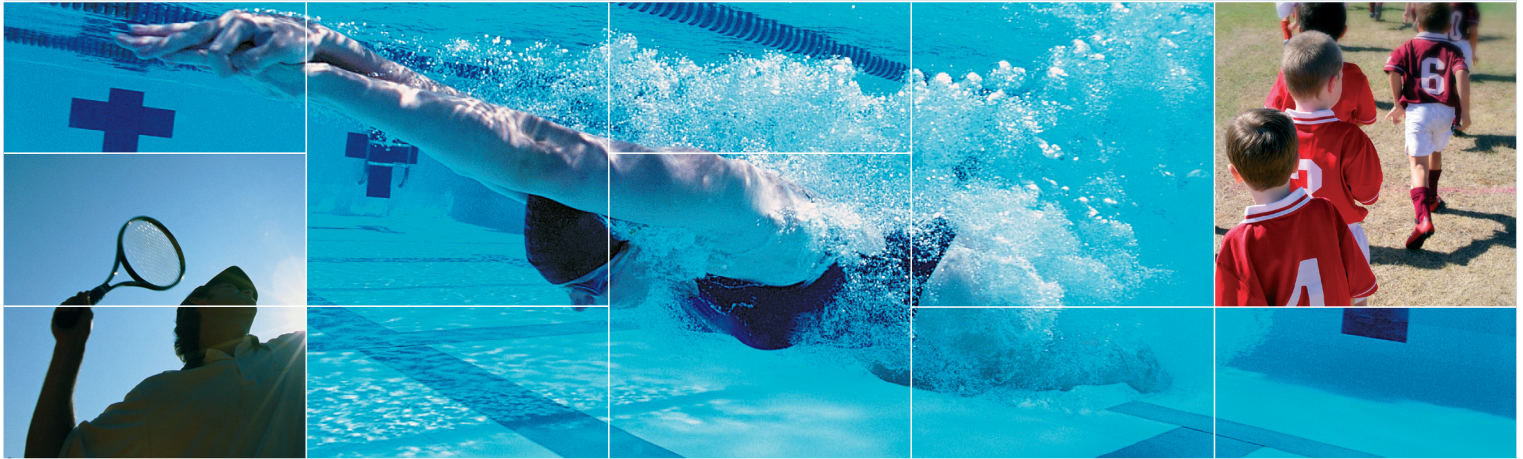




Australian Government
Australian Sports Commission





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**Submission for the Department of Broadband,
Communications and the Digital Economy – Sport on
Television: A Review of the Anti-Siphoning Scheme in the
Contemporary Digital Environment**

30 October 2009

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Overview

Introduction

The Australian Sports Commission (ASC) is pleased to provide a submission to the Department of Broadband, Communications and Digital Economy inquiry into *Sport on Television: A Review of the Anti-Siphoning Scheme in the Contemporary Digital Environment*. It provides this submission on the basis of its vision and key objectives.

The ASC's vision is to continue to be recognised as the world leader in developing high performance and community sport.

The ASC's key objectives are improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity; and to secure excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high-performance athlete development, and targeted science and research, as well as:

- **sustained achievements** in high-performance sport by Australian teams and individuals;
- maintaining the Australian Institute of Sport (AIS) standing as a world centre of excellence for the training and development of elite athletes and coaches;
- **grow sports participation at the grassroots level, particularly for children, youth, Indigenous Australians, women and people with a disability;**
- **improve best-practice management and governance of sport within and through national sporting organisations;**
- **enhance and maintain the integrity of Australian sport** to ensure a fair, safe, ethical and inclusive culture pervades sport at all levels;
- **enhancing Australia's leadership in the international sports community.**

Objectives in relation to this review

The ASC objectives highlighted above in bold are those related to the scope of this review. However, the ASC's key objectives with reference to this review are:

1. **To promote the greatest possible exposure and access to key sporting events of national importance and cultural significance to the general public in Australia; and**
2. **To maximise the revenue that flows to national sporting bodies through a wide range of commercial opportunities, including the sale of broadcast and new media rights so as to enhance the sustainability and build the capacity of national sporting organisations.**

The ASC recognises that these two objectives will sometimes be in conflict where the broadcasting rights to nationally important and culturally significant sporting events are concerned. Nevertheless, the ASC believes that a balance can be struck between these two objectives with appropriately tailored anti-siphoning policy and regulation.

