

SUBMISSION BY
MEDIA, ENTERTAINMENT & ARTS ALLIANCE
TO
DEPARTMENT OF BROADBAND, COMMUNICATIONS AND THE
DIGITAL ECONOMY
REGARDING
ABC AND SBS: TOWARDS A DIGITAL FUTURE
DECEMBER 2008



The Media, Entertainment & Arts Alliance

The Media, Entertainment & Arts Alliance (Alliance) is the industrial and professional organisation representing the people who work in Australia's media and entertainment industries. Its membership includes journalists, artists, photographers, performers, symphony orchestra musicians and film, television and performing arts technicians.

Executive Summary

The Media, Entertainment & Arts Alliance appreciates the opportunity to make a contribution to the review of the ABC and SBS.

In particular, the Alliance welcomes the comments made by the Minister for Broadband, Communications and the Digital Economy in the Foreword to the Discussion Paper, *ABC and SBS: Towards a digital future*, that “To move confidently into the future, the ABC and SBS must have a clear vision and direction that is supported by creative and responsible public policy and the provision of adequate funds.”¹

The Alliance appreciates the current Government’s commitment, made in the lead-up to the last Federal election, to “provide funding on a triennial basis to the ABC and SBS to ensure they can deliver quality public broadcasting services, including substantial levels of Australian content. Labor will amend the ABC Charter to mandate minimum levels of Australian drama on the national broadcaster, reflecting the similar obligations that apply to commercial television networks. Labor will support innovative opportunities offered by ABC and SBS digital channels for enhanced arts programming and audience growth.”²

That the national broadcasters and the ABC in particular are valued by Australians has long been known.

The ABC’s annual reports track the views of the Australian public regarding its value to them as audiences. In 1996, the Mansfield Report noted the astonishing levels of public support for the ABC finding that the ABC had a brand recognition and brand support that would be the envy of corporate Australia.

Australia’s national public broadcasters have struggled with insufficient funds for more than a decade in what has been a rapidly changing media landscape. The ABC operates three television networks, six radio networks and one of the largest suites of online services in Australia’s media on an annual budget less than that available to any of the commercial free to air television broadcasters with whom it competes for audiences. It is not, therefore, surprising that sacrifices have been made – seen most starkly in its inability to produce and broadcast the same levels of first-release Australian drama programs as its commercial free-to-air competitors.

One stark example illustrates the point.

In 2006-2007, the ABC broadcast only seven hours of first-release Australian drama programming. By comparison, for the calendar year 2006, the Seven Network broadcast approximately 184 hours, the Nine Network 88 hours, and the Ten Network 188 hours. The gap cannot be made up without adequate funding.

That Australians want to see more first-release Australian drama, together with more children’s programs and documentaries, on the ABC is demonstrated by a recent Newspoll survey commissioned by the Alliance.

That study found that 64 per cent of Australians think the level of government funding to the ABC should increase so it can broadcast more Australian drama programs, 65 per cent think the level of government funding to the ABC should increase so it can broadcast more Australian children’s television programs and 79 per cent of Australians think the level of government funding to the ABC should increase so it can broadcast more Australian documentary television programs.³

¹ *ABC and SBS: Towards a digital future*, Department of Broadband, Communications and the Digital Economy, October 2008, page 1.

² *New Directions for the Arts: Supporting a vibrant and diverse Australian arts sector*, Australian Labor, September 2007, pages 11-12.

³ This Newspoll research was conducted by telephone in November 2008 among a representative sample of n=1200 adults aged 18+ nationally.

In a separate survey, also conducted by Newspoll in November, again commissioned by the Alliance, 69 per cent of Australians were found to think that the federal government should regulate the minimum amount of Australian programs broadcast on the ABC. The same survey revealed that 64 per cent of Australians think it is important for Australians to be able to access Australian programs on new media platforms, including 31 percent who think this is very important, and with overall support strongest amongst those aged 18 to 34 at 76 per cent.⁴

Thus with such strong support for Australian programming on the ABC, what needs addressing is enhanced funding in line with the Labor Party commitment made in 2007.

Speaking at the *Australia – You’re Watching It* Conference held at the ABC in December, ABC’s Managing Director, Mark Scott, observed that changes in Australia’s media landscape are accelerating rapidly. By 2009, there will be 15 free-to-air television channels. Australia will be counting down to the transition from analogue to digital, watching the rollout of higher speed broadband, watching internet television including ABC’s new i-View, watching mobile content, seeing the delivery of financial support for the film and television industry from the new federal funding agency Screen Australia operating alongside new film tax offsets and, with the global financial crisis, observing changes in media ownership and dramatic changes to how and where advertising dollars are spent – a “perfect storm”.⁵

As our national broadcasters seek to position themselves in the midst of a perfect storm, it is timely that the review into their funding is being undertaken now.

As many commentators have noted, the role of public broadcasters in the twenty first century will become more important than ever and it is consequently essential that they be funded appropriately to face the challenges and opportunities ahead.

⁴ This Newspoll research was conducted by telephone in November 2008 among a representative sample of n=1200 adults aged 18+ nationally. New media platforms were defined as new ways that television programs will be able to be delivered in the future, including through the internet and on mobile phones.

⁵ Mark Scott, ABC Managing Director, speaking on 1 December 2008 at *Australia – You’re Watching It*, a conference mounted by the Media, Entertainment & Arts Alliance with the ABC, Screen Australia and the Australian Children’s Television and held at the ABC.

The role of national public broadcasting

The Discussion Paper summarises the primary objectives for national public service broadcasting drawing on the objectives set out the Australian Broadcasting Corporation Act 1983 (the ABC Act), the Special Broadcasting Service Act 1991 (the SBS Act) and the Broadcasting Services Act 1992 as:

- Universality
- Localism
- Australian content
- Comprehensive and diverse programming
- Diversity of news and information
- Education
- Innovation and quality.

The Discussion Paper notes that these objectives were developed in the analogue era and before the advent of the internet.

In 2004, in its Review of Public Service Broadcasting, Ofcom identified the following as the four basic objectives identified in the Communications Act for public service broadcasting:

- “social values: education, cultural identity, informing the democratic process, supporting a tolerant and inclusive society;
- “quality: production values, standards, innovation;
- “range and balance: treatment of a range of subject matters across different genres, sub-genres and formats at all times; and
- “diversity: catering for different/minority audiences and communities.”⁶

The Discussion Paper posits that by 2020, with a proliferation of services available to users, “traditional broadcasting may not continue to hold the same degree of influence it had in an analogue world”.

The Alliance considers this proposition likely to be true at one level but untrue at another. Both SBS and the ABC have been early media adopters of new technology. They are already multi-platform, multi-channel broadcasters.

Whilst their primary free-to-air television channel – be it analogue or digital – may in the future, by one interpretation, not be seen as influential as was the case last century, it is likely to remain the basis on which all their respective services are built. Both organisations started with radio and added television later. More recently, both established an online presence and both now operate a second digital channel. The manner in which the output of their broadcasting services has enabled the building of their on-line presence has not diminished the influence of one platform over the other but rather has enhanced the whole brand – a range of services comprising media organisations.

Audiences turn to both for the trust they have in their brands – it matters less whether they choose to look on-line, watch on television or listen to the radio.

The high levels of confidence in and satisfaction with both SBS and the ABC are what matters. It is their role in nation building and their pervasive national reach that makes both institutions important glue in the fabric of a functioning democracy. In their role as public service broadcasters, they are distinguished from their competitors by virtue of the fact that their audience is comprised of citizens whereas commercial media must in the first instance approach their audience as consumers.

⁶ *Ofcom Review of Public Service Broadcasting*, Ofcom, 2004, see online at <http://www.ofcom.org.uk/consult/condocs/psb/psb/effectiveness/>

Questions:

- A traditional function of the ABC has been to provide “comprehensive broadcasting services” – programming that appeals to a wide range of tastes and interests.
 - How should the ABC fulfill this function in a multichannel, multiplatform media environment? Should this function be reconsidered?
- The principal function of SBS is to provide multilingual and multicultural broadcasting services for all Australians, reflecting our multicultural society.
 - Is this an appropriate function for SBS in a 2020 media environment and, if so, how should it harness the available digital technologies to fulfill this function?
- Should the Australian Government consider amending the charters of the ABC and SBS to ensure they provide a contemporary and relevant guide for the organisations on the path to 2020? If so, how?

