

## SBS SUBMISSION TO THE AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY REVIEW INTO THE ALCOHOL ADVERTISING RESTRICTIONS IN THE FREE TV CODE APRIL 2026

### Executive Summary

- The Special Broadcasting Service (**SBS**) appreciates the opportunity to contribute to the Australian Communications and Media Authority's (**ACMA**) review into the alcohol advertising restrictions in the Commercial Television Industry Code of Practice ('**the review**').
- The review has the potential to impact advertising on SBS given that the advertising rules in the Commercial Television Industry Code of Practice (the **Free TV Code**) are incorporated into the SBS Code of Practice (the **SBS Code**) by reference.
- SBS also applies additional discretionary restrictions on alcohol advertising and since 2024, has offered users of the SBS On Demand service the ability to opt out of alcohol advertising on that platform.
- Evidence suggests the current restrictions are working well to provide appropriate controls, with very low levels of audience feedback regarding alcohol advertising (less than 1%). The category also has the lowest level of take up in the opt-out function on SBS On Demand, which also suggests low levels of audience concern.
- Audience data also shows very low child viewership during sports coverage on SBS.
- Given the economic importance of advertising revenue to SBS's ability to continue to fulfill its public interest Charter, it is vital that any additional restrictions are proportionate to levels of audience concern and are supported by evidence.

### 1. About SBS

For over 50 years, SBS has played a crucial and unique role in Australia. The history of SBS began in 1975 when the Australian Government established radio stations 2EA in Sydney and 3EA in Melbourne to inform Australians from non-English speaking backgrounds about Medibank. Since then, SBS has evolved to deliver services across multiple platforms, broadcast and online, producing Australian content in more than 60 languages, so that all audiences have free access to trusted news and high-quality entertainment. Today SBS News is one of the most trusted news sources in Australia, and SBS was awarded Australian podcast publisher of the year for three consecutive years. National Indigenous Television (NITV) is Australia's leading platform for First Nations storytelling and home to the only national Aboriginal and Torres Strait Islander television news service. The SBS network delivers exceptional programming by and for Australia's diverse communities and in doing



so, supports civic, social, and economic participation, and social cohesion in contemporary Australia.

## **2. Interaction between the Free TV Code of Practice and the SBS Code of Practice**

In its consultation materials, the ACMA notes the review may result in additional regulatory interventions, including the possibility of an ACMA program standard. A program standard or further changes to the Free TV Code will not directly apply to SBS. However, as outlined below, there is a potential impact on the SBS Code, and it is in this context that SBS provides this submission.

SBS's Charter requires it to provide multilingual and multicultural radio, television and digital media services that inform, educate and entertain all Australians and, in doing so, reflect Australia's multicultural society. A critical part of fulfilling these Charter obligations is SBS's ability to do so independent of Government.

One of the key ways in which this independence is safeguarded is through the arrangements for the development of Codes of Practice. The development of Codes of Practice relating to programming matters is a responsibility of the SBS Board under section 10 of the *Special Broadcasting Services Act 1991* (**the SBS Act**). Whilst the Codes are notified to the ACMA, SBS sits outside of the co-regulatory scheme that exists for commercial broadcasters under which Codes are submitted to the ACMA for approval and under which the ACMA retains program standard-making powers.

However, in the interests of regulatory consistency for audiences, SBS has incorporated, via reference in the SBS Code, those components of the Free TV Code which relate to the timing and placement of advertisements and sponsorship announcements, including in relation to particular product categories. This also ensures that SBS is applying a framework which the ACMA is satisfied provides appropriate community safeguards for the matters covered (pursuant to subsection 123(4)(b)(i) of the *Broadcasting Services Act 1992*).

In the event of changes to the Free TV Code, or the making of a program standard in relation to alcohol advertising, the SBS Board would consider the impact on the SBS Code and assess whether any changes are required.

## **3. Current arrangements for restriction of alcohol advertising on television**

There already exists an extensive range of restrictions on the content and placement of alcohol advertising.

Under the incorporation of elements of the Free TV Code into the SBS Code, alcohol advertising is subject to time of day restrictions via the application of classification-linked timezones.

Clause 6.2.1 of the Free TV Code limits the placement of alcohol advertisements to:

- The M and MA15+ classification timezones
- Sports Programs on a weekend or public holiday
- Live sporting events

Under the SBS Code, the M classification timezone covers:



- 10.00am and 3.00pm, and 7.30pm and 6.00am on SBS, SBS Viceland and SBS World Movies, SBS WorldWatch
- 10.00am and 3.00pm on school days, and 7.30pm and 6.00am any day on NITV and SBS Food.

However, for the purposes of applying the rules for alcohol advertising, SBS observes the time zone restrictions in the Free TV Code, so even though the M time zones in the SBS Code are more expansive, the advertising restrictions remain consistently applied.

The MA15+ timezone covers 8.30pm to 5.00am each day.

These restrictions largely reflect the intention to limit the exposure of children to alcohol advertising by preventing its placement in programs where significant numbers of children are likely to be watching.

It is also relevant to note that under section 45 of the SBS Act, SBS is restricted to 5 minutes of advertising per hour on its broadcast services, which SBS also applies to the SBS On Demand service<sup>1</sup>. The limited minutage on SBS platforms means that SBS carries fewer ads (and consequently, fewer alcohol ads) than other television advertisers.

In addition to these extensive controls, restrictions are placed on the placement and content of alcohol advertising for signatories to the Alcohol Beverages Advertising Code (**ABAC**) Responsible Alcohol Marketing Code (**the ABAC Code**).