National Sporting Organisations – The Current Landscape

The ASC's key point of engagement with the sports industry is through the National Sporting Organisations (NSOs). The ASC notes to the review that the NSOs are pre-dominantly not-for-profit organisations dedicated to the development of the sport. The commercial interests of the NSOs are reflective of a need to fund their sports' international competitions, national leagues and the ongoing development of the sports and community involvement at a 'grassroots' level.

Australian sport faces a number of current challenges, not only as a result of the global financial crisis but also the need for further investment in Olympic high performance sport. The recent Australian Olympic Committee (AOC) / Australian Paralympic Committee (APC) submission to the Prime Minister and Minister of Sport, *The National High Performance Plan for High Performance Sport*, suggests that the Olympic and Paralympic sports would require additional funding of \$109.5 million per year to maintain Australia's leading position in Olympic sports.

The future needs of Australian sport are also being reviewed by the Minister of Sport's Expert Independent Review Panel chaired by David Crawford. Further, the emerging and professional sports are facing their own challenges in ensuring the long term viability of some of their clubs which is an issue at the heart of the successful national leagues.

Whilst all of these challenges do not form part of the scope of this review, the accessibility of sports' content for all Australians is a critical and universal element in a healthy Australian sports system. It is important that sport is maintained and developed within the cultural fabric of Australian society to ensure that future generations are physically active, behave in an inclusive manner and develop a sense of national pride, all elements for which sport develops. In an environment of stadium sell-outs, rising ticket prices and increased membership costs, it is essential that the average Australian continues to have the ability to view and be part of Australia's key sporting events through free to air television. Likewise, enabling sports to maximise their commercial opportunities through broadcast properties is critical for long term development, sustainability of sports and the growth of the game, however commercialisation outcomes need to be balanced against accessibility.

The Importance of Sport in Australia

Sport is integral to Australia's way of life, our view of ourselves and how we are viewed by the rest of the world. It helps build the social cohesion that binds families, communities, regions and the nation. Sport is important for more than just reasons of national pride, or even as a way of building a fitter, more vibrant nation. Sport reaches across our society in ways which are not always apparent, and involves even those who profess no love of sport.

Sport and recreation are major components of the national economy, be it through employment in the sport and recreation industry (75,155 people in 2006), sales of goods and services both domestically and internationally and small business development. In 2004-05, the total income generated by the sport and recreation industry in Australia was estimated at \$8.82 billion. The income reported by sports and physical recreation clubs, teams and sports professionals was \$1.88 billion and sports and physical recreation administrative organisations was \$1.53 billion.

Sport and physical activity is considered an integral part of the preventative health agenda in Australia.

Sport is also a powerful tool for international engagement as well as being important for tourism, aid and trade. Australia has developed an international reputation for sporting excellence, through our national team performances, the staging of major international events including the Olympic and Paralympic Games, the 2003 Rugby World Cup and the Federal Government is supportive of the Football Federation's bid to bring the World Cup to Australia in 2018.

Major international sporting events yield opportunities in tourism. Such activities attract people to Australia's rural and regional areas as well as major cities generating income and employment for local economies. Further, it can be said that major events attract sizeable global television audiences, providing significant opportunities to promote Australia as a tourism destination.

At a local level, involvement in sport builds families as well as communities. Active parents provide positive role models for children for engaging in sport and for maintaining lifelong activity. As importantly, the parents who are involved in their children's sport through coaching, umpiring and general volunteering send a powerful message about the importance they place on sharing and valuing the efforts and interests of their children.

Sport has a range of benefits at both the community and individual level. At the community level, sport brings people together, breaks down barriers and unites those who may have nothing else in common. Sport has a unique ability to transcend race, religion, gender and creed. It is truly a tool of social cohesion.

