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Submission  
*to the*  
Inquiry into the ABC's  
commitment to reflecting  
and representing  
regional diversity

*of*  
the Senate Environment and  
Communications  
References Committee

*for*  
Friends of the ABC NSW, Qld, Tas, Vic & WA  
January 2013

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## **A. Friends of the ABC**

Friends of the ABC (FABC) is the major community organisation representing the public's interest in its national independent broadcaster. It is a politically independent organisation whose aim is the maintenance of the Australian Broadcasting Corporation (ABC) as a healthy, independent and comprehensive national public broadcaster.

Friends of the ABC has no formal national structure. It comprises autonomous Friends of the ABC organisations in each Australian state and territory working together on national campaigns.

## **B. ABC regional programming is important for all Australians**

Regionality is an integral part of Australian life. Differences in heritage, geography and culture between the regions are important to many Australians.

As a national public broadcaster, the ABC has a responsibility to the entire community. In addition to producing programs of national significance, it must provide local programming to regional Australian communities and programming that reflects regional diversity to the entire community.

The ABC Charter requires the ABC to provide "broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community."

People from all parts of Australia value having their own stories reflected through the national broadcaster. Regional communities rightfully expect the ABC to inform other Australians about important matters which are specific to them, put forward their ideas on the national stage, and discover, nurture and provide opportunities for talented local program makers.

Furthermore, the community as a whole benefits from the breadth of information, ideas, talent and culture that regional program diversity can deliver. Every state and territory should also have the opportunity to produce programs of national significance.

The need for the ABC to produce regionally diverse programs has grown as the result of the unhealthy lack of diversity in Australian media ownership, and commercial broadcasters having all but abandoned the provision of genuinely local content.

## C. Why regional diversity is losing out at the ABC

ABC management's lack of commitment to diverse and genuine regional programming can only be changed if the root causes are addressed. Drawing funds from another important area of ABC programming would not be a satisfactory solution.

FABC's observations of what is happening to the public broadcaster lead it to conclude that a decline in the ABC's commitment to genuine regional diversity is one outcome of a number of interlinking causes, most of which stem from two key factors: **inadequate funding** and **the commercial outlook of ABC management**, particularly the ABC's managing director Mark Scott and Television head Kim Dalton, but also some other senior managers.

Mark Scott has presided over the ABC moving in an increasingly commercial direction<sup>1</sup> – presumably at the behest of, or with the support of, the former ABC Board<sup>2</sup>. The community is yet to hear from the ABC's present Board and new Chairman, Jim Spigelman, on this matter.

### 1. Inadequate funding and the funding process

1. The ABC is grossly under-funded to fulfil all of its Charter responsibilities to a high standard<sup>3 4</sup>, and when compared with other public broadcasters.<sup>5 6</sup>

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<sup>1</sup> Some examples of others who share FABC's view of the ABC's increasing commercialisation:

- . content of a hard copy petition with over 10,000 signatures which was presented to the ABC's chairman and managing director in 2010. (*Appendix C. 'Keep our ABC Creative & Commercial free' petition*)

- . 'The Commercialisation of the ABC' (4 Aug 2011) by Paul Collins (author, historian and former ABC specialist editor – religion, Eureka Street. Article at [www.eurekastreet.com.au/article.aspx?aeid=27521](http://www.eurekastreet.com.au/article.aspx?aeid=27521))

As it was not the main focus of this inquiry, only some of the ABC's commercial activities which have the capacity to influence programming have been referred to in this submission. However, FABC can provide further examples to the Committee if requested.

<sup>2</sup> The former ABC Board was widely perceived to include directors who were hostile to the ABC and/or supported its commercialisation. Some examples:

- . Janet Albrechtsen, a newspaper columnist who is highly critical of the ABC and writes for Murdoch's News Ltd which has interests in a pay-TV station and online media services, and is antagonistic to the ABC
- . Keith Windschuttle, who publicly commented prior to his appointment to the ABC Board that the ABC should be put on "a commercial footing" and carry advertising
- . Ron Brunton and Steven Skala (who remains on the present Board), who are associated with think tanks that are opposed to public ownership of services they believe can be delivered by the commercial market [albeit with lesser quality and a focus more suited to commercial], Steven Skala is a board member of The Centre for Independent Studies, and Ron Brunton was formerly an Institute of Public Affairs fellow.

<sup>3</sup> Leaks from the KPMG Review commissioned by the former government revealed that in 2006 the ABC needed an extra \$125.8 million (after indexation) in core funding over the next three years just to maintain its present operations.

