup>46</sup>

Figure 9's case study also demonstrates how the ABC is influencing social accountability through independent, impartial and trustworthy reporting. *Four Corners'* Don Dale Report sparked an immediate national response, with the Prime Minister ordering a \$54 million Royal Commission within 24 hours, the sacking of the NT Corrections Minister, and the building of a new youth detention facility. A further example is the "War on Waste" series, after which Federal and State Governments launched public consultations on environmental initiatives, and Woolworths and Coles announced their ban of single-use plastic bags.



## 02 Choice and quality of news and journalistic content

**2 Accuracy:** As highlighted by the Select Committee on the Future of Public Interest Journalism, “*It is clear Australians trust the ABC more than any other media organisation to accurately and fairly reflect the news they need to know.*”<sup>47</sup> Another way in which the Corporation prioritises accuracy in the debate around areas of national interest is the fact-checking unit that it established with government funding in 2013 and, after a funding loss, re-launched in partnership with the Royal Melbourne Institute of Technology (**RMIT**) in 2017. The unit checks the accuracy of claims made by politicians and other commentary in the public domain. While it is a resource-intensive and time-consuming endeavour, the ABC believes that fact checking is essential to informing the public about complex matters through an independent, non-partisan voice. The ABC’s fact-checking unit has been recognised as a form of quality, public interest journalism.<sup>48</sup>

**3 Covering relevant and publicly important topics:** The ABC’s investigative journalism and editorial content frequently drive public and political change. Examples of such reporting include the *Four Corners* report into Don Dale, “War on Waste” and its “Mental As” events spotlighting mental health issues. The broader public impact of the *Four Corners* report into Don Dale is summarised in **Figure 9**.

Of the ABC’s various current affairs programs, *Four Corners* in particular highlights the Corporation’s commitment to covering relevant and publicly important topics. For over 50 years *Four Corners* has cast light on issues of important public policy and public interest. In addition to the Don Dale Report highlighted above, other recent *Four Corners* programs that had significant broader public impact include: “A Bloody Business” (2011) on Australia’s live cattle export trade, which resulted in an immediate ban on live exports to Indonesia; and “Making A Killing” (2015) on the use of live baiting in greyhound training which initially led to a greyhound racing ban in NSW and its subsequent ban in the ACT.<sup>49</sup>

**4 In-depth analysis and investigation:** the ABC seeks to go deeper with its coverage of news and journalistic events and has recently created an investigative reporting team and specialist reporting team to support this objective. The Finkelstein Review noted the Corporation’s “*long and successful history in investigative and public service journalism.*”<sup>50</sup> The Public Interest Journalism report cited the ABC as one of the few Australian organisations undertaking investigative journalism.<sup>51</sup>

A dedication to in-depth investigation has defined ABC content for decades. Throughout the 1960s, the Corporation launched key news and journalistic programs that have shaped it as a content creator, and its audiences as informed Australians. The commencement of *Four Corners*, *This Day Tonight* and the *PM* radio program helped cement the ABC as the home of news and current affairs in Australia. *Background Briefing*, *7.30, AM*, *RN Breakfast*, *The World Today* and *Foreign Correspondent* all also undertake deep analytical reporting. Through coverage such as this, the ABC has sought to provide Australia with exemplary investigative journalism.

Today the ABC invests more in investigative journalism than any other Australian media organisation. Approximately 140 of its 855 employed journalists are engaged in delivering investigative journalism as the primary part of their role. The ABC News strategy has a growing emphasis on providing more and deeper analysis. The Corporation has also seen the value that collaborations with commercial content creators on investigative stories has for the public interest. This has led to news and journalistic content like the 2015 Fairfax-*Four Corners* partnership that investigated 7-Eleven’s work practices, which sparked multiple inquiries; the 2016 *Four Corners*-International Consortium of Investigative Journalists partnership that covered the biggest leak of confidential information in journalism history: the Panama Papers; and the 2017 *Four Corners*-Fairfax investigation into retirement-village companies that found residents were being left vulnerable by inadequate legal protections and underfunded consumer affairs bodies.