For sport to continue to be able to provide these and other benefits to the Australian community it needs not only to be highly accessible and visible to Australians via free to air television broadcasts; but NSOs need to be adequately resourced to provide a wide range of participation opportunities in sport and physical activities for all Australians. To do this, NSOs need to be able to leverage their commercial rights, not to only ensure the financial and economic sustainability of their sport, but in turn, the financial and economic health of the Australian sporting system.

[Adapted from *Australian Sport: emerging challenges, new directions*]

The impact of broadcast revenue on sports

The ability of a sports organisation to maximise revenues is key in enabling it to develop the sport or competition within its jurisdiction and fulfil the organisations objectives, ultimately this means providing the greatest possible exposure and generating interest in its products.

The level of broadcast revenue generated as a proportion of sports organisations' total revenues varies across different sports and events, as well the level of broadcast revenue within the funding mix will be driven in part by the level of attraction of a sport or event to broadcasters and the sport or events' broadcast strategy.

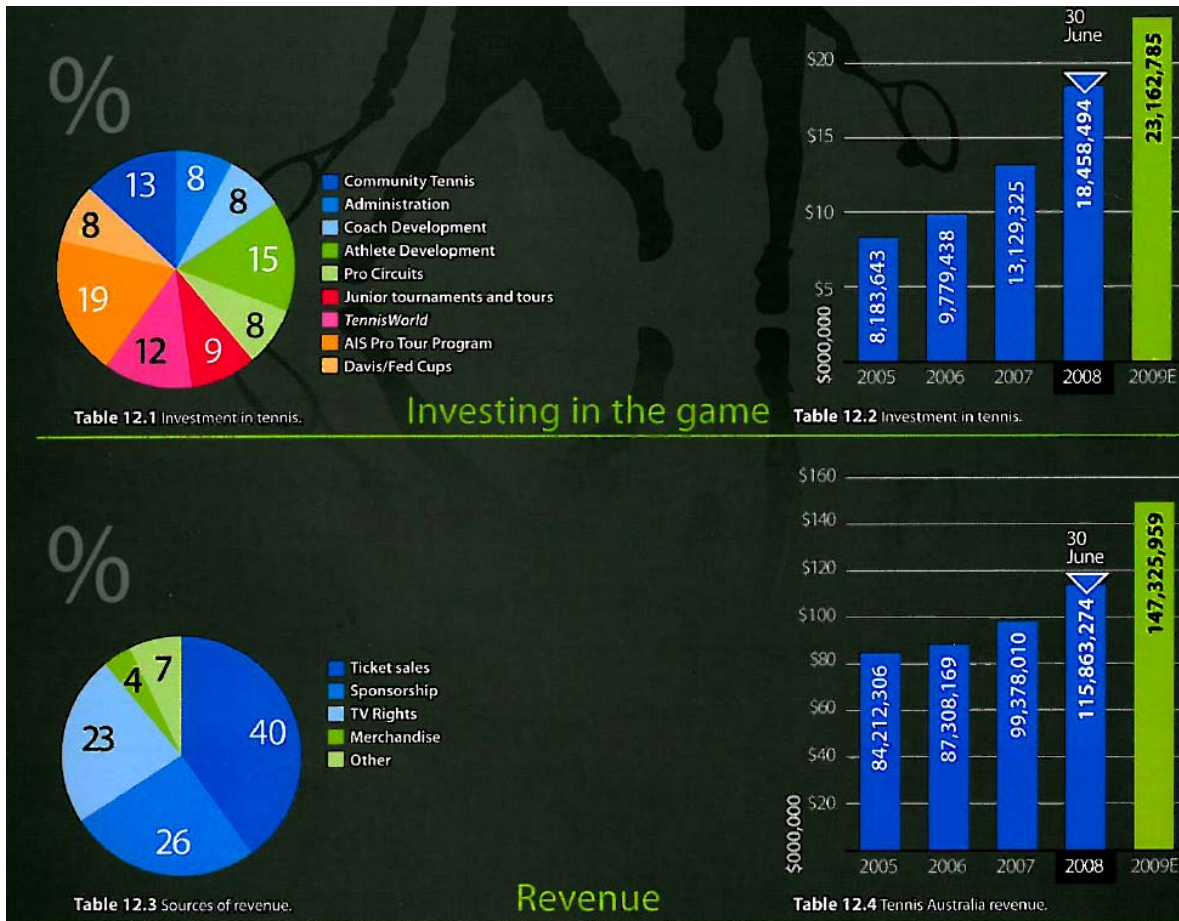


Figure 1: Tennis Australia statistics (Source: Tennis Australia 07/8 Annual Report)