Yet, with the exception of additional funding to enable the ABC to rebuild its local TV drama output, funding increases since that time have been for new initiatives.

<sup>4</sup> The ABC's operational revenue from Government of \$840m represents a decrease in real terms of \$253m (23.1%) since 1985-86. (Source: ABC financial reports 2012) And since 1985-86, the ABC has introduced new services without additional funding; for example, ABC Online and the News 24 digital television channel. Furthermore, costs, such as television production costs, continue to rise higher than the indexation of ABC funding.

<sup>5</sup> The BBC (the broadcaster on which the ABC was modelled) receives six times the ABC's level of funding – for a country with three times the population and a comparatively tiny land mass. (Source: calculations from Australian Budget papers and ABC and BBC Annual Reports.)

<sup>6</sup> A Macquarie Bank report found that, depending on the measure used, in 2002 a funding increase of between \$200 million and \$700 million per annum would be required to increase ABC funding to a level comparable with its international peers.

*An Analysis of the ABC's Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002. Tabled in the Senate Environment, Communications, Information Technology and the Arts Legislation Committee Estimates hearing in 16 February 2004

If the ABC continues to be underfunded to meet all of its Charter commitments and keep up to date with technology change and new services to remain relevant, more important services and program areas will be cut and/or their staffing and quality further eroded.

2. The neglect of specific important services and program areas is also an outcome of the present unsatisfactory funding process.

The ABC needs to present proposals which will most likely appeal to the government of the day, in order to convince the government to maintain or increase its funding. And funding is subsequently granted with a clear expectation from government of how sizable amounts of it will be used.

This process fundamentally undermines the ABC's independence – distorting the ABC's funding priorities and politically influencing how the broadcaster can expend its funds. With all governments favouring new initiatives, because they result in greater positive media attention for the government, it also mitigates against the ABC obtaining funding increases needed simply to maintain existing services, such as regional programming.

**A scenario** (which is not a proposal, and is only to illustrate the point): In the 2009 Federal Budget which determined the ABC's last round of triennial funding, the Government granted additional funding for the ABC to introduce a dedicated children's TV channel to broadcast content for 15 hours per day. However, the ABC did not receive sufficient funding to enable it to maintain the existing levels of output and quality of all other important services. To add to the problem, production costs have since increased at a higher rate than the indexation of ABC funding.

Children are well-served by the ABC in terms of the amount of television hours broadcast. It could even be argued that the ABC should broadcast less television for children – authoritative research exists about the negative physical health and developmental impacts for children of spending too many hours viewing screen-based equipment, regardless of the content's quality.<sup>7</sup>

Yet, the ABC would be unable to cut one hour per day of children's television programming to divert funds to regional programming, for example. While funding for the children's channel is not formally tied, it has been provided with a clear expectation of how it will be spent,<sup>8</sup> and the consequence of failing to meet it would be clear to the ABC.

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<sup>7</sup> The American Academy of Paediatrics recommends children watch no more than an hour or two of television a day. And children under two years shouldn't watch any at all. (The American Academy of Paediatrics 1999) <http://pediatrics.aappublications.org/content/104/2/341.short>

<sup>8</sup> Communications Minister Conroy's media release: Digital children's channel for ABC (22.4.2009) [www.minister.dbcde.gov.au/media/media\\_releases/2009/028](http://www.minister.dbcde.gov.au/media/media_releases/2009/028)

## 2. Commercialisation & Privatisation

Public broadcasting exists precisely because broadcasters that operate along commercial lines do not provide adequately, if at all, many types of programming that are in the public interest, such as regional programming.

The commercial outlook of senior ABC management and some of the commercial activities in which the ABC now engages mitigate against production of the sort of programming that distinguish the ABC from commercial broadcasters. The public broadcaster's focus is being diverted from its *raison d'être*: to produce and broadcast programming that is independent, innovative, informative and educative, quality entertainment, and programming which may only be of interest to smaller audiences, such as specific regional audiences in some instances.

At the expense of its traditional responsibilities, ABC television programming, in particular, has moved in favour of programming that:

- a) **ABC management expects to have widespread appeal**; i.e., programming which is populist and risk averse. Even some factual programming has less depth and is tending toward being 'infotainment'.

The ABC now largely measures its success by ratings<sup>9</sup>, which may measure, as ABC presenter Phillip Adams aptly pointed out, bums on seats but not minds engaged.

This is not to say that the ABC has always achieved its aim. Some of its drama has been so bland that it failed to achieve the ratings by which ABC management now overwhelmingly measures program success;

- b) **generates other revenue** (eg., cookbook sales, spin-offs from children's programming); and/or
- c) **the ABC expects will be more saleable** to other networks and content distributors; i.e., programs which are likely to be of interest to audiences beyond the ABC, including international audiences.