## 02 Choice and quality of news and journalistic content

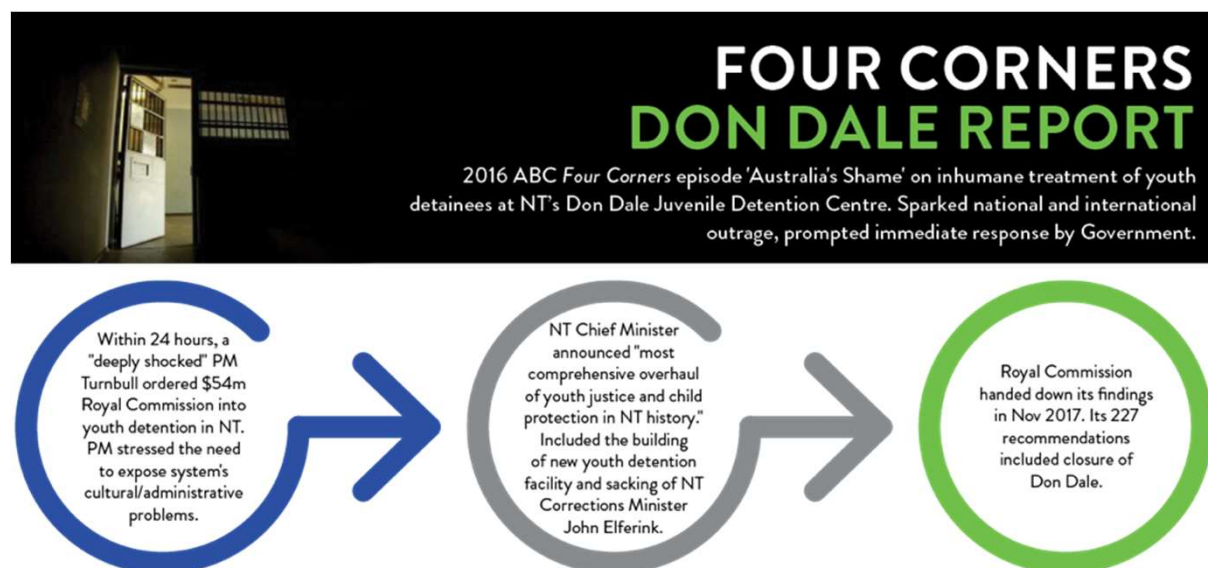
- 5 Diversity:** one of the key ways in which the ABC delivers on its Charter provision to “*reflect the cultural diversity of the Australian community*”<sup>52</sup> is by increasing the diversity of voices and stories available in Australia’s media sector. As detailed above, the ABC ensures news and journalistic content reaches and represents the parts of the Australian community that other content creators tend to focus less on, such as regional, rural, multicultural and indigenous communities. This in turn helps the ABC generate democratic debate about matters of public importance.

Through pro-culturally and linguistically diverse (pro-CALD) hiring practices, internships and marking significant multicultural events, the ABC seeks to reflect the cultural diversity of the Australian community. The ABC has cadetship programs that are specifically aimed at groups that are currently under-represented in the media industry.<sup>53</sup> This is also consistent with the Charter obligation to take account of the multicultural character of the Australian community.<sup>54</sup>

The ABC also supports Australia’s Indigenous cultural heritage through an Indigenous news reporting team, providing annual cross-platform coverage and support of NAIDOC week, and undertaking Indigenous language news services. In 2018, the ABC launched the Caroline Jones Scholarship which provides financial and on-the-job development for talented Aboriginal and/or Torres Strait Islander people aspiring to be journalists.<sup>55</sup>

- 6 Timely reporting:** on digital platforms, the ABC is able to provide Australians with comprehensive coverage of stories as they break around the world. With almost one million subscribers to News notifications on the ABC app in addition to other apps serving ABC content, the ABC is able to push news of major breaking stories direct to the home screens of the mobile phones of Australians. As breaking stories unfold, ABC News is able to tap into its network of reporters across Australia and around the world to bring live coverage in text, audio and video, all delivered across a range of digital services. The ABC NEWS channel is also a go-to service for Australians when big stories are breaking, providing unparalleled rolling coverage of events.