Tennis in Australia is a case in point, as detailed in the statistics presented above. Whilst the Australian sporting and broadcasting landscape is much smaller than that of other continents, broadcast revenue is an important part of the funding mix for our professional codes.

Television rights form 23% of Tennis Australia's (TA) total revenue, which has increased from \$84,212,306 in 2005 to a projected \$147,325,959 in 2009. In addition 26% of TA's revenue is derived from sponsorship, which can in part be attributed to the sports ability to achieve broadcasting arrangements. The combined investment by TA into community tennis, coach development and athlete development is 39% of total TA expenditure. This supports the assertion

that broadcast revenues derive a community benefit through investment back into grassroots sports by the national organisation.

Similarly, in its 2008 Annual Report, the Australian Rugby Union (ARU) reported total revenue from broadcasting licence fees of \$22,137,000 in 2008 which represents 28% of its total income. Additionally, 35% of the ARU's total revenue was derived from sponsorship income. With regard to expenditure, a total of 34% of all revenue was invested into community rugby, grants and allocations.

In an independent economic study commissioned by British Sky Broadcasting Ltd, released in July 2009, entitled "The Impact of broadcasting on sports in the UK", it was reported that there are a number of ways in which broadcast revenue impacts upon and benefits sports, these include:

- broadcast revenues are largely clean revenues, there is relatively little cost to a sports organisation with broadcast revenue in comparison with other commercial revenue sources, hence broadcast revenues largely flow straight through to the bottom line of sports bodies;
- broadcast revenues are often critical in determining the level of funds available for the sport to invest in the development of the game eg in recruiting/educating officials, elite programs, facilities and infrastructure, or implementing community/grassroots participation programs;
- broadcast coverage provides a key shop window for sports. More extensive coverage of a sport and high quality broadcast delivery impacts on the degree of individuals engagement with the sport. In particular, they support the popularity and awareness of the sports' competitions, the level of participation and attendance at events, and the value of other revenue streams such as sponsorship.
- broadcast contracts, especially long term deals, provide sports with the ability to plan into the future without concerns regarding sustainability of programs and community development activities.

Put simply, the leveraging of broadcast revenue to Australian NSOs provides them with funding to not only contribute to the broader benefits of sport for all Australians, but to develop their particular sports to a level that may have otherwise not been possible. This is captured by Cricket Australia in their 07/08 Annual Report:

"The greater surplus we can generate from our commercial operations, the more money can be invested at elite, high performance and community levels. We aim to grow the commercial returns by constantly improving the cricket experience for fans, and improving the value for media partners and sponsors"

Key Issues – Response to the Review

1. The purpose of the anti-siphoning scheme and its impacts

Consistent with its key objectives, the ASC supports the anti-siphoning scheme’s purpose of ensuring that events of national importance and cultural significance remain available to the public on a free of charge basis. However, one issue is defining what an event of national importance or cultural significance is, it would seem that the existing scheme covers more events that would actually achieve those criteria if such a framework existed. Currently the Minister is the only determinant.

Widespread public exposure to sport through broadcasting is integral to the success of many sports. As pointed out by the Productivity Commission in 2000:

Television strongly influences many sporting competitions, including the size, shape, colour and scheduling of the competition and the careers of individual players. It also promotes public interest. Basketball and soccer both owe much of their increased popularity in Australia to television.¹

Furthermore, considering that almost every Australian household owns at least one free-to-air television receiver, the ASC is of the belief that the anti-siphoning scheme’s purpose is best achieved where such events are broadcast on the free-to-air television platform.