### **Outsourcing**

The ABC has moved away from a mixed model of television production, in which the ABC once produced in-house a broad range of programming, to extensive outsourcing of non-news and current affairs programming to the private production sector. For example, no Australian drama is any longer produced in-house by the ABC, and the ABC no longer has an in-house documentary department – leaving only a small amount of in-house documentary programming which is made by the ABC's News Division.

Information on why this has happened is contained in *Appendix D. Why the ABC is outsourcing*.

The back-door privatisation of ABC television that is occurring is having a detrimental impact on ABC programming in many ways. It also has implications for regional diversity in ABC programming – both in the nature of television programs that are produced by the private production sector and its impact on the ABC's interest and capacity to deliver other sorts of programming.

- a) There are some exceptions, but outsourced programs are often not dissimilar to those of commercial broadcasters because they are produced with later sales to commercial and overseas companies in mind at the outset, and by the same production companies that make programs for commercial broadcasters.

In other words, the programs are often produced to appeal to large audiences. This in turn results in everything needing to be entertaining and the focus being on costly, slick production values, not content of depth and quality. There is less likelihood the programs will reflect genuine regional diversity.

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<sup>9</sup> The comments of Mark Scott and some ABC networks heads over several years indicate that they view ratings as a prominent indicator of the success or otherwise of many ABC programs and networks.

- b) Major Australian private production companies already tend to be located in only two capital cities – Sydney and Melbourne.

And there is no reason to believe that the already small number of private producers with the capacity to achieve the physical production values the ABC expects in programming will not decrease in the future, shrinking diversity even further. (Cordell Jigsaw and Andrew Denton's *Zapruder's Other Films*, two Sydney-based recipients of ABC money have already merged in 2012 to become Australia's biggest privately owned production company.)

The focus of Australian producers is already becoming more international.

The outcome of extensive ABC outsourcing could turn out to be similar to the British experience:

Georgina Born, a Cambridge University anthropologist who was given unprecedented access to the inner workings of the BBC for her detailed study of Britain's public broadcaster, reported that outsourcing at the BBC during the 1990s had resulted in "risk-averse" centralised commissioning of programming and "decreasing autonomy for producers and writers", and had led to "lowest common denominator", "formulaic" programming.

[Note: the BBC outsourced a considerably smaller proportion of its television production than has the ABC.]

Born wrote of Channel Four, which the Thatcher government established as a public service channel that would buy-in all of its content: Initially many 'independent' production houses that made programs for Channel Four were hives of creativity and more like artists collectives. However, as the sector and profits grew, there were takeovers and mergers. External production houses became more like standard commercial operations and increasingly risk averse. "A number of the most successful independents were bought up by larger, sometimes international cross-media groups" and "no longer enjoyed the autonomy of dedicated creative organisations". The high profile and extraordinary riches accruing to the successful independents sent a signal to the rest of the independent sector to "think international not national". "The sector was increasingly dominated by business logics, the inexorable drive to complete, and the search of higher productivity and profits ...."<sup>10</sup>

- c) The private production sector presently relies on many people whose experience was gained at the ABC or had been assisted by its creative production staff and managers. It is highly unlikely to devote the levels of resources to training as the public broadcaster has done, let alone provide the secure employment that is needed for development and to prevent talented people being lost from the industry. If the ABC is allowed to almost entirely hand over its television production to the private sector, where will highly skilled program-makers come from in the future?

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<sup>10</sup> Dr Georgina Born BSc(Lond), PhD(Lond) is College Lecturer in Social and Political Sciences and Director of Studies; Reader in Sociology, Anthropology and Music; and Official Fellow of Emmanuel College, Cambridge University. She is the author of *Uncertain Vision: Birt, Dyke and the Reinvention of the BBC* (Vintage 2005)

- d) In dismantling its own production capacity and outsourcing so much of its television programming, the ABC is weakening its bargaining position with the private sector and abandoning its ability to control production costs in the future.

Already, the ABC is pushing up the cost of outsourced programming. Production companies which have achieved success as the result of the public broadcaster's assistance and exposure become a more expensive commodity for the ABC to purchase for further productions.<sup>11</sup>

The result is that even more funding is drained away from other networks and areas of ABC programming.