Figure 9: Don Dale



## 02 Choice and quality of news and journalistic content

The quality and choice of the ABC's news and journalistic content can also be seen in how the industry has awarded it. Over the last year, ABC news and journalistic programs were recognised in numerous awards, including:<sup>56</sup>

- The ABC's investigative podcast "Trace" winning the 2017 Walkley Innovation award;
- 7:30's "Demanding Justice: Marshall Wallace, BushMob and Stolen Generation 2" winning the 2017 Walkley Coverage of Indigenous Affairs award;
- AM's "The War on Islamic State" winning the 2017 Walkley Radio News and Current Affairs Journalism award;
- ABC News' "Six Days in Somaliland" winning the 2017 Walkley Television/Video: News Reporting award;
- ABC TV's "A Sense of Self" winning the 2017 Walkley Documentary award;
- ABC News winning nine awards in the Society for News Design's 2017 Best of Digital Design awards, including a Silver Medal in the category of Features: Coverage and Awards of Excellence in the categories of Features: Single-subject project, Features: Coverage, Portfolio: Individual, and Product Design;<sup>57</sup>
- *Four Corners* winning three 2017 Kennedy Awards for Outstanding Indigenous Affairs Reporting, Outstanding Reporting on the Environment and Outstanding Investigative Reporting; and
- 7.30 winning two 2017 Kennedy Awards for Outstanding Nightly TV Current Affairs and Outstanding Consumer Affairs Reporting.

Awards for ABC's collaborations included:

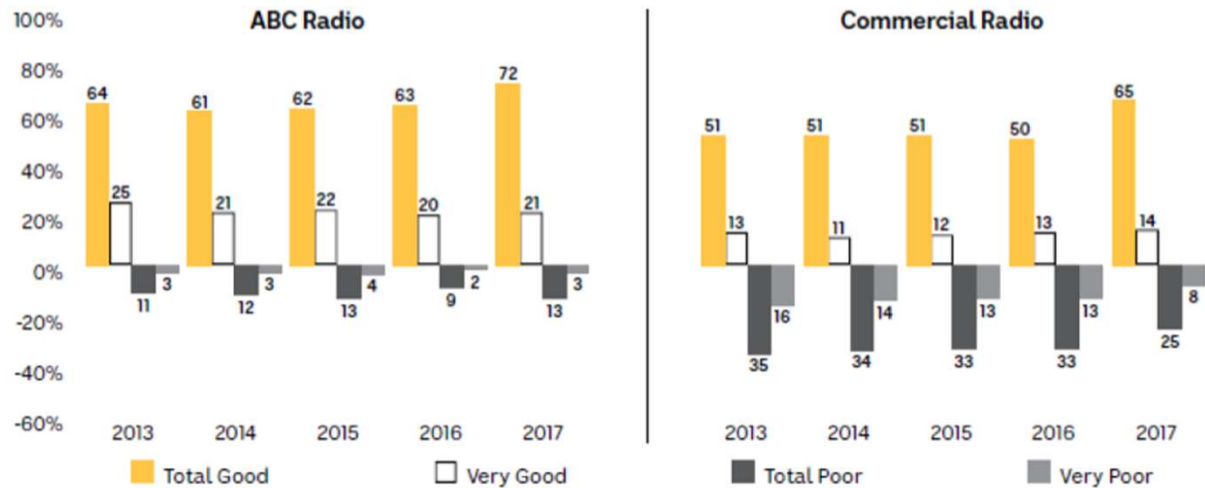
- ABC-BBC's "Commonwealth Bank Scandal – accused of 53,000 breaches of anti-money laundering and terror financing laws) winning the 2017 Walkley Coverage of a Major News Event or Issue award"; and
- Fairfax-*Four Corners*' "Bleed Them Dry" winning the 2017 Walkley Investigative Journalism award.