The Alliance believes it is essential that the ABC continue to be a comprehensive broadcasting service. It consistently demonstrates that it can deliver high-quality, niche-market programs that command audiences in a manner undertaken nowhere else.

The ABC has been the home of specialist units that, with recent innovations like its on-line presence and the rapid take-up of podcasting, are now achieving international reputations for quality and distinctiveness. *Four Corners*, for example, is leading the way in on-line journalism.

Radio National, home of radio specialist units, is responsible for half of the programs podcast. Specialist units within the broadcaster enable the creation of exceptional work – in health, the law, religion, investigative journalism, rural and agricultural news, media, science, literature, sport, music and the arts. Arguably, there should be more specialist units, not less, to ensure that the ABC can continue to deliver a truly comprehensive service. The termination of Radio National’s *Media Report*, *Sports Report* and *Religion Report* this year was lamentable – and much commented on by the general public. Also missed are the specialist programs dedicated to education, the environment and arts programs like *Arts Today*. Not only should they also be returned to the schedule but they could and should be augmented by further specialist programs in such areas as economics, technology, planning and sustainability, and foreign policy and open as forums for citizen input.

In a multiplatform, multichannel media environment, the ABC is better able, if resourced to do so, to provide a truly comprehensive high quality service, able to appropriately address niche tastes and interests.

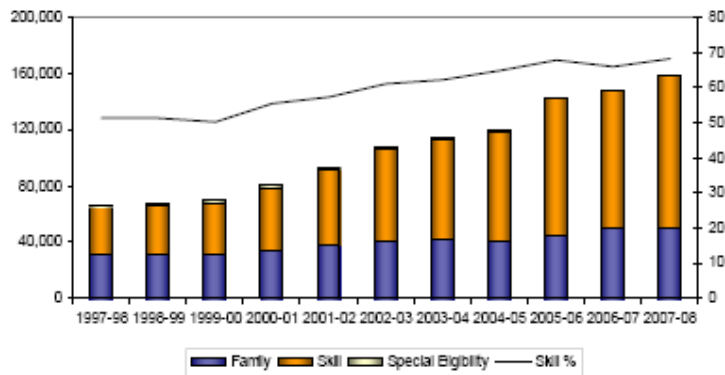
The need to do more and more with less and less has resulted in such cuts in specialisation and in an era where the ABC will have more opportunity to present more programs in an increasingly multiplatform world, it must be resourced to enable it to build on its existing strengths. The ABC has built its brand on the quality of its output. More and more with less and less is not the blueprint for quality and its capacity to broadcast first-run Australian programs is increasingly compromised.

The ABC and SBS were provided with the funding to digitise – the infrastructure for the digital environment – but have not been provided with the funding for the content that the infrastructure was built to deliver. Effectively, they have been funded to provide the equivalent of empty pipes.

In a country where, in 2006, 4,416,037 of its population were born overseas, where more than 430 languages are spoken, where 4,273,955 speak a language other than English at home⁷ and where migration has been steadily increasing for a decade, it is difficult not to conclude that the SBS is as necessary a service as it has ever been. Its radio services, broadcasting in 68 languages, are unique and are as necessary now as they have ever been since they were first established.

⁷ 2006 Census data, Australian Bureau of Statistics, see online at <http://www.abs.gov.au/websitedbs/d3310114.nsf/home/Census+data>

Migration Program Outcomes 1997-98 to 2007-08⁸



The Alliance considers that the charters of the ABC and SBS could usefully be amended to reflect the multiplatform, multichannel and the non-broadcasting online nature of the media landscape in which they now operate.

Harnessing new technologies to deliver services

Questions:

- What is the appropriate role for the national broadcasters in the conversion to digital television and the implementation of digital radio?
- Are there opportunities for the national broadcasters to more effectively fulfill the objectives of universal access and the provision of local content by utilising new delivery platforms such as broadband internet?
- The national broadcasters, particularly the ABC, have substantial archives of material. Are there ways these archives can be more effectively used and accessed?
- Is there a role for the national broadcasters to be early adopters of new technologies and program formats?

As the Discussion Papers notes, both the ABC and SBS have been early and successful adopters of new technologies, enabling them to broaden their audiences. The ABC's early foray into digital television broadcasting foundered only on the rocks of insufficient money. Its early online presence has become a formidable service built with such constrained resources that it is unlikely any other media organisation in Australia could have succeeded in the same way or deliver such high levels of quality material.

The ABC is seeking funding to enhance the diversity of its output, as is SBS.

The ABC is seeking additional funds to carry more arts and youth content for ABC2, a dedicated children's channel ABC3, a news and public affairs channel ABC4, an education channel ABC5 and a "best-of-overseas" channel ABC6.

SBS is seeking to have a total of four television channels by 2020.

Both currently broadcast two channels.

The Alliance supports the ABC and SBS being funded to broadcast additional services. However, given the number of overseas programs Australians are able to access, including on the ABC, the Alliance considers an ABC "best-of-overseas" channel unwarranted. Indeed, the Alliance considers the ABC should have a responsibility to deliver no less than 55 per cent Australian programming across all its channels – in line with the overall transmission quota that applies to the free-to-air commercial broadcasters.

⁸ Report on Migration Program 2007-2008, Department of Immigration and Citizenship, see online at <http://www.immi.gov.au/media/statistics/pdf/report-on-migration-program-2007-08.pdf>

Australia is now scheduled to switch off analogue in 2013. Take up of digital in Australia has been very slow.

The former Coalition government's failed initiatives to drive take-up have resulted in a much longer than originally anticipated timetable. By restricting competition, banning multichannelling by the commercial free-to-air channels, by not funding the creation of content for the multichannels allowed to the national broadcasters, by imposing genre restrictions on what the national broadcasters were able to broadcast on their multichannels, by mandating levels of high definition television (HDTV) in addition to the simulcast requirement for standard definition television (SDTV) and by too tightly defining datacasting, the industry was left with little to drive digital take-up. The only lever was provided by pay television switching to digital. Certainly, the offer of enhanced image quality was not enough to attract Australian consumers in any meaningful numbers. Pay television's switch to digital proved that it is enhanced content choice that will drive take-up – and those who were able to pay for enhanced choice have done so. That the previous government's transition agenda was doomed to failure is evident by the fact that analogue switchoff was to have commenced in 2009.

If anything can be learned from the last decade of failed policy it is that content is what will drive audiences to digital.

Australia cannot allow digital take-up to continue on its grindingly slow path. Without a sensible road map for digital take-up it is likely that by 2013 the Government will necessarily need to look at subsidising digital set top boxes for more than half the country's television households. Otherwise switching off analogue will return the majority of Australians to 1955 and life without television.

A more useful strategy would position the national public service broadcasters at the centre of the switch off strategy. If resourced to do so with increases in funding adequate to drive increased content creation and acquisition, the ABC and SBS could and should be central to the Government's plans to drive digital take-up in preparation for switching off analogue in 2013.

The recently announced and much touted Freeview appears to be adding only two channels not currently available to audiences now – the two new SDTV channels from Network Seven and the Nine Network – although what will be on offer on those channels is not as yet known. ABC2 and SBS's World News Channel are already available and have been for some time. Network Seven's HDTV channel has been available for a year for those with an HD tuner and Network Ten's sports channel is also available now.

With spectrum currently available on multiplex A and multiplex B, the national public service broadcasters could establish the new channels referred to above.

Properly funded national public service broadcasters should also be a key element in any strategy designed to drive broadband take-up.

The ABC already makes a considerable contribution to policy objectives of universal access and the provision of local content through its 60 Local Radio stations, two national radio networks, its television reach and its online presence.

Both the ABC and SBS will be able to further contribute to universal access and the provision of local content through their online presence once higher speed broadband roll-out is underway.

The Alliance understands that the ABC is keen to utilise the National Broadband Network to make its news, current affairs and science archives available online free of charge to Australians – a policy objective consistent with the conclusions of the Australia 2020 Summit that public broadcasting “be funded so that it can deliver to all Australians, wherever they live, free of charge” and that “public broadcasters [should be] a hub of the national conversation – the national ‘town hall’”.

Not surprisingly given their different histories, the SBS archive is not as significant a resource as that of the ABC.

A resource such as the one proposed to be made available by the ABC free of charge should be a further driver of broadband take-up.

Finally, as noted above, both national broadcasters have been early adopters of emerging technologies. Indeed, they have often set the standard for other media organisations.

Certainly, the ABC has established itself as one of the strongest, most trusted online brands in Australia, now reaching audiences internationally.