The placement restrictions in the ABAC Code limit the exposure of minors to alcohol marketing across all platforms. Available age restriction controls must be applied to exclude minors from viewing alcohol advertising. Where age restriction controls are not available, alcohol advertising may only be placed where the audience is reasonably expected to comprise at least 80% adults (based on reliable, up-to-date Australian audience composition or social media follower data, if available). Further, alcohol advertising must not be placed with programs or content primarily aimed at minors.

The content standards in the ABAC Code are designed to ensure alcohol advertising is responsible and does not contribute to harm.

The ABAC Code prohibits marketing that has strong or evident appeal to minors, including the use of themes, imagery or personalities that resonate with under-18s, and requires that minors are not depicted or targeted. It also restricts portrayals of alcohol consumption by banning depictions that encourage excessive or rapid drinking, link alcohol to social, sexual or professional success, or suggest that alcohol can change mood or enhance performance. Advertising must not show or condone irresponsible, risky or antisocial behaviour, including violence, illegal activity or unsafe situations, and must present alcohol consumption as moderate and responsible.

SBS also has taken steps to provide further protections for its audiences. SBS may decline to broadcast advertisements where they conflict with audience considerations (eg, no alcohol, gambling or payday lender advertisements were placed in *Addicted Australia*). Reflecting the requirements of the ABAC Code, alcohol advertisements are not displayed to SBS On Demand users whose subscriber information indicates they are under 18, and SBS

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<sup>1</sup> See: SBS Commercial, Funding and External Relationships Guidelines, clause 4.7



also withholds alcohol advertising from children's content, sensitive content and G-rated content on SBS On Demand.

And, in a demonstration of our commitment to responsible broadcasting, SBS has pioneered an opt-out initiative for our SBS On Demand audiences, allowing them to opt out of being served advertising in the wagering, alcoholic beverages and quick-service restaurant (**QSR**) categories.

The opt-out feature has now moved from a beta phase to a fully-fledged integrated feature in consumer preferences on SBS On Demand – making it even easier for users to opt out.

#### **4. Economic role of advertising in supporting public interest media**

Any consideration of additional advertising restrictions must take into account the potential associated revenue loss on services such as SBS which provide (part) advertiser-funded public interest media services.

The SBS Act empowers SBS to generate revenue from advertising and sponsorships, and this revenue is critical to the delivery of SBS's services. Any additional restrictions on advertising will have substantial impacts on SBS and its audiences. The impact would be compounded if the additional regulation only applies to broadcast platforms, which would further exacerbate existing regulatory bypass effects, putting SBS at a disadvantage compared to its competitors in the advertising sales market.

It is assumed by some that the removal of a category of advertising will be mitigated through the replacement of that advertising with advertising from other categories. However, it should not be assumed that lost revenue from further restrictions on alcohol advertising can be replaced from other sources, as the SBS inventory is not currently fully booked.

The likely outcome of further restrictions is a reduction in the quality and quantity of services that SBS provides for its audiences, unless revenue impacts are offset by additional funding to SBS.

#### **5. Indications are that current restrictions are working to address audience concerns**

SBS takes very seriously its responsibility to ensure that all content and advertising on its platforms is mindful of community standards and expectations. SBS also supports the application of proportionate and evidence-based restrictions on categories of content and advertising which have the potential to cause concern amongst audiences.

Indications are that current restrictions, as outlined above, are working to address concerns regarding the potential impact of alcohol advertising on audiences, including vulnerable audiences.

For example, audience feedback data indicates a relatively low level of concern regarding alcohol advertising. In the 12 months to 31 March 2026, there were 7 audience contacts received which related to alcohol advertising. This compares to a total of 24,307 audience contacts for that period, and 1,388 advertising-related contacts. This means that alcohol advertising comprised only 0.03% of the audience contacts received by SBS in that period.<sup>2</sup>

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<sup>2</sup> Source: Zendesk; 01 April 2025 – 31 March 2026. Based on Customer Service tickets.



These figures do not suggest that there is any substantial unmet need for further restrictions amongst the SBS audience.

SBS also notes that the provisions in the Free TV Code which permit alcohol advertising at any time within sports programs has been subject to criticism as enabling the exposure of children to alcohol advertising. However, it should not be assumed that large numbers of children are watching sport. Audience data for sport programs on SBS shows that people under 18 comprise only 4% of the audience for sport programs.<sup>3</sup> This is consistent with longer term audience trends, which show that children are less and less likely to be accessing free-to-air television for their entertainment needs.

Further, in the context of SBS On Demand's advertising opt-out feature (which permits users to opt out of one of three advertising categories – gambling, quick service restaurant and alcohol), only 9% of users of this feature selected alcohol advertising as the category they wished to opt out of. This compares to 11% for quick service restaurants, and 80% for gambling. This further suggests that levels of concern amongst SBS audiences regarding alcohol advertising are low.

## **6. Conclusion**

SBS will comply with all applicable laws and regulations relating to alcohol advertising, however evidence suggests that the current set of rules, which cover both placement and content, are effective in limiting children's exposure and meeting community expectations.

If additional regulation is proposed, it should be evidence-based and platform-neutral (to avoid regulatory bypass). Current regulation is stratified across platforms and lacks coherency.

Any change to permitted levels, frequency and placement of advertising stand to impact SBS's ability to generate the commercial funding required to support current levels and quality of public interest content. To avoid operational impacts and cuts to highly valued service and content, SBS supports additional funding to address any revenue shortfall and to ensure the ongoing sustainability of public interest media.

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<sup>3</sup> Source: OzTAM VOZ data, C28, 01/03/25 - 28/02/26, All Day, Sports Genre, broadcast TV