Finally, another way in which to measure the quality and choice of the Corporation's news and journalistic content is through surveys. In 2017 (see **Figure 10** and **Figure 11** below):

- 72% of Australians adults surveyed rated ABC radio programming's quality as Good. These were significantly stronger satisfaction levels than those for commercial radio; and
- 81% of Australian adults surveyed rated ABC TV programming's quality as Good. These were significantly stronger satisfaction levels than those for commercial television.

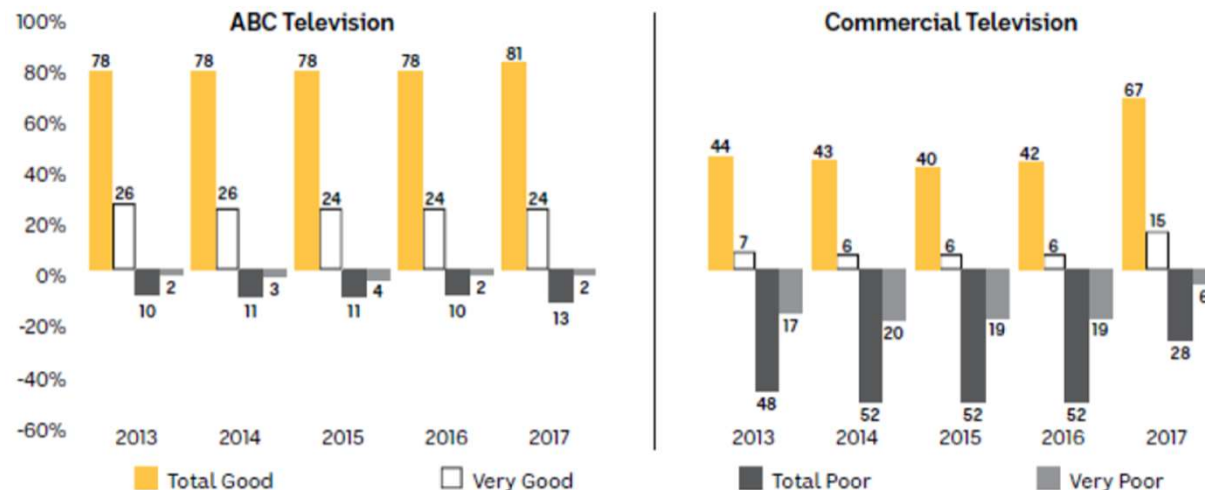
## 02 Choice and quality of news and journalistic content

Figure 10: ABC Radio quality of programming



2013–2016 Source: Newspan, ABC Appreciation Survey 2012–2015; OmniPoll, ABC Appreciation Survey 2016. Based on those aged 14 years and over who ever visit the website. Does not include 'Don't Know' or 'Poor' responses.  
 2017 Source: ABC Corporate Tracking Program, Dec 2016 Wave (n=1,016) and April 2017 Wave (n=1,530) online methodology, people aged 18–70 years.

Figure 11: ABC Television quality of programming



2013–2016 Source: Newspan, ABC Appreciation Survey 2012–2015; OmniPoll, ABC Appreciation Survey 2016. Based on those aged 14 years and over who ever visit the website. Does not include 'Don't Know' or 'Poor' responses.  
 2017 Source: ABC Corporate Tracking Program, Dec 2016 Wave (n=1,016) and April 2017 Wave (n=1,530) online methodology, people aged 18–70 years.

# 03

## Implications of digital platforms for media content creators

As outlined above, Australia's audiences are migrating to digital platforms. Therefore using these platforms can help the ABC achieve its objective of providing news and information to all Australians. While they have posed challenges for traditional business models, digital platforms have also created new opportunities for media content creators like the ABC to engage with their audiences in new places and spaces while adapting to the real-time reporting that is expected throughout the day.

Digital platforms have helped the ABC grow its reach and engagement capabilities. This explains why the ABC's strategic priorities include using third-party digital platforms to distribute its distinct Australian content. The Corporation uses these media channels for community, public-interest and commercial reasons (while always maintaining its own, free and advertisement-free platform). Any additional revenue is reinvested in content creation.