Its website has grown exponentially to the point where now it hosts five million pages and it pioneered the introduction of podcasting and vodcasting in Australia.

This innovative approach to new technology applications and reformatting material generated in other media to reach wider audiences is just the latest in a long history of innovation.

The public broadcasters have always pioneered innovative programs. Certainly, some of those programs have subsequently been picked up by commercial organisations – with some programs (like *Kath and Kim*) migrating to a commercial broadcaster or other programs simply setting new benchmarks in quality that have raised standards across the broadcasting landscape.

The Discussion Paper observes that there may be downsides to being innovators – “the risks of changing preferences or technologies that may fail to gain a critical mass or wide implementation.” The evidence for this is difficult to observe. Rather, the public service broadcasters have demonstrated a nimbleness that has given them significant advantages over the commercial operators – as the ABC’s success in new technology demonstrates.

The Alliance also considers that what has traditionally been understood to be “critical mass” in television broadcasting – audiences in excess of a million in prime time – will increasingly need to be rethought in a fragmenting media landscape. Critical mass is already viewed differently for those in subscription television. In any event, for national public broadcasters charged with specific remits that include the requirement to address the needs of niche audiences, and, in the case of the ABC, the need to be comprehensive, context is crucial and what might be “critical mass” for the commercial free-to-air broadcasters will necessarily be measured differently by the public broadcasters.

The Discussion Paper goes on to say: “In addition, the benefits of being an early adopter may not accrue to the national broadcasters themselves but to commercial service providers who take the product over once it is proven and expand it to the mainstream.” The Alliance considers that this is part of the role of national public service broadcasters – to take the risks that commercial providers are hesitant to take, to show the way forward and to continually seek to raise standards across the media landscape. This must surely be seen to be one of the benefits of supporting public broadcasters – better outcomes for the entire community.

Informing and entertaining Australians

The Discussion Paper notes the diversity of program types delivered by the national public service broadcasters but observes the low levels of first-release Australian drama programs, especially when compared with the output of the commercial networks which are required to deliver certain levels of programming in accordance with the Australian Content Standard.

In the lead-up to the federal election in 2007, the Labor Party made a commitment to “amend the ABC Charter to mandate minimum levels of Australian drama on the national broadcaster, reflecting the similar obligations that apply to commercial television networks”.⁹ Additionally, it undertook to “provide adequate funding on a triennial basis to the ABC and SBS to ensure they can deliver quality public broadcasting services, including substantial levels of Australian content”.¹⁰

Both broadcasters have been constrained by inadequate appropriation.

⁹ *New Directions for the Arts: Supporting a vibrant and diverse Australian arts sector*, Australian Labor, September 2007, pages 11-12.

¹⁰ *Ibid*, page 11.

In 1999, McKinsey & Company surveyed public service broadcasters around the world for the BBC. Discussing the results of that survey in his address, *Putting Quality First*, delivered to the Business/Higher Education Roundtable on 9 August 2000, ABC Chair, Donald McDonald summarised the McKinsey Report findings in this way:

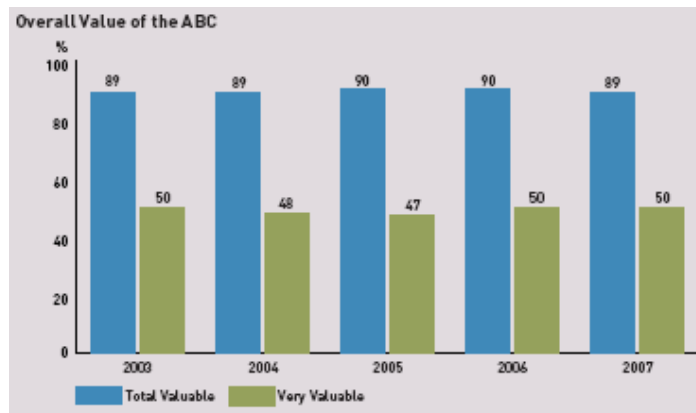
- public service broadcasters are probably more relevant than ever before;
- the best broadcasters are those which are truly the most distinctive and those that popularise new program formats;
- those with a clear mission or distinctive programming – a recognisable brand if you like – are likely to be most effective;
- the most successful are modernising their operations, reducing overheads and looking for new areas of activity as the market changes; and
- the better the quality of the public Broadcaster the better will be the quality of the country’s broadcasting system in general.¹¹

It can easily be argued that the ABC has, in the past, scored well against the above measures.

Ratings are of course one measure but, for a public broadcaster with its specific remit, ratings are not the only measure.

That the ABC has captured a place in the public imagining is demonstrated time and again. As noted earlier, in 1996 the Mansfield Report commented on the astonishing levels of public support for the ABC. The review attracted an unprecedented level of submissions – some 10,600. By way of comparison, most Government inquiries receive less than 100 formal submissions. Even the hotly debated Inquiry into the Workplace Relations (WorkChoice) Bill, which prompted some 5,200 submissions, cannot compare with the public interest the Mansfield Inquiry generated.

In June 2007, the ABC commissioned Newspoll to conduct the eighth ABC Appreciation Survey. Consistent with the findings of earlier such surveys, 89 percent of Australians “continue to believe the ABC provides a valuable service to the community, and half [50 per cent] believe it provides a ‘very valuable’ service”.¹²



The same Newspoll ABC Appreciation Survey found that one of the most striking changes from the previous survey related to commercial television, with “the number who feel it does a poor job of providing appealing content increasing from 47% to 54%, and a similar decline in the number who feel it is doing a good job.” However, and possibly related to the very low levels of first-release Australian drama on the ABC – a mere seven hours that year – the Survey found a small increase in negative perceptions about ABC Television up from 15 percent to 19 per cent.

¹¹ Available online at www.abc.net.au.

¹² *Annual Report 2006-2007*, Australian Broadcasting Corporation, page 35, see online at http://www.abc.net.au/corp/annual_reports/ar07/pdf/ar07_sec2.pdf

That Australian audiences want to see more Australian programs on the ABC is, as noted above, evidenced by the Newspoll surveys commissioned by the Alliance, one of which found that 65 per cent of Australians think the level of government funding to the ABC should increase so it can broadcast more Australian children's television programs, 64 per cent support increased government funding to enable more Australian drama and 79 per cent support increased government funding to enable more Australian documentaries to be broadcast.¹³

Consistently, the ABC has been at the cutting edge of program development, making the good popular and the popular good.

ABC television drama programs proved as popular as their predecessors on radio such as *The Lawsons* and the long running *Blue Hills* – from *Bell Bird* to *Certain Women*, *Mother and Son*, *G.P.*, *Phoenix*, *Janus*, *Wildside*, *White Collar Blue*, *SeaChange*, and *Grass Roots*. ABC mini-series have provided some of the most memorable television viewing experiences in Australia. Programs from *Seven Little Australians*, and *The Timeless Land* to *Come in Spinner*, *The True Believers*, *Police State*, *Bordertown*, *Brides of Christ*, *The Leaving of Liverpool* and *Changi* have shown Australian stories to Australian audiences.

It is easy to forget just how significant ABC drama programs have been in the history of television drama in Australia. For instance, the series *Bellbird* was a truly radical departure from the programming of the day. "A close relation of radio's *Blue Hills*, it was Australia's **first** stripped serial (programmed across successive nights) playing at 6.40pm Monday to Thursday, and was the **first** Australian program to establish a loyal TV serial audience"¹⁴ [emphasis added]. It ran for just over ten years.

Cutting edge drama programs like *Scales of Justice* (1983), sensational at the time, exploring as it did police corruption, paved the way for the truly groundbreaking dramas (based on real events) of *Police State* (1989), *Police Crop – The Winchester Conspiracy* (1990), *Joh's Jury* (1993) and the mini-series *Blue Murder* (1995). Such was the power of these programs that *Police Crop – The Winchester Conspiracy*, although rating highly around the country, has yet to be screened in New South Wales, the subject state of the program. It is only recently that a commercial network has repeated the ABC's success in dramatising real events with *Underbelly* – it also has been banned in the state in which the events it dramatises occurred.

The ABC's track record in comedy programming speaks for itself. Pushing the boundaries, its initiatives in programming have been "copied" or acquired by the commercial networks.