- e) With a strong financial incentive to gain even more public money through ABC outsourcing, the private production sector, represented by the Screen Producers Association of Australia (SPAA), is lobbying for outsourced programming to be favoured over other areas of ABC programming.
- (i) SPAA, lobbies politicians to have the Federal Government direct ABC expenditure to the areas of programming which the ABC outsources to the private production sector. In the Rudd-Gillard Labor Governments' only Budget to address ABC funding so far<sup>12</sup>, a large amount of funding was targeted to a program area to be entirely outsourced to the private production sector, local drama; while other important areas of ABC programming were overlooked.
  - (ii) At the 2011 Senate inquiry into ABC programming decisions, Nick Murray, the head of a private production company which had lodged a joint submission with four other production companies and a former president of SPAA, argued to have the ABC shut down particular local production so that more ABC resources could be directed to the private sector.<sup>13</sup>
  - (iii) More recently, SPAA sought and secured from the Government's Convergence Review a recommendation that the Australian content quota which sets minimum levels of Australian adult drama, documentary and children's programming for commercial television<sup>14</sup> be imposed on ABC television.<sup>15</sup>

There is no evidence that the ABC's failure to produce high levels of programming in these areas on any occasions has been a lack of will. On the contrary, with more funds, in the past the ABC's level of production in these areas was greater than that of the commercial networks.

If adopted by any government, the recommendation would undermine the ABC's editorial independence. In instances that the ABC is under-funded to fulfil its Charter responsibilities, it would result in the programming area that is now almost entirely outsourced to the private

<sup>11</sup> For example, leaked information in 2011 revealed that the ABC was paying the Chaser team's production company Giant Dwarf \$1.2 million for The *Hamster Wheel* series (\$150,000 per episode for the eight-part series), as well as providing production staff and facilities. The total cost of \$3.2m (\$400,000 per half-hour episode) made this co-production one of the most expensive shows on the ABC.

In contrast, the costs for two weekly internally produced half-hour programs which the ABC decided to axe at that time was: *The Collectors* \$122,000 per episode and *Art Nation* \$2 million a year. *Collectors* was produced in Tasmania, and *Art Nation* was Melbourne-based.

<sup>12</sup> The ABC is generally funded on a triennial basis. Its funding will next be considered in this year's Federal Budget.

<sup>13</sup> *The Inquiry into recent ABC programming decisions* of the Senate Environment and Communications References Committee (2011), Hansard (26.9.2011), p. 1-2

<sup>14</sup> Broadcasting Services (Australian Content) Standard 2005. (available from the Australian Communications and Media Authority [www.acma.gov.au/WEB/STANDARD/pc=PC\\_91809](http://www.acma.gov.au/WEB/STANDARD/pc=PC_91809))

<sup>15</sup> *A Three-Tier Convergence Model of Television/New Media Service Provision and Regulation*, Additional SPAA submission to Convergence Review (Nov 2011) p.4, 1.5 The Model in Practice

SPAA submission in response to the Convergence Review Panel Interim Report (10 Feb 2012) Page 3: "SPAA welcomes the Panel's recommendation to extend the existing content standard provisions to the ABC for adult drama, children's programming and documentary ..."

Convergence Review Final Report (March 2012)

production sector being favoured for resources at the expense of other equally important ABC program areas and networks.

As an under-resourced community organisation, Friends of the ABC does not have the resources to monitor, let alone match, the lobbying power and influence of, the private production sector. Who will ensure that the community's interest for diverse, quality programming is maintained and that ABC programming does not come to be determined by vested financial interests?

### 3. Increased ABC centralisation

The level of centralisation of the ABC's corporate and editorial management and the location of so many of its major national services in a single city is unacceptable for a national broadcaster. And it results in less genuine diversity, including regional diversity in programming.

The ABC's increased centralisation in recent years appears to have resulted from:

- the absence of adequate funding. Centralisation delivers cost-efficiencies in some areas of operation.
  - an interest of some senior managers to transform the ABC from a creative producer of programming with specialist program units and a larger number of people who create and commission diverse content, into a contract manager where a smaller number of managers purchase and commission outsourced content.
1. The more that ABC operations are centralised, the more likely it is that programming decisions will favour the state in which a program is based, to the disadvantage of other states. It is common behaviour for people to favour for information, advice and in business dealings, people known personally to them or known personally to others they know.
  2. States outside the state in which the ABC is centralised are also disadvantaged if they do not have a fair share of national programming production. The editorial content of national programs is often influenced by the culture and interests of the state in which it is produced. There are wonderful exceptions like the ABC's esteemed science presenter, Robyn Williams, who scours the country, and indeed the world, for people who can give the best expert commentary. But there are other national ABC programs that rely too heavily on vox pops and experts drawn from their own capital city. In the case of television panel shows, that can be inevitable due to the cost of flying people in.  
  