Examples of how digital platforms have helped the ABC supply news and journalistic content can be seen in:

- **Figure 6** that highlights how the Corporation's third-party reach is growing, with the ABC reaching 18.8% of Australians over 18 each week on these platforms;
- **Figure 7** that shows how there is potential for the ABC to reach Australians by engaging with them on digital channels; and
- ABC research that shows a correlation between strong social media promotion and higher than average Video Player Measurement (**VPM**)<sup>58</sup> audiences. The top three Four Corners episodes by VPM all had strong digital promotion.<sup>59</sup>

Comparative 2016-2017 research on ABC News' reach also shows the positive trend that engagement with third-party platforms has had for the ABC's supply of news and journalism:

- ABC News on Facebook had 375,000 average daily engaged users in 2017, a 21% increase from 2016;
- ABC News in Apple News had 2,228,000 monthly unique viewers in 2017, which was a 239% increase on 2016;
- The ABC News YouTube channel had 11,200,000 minutes of average monthly watch time each month in 2017, which increased by 120% from 2016;
- ABC News had 281,475 average monthly Tweet engagements; and
- The ABC News Messenger Bot had an average of 152,000 active users each month, with an average of 23.2 sessions per active user. Internal research indicates that usage comes from younger audiences.

## 03 Implications of digital platforms for media content creators

Another positive impact of the rise of digital platforms for media content creators is that they have renewed audiences' appreciation of trusted sources due to the spread of 'fake news'. For example, after the 2016 US Presidential election, both *The New York Times* and *The Washington Post* had unparalleled increases to their subscriber bases. During this time, both organisations were also heavily investing in reinventing their business models and re-focusing on those issues, particularly investigative journalism, that its audiences most valued.<sup>60</sup>

The ABC will continue to invest in its digital platforms to deliver independent, advertisement-free, accurate and trusted content when Australians want it. While third-party platforms have proved important for the ABC in reaching new audiences and meeting new behaviours, continuing to invest in strong, owned-and-operated platforms is even more vital. The ABC remains a destination of choice online, in particular for news. This direct connection with the audience, where ABC news content is available advertisement-free and unencumbered by the influence of algorithms and third-party business models, remains central to our digital effort. In an age where so-called 'fake news' is eroding confidence in news sources, a service curated by trusted news professionals is fundamental to the ABC's digital offering.

# 04 Conclusion

The ABC recognises the importance of this ACCC review of digital platforms, the media sector and the supply of news and journalistic content in Australia. The ABC, its audiences and the wider community all benefit from a media landscape with a high level of quality and choice of news and journalism.

Digital platforms have posed various challenges for media content creators. In such a challenging climate, the supply of independent, trustworthy, local news that audiences desire is more important than ever. The ABC believes that it is possible to engage with platforms to deliver news of that desired quality, and in a way that fulfils the ABC's mandate of reaching all Australians.

# Endnotes

<sup>1</sup> Section 6(1), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>2</sup> For more details on the ABC's commitment to provide audiences with high quality and choice of news and journalistic content, see section 2.1 of this submission and the ABC's submissions to the following parliamentary inquiries: the Senate Select Committee Inquiry on the Future of Public Interest Journalism, July 2017 (**Public Interest Journalism Report**); the House of Representatives Standing Committee on Communication and the Arts Inquiry into the importance of public and commercial broadcasting, online content and live production to rural and regional Australia, including the arts, news and other services, February 2016; the Senate Environment and Communications Legislation Committee Inquiry into the Australian Broadcasting Corporation Amendment (Local Content) Bill 2014, January 2015; the Senate Environment and Communications Legislation Committee, ABC news services in rural and regional Australia, March 2013 (the Broadcasting Services Amendment (Material of Local Significance) Bill 2013).

<sup>3</sup> Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 70.

<sup>4</sup> Senate Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 112.