Nevertheless, while the ASC supports the purpose of the anti-siphoning scheme, it recognises that it is inherently anti-competitive. In particular, the scheme imposes artificial constraints on the market for the coverage of sporting events by placing subscription broadcasters at a competitive disadvantage compared to free-to-air broadcasters in their negotiations with right’s holders. Under the scheme, the free-to-air broadcasters are able to negotiate with sporting bodies for broadcasting rights without competition from the subscription sector. It is only once the free-to-air broadcasters have acquired rights or where an event has been delisted, which currently occurs automatically twelve weeks prior to the commencement of an event, that subscription broadcaster’s can acquire their own rights. However, where a free-to-air broadcaster has acquired *exclusive* broadcasting rights, the subscription broadcasters are forced to negotiate with the free-to-air broadcaster rather than directly with the relevant sporting body. In many cases, the free-to-air broadcasters will want to retain exclusive coverage of an event and will refuse to on-sell any rights for simultaneous coverage on the subscription platform.

As the Australian Competition and Consumer Commission (ACCC) and the Productivity Commission have previously pointed out, these artificial market constraints may result in:

¹ Productivity Commission, *Broadcasting: Inquiry Report* (Report 11, 2000) 424.

- a possible reduction in the aggregate number of sporting events that receive broadcast coverage;
- less choice for consumers; and
- a potential reduction in the level of aggregate revenue available to sports right's holders for the sale of their broadcast rights.²

The ASC is of the opinion that the anti-competitive effects of the anti-siphoning scheme must be kept to a minimum. Moreover, the ASC is strongly of the view that any anti-competitive effects should be tolerated only where they are absolutely necessary to guarantee that events are broadcast on the free-to-air television platform and must not result in the perverse effect that listed events receive less widespread coverage than would otherwise occur in an unrestrained, open market. The key objective must be to provide the greatest number of general public with access to events of national and cultural significance. Ensuring sport remains accessible to all the population should be the key driver of the policy and should be effectuated by the legislation.

The ASC is also concerned with the possibility that the anti-siphoning scheme may push down revenue levels available to certain sporting bodies in negotiating the sale of broadcast rights and is of the view that the goal of ensuring broad access to sporting events is incorporated with the ability for sporting bodies to maximise their opportunities for commercialisation.

In light of these concerns, the ASC wishes to comment on a number of aspects of the operation of the current anti-siphoning scheme: the potential for free-to-air broadcasters to 'hoard' the rights to listed events; the possible limitations imposed by the anti-siphoning scheme on the commercial opportunities for sporting bodies; and the existence of the so-called 'loophole' in the anti-siphoning scheme.

Hoarding

The anti-siphoning scheme does not require that free-to-air broadcasters actually broadcast the events for which they have acquired exclusive rights. Furthermore, because programming choices on commercial free-to-air broadcasting are based solely on commercial and programming considerations, it will often be the case that broadcasters will elect not to broadcast a particular event for which they have purchased the rights. Thus, unless the rights are on-sold to a subscription broadcaster, the event may receive very limited or even no coverage at all.

The anti-hoarding scheme was introduced in 1999 in response to claims that events were being 'hoarded' by the free-to-air broadcasters. Under the scheme, commercial broadcasters who have acquire the rights to an event on the anti-hoarding list but do not intend to provide live or near-live coverage are required to offer the unused rights to either the ABC or the SBS. The ABC and the SBS are similarly required to offer the rights to each other. Such an offer must be made at least 30 days

² Australian Competition and Consumer Commission, *Emerging Market Structures in the Communications Industry* (2003), 72-74, available at <<http://www.accc.gov.au/content/index.phtml/itemId/356694>>; Productivity Commission, *Broadcasting: Inquiry Report* (Report 11, 2000), 434-438; Productivity Commission, *Annual Review of Regulatory Burdens on Business: Social and Economic Infrastructure Services* (2009), 157-158.

prior to the commencement of the event in question. Unfortunately, the anti-hoarding scheme has been under-utilised. To date, only two events have been placed on the anti-hoarding list by the Minister – the 2002 and 2006 FIFA World Cup Soccer tournaments. Furthermore, it has been claimed that the 30-day minimum period makes it difficult for the ABC and the SBS to make the appropriate changes to their programming schedules.³ Similar difficulties would be faced by subscription broadcasters who often publish their program guides several months in advance.