All states should be entitled to produce some national programming on all national ABC networks.
  3. Australians have a strong attachment and enthusiasm for the ABC. They want to participate in their national broadcaster in more ways than are provided by online and telephone. They want to physically come into the ABC's premises, to see the people whose programs they value, to watch an ABC show being made, and to be in an ABC audience.

As ABC television programming becomes increasingly centred in Sydney, this relationship with the ABC is increasingly denied to people in other capital cities.

With the ABC no longer able to afford to conduct open days for the community, in recent years, these events rarely, if at all, occur in capital cities outside of Sydney.

### 4. A view that localism is met through radio and online

It is possible that ABC management may believe that it is sufficient to meet the broadcaster's responsibility to states outside of NSW and Victoria almost entirely through online and radio programming. That is not a position that Friends of the ABC or many people who live in the capital cities of other states and territories accept.



## **5. Lack of transparency and consultation with the community**

The commercialisation and privatisation of the ABC, which is in turn influencing the ABC's programming priorities, has been occurring without the authority of the national broadcaster's owners, the people of Australia. The community has not been informed, let alone consulted, on the ABC Board's vision for the ABC and the commercial direction in which the ABC's management is moving the public broadcaster.

The community is entitled to know if the ABC has not been adequately funded to fulfil all of its Charter obligations to a high standard. An Act of Parliament specifies a role for the ABC and the community should know if the ABC is not resourced to meet it.

The community is also entitled to fuller information than the ABC presently makes available about the broadcaster's network and program priorities, and how ABC management is spending public money.

The public has every right to know, for example, how much the ABC paid to purchase a program or to have it privately produced. And if the excuse offered to deny such information is 'commercial-in-confidence', then lack of transparency and accountability with public monies is yet another reason why the ABC should return to producing more of its own programs.

## **D. Radio – local and regional radio, and national radio transmission**

### **1. Local Radio**

Since 1996, the diversity of presenters on capital city local radio stations has declined. A smaller number of presenters have had to fill on-air time; while resources for television production, which is outsourced to private producers in Sydney and Melbourne, have increased.

Some capital city radio stations have become more focused on personality, and less on quality content. Many regional ABC listeners who had previously tuned only to their capital city radio station, have now moved across to Radio National.

People want to be informed about what is happening in their own state. The community should be entitled to have quality local radio programming too.

### **2. ABC regional radio**

Regional ABC radio stations (referred to by the ABC as ‘local’ radio) broadcast more ABC national and capital city radio programs in prime time-listening hours than content local to the areas which they service.

Local programming is generally provided by a single news journalist, a producer, a presenter and a station manager/presenter.

With the exception of local news bulletins throughout the day, local programming (which is interspersed with ABC state and national radio news and national radio current affairs), is finished by 11am on weekdays and is non-existent on weekends.

Local radio stations broadcast a one-hour program on weekdays, *Country Hour*, a version of which is produced in each state and syndicated to all ABC regional radio stations in that state.

Weekends and the remainder of weekday afternoons are filled with the programs of ABC capital city and national radio stations.

It makes sense to include state and national news and current affairs programs on regional radio. People in rural and regional Australia are interested to know what is happening in other parts of the country and the world too.

However, they should be entitled to have more genuinely local programming, instead of capital city and national programming that most already have the option to tune to directly if they want.

One area in which the ABC provides an outstanding regional service is regional radio in times of crises in regional and rural Australia. The community can tune to local ABC radio stations for critical local information. After the devastating Queensland floods and Victorian bushfires, the ABC also helped in the healing process and was part of the glue that binds communities together.

The vital role played by the ABC in disseminating information during those emergencies and in the recovery efforts afterwards would not have been possible without the relationship built between the ABC and its audience: the relationship of not only a national broadcaster but a part of the local community.

### **3. National radio transmission**

People in all parts of Australia should be entitled to access the ABC’s national programming. Yet sizable pockets in major regional areas exist where residents report to Friends of the ABC that they experience serious problems receiving clear and consistent Radio National reception. FABC receives complaints, for example, from people in Beechworth and parts of the Latrobe Valley in Victoria, and Armidale in the Northern Tablelands in NSW.

## **E. Research needed on the extent and nature of the decline in ABC regional programming**

Senior ABC management and the former ABC Board have not been publicly transparent about the amount of funding that is needed to fulfil the ABC's Charter to a high standard or the type of public broadcaster into which they are seeking to mould the ABC.

When challenged about activities which engender strong public opposition, the usual response of ABC senior management is to deny the extent of the activity and/or seek to neutralise opposition with misleading information and spin.