Da Kath and Kim Code, which screened on 27 November 2005, scored an average audience of 2.1 million across the five capital cities, peaking at 2.4 million viewers.¹⁵ As David Dale, writing in the *Sydney Morning Herald* at the time put it, "What an irony. If the ABC had shown Sunday's Kath and Kim movie a day earlier, the network would have had the year's most watched Australian drama. But because *Da Kath and Kim Code* was shown outside the official ratings period, its audience ... will be just a footnote to a ratings year in which the top Australian drama is registered as Nine's *Little Oberon*, with 1.54 million."¹⁶

But with the series being the highest-rating Australian comedy for three consecutive years, its place in the minds of those audiences is much more than a footnote. Sold internationally including to the United

¹³ This Newspoll research was conducted by telephone in November 2008 among a representative sample of n=1200 adults aged 18+ nationally.

¹⁴ *The ABC of Drama 1975 – 1990*, Elizabeth Jacka, Australian Film Television and Radio School, 1991, page 17.

¹⁵ *2m watch Kath and Kim telemovie*, 28 November 2005, see online at <http://finance.news.com.au/story/0,10166,17389465-31037,00.html>.

¹⁶ *Noice... Kath and Kim win 2005*, David Dale, *Sydney Morning Herald*, 28 November 2005, <http://www.smh.com.au/news/tv--radio/noice-kath-and-kim-win-2005/2005/11/28/1133026380292.html>.

States and the United Kingdom, it was nominated in the 2005 British Comedy Award's international category, alongside *The Simpsons*.¹⁷

The ABC has produced some of the highest quality and most enduring children's programs in the history of Australian television, from *Mr Squiggle* to *Playschool* and *Bananas in Pyjamas*. And for school-aged children, *Behind the News* was viewed in schools across the country until budget constraints saw it dropped from the schedule to be subsequently picked up successfully by Network Ten as *Behind Ten News*. Fortunately, *Behind the News* is now again part of ABC TV's programming for school-aged children, backed up with comprehensive materials available on ABC Online.

In news and current affairs the ABC has positioned itself as the network – radio, television and online – to whom Australians turn for fair, informed, current, accurate and impartial reporting and commentary. ABC Radio National offers possibly the most comprehensive news and current affairs programming to be found on any radio station anywhere in the world. And ABC NewsRadio is Australia's only continuous news radio station.

Bruce Belsham, editor of abc.net.au, reported that site hits spiked dramatically when news of Heath Ledger's death broke, people turning to a source they trusted for confirmation.

The sheer longevity of some of the ABC's programming is testimony to the fact that they have succeeded in making the good popular – *AM*, *PM*, *The Science Show*, *Four Corners*, *The 7.30 Report* and *Lateline* to name just a handful.

The media environment is currently undergoing massive change. While some new players are entering the market online, for the most part, it is the established brands that have captured the largest audiences. The fragmentation of the market combined with the current global financial crisis is causing seismic shifts. On the one hand, media consolidation continues, evident in ongoing acquisitions globally by News Limited. On the other, diminishing advertising returns in a fragmenting market are seeing many lay off journalists in numbers unprecedented since the depression of the 1930s, while others, carrying too much debt, like the Chicago Tribune, are disappearing into the history books.

And fracture lines are appearing in media organisations in Australia. In the last fortnight alone, changes have been made at board level, at managing director level and at editorial level in the Fairfax press, and these changes have followed large scale redundancies. The Packer family along with long standing management personnel no longer have a hands-on role in Australian Consolidated Press or Publishing and Broadcasting Limited. And while the credit crisis is likely to make the refinancing of debt increasingly difficult for both the Nine Network and the Ten Network, the Seven Network has expanded its interests into print media in Western Australia.

Where the industry had long expected some of the changes currently emerging in a multiplatform, multichannel, on-line environment, no-one anticipated them occurring in the context of a global financial crisis.

It is becoming clear that traditional commercial print media models are under pressure and the redundancies occurring across print media are likely to be followed by some loss of quality and possibly fewer voices in the news and current affairs landscape.

This may be the information age, but where information is not trusted it is of little use. As Paul Keating has said, "The cornerstone of any democracy is a well-informed and interested populace."¹⁸ The role of quality investigative journalism, and trusted news and current affairs is important as ever. As events play out in Australia, it is likely the national broadcasters will only become more important. We forget Australia went to war this century on the basis of faulty information at our peril.

¹⁷ *2m watch Kath and Kim telemovie*, 28 November 2005, see online at <http://finance.news.com.au/story/0,10166,17389465-31037,00.html>.

¹⁸ Submission to the Productivity Commission's Inquiry into Broadcasting, PJ Keating, 12 May 1999, see online at http://www.pc.gov.au/__data/assets/pdf_file/0014/27311/sub039.pdf

While the ABC has demonstrated it is competent and capable of fulfilling the obligations and responsibilities set out in its charter, it can do so consistently only if the commitment to public broadcasting is matched by adequate funding.

In September 1999, Donald McDonald compared the funding of the ABC with that of the BBC:

“... it is worth noting that in this year [1999/2000] the Government will provide the ABC with some \$574 million to enable the Corporation to carry out its Charter responsibilities. Certainly a substantial investment of public funds and of public trust, but if you like comparisons you might bear in mind the BBC’s licence fee funds alone of GBP2.2 billion (\$A5,360 million), over 9 times as much, and a dramatically different geographical spread of services and responsibilities.”¹⁹

In March 2001, Jonathan Shier made the point, referring to the McKinsey funding analysis of major public broadcasting systems, that, despite the greatly enhanced level of funding available to the BBC when compared with the ABC, the BBC ranked only eighth out of 19 countries. “Per capita, Denmark’s spending on public broadcasting is almost two and a half times greater than in Britain.”²⁰ Australia ranked 13th, just ahead of Portugal and South Africa.

Between the years 1996–1997 and 1999–2000, the ABC increased its local content hours from 5,111 to 5,147 – from 57 per cent of total airtime to 59 per cent. However, during the same period, drama output declined by 43 per cent, from 260 hours in 1996-1997 to 147 hours in 1999-2000. In 1996-1997, Australian drama comprised 45 per cent of all drama broadcast on the ABC. By 1999-2000, Australian drama had plummeted to 24 per cent with 76 per cent from overseas.

First-release Australian drama programs fell from 102 hours in 2001 to 20 hours in 2005 and then down to seven hours in 2006-2007. Whilst there has been a slight increase this year, it is likely to see only 20 hours of first-release drama being aired.

Of total program hours broadcast in 2006-2007, 53.6 per cent was Australian of which 35.3 per cent was first-run programming.

The BBC is able to claim that it regularly captures up to 60 per cent of the viewing audience – ratings levels the ABC would love to emulate – broadcasting on average 80 per cent British content. Yet the BBC has the resources to commission and broadcast high-quality British programs to a level that has never been achievable by the ABC. Little wonder then that, with dwindling resources, the ABC must resort to the low-cost option of broadcasting British series.

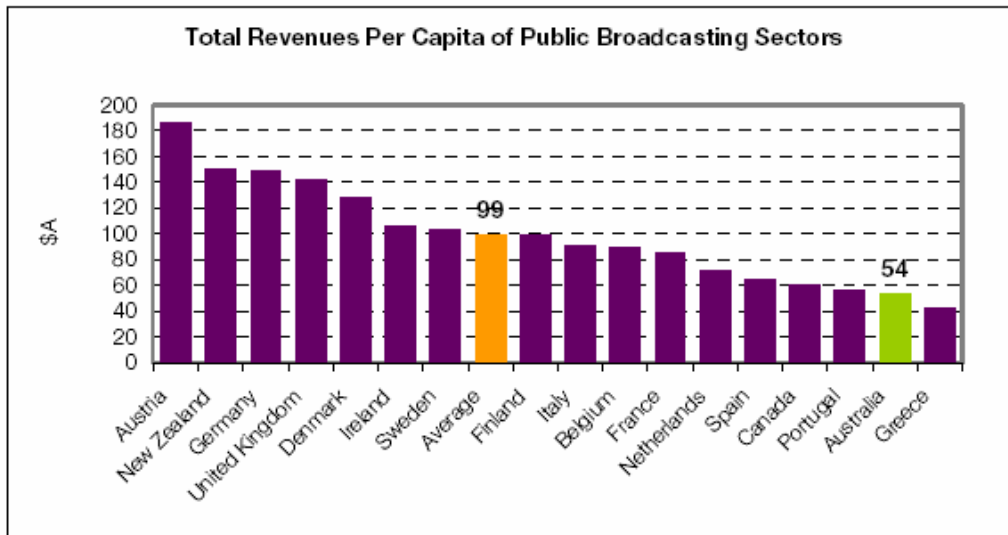
Without the resources the ABC will never be able to deliver the levels of Australian content clearly desired by Australian audiences and by the Government and clearly within the ABC’s ability to produce or commission. (*SeaChange*, for instance, was the highest-rating drama on Australian television when it was broadcast. So it was axed not because it didn’t rate. It was axed because it did not sell internationally and the ABC could not afford to continue producing it without overseas sales, notwithstanding the fact that the remit of the ABC is to produce programs that appeal to Australian audiences, which *SeaChange* clearly did.)