In order to prevent the possibility of free-to-air broadcasters hoarding events, the ASC is of the view that the anti-hoarding list should contain exactly the same events as the anti-siphoning list, hence requiring rights purchases to broadcast the sports. The ASC is also of the view that the minimum notice period should be extended, say to at least 6 months (or whatever is deemed reasonable) to enable the national broadcasters to give the ABC and the SBS a greater window of opportunity to make necessary scheduling changes. This, in turn, should enable the ABC and the SBS to more readily accept offers made to them under the scheme, and provide greater sport viewing opportunities to all Australians along with a potentially greater broadcast revenue return for NSOs.

Impact on the Commercialisation of Sport

Various reports into the anti-siphoning scheme – most recently, the Productivity Commission's *Annual Review of Regulatory Burdens* – have suggested that it may have a negative impact on sporting bodies. Similarly, the Productivity Commission reported in its broadcasting inquiry that the 'anti-siphoning regime is likely to distort the relative prices of broadcast rights of listed events relative to non-listed events, potentially reducing the price received by sporting organisations for listed events'.⁴ Submissions to the current Independent Sport Panel have also raised the possibility that the anti-siphoning regime could negatively impact on sporting bodies. The Australian Rugby Union (2008, pp12-13), for example, said that:

For sports operating in the mass entertainment business, it is vital that they be able to make their own decisions which balance the twin objectives of optimisation of exposure (say, through free to air television) and maximisation of revenue (perhaps via pay/subscription television and other forms of distribution platforms). Anti-siphoning is a form of regulation which can substantially reduce the competitive tension required for price maximisation and thus lessen the amount of funds available to invest in pathways and grass-roots sports.

Similar submissions were made by the Australian Rugby League and the National Rugby League, as well as Cricket Australia.

The ASC, however, is of the view that the anti-siphoning scheme may impact on the price maximisation for the broadcasting rights of some sports more than others. The ASC recommends that independent research be conducted into the commercial effects of the anti-siphoning scheme

³ Productivity Commission, *Broadcasting: Inquiry Report* (Report 11, 2000), 434.

⁴ Productivity Commission, *Broadcasting: Inquiry Report* (Report 11, 2000), 438.

on sports of differing levels of popularity and differing potential for commercial exploitation through the sale of broadcast rights.

In the absence of such research, the ASC makes the following general comments. In relation to extremely popular sports, the ASC is of the view that a 'dual rights' approach over the existing anti-siphoning scheme deserves further consideration. Under a dual rights approach a broadcaster is not permitted to acquire both free-to-air *and* subscription rights for a sporting event. This leaves it open for an event to be shown on both subscription and free-to-air television. It also gives sporting bodies greater flexibility in negotiating the sale of broadcast rights and, to the benefit of consumers, has the potential to enhance competition between free-to-air and subscription broadcasters in their coverage of events. A dual rights scheme has been adopted in the United Kingdom and has been previously recommended for adoption in Australia by the Productivity Commission and the ACCC.

The ASC, however, is aware that a dual rights scheme may not be suitable for sports where a broadcaster's incentive for providing coverage to an event is linked to it being granted exclusive broadcast rights. In relation to such events, a dual rights scheme may potentially reduce free-to-air audience levels to a point where the free-to-air rights are not commercially viable, resulting in the potential migration of such sports away from free-to-air television. Where this is the case, the ASC believes that the existing anti-siphoning scheme should be retained.

In relation to sports of niche appeal, the ASC believes that such events are unlikely to receive free-to-air coverage whether or not an anti-siphoning scheme is in place. The ASC is of the view that there should be no constraints on subscription broadcasters negotiating for the rights to cover such events and that the anti-siphoning scheme should not apply.

Loophole

The anti-siphoning scheme currently operates as a constraint on subscription broadcasters in their negotiation for broadcast rights. It does not, however, prevent entities *related* to subscription broadcasters from acquiring the broadcast rights to listed events. Fox Sports, for example, was able to purchase non-exclusive rights to the 2005 Ashes series prior to the automatic six-week delisting period. While this did not exclude the free-to-air broadcasters from acquiring the free-to-air rights, they had certainly become less commercially valuable.