FABC has no reason to expect that the ABC management will be any more frank or forthcoming with useful information to the present Inquiry.

FABC Western Australia and FABC Tasmania, which are party to this submission for FABCs Australia-wide, have also made separate submissions to this Inquiry. Information provided by FABC NSW and FABC Victoria is on Appendices A and B of this submission.

The FABCs which are party to this submission support the broad thrust of state Friends of the ABC submissions to this inquiry, which include some important information about program and production capacity loss in those states.

However, FABC does not have the resources to adequately research the extent of the decline in regional ABC programming that has occurred. Nor is it aware of any other body that exists to represent the community's interest that has the mandate and resources to prepare such data.

Some ABC staff who could have provided valuable information have already left the organisation in earlier forced redundancies, with some of those who remain being away at this time of the year when the ABC scales down to save funds.

Accordingly, we request that the Committee commission research of its own. Such research would facilitate the Committee's efforts to obtain data from the ABC which is relevant, and to assist it to measure changes in the ABC's commitment to reflecting and representing regional diversity.

The research might determine the type of data that is needed to provide a full and accurate picture, and locate relevant past data as a basis for comparison – for example, from documents such as ABC annual reports, corporate plans and past submissions to government inquiries, such as the ABC's 1998/99 submissions to the Inquiry into Effects of Government Funded National Broadcasting in Victoria.<sup>16</sup>

The research would also assist the Committee to determine if dates for which the ABC supplies data provide a useful basis for comparison. This is important because changes in the amount of ABC regional programming were sometimes influenced by external factors at a particular time (eg., public and/or political pressure), and were not always lineal.

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<sup>16</sup> ABC written submissions to the Inquiry into Effects of Government Funded National Broadcasting in Victoria of the Victorian Joint Parliamentary Economic Development Committee: Submission (2 Oct 1998), Supplementary Submission (March 1999), and Second Supplementary Submission (30 April 1999)

## F. Conclusion & Recommendations

The erosion of ABC regional programming and the capacity of capital cities outside of Sydney to contribute to ABC national programming is a symptom of the public broadcaster's inadequate funding, and its increasing commercialisation and privatisation.

If the underlying causes are not addressed, the ABC will continue to withdraw from its responsibility to reflect the diversity of voices and interests across the country. It will cease to be a truly independent alternative to commercial broadcasters and to be relevant to all Australians.

Friends of the ABC urges the Committee not only to consider the ABC's commitment to regionalism and state-based production, but to make recommendations that will address its causes.

### Recommendations

#### Research

1. The Committee commission research with regard to each state and territory, to determine:
  - a) what changes have occurred to the amount, nature and resourcing of regional programming produced in each state/territory; and
  - b) what changes have occurred to the amount, nature and resourcing of national programming produced in each state/territory

#### Funding

2. A review be undertaken into the adequacy of the ABC's funding. The review should consider the level of funding that is required for the national broadcaster to:
  - a) properly provide its existing services; and
  - b) fulfil its Charter and other responsibilities specified and implied in the ABC Act to a high standard, including the production in-house of the overwhelming majority of its local television content in each program genre<sup>17</sup>, and with all local news and current affairs continuing to be produced in-house.  
The findings of the review to be made public.
3. A legislated funding process and/or formula be introduced to ensure the ABC is well funded to provide its existing services and fulfil its responsibilities, as specified in the previous recommendation; and to ensure the ABC Board, not governments or external interests, determines how the ABC allocates its funds to meet its Charter commitments.

#### Stop the commercialisation and privatisation of the ABC

4. Amend the ABC Act to
  - a) specify the responsibility of the ABC to produce the overwhelming majority of its local television content in each program genre, and with all local news and current affairs continuing to be produced in-house; and
  - b) prohibit the ABC from engaging in commercial activities that risk influencing the integrity of its programming or compromising its Charter obligations
5. Replace the present systems of government assistance to private producers with one that delivers assistance in a manner that supports private producers without making it cost-ineffective for the ABC to produce in-house the overwhelming majority of its own local programs in all program genres.

#### ABC Advisory Council

6. The Committee commission an independent and public review of the ABC Advisory Council to report on a role, structure, operation, and process for appointments to the Council that will result in the Council being effective; and with the review to consider if the establishment of state and territory-based advisory councils should become a requirement, instead of an option for the ABC as is presently provided for in the ABC Act 1983 (Section 11).