<sup>5</sup> [https://reutersinstitute.politics.ox.ac.uk/sites/default/files/Digital%20News%20Report%202017%20web\\_0.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/Digital%20News%20Report%202017%20web_0.pdf)

<sup>6</sup> Platforms include: ABC News bulletin on ABC TV main channel or ABC NEWS channel, News & Current Affair programs (such as *7.30*, *Insiders*, *Four Corners*, *Australian Story*, *Q&A*) on ABC TV main channel or ABC NEWS channel, ABC NEWS radio station, News bulletins and/or the radio programs *AM*, *PM* and *The World Today* across the ABC Radio network (Local & RN), ABC News website, ABC News app, ABC News and current affair podcasts, or ABC News content via third-parties including Twitter, Snapchat, Facebook, Instagram, Apple News, Facebook Messenger, YouTube and watching ABC TV in a public place, e.g. airports, gyms, cafes or shops.

<sup>7</sup> Source ABC Corporate Tracking Program, 2017, Australians 18-75 nationally.

<sup>8</sup> Senate Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 32 [2.30], [2.33], [2.44].

<sup>9</sup> Senate Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 32.

<sup>10</sup> "Journalists" defined as full and part time employees with journalist, reporter, broadcaster, correspondent, or presenter in title.

<sup>11</sup> Map: Google Earth 2018 (US Dept of State Geographer, Image Landsat / Copernicus, Data SOI, NOAA, US Navy, NGA, GEBCO) with ABC data overlay of predicted coverage of ABC Radio AM and FM services.

<sup>12</sup> Source: ABC, Q&D Wave 4, November 2017 – ABC Regional

<sup>13</sup> Source: ABC Regional Content Audit 2017: An updated registrar of reporters currently employed at an ABC regional bureau was scanned through the database of all available stories broadcast on *The World Today*, *AM*, *PM* and metro city stations. Data was measured from March-November in each year.

<sup>14</sup> Source: ABC Regional Content Audit 2017.

<sup>15</sup> 2018 Edelman Trust Barometer, Australian results, page 19 <<https://www.slideshare.net/EdelmanInsights/2018-edelman-trust-barometer-australia-results>>  
<<https://www.slideshare.net/EdelmanInsights/2018-edelman-trust-barometer-australia-results>>

<sup>16</sup> See, eg Allcott & Gentzkow, "Social Media and Fake News in the 2016 Election," 31 *Journal of Economic Perspectives* 211 (Spring 2017), <https://web.stanford.edu/~gentzkow/research/fakenews.pdf>.

<sup>17</sup> 2018 Edelman Trust Barometer, Australian results overview <<https://www.edelman.com/post/australia-trust-in-tumult>>

<sup>18</sup> Senate Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 93.

<sup>19</sup> Section 6(2)(a)(iii), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>20</sup> Section 8(1)(c), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>21</sup> Senate Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 96; citing Essential Trust in Media Report, 4 October 2017 at <http://essentialvision.com.au/?s=media+trust&searchbutton=Search> (accessed 8 April 2018); quoting Public Journalism Report's Committee Hansard, 23 November 2017, 26.

<sup>22</sup> Source: ABC Corporate Tracking Study – Wave 6 March 2018 (n=1512).

<sup>23</sup> Source: ABC Corporate tracking.

<sup>24</sup> Reuters Institute for the Study of Journalism, *Digital News Report* (2017) 115  
[https://reutersinstitute.politics.ox.ac.uk/sites/default/files/Digital%20News%20Report%202017%20web\\_0.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/Digital%20News%20Report%202017%20web_0.pdf)

<sup>25</sup> Source: OzTAM, 5 City Metro, Jan-Nov 20th 2017, based off first-run *Four Corners*, Facebook Insights. Facebook Engaged users are those that liked, clicked, commented or shared any content associated with the *Four Corners* page.

<sup>26</sup> Source: Facebook Insights, *Four Corners*, Jan-20 Nov 2017. Non-Fan users are those that have engaged (liked, clicked, commented or shared) a *Four Corners* Facebook post that do not like the *Four Corners* Facebook page.

<sup>27</sup> Australian Competition & Consumer Commission, *Digital Platforms Inquiry Issues Paper* (2018) 6.

<sup>28</sup> *NZME Ltd v Commerce Commission* [2017] NZHC 3206 [18 December 2017] [72].