In 2002, the Macquarie Bank prepared a report for the ABC entitled *An Analysis of the ABC’s Funding Relative to International Public Broadcasters and Domestic Peers*. The report, which was tabled in the Senate during Additional Senate Estimates Hearings in February 2004, noted that “Australia’s public broadcasting sector operates on a relatively small amount of income compared to its peers, with only 54% of the average per capita revenues for the public broadcasters surveyed”.²¹ Funding for the ABC and SBS was combined in the Macquarie Bank analysis.

¹⁹ Donald McDonald, The Importance of Public Broadcasting, an address delivered to the Melbourne Media Club, 3 September 1999, available online at www.abc.net.au

²⁰ Jonathan Shier, *An ABC for All Australians*, an address to the National Press Club on 6 March 2001, available online at www.abc.net.au

²¹ *An Analysis of the ABC’s Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 22, available online at http://www.aph.gov.au/senate/committee/ecita_ctte/quest_answers/addest0304/cita/abc_q009att1.pdf.

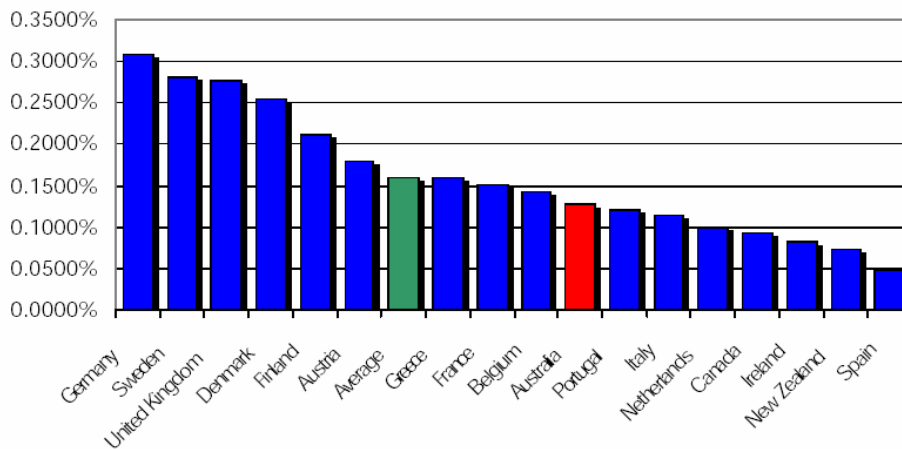


Source: *An Analysis of the ABC's Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 22.

The Macquarie Bank report found that “On a per capita measure, Australia’s annual per capita government funding is 79% of the average of all surveyed broadcasters, and only 49% of the BBC’s government funding per capita”.²²

As a range of factors, including geographic reach of broadcasters, population size and density and broadcasting in more than one language, can distort direct comparison, the Macquarie Bank also compared government funding of public broadcasters as a percentage of gross domestic product. Using this measure, Australia ranked tenth out of the seventeen countries surveyed.²³

Government Funding as a % of GDP

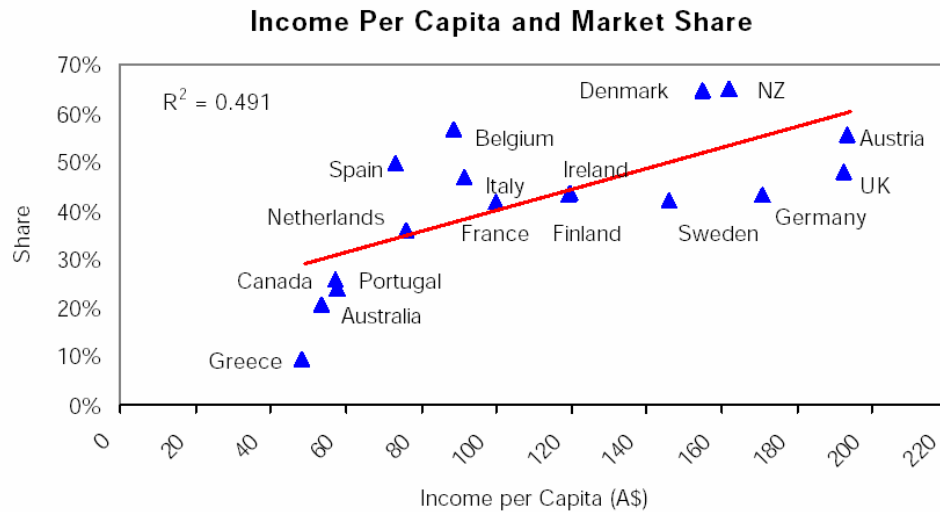


Source: *European Audiovisual Observatory Statistical Yearbook 2002*, ABC and SBS Parliamentary Appropriation, CBC Annual Report 2000-2001, TVNZ Annual Report 2001, NZ ON Air Annual Report 2001, World Bank GDP data.

²² *An Analysis of the ABC's Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 23, available online at http://www.aph.gov.au/senate/committee/ecita_ctte/quest_answers/addest0304/cita/abc_q009att1.pdf.

²³ *An Analysis of the ABC's Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 24.

Interestingly, the Macquarie Bank report found that “Those countries where public broadcasting has higher income levels tend to have public broadcasters with greater market share”²⁴ and, with a relatively small income per capita, the ABC and SBS captured 20.8% of the market.



Source: European Audiovisual Observatory Statistical Yearbook 2002, AC Nielsen data., CBC Annual Report 2000-2001, ABC and SBS Parliamentary Appropriations and Budget Papers, TVNZ Annual Report 2001, NZ ON Air Annual Report 2001.

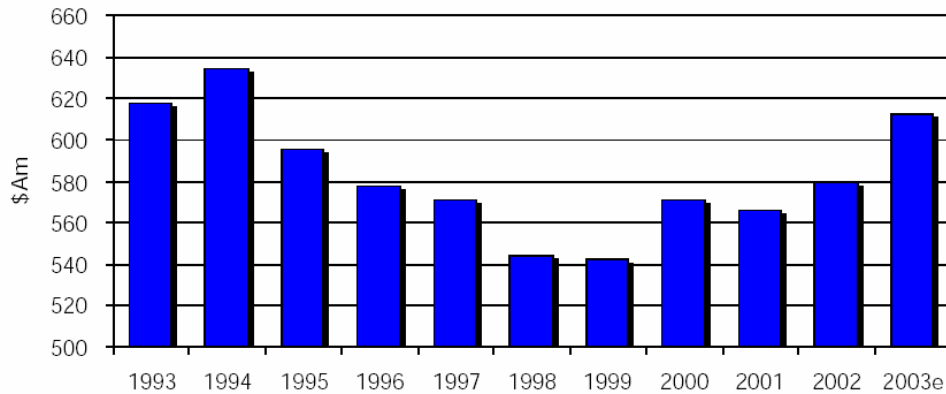
Historically, funding of the ABC has been by way of annual Government appropriation. In 1989, the Government introduced a three-year appropriation to give the ABC greater certainty. However, it is not a binding agreement and is still appropriated annually as part of the budget process. Consequently, actual funding can vary from that specified in the triennial funding agreement. For instance, in the financial year 1997, funding was reduced by \$10.8 million in the second year of a triennial period but increased by \$17.8 million in 2002.

Government funding to the ABC fell steadily from 1994 until 1999. Whilst funding increased from 1999, by 2003, funding had only been restored to the funding level of 1993.²⁵

²⁴ *An Analysis of the ABC's Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 26.

²⁵ *Ibid.*

ABC Government Funding
- In Dec 2002 Prices



Source: ABC Annual Reports; ABC; Macquarie, Australian Bureau of Statistics (ABS)

By then, the ABC was well into its much regarded online presence and had launched its short-lived digital multichannels, *ABC Kids* and *Fly* to see a glimmer of what the ABC in the digital future might look like. However, as they were launched and financed on a non-recurrent basis, they could not be sustained without on-going additional funds. Although ABC2 has been re-launched as a generalist channel, it is suffering from a lack of funding, able to offer primarily time-shifted ABC programming with a small amount of new programming.