<sup>17</sup> The ABC Act 1983 does not specify that the ABC is to be the producer of local programming it broadcasts, simply because it was taken for granted. In the first Australian Broadcasting Commission Annual Report to Parliament 1933, the Commission distinguishes between the role of commissioners and the staff of the ABC: "The Commission has taken the view that the function of its Members - as distinct from that of its Staff - is to supervise rather than create programs ..."

**Appendices:**

- A. ABC Victoria – *Friends of the ABC (Vic)*
- B. ABC NSW – *Friends for the ABC (NSW)*
- C. *Keep our ABC Creative & Commercial free* petition
- D. Outsourcing – Why the ABC is outsourcing

Submission to the Senate Environment and Communications References Committee  
Inquiry into the ABC's commitment to reflecting and representing regional diversity, Jan 2013.  
Prepared by Glenys Stradijot, Executive Officer/Campaign Manager, Friends of the ABC (Vic) Inc.  
for Friends of the ABC NSW, Qld, Tas, Vic and WA.  
Appendix B. ABC NSW prepared by FABC NSW.

Inc no. A0034181A

## **Appendix A. ABC Victoria – Friends of the ABC (Vic)**

### **ABC Victoria should be considered separately to Sydney**

The Committee's third term of reference may be interpreted as implying that Melbourne has benefited along with Sydney as a result of the ABC's increased centralisation of television production.

FABC believes that the situation of each state, territory and capital city with regard to ABC regional diversity should be considered separately by the Committee.

Melbourne's situation is not akin to that of Sydney, where the ABC's senior management is based, most of the ABC's in-house national programming is produced, and critical ABC production decisions are made.

Victoria has also suffered a serious reduction in ABC-produced television programming, albeit that it seems less obvious than in the smaller capital cities because ABC Melbourne's production base was larger at the outset.

### **TV**

The ABC no longer produces in-house any drama – in Melbourne or any other part of the ABC. It has all been outsourced to the private production sector. All documentary programming, except a small amount produced by the ABC's news division has been outsourced to the private sector.

Terry Norris, a stage and screen actor of many years spoke of ABC Victoria's television studios at the 2008 AGM of Friends of the ABC (Victoria):

“Ripponlea Studios were a powerhouse. Anyone who remembers those days at Ripponlea remembers an atmosphere of activity, of creativity, that younger members of the TV production world can only dream of. Continuous drama, variety, musical, rock, children's productions – plus opera and ballet, believe it or not!

The ABC production standards set the bar for the rest of the industry, and importantly, it was the premier training ground. You got your technical training at the ABC – camera, audio, design etc. You were the best and brightest in the business.

Today, Ripponlea is little more than a morgue.”

The ABC's acclaimed Natural History unit was shut down in 2007. The ABC television arts unit based in Victoria was closed in 2011.

There is no guarantee that in the future ABC Victoria will retain what little television production it has left. Only a single studio in the new Melbourne Accommodation Project is scheduled to replace the three studios that will be lost with Ripponlea's planned closure. And there is no guarantee that that studio will be used for ABC production, rather than hired out to the private sector, as has become common practice with ABC television production facilities.

FRIENDS OF THE ABC NSW (FABCNSW) (SUPPLEMENTARY) SUBMISSION TO:

**THE SENATE STANDING COMMITTEE ON ENVIRONMENT AND COMMUNICATIONS - INQUIRY INTO THE AUSTRALIAN BROADCASTING CORPORATION'S COMMITMENT TO REFLECTING AND REPRESENTING REGIONAL DIVERSITY.**

Addressing Terms of Reference in turn:

- (a) The commitment by the Australian Broadcasting Corporation (ABC) to reflecting and representing regional diversity in Australia – FABCNSW submits that:
1. While FABC commends the creation of ABC 3 for Children and the many other children's and young adult programs on other ABCTV Channels, there are apparent gaps developing in coverage on topics relevant to the rural and regional audience, due to:
    - the increasing age of the rural population, resulting from the reported migration of young rural people to the cities, especially on completion of tertiary training; and
    - the fact that the numerous Baby Boomers are beginning to retire, and are becoming sea- and/or tree-changers in coastal/rural areas.

As a result, a large audience for programs aimed at this older demographic is developing, especially in the rural and regional areas which are under the Senate Committee's consideration. Currently, except for repeats of some old British-made programs of the "dear-old" or "grumpy-old" type, the ABC makes/shows very few TV programs specifically with retirees in mind. Few "rural elder" specific programs on such topics as Australian rural health, lifestyle, cooking or history programs are made.
  2. Such regionally-aimed programs would also be of interest to city audiences of who currently do not have as much contact with country dwellers as was more common up until approximately 40 to 50 years ago when most people had close family in country areas.
  3. We constantly hear of the need for more rurally-based professional workers, but if city-trained professionals have no concept of the advantages of a rural lifestyle, this need will go unfulfilled. The ABC has a unique opportunity, if not a duty, to provide programs on such topics over and above the excellent "Countrywide" program which is not shown or repeated in prime time.
  4. With the current gradual roll-out of the NBN services, there will be an expansion of online usage in rural areas, which will greatly expand the need for the ABC to produce more of its excellent informative online material but aimed specifically at the rural demographic.