<sup>29</sup> Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 3 citing ABC, *Submission 58*, 3.



# Endnotes

<sup>30</sup> Australian Competition & Consumer Commission, *Digital Platforms Inquiry Issues Paper* (2018) 6.

<sup>31</sup> *NZME Ltd v Commerce Commission* [2017] NZHC 3206 [18 December 2017] [244].

<sup>32</sup> *Attorney-General v Times Newspapers* [1974] AC 273, 315.

<sup>33</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Future\\_of\\_Public\\_Interest\\_Journalism/PublicInterestJournalism/Submissions](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Future_of_Public_Interest_Journalism/PublicInterestJournalism/Submissions), Submission 58 citing *Attorney-General v Times Newspapers* [1974] AC 273, 315 (Lord Simon).

<sup>34</sup> Covering all ABC full and part time employees who have journalist, reporter, correspondent, broadcaster or presenter in their title.

<sup>35</sup> <https://tv.press.abc.net.au/abc-investigations--specialist-reporting-team--2018-tv-line-up-changes>

<sup>36</sup> News Cadet 2018 Program Overview.

<sup>37</sup> Source: OzTAM Metro and Regional TAM.

<sup>38</sup> Source: Gfk, ppl 10+.

<sup>39</sup> Source: Nielsen Digital Ratings Monthly, Ppl 2+.

<sup>40</sup> Source: Webtrends, ABC News website, based off monthly averages for 2017 full year.

<sup>41</sup> Source: ABC PodSights (2017, Gfk Share of Audio 2017, P10+), a podcast measurement application that the ABC has developed which gives internal view of ABC podcast performance. The ABC created PodSights as there was no industry currency data for podcast measurement within Australia.

<sup>42</sup> Section 6(1)(a), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>43</sup> <http://about.abc.net.au/wp-content/uploads/2012/06/EditorialPOL2011.pdf>

<sup>44</sup> Section 6(2)(a)(iii), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>45</sup> Section 8(1)(c), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>46</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Future\\_of\\_Public\\_Interest\\_Journalism/PublicInterestJournalism/Submissions](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Future_of_Public_Interest_Journalism/PublicInterestJournalism/Submissions), Submission 58 citing Ken Inglis, *This is the ABC* (Black Inc), 1983, 82-83.

<sup>47</sup> Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 70.

<sup>48</sup> Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 97; citing Mr Stuart Morris, *Committee Hansard*, 23 November 2017, 25.

<sup>49</sup> For more publicly important *Four Corners* episodes, see ABC submission to the Future of Public Interest Journalism Report, 5-6.

<sup>50</sup> Hon R. Finkelstein QC and Professor M. Ricketson, *Report of the Independent Inquiry into the Media and Media Regulation* (2012), 332.

<sup>51</sup> Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018) 94.

<sup>52</sup> Section 6(1)(a)(i), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>53</sup> Source: ABC Cadet Overview Jan 2018.

<sup>54</sup> Section 6(2)(a)(iv), *Australian Broadcasting Corporation Act 1983* (Cth).

<sup>55</sup> <http://about.abc.net.au/press-releases/abc-launches-caroline-jones-scholarship/>

<sup>56</sup> <http://www.walkleys.com/>; <https://www.facebook.com/KennedyAwards/>

<sup>57</sup> <https://www.snd.org/bodd/about/2017-results/>

<sup>58</sup> Average number of devices that have played content. Represents the “average audience for VOD”, i.e. the non-broadcast television audiences that includes viewing online, on demand, catch-up and live streaming.

<sup>59</sup> Source: iview monthly dashboard, Oct 2017.

<sup>60</sup> For example, see following submissions to Select Committee on the Future of Public Interest Journalism, Senate, *Public Interest Journalism Report* (2018): Mr Paul Murphy, MEAA, *Committee Hansard*, 17 May 2017, p. 13; Professor Lawrie Zion, *Committee Hansard*, 21 August 2017, p. 53; Dr Christopher Berg, Submission 16, p.5; ABC, Submission 58, p. 13; Digital Industry Group Inc., Submission 63, p. 2.