The ABC has for years sought to broadcast Australian content on television comparable to the overall transmission quota required of the free-to-air commercial networks, namely 55% between the hours of 6am and midnight and has struggled to do so. It is decades now since it was able to broadcast 100 hours of first-release Australian drama.

As the ABC noted in 2003, continuing budget constraints meant that “[w]hilst ABC Television has achieved significant reductions in the cost of broadcast programming since 1995-96, it has done so by reducing levels of Australian drama and comedy production in favour of less expensive genres”²⁶.

And whilst the decline has been most stark in drama programming, the cracks are beginning to show across its slate. Popular shows like *Australian Story* and *Foreign Correspondent* have had their program numbers cut. *Four Corners* is increasingly filled with the BBC *Panorama* productions and inadequate funding means Australia’s children must make do with more reruns of established children’s series like *Saddle Club*.

In its Triennial Funding Submission for 2003-06, the ABC sought additional funding to establish a new production trust fund to underpin an additional 180 hours of high-quality first-run Australian content over the course of the triennium – \$12.5 million in the first year, \$25.750 million in the second and \$26.523 million in the third. Although this modest bid would not have enabled the ABC to produce levels of new Australian drama programs anywhere near that required of the commercial free-to-air broadcasters, the outcome in the 2004-05 Budget was an allocation of \$4.2 million a year to enable the ABC “to purchase high quality domestic and overseas television programming”²⁷.

The Macquarie Bank report referred to above concluded: “On a comparison of Government funding per capita, the ABC funding levels are below its peers and it would need approximately an additional \$200m pa of funding to be on par with the average of the surveyed countries. When compared against the total revenues per capita of public broadcasters, the ABC would approximately require an

²⁶ ABC Triennial Funding Submission Summary 2003-06, ABC, page 9, available online at www.abc.net.au.

²⁷ *More TV Programming Choice for ABC*, The Hon Daryl Williams MP, 11 May 2004 available online at http://www.dcita.gov.au/Article/0,,0_1-2_1-3_143-4_118732,00.html

additional \$700m pa in revenues to have a level of revenue equivalent to the average level of total revenues per capita in our survey group. Finally, when measured against government funding as a proportion of GDP, the ABC would approximately require an addition \$200m in funding to equal the average proportion of funding of the public broadcasters surveyed.”²⁸

In short, depending on the measure used, in 2002 the Macquarie Bank considered additional government funding of between \$200 million and \$700 million per annum was required to increase ABC funding to a level comparable with its international peers, let alone to be funded at a level that might enable the ABC to become a world’s best public broadcaster.

The report notes, “The ABC maintains a high level of distinctiveness relative to its international peers. However ... additional funding would put the ABC more on par with its overseas counterparts, and help drive market share and, in turn, relevance in the face of an increasingly competitive media landscape.”²⁹

Questions:

- What role should the ABC and SBS have in promoting Australia’s cultural identity and presenting Australian images on television, radio and across new media?
- What role should the ABC and SBS play in the provision of children’s programming and should children’s programming be delivered on the main digital television channels, or on separate channels, or both?
- How might the national broadcasters harness new technologies and platforms to enable Australians to remain informed at a local and national level?
- Should the charters of the national broadcasters be amended to more clearly define their broad programming directions and priorities? Should such priorities take into account the nature and reach of particular delivery platforms?

As argued above, the ABC and SBS have a central role in promoting Australia’s cultural identity and presenting Australian images on television, radio and across new media.

SBS has a pivotal role in presenting the images of Australia that reflect the diversity of Australia. However, this responsibility is shared by the ABC and the commercial free-to-air television broadcasters.

The object of the *Broadcasting Services (Australian Content) Standard 2005* is “to promote the role of commercial television broadcasting services in developing and reflecting a sense of Australia identity, character and cultural diversity by supporting the community’s continued access to television programs produced under Australian creative control”.³⁰

The Alliance considers that considerably more could be done to achieve the objective of reflecting Australia’s cultural diversity on Australian television screens.

Although SBS and the ABC do considerably better in this regard than the free-to-air commercial broadcasters, the ABC can nonetheless still be seen as needing improvement.

Studies have long found that cultural diversity on television helps normalise difference.

The Alliance, over the past two decades has pushed for research to be undertaken on the extent to which Australian television reflects the cultural diversity of the Australian community.

In 2000, the Minister for Immigration and Multicultural Affairs, Philip Ruddock, released a report on the portrayal of cultural diversity in television drama. Prepared by Queensland University of

²⁸ *An Analysis of the ABC’s Funding Relative to International Public Broadcasters and Domestic Peers*, Macquarie Bank, September 2002, page 33.

²⁹ *Ibid*, page 34.

³⁰ *Broadcasting Services (Australian Content) Standard 2005*, see online at <http://www.acma.gov.au/webwr/aba/tv/content/documents/broadcasting%20svces%20-%20australian%20content%20standard%202005.pdf>

Technology (QUT) in collaboration with the Alliance, it analysed the representation of Indigenous performers and performers of non-English speaking background appearing in sustaining roles in Australian television drama and found that things had improved since the early nineties when the Alliance first surveyed the portrayal of cultural diversity in television drama.

	1992 MEAA Survey	1999 QUT/MEAA Survey	General Population
Non-English speaking background	2%	20%	24%
Indigenous	0%	3%	2%

The figures represent a dramatic improvement from 1992 when less than 2% of available roles were for performers of culturally diverse backgrounds and there were no roles for Indigenous performers in commercial television drama.

It is difficult to ascertain what was responsible for the improvement. However, changing community attitudes and government initiatives to foster an appreciation of Australia as a harmonious multicultural nation and to develop policy and implementation frameworks aimed at ensuring cultural diversity is a unifying force for Australia were likely drivers of change. In 1989, the Labor Federal Government released its National Agenda for a Multicultural Australia and in 1997 the Coalition Federal Government released its New Agenda for Multicultural Australia, followed in 1999 by Australian Multiculturalism for a New Century: Towards Inclusiveness.

In 1992 the Australian Broadcasting Authority (ABA) was established to administer the new Broadcasting Services Act 1992. The Federation of Australian Commercial Television Stations (FACTS) Code of Practice was implemented in 1993. After intense lobbying by the Alliance and ethnic groups, in 1994 FACTS released a set of advisory notes relating to the portrayal of cultural diversity. And in 1996 VisualEye produced a short video for the Alliance, financed by the Department of Immigration and Multicultural Affairs, *Race Against Prime Time*, that set out to explode the need for stereotypical casting, distributed to broadcasters, casting directors and television directors amongst others.

However, whilst the portrayal of diversity improved over the decade, drama programming is far from representative of the community. Closer examination of the figures reveals the following:

	1999 QUT/MEAA Survey	General Population
Non-English speaking background born overseas	3%	14%
Non-English speaking background born in Australia	17%	10%
Non-English speaking background born in Asia	0%	5%
Non-English speaking of Asian background born in Australia	0%	2%

Whilst performers of Pacific, Western European, Eastern European, Mediterranean, Arab and Scandinavian backgrounds secured sustaining roles, not one performer was either Asian born or of Asian background. The same was true for those of African and South American backgrounds. What appears to be the case is that, other than those of Asian background, “it is the children of the longer established migrant groups who are able to negotiate the profession and industry, in order to achieve the level of sustainer.”

On a more positive note however, the report demonstrated a dramatic shift in casting practice. During the 1980s Indigenous performers and those from a non-English speaking background were principally cast because of the cultural specificity of the particular role. The 1999 survey research findings demonstrate that increasingly Indigenous performers and those from a non-English speaking background were being cast in roles that were not ethnically prescribed.

During the period examined in the survey, there was “a total lack of reference to the sustaining actors’ ethnicity or cultural background . . . However, when it comes to guest roles and guest cast, one finds that stories are more likely to be ethnically based.”

This was a significant shift. Actors like Aaron Pederson are keen to present Indigenous people as filling “everyday roles in society and at sophisticated levels”. Interviewed by *New Idea* in 1999, Pederson said he felt his role in *Water Rats* was an “important breakthrough for his people” and recognises that it “was a big move for a commercial network to cast an indigenous actor in a mainstream role (and) a very positive one.” Indeed, all the actors interviewed for the survey said they did not wish to have their ethnic background foregrounded in the roles they undertook.