(b) The impact that the increased centralisation of television production in Sydney and Melbourne has had on the ABC's ability to reflect national identity and diversity:-

1. Being based in New South Wales and having a majority of members in the city of Sydney, FABCNSW, despite some very active regional branches, could perhaps be seen to be limited in our contribution on this matter. We, however, maintain that all Australians wish to have reasonable knowledge of and information on all parts of Australia.
2. While there have been documentaries and dramas based on events in the lower population states, there are also considerable gaps in this coverage, with examples being quoted by at least one of our committee members of a person of wide reading and with triple University qualifications being in total ignorance of the existence and the drama surrounding the origin of the Perth to Kalgoorlie pipeline which celebrated its 100 anniversary of delivery water to the waterless goldmining centre.
3. While Western Australia's mining boom has focussed more attention on that state, South Australian citizens other than politicians are seldom represented on ABC screens, with a pair of New South Welshmen presenting the "Two in a Tinnie" Lake Eyre documentary and, of necessity, the ABC helicopter crew tragedy involving three ABC experts from other states. Queensland and Tasmania owe most of their recent coverage to natural disasters.
4. A notable exception must be recognised in the excellent Torres Strait/Cairns crime-family drama and various documentaries on an infamous death-in-custody case.
5. In summary, we consider there is great scope for broadening both documentary and dramatic stories of states other than NSW and Victoria, even if the ABC staff involved have to be re-located to Sydney or Melbourne production units to develop such programs, due to financial constraints.

(c) Any related matters.

1. The only related matter referred to under Terms of Reference (a) above, is the matter of the growing demographic of older people across Australia in both the regions and the cities, but especially in the rural areas due to youth migration to cities and city retiree migration to the coastal and rural areas. We believe that the ABC has both the opportunity and the duty to provide relevant programs specifically but not necessarily exclusively of interest, education and support of this demographic.

SIGNED: MAL HEWITT, PRESIDENT      JAMES BUCHANAN, SECRETARY TREASURER

FRIENDS OF THE ABC, NEW SOUTH WALES (INC).





## Appendix D. Outsourcing – why the ABC is outsourcing

Outsourcing of ABC television production began to escalate after the appointment of Mark Scott as Managing Director and Kim Dalton as Television head in 2006. It appears to have occurred as the result of:

### 1. Inadequate funding

Information on the inadequacy of ABC funding is in footnotes associated with the body of FABC's submission.

### 2. The commercial outlook of the ABC's managing director, Mark Scott, and its Television head, Kim Dalton.

Kim Dalton had a long association with the private production sector prior to his appointment at the ABC, and is well known for his support of it.

### 3. The way in which government support is provided to the private production sector

Due to the way in which the government supports the private production sector, it has become cheaper for the ABC to buy/commission some types of programming from the publicly-subsidised private sector than to produce them itself.

This occurs not because the private production sector is more cost-effective than the ABC in the production of programs of commensurate quality.

On the contrary, it is reasonable to assume that ABC production of many types of programs would be more cost-effective, given the public broadcaster's existing facilities and infrastructure, long-standing experience, archives and greater pool of resources and staff. (That is, assuming that fair and reasonable working conditions and health and safety standards apply similarly across the ABC and the private production sector.) Add to this that the cost of ABC production does not include a profit component, and the ABC does not pay tax.

It happens because the system of public support for the private production sector results in the private production sector being able to sell to the ABC some types of programming considerably more cheaply than the ABC can produce it itself.

Public assistance to the private production sector is delivered through the provision of tax offsets and funding from government (federal and state) film and television funding agencies. The ABC is denied direct access to these forms of financial assistance because they are intended to assist the private sector, and not the ABC. The ABC is meant to be adequately funded directly by the Federal Government.

This method of funding has resulted in a strong incentive for the cash-strapped ABC to commission some types of programs, which private producers can afford to provide for a lower cost because the private producer has been publicly subsidised, instead of produce them itself.

Note: Although the ABC would be technically unable to access a tax offset because it is an untaxed public body, it was also barred from Federal Government support when the assistance was previously delivered through direct subsidy.