The ASC is of the view that this so-called 'loophole' should be closed. The ability for entities related to subscription broadcasters to purchase broadcasting rights prior to free-to-air broadcasters clearly thwarts the anti-siphoning scheme's purpose of ensuring that events of national and cultural significance are available to the widest possible audience.

Conclusions

The ASC suggests:

- retaining the anti-siphoning scheme to ensure that events of national importance and cultural significance remain available to the public on a free of charge basis;

- this is best achieved where such events are broadcast on the free-to-air television platform;
- the anti-competitive effects of the anti-siphoning scheme be kept to a minimum;
- that any anti-competitive effects should be tolerated only to guarantee events are broadcast on the free-to-air television platform and must not result in listed events receiving less widespread coverage than would otherwise occur in an open market;
- the anti-hoarding list should contain exactly the same events as the anti-siphoning list;
- that the minimum anti-hoarding notice period should be extended to say at least 6 months (or whatever is deemed reasonable) to enable the national broadcasters to give the ABC and the SBS a greater window of opportunity to make necessary scheduling changes;
- that independent research be conducted into the commercial effects of the anti-siphoning scheme on sports of differing levels of popularity and differing potential for commercialisation through the sale of broadcast rights in order to assess the best format for a scheme moving forward;
- that a 'dual rights' approach over the existing anti-siphoning scheme deserves further consideration to enhance competition between free-to-air and subscription broadcasters in their coverage of events;
- subscription broadcasters should be prevented from purchasing broadcasting rights prior to free-to-air broadcasters through the related entity "loophole".

2 The appropriateness of the events on the anti-siphoning list and their rationale for inclusion

Whilst the anti-siphoning scheme has remained largely unchanged since it was introduced, the events on the anti-siphoning list itself have varied over time. The Minister may alter, amend, extend or replace the anti-siphoning list at any time.

The ASC supports the inclusion of events of 'national importance' and 'cultural significance' on the anti-siphoning list, however a framework should be developed to assess what the criteria is in determining which events are of national importance and cultural significance. The ASC is of the view, however, that only events which would 'migrate' to *exclusive* subscription television coverage in the absence of regulation should be included. Furthermore, the anti-siphoning list should not include events which have not traditionally received coverage on free-to-air television.

As it currently stands, there are over 1,300 individual events included on the anti-siphoning list – many more than could possibly be broadcast on free-to-air television. In light of the length of the existing list, the ASC supports reducing the list, taking into account both the national and/or cultural significance of an event and whether or not it has been consistently broadcast live (or as

near to live as practically possible) and in full on free-to-air television in the previous five years. In this regard, ASC supports a ‘use it or lose it’ approach to the delisting of events on the anti-siphoning list and that such an approach should have a statutory basis.

The ASC is also critical of the overly-inclusive nature of some of the events listed. The current list, for example, includes ‘each event held as part of the Olympic Games’ and ‘each match in the Australia Open tennis tournament’. These contain more individual events than could possibly be broadcast on free-to-air television. The ASC is of the view that a better approach would be to include *individual* events where feasible on the anti-siphoning list rather than ‘blanket’ coverage for each event within a series. The scheme should have the objective of trying to achieve the maximum exposure and opportunity for every Australian to see as much of these iconic events as possible, having regard for the nature of the collective events and the difficulties of determining which individual events will end up being significant in advance.

Conclusions

The ASC suggests:

- that a framework be developed to assess what the criteria is in determining which events are of national importance and cultural significance;
- only events which would ‘migrate’ to *exclusive* subscription television coverage in the absence of regulation should be on the anti-siphoning list;
- the anti-siphoning list should not include events which have not traditionally received coverage on free-to-air television;
- a reduction in the reducing the list, taking into account both the national and/or cultural significance of an event and whether or not it has been consistently broadcast live and in full on free-to-air television in the previous five years (“use it or lose it”);
- *individual* events be included on the anti-siphoning list rather than ‘blanket’ coverage for each event within a series where feasible having regard for the nature of the collective events and the difficulties of determining which *individual* events will end up being significant in advance.