In 2002, *Cultural Diversity in Australian Television Drama* was released. It surveyed actors appearing in main and guest roles in 13 television drama productions between May and August 2001. Information was obtained on 181 actors – a 55% return rate.

The study was again conducted by the Queensland University of Technology in collaboration with the Alliance. It confirmed the trend identified in the 1999 study that the representation of actors of culturally diverse backgrounds has increased significantly since the early 1990s.

Where the 1999 report canvassed actors in sustaining roles in television drama, the 2002 study looked at lead roles and guest roles.

The most marked change was in representation of actors from Asian backgrounds. In the 1999 study there were no Asian actors working in main roles in any of the seven programs included, however, the 2002 showed eight actors of Asian backgrounds – two in lead roles and six in guest/support roles.

Indigenous actors were not well represented, and accounted for only 1.1 percent of actors – a downturn on the 1999 results. “[I]ndigenous actors are under-represented in the guest/supporting role area, with only one of 136 guest roles filled by an Indigenous actor.”

Unlike the 1999 survey, which focused on commercial television, the 2002 study surveyed actors across both commercial and public broadcasting and found that there was no significant difference between the two areas of broadcasting. Of all the actors surveyed (main and guest cast) across both commercial and public broadcasting 26.5% were of various culturally diverse backgrounds – 28% of guest roles and 22% of main roles.

	1992	1999	2002	General Population
Non-English speaking background	2%	20%	25%	24%
Indigenous	0%	3%	1.1%	2%

Whilst noting that the overall results are positive, the study found “there is no room for complacency in the lead role area. At 22% [of main roles], representation here is lower than the 26% representation of Non English speaking background and Indigenous people in the general community”.

*Who’s watching you tonight?*³¹ was released by the State of Victoria in 2002 and highlighted another sector of the community currently under-represented on television screens.

In her introduction to the report, the Hon Christine Campbell, Minister for Senior Victorians, commented: “The images the media use to represent older people in our community clearly affect the way we feel about growing older. They also critically affect the perception younger people have of older people and their role in society. People of all ages want to see themselves and their lives reflected on screen in ways which are realistic and meaningful ... Today there are very few roles for older

³¹ *Who’s watching you tonight?* State of Victoria, published by the Office of Senior Victorians, Rural and Regional Health and Aged Care Services Division, Victorian Government Department of Human Resources and available on-line at www.seniors.vic.gov.au

people in film and television. And, of the roles that we do see, there is often a great disparity between the image we see on our screens and the reality of older people's lives as we know them."

Screen Actors Guild research in the United States has established that in defiance of the demographics of the viewing audience, characters in both prime time and daytime television are getting younger. Characters 60 years and older accounted for only 5.6 per cent of all characters and of those half were younger than 65. Representation of characters over 65 was less than a fifth of their representation in the population.

Comparable research has not been undertaken in Australia. However, it is unlikely to show better results than have been achieved in the United States.

Indeed, Network Ten for instance does not see older people as forming part of their target demographic.

Who's watching you tonight? found that "if a program 'skews old' it is considered a failure because of the misconception that older people are not a cashed-up consumer group. Commercial networks rarely pay any attention to the viewing patterns of people over 55, referred to in the industry as the '55 to dead' demographic."³²

That this sector is ignored by the commercial sector is curious, given that people aged over 55 watch the most television, and whilst accounting for only a fifth of the population, they head up households with two fifths of nation's household wealth, account for a little over half the nation's financial assets, a quarter of all disposable income and, even accounting for inflation, spending by mature consumers was double the national average.³³

Harvey May's report, *Broadcast in Colour – Cultural Diversity and Television Programming in Four Countries*, published in 2000, examined the manner in which people from culturally and linguistically diverse backgrounds are represented on television in the United States, the United Kingdom, New Zealand and Australia.

The report finds that "the three countries other than Australia have made significant improvements through explicit programs and policies which address cultural diversity and television". May goes on to say, "carefully considered involvement in, and attention to, cultural diversity in policy and program production at all levels, can yield valuable results for all stakeholders".³⁴

Finally, whilst the majority of the research conducted over the past two decades has focussed on drama, the portrayal of cultural diversity in programs other than drama can no longer be ignored.

The Alliance believes that research into cultural representation in news, current affairs, television commercials, children's programs, infotainment and light entertainment programs is long overdue.

While SBS has committed itself to cultural diversity across the board – from whom they cast as newsreaders to documentary programs like *First Australians* and drama series like *R.A.N.*, *East West 101*, *Kick* and *The Circuit* – the ABC could do more to reflect the nation's diversity – culturally, demographically and by gender. Although commendable that this year the ABC will be screening 20 hours of first-release drama, *East of Everything* and *Day of the Roses* are not sufficient to represent Australia's cultural diversity in drama programming.

The Alliance would like to see the ABC and SBS required to report to Government annually on the extent to which its programs – across all genre – represent and reflect the diversity to be found in Australia..

³² *Who's watching you tonight?* State of Victoria, published by the Office of Senior Victorians, Rural and Regional Health and Aged Care Services Division, Victorian Government Department of Human Resources and available on-line at www.seniors.vic.gov.au, page 8.

³³ *AC Nielsen, Australian TV Trends, 2001*, quoted in *Who's watching you tonight?* at page 9, and *Population, Aging and the Economy*, Access Economics, cited in *Who's watching you tonight?* at page 5.

³⁴ *Broadcast in Colour – Cultural Diversity and Television Programming in Four Countries*, Harvey May, Australian Film Commission, Creative Industries Research and Applications Centre, Brisbane and Australian Key Centre for Cultural and Media Policy, Brisbane, 2000, page 7.

The Alliance supports the ABC's proposal to establish a dedicated digital children's channel. However, the Alliance is opposed to the effective ghettoisation of programming for one section of the community to one channel. Rather the Alliance supports plurality of delivery and believes that the commercial free-to-air broadcaster's obligations in this regard remain important. The establishment of a dedicated ABC digital children's channel should not enable the commercial free-to-air broadcasters to absolve themselves of this responsibility nor again seek the establishment of tradeable quotas as a means by which to acquit their obligations.

It is undoubtedly the case that parents have a high level of trust in the quality of the children's programs broadcast by the ABC and it is appropriate in a multi-channel world for children to have greater access to age-appropriate programming aired at times suited to them and their families.

The Discussion Paper notes that only one domestic program area – education – is mandated in the ABC Charter and seeks feedback on whether news and information services and children's programming should be given greater emphasis in an amended charter.

The broadcaster is already required under its Charter to be a comprehensive broadcaster and to broadcast "programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community". It is difficult to see how this could be achieved in the absence of news and current affairs and children's programs. It is also essential that the ABC continue as a truly comprehensive service and not become one that picks up only that in which the commercial broadcasters have little interest.

It is also possible that in extending mandatory obligations the Charter will become less flexible rather than more so.

The Charter also imposes an obligation "to encourage and promote the musical, dramatic and other performing arts in Australia". However, the Discussion Paper makes no mention of the arts, no specific mention of the performing arts and no mention of music. As a comprehensive broadcaster, and in line with its Charter, arts and music programming is an important plank of the ABC's output. The Alliance considers that the broad statements currently made in the Charter give greater flexibility and allow for change over time in response to community needs, changing technologies and the introduction of the new.

A useful amendment to the Charters of the ABC and SBS would be to accommodate their role in online media, it being noted that the web is a platform of platforms and that some may not be determined to be broadcasting. Rather than accommodating their roles as broadcasters it might be more useful to accommodate their role as public service media organisations.

The Alliance understands and supports the government's intention to amend the ABC Charter to require it to comply with the provisions of the drama sub-quota contained in the Australian Content Standard.

Clause 2 (a) (ii) could be amended to read: The Corporation shall take account of the standards from time to time determined by the Australian Communications and Media Authority in respect of broadcasting services including with respect to the broadcasting of Australian television drama programs.

Education, skills and productivity

Questions:

- Will there be a role for national broadcasting in education and training in a 2020 media and communications environment?
- Is there likely to be public benefit in a national digital education channel and how could such a channel be constructed to provide for cost-effective delivery of educational and training content?
- Would there be a public benefit in the national broadcasters playing a more significant role in the vocational education and training environment, beyond their current activity?