3 The duration of the anti-siphoning list

The ASC is of the view that the anti-siphoning list should operate for a maximum of five years, but should be monitored annually in line with significant changes and technological advancements within the industry, such as the migration to digital television and the emergence of new digital technologies. A list of five year’s duration provides commercial certainty for broadcasters and sports rights bodies, while at the same time allows for the regular review of the events that are included in the scheme.

Conclusions

The ASC suggests that the anti-siphoning list should operate for a maximum of five years but be monitored annually for its appropriateness.

4 The appropriateness of the current automatic de-listing arrangements

Under the current anti-siphoning scheme, events are automatically de-listed twelve weeks prior to the commencement of an event unless the Minister makes a declaration to the contrary on the basis that at least one free-to-air broadcaster has not had a reasonable opportunity to acquire the rights to an event. The purpose of automatic de-listing is to ensure that subscription broadcasters can bid for rights where they have not yet been purchased by free-to-air broadcasters.

The subscription broadcasters as well as the Australian Subscription Television and Radio Association (ASTRA) have claimed that the twelve-week 'window' prior to an event does not leave sufficient time to acquire rights and to accommodate the inclusion of an event within the program schedule. The ASC is of the view that the de-listing period should be extended to at least six months (or whatever period is deemed more appropriate), leaving in place the Minister's power to make a declaration to the contrary on the basis that at least one free-to-air broadcaster has not had a reasonable opportunity to acquire the free-to-air rights. The ASC believes that it is not unreasonable to require that the free-to-air broadcasters acquire the rights to an event at least six months prior to its commencement. This will give the subscription broadcasters much more scope to bid for rights that have not been acquired by the free-to-air sector, increasing revenue to sporting bodies; and ensure a greater exposure of sport on television for the Australian viewing public.

Conclusions

The ASC suggests:

- the de-listing period should be extended to at least six months (or whatever period is deemed more appropriate), leaving in place the Minister's power to make a declaration to the contrary on the basis that at least one free-to-air broadcaster has not had a reasonable opportunity to acquire the free-to-air rights.

5 Scheduling and coverage of events on the anti-siphoning list

The ASC is of the view that the events on the anti-siphoning list should be broadcast live, or as near to live as practical, and should be in full. As indicated above, in determining whether an event should remain on the anti-siphoning list, the Minister should have regard to the timing (live or as near to live as possible) and the extent of coverage (in full as opposed to 'highlights') of an event by the free-to-air broadcasters.

Conclusions

The ASC suggests events on the anti-siphoning list should be broadcast live, or as near to live as practical, and should be in full.

6 The restriction on free-to-air television broadcasters being able to show an event on the anti-siphoning list exclusively on their digital multi-channels

As the current household penetration rate of the reception equipment necessary to receive standard definition multi-channel television sits at approximately 47 per cent, the ASC is of the view that events on the anti-siphoning list should not be shown exclusively on digital-only channels. This should remain the position until the transition to digital television has been completed, or until such time that the nearly all Australian households have access to the multi channel platforms through digital receivers. Depending on the region in question, this is scheduled to occur between 2010 and the end of 2013.

Conclusions

The ASC Suggests:

- events on the anti-siphoning list should not be shown exclusively on digital-only channels; and this should remain the position until the transition to digital television has been completed, or until such time that the nearly all Australian households have access to the multi channel platforms through digital receivers.

7 Coverage of sports on new media platforms

In light of the current state of broadband infrastructure in Australia, the ASC is of the view that, at least in the medium term, new media is unlikely to replace consumers' television viewing of sporting events. It is not expected, therefore, to have a significant impact on the operation of the anti-siphoning regime. Where it might have at least some impact is in the provision of highlights and news coverage provided via broadband and mobile platforms – coverage which operates outside the purpose of the anti-siphoning scheme.

Conclusions

The ASC suggests that regulation of sports coverage on new media platforms be re-evaluated in line with increases in the state of broadband infrastructure.