As the discussion Paper notes, the ABC and SBS charters both impose educational obligations on the broadcasters. Both have indicated a willingness and a capacity to build on their current programming to play an even stronger role in education.

In-language children's programming is missing on Australian television. Its provision would not only augment the Government's commitment that greater attention will be given to the teaching of foreign languages in schools as part of its Education Revolution, it would contribute to cultural and language maintenance for the children and grandchildren of migrants. SBS is well positioned to take up this role.

The ABC has already proposed establishing a dedicated digital education television channel, ABC5, to support a national curriculum. Additionally, it has been broadcasting English language learning programs for decades on Radio Australia. Their current English language learning output could be utilised within the context of a dedicated channel augmented by materials provided on ABC Online and available for podcasting. Clearly this would have benefits for recently arrived migrants.

Although both the ABC and SBS could, and no doubt will if resourced to do so, take their education programs online to a greater extent than at present, there is benefit in their continued broadcast, as currently that is still the most effective way of distributing audiovisual teacher resources. Over time, it may be possible for educational programs to migrate entirely to broadband delivery. However, that is not feasible at present.

The ABC has had a longstanding commitment to life-long learning and could utilise their proposed digital channel for a mix of programming targeted at schools during school hours and programming aimed at older audiences in other time slots.

Former ABC TV Director Sandra Levy said in 2005 that the ABC's staff had declined nearly 50 per cent in the previous 15 years noting that the people to make the shows were not there, and the money to make the shows wasn't there.

That decline in staff levels is also having an adverse impact on the broadcasting sector as a whole and the audiovisual production industry more generally. Once an important training ground for the entire broadcasting sector, the ABC's ability to provide on-the-job training has dramatically declined since the early 1980s.

Skills shortages have been the subject of much community debate in recent years. And shortages are being felt in the broadcast sector. Rapid changes in technology have played a small role but for the most part the skills shortages are arising because of a lack of on-the-job training. Pressure points are emerging and in specific areas Australia is unable to recruit locally and employers are resorting to international recruitment. Broadcast engineers are a case in point.

That this has arisen can be directly attributable to the lack of on-the-job training capacity within the broadcast sector and particularly, given its longstanding role as a training ground, within the ABC. Radio and television production and broadcasting is unique as a sector in that it relies on a very large number of people with differentiated highly individual and specialised skills. As a result, the normal education, training and apprenticeship paradigm is often not an easy fit with industry needs. Traditionally, on-the-job training has accommodated the needs of industry but given that no industry appropriate incentives are available (for instance, such as that available through the New Apprenticeship Scheme), the expense involved is not accommodated by commercial entities. Thus the responsibility fell to the public broadcaster and to other government-funded institutions like the former Film Australia. With their capacity to continue that role eroded, significant skills shortages are now emerging as a generation of industry practitioners approaches retirement age.

The ABC is a registered training provider and offers training internally.

A report released by the Alliance in November this year, *The Future of Journalism*, identified a very high level of need amongst those working in journalism – print and broadcast – for on-going training, necessitated by rapid changes in technology and work practices. There is already a large demand for mid-career training and it is likely that with evolving technologies, the need for mid-career training will continue in the foreseeable future.

The Alliance thinks it inappropriate for a national public service broadcaster to take up what should be the responsibility of the education and training sector in respect of the workforce of the commercial sector. However, there may be opportunities that the ABC could explore in association with an outside partner on a cost-recovery basis building on the reputation the organisation already has in training. The training delivered by Press Association in the United Kingdom offers a possible model.

Social inclusion and cultural diversity

Questions:

- What opportunities do new digital broadcasting and other platforms provide for the national broadcasters to more effectively deliver programming in languages other than English?
- Are there better ways of harnessing new media and broadcasting technologies to enhance the value of the national broadcasters' services to migrant groups, particularly those that are newly arrived?
- Is there scope for the Indigenous services of the national broadcasters and National Indigenous Television (NITV) to be provided in more effective, efficient and integrated ways that make best use of the available resources?

As the Discussion Paper observes, the national broadcasters support the building of community and cultural awareness and provide universal access supporting Australia's participation in Australian society. As noted, this is broadly consistent with the Government's social inclusion policy agenda.

The ABC and SBS, if so resourced, are perfectly positioned to build on their existing strengths and make an even greater contribution to these Government policy objectives in the transition to a multiplatform and multichannel environment.

SBS has been providing valuable services to migrant groups for decades including services for the newly arrived. SBS radio is a unique service and as migration patterns to Australia change, SBS needs to be resourced to respond appropriately. Although often marginalised in the general public's mind, and indeed for many Australians its work is virtually unknown, the value to the Australian community of the language programs it offers can not be underestimated. The programs it currently broadcasts remain valuable long after migrants arrive and are important for cultural maintenance for the families and children of migrants. SBS radio services could more capably serve migrant groups, including those newly arrived, if it were better resourced, including in respect of the manner in which it could better utilise on-line complementary services.

In considering these policy objectives, it is important to ensure that the newly established third public broadcaster, National Indigenous Television (NITV) is also supported to play a role in the new media landscape by being able to spread its reach nationally. Representation normalises and NITV has an important role not only in showing Indigenous stories to Indigenous audiences but in showing those stories to all Australians.

Indigenous public broadcasting services make a difference as the experience in New Zealand with Maori Television and in Canada with the Aboriginal Peoples Television Network attests.

Presenting Australia to the world

Questions:

- Should consideration be given to expanding or enhancing the overseas services provided by the national broadcasters and, if so, in what form and to which countries?
- What is the appropriate relationship between Australia's foreign policy objectives and the overseas broadcasting activities of the national broadcasters?
- Is there a need to reconcile Australia's priorities for engagement within the Asia-Pacific region with the requirement for the editorial and operational independence of the national broadcasters' overseas broadcasting activities?
- Are there ways in which the impact and use of the overseas services of the ABC and SBS can be better measured and tracked?

The ABC Charter at Clause 1 (b) sets out one the broadcaster's functions as being:

to transmit to countries outside Australia broadcasting programs of news, current affairs, entertainment and cultural enrichment that will:

- (i) encourage awareness of Australia and an international understanding of Australian attitudes on world affairs; and
- (ii) enable Australian citizens living or travelling outside Australia to obtain information about Australian affairs and Australian attitudes on world affairs

The ABC currently operates Radio Australia and the television service Australia Network. Radio Australia is funded from the ABC's government appropriation. It also generates a small revenue stream from training.

Despite its long history and solid reputation in the region, it was subjected to funding and staffing cuts and suffered loss of facilities such as transmitters under the last Federal Government. It nonetheless survives.

The Australia Network, on the other hand, is a contestable service, funded by the Department of Foreign Affairs and Trade, the current contract being for a total of five years. It derives some income from advertising.

The role that the two services play is crucial. They deliver Australia to our region. Not only are they an essential and effective plank in cultural diplomacy they also deliver news and current affairs services to countries less well served by their own media organisations. That they are able to be effective, under-resourced as they are, is demonstrated by the fact that in India more people turn to their services than to those of the BBC.

It is simply not possible to deliver quality broadcast services and an online presence when the life span of the Australia Network is uncertain and both are underfunded. Such services cannot be treated as short term contracts.

The ABC has demonstrated that it is best placed to deliver an overseas broadcast service. The previous Government's foray into contracting the commercial sector to deliver the television broadcast service was not successful, evidenced most strongly by the fact that the ABC successfully secured its current contract.

The Australia Network also raises issues regarding advertising. The Alliance considers that all ABC services should be free of advertising including the Australia Network. The ABC Charter could usefully be amended to that effect.

The services should also be branded as part of the ABC brand as is the case, for example, with the BBC's international services.

Efficient delivery of services

Questions:

- How is the transition to a digital operating environment changing the capital requirements of the national broadcasters?
- What changes might be considered to the national broadcasters' management of property and facilities to allow them to deliver their outputs more efficiently?
- Is there an optimal mix of in-house and outsourced production and, if so, how might it vary across different types of programming?
- Is there scope for combining certain parts of the operations of the two national broadcasters that provide for improved operating efficiencies without compromising their separate identities?
- Should additional funding options for national broadcasting programs be considered, such as user-pay systems for programs distributed online, or open contracting for public interest content? If so, how much such arrangements operate, and to what types of content should they apply?

News and current affairs is produced in-house at both the ABC and SBS and radio services are entirely in-house as is appropriate and necessary for the credibility of both organisations.

SBS commissions its documentaries and drama programs and has no in-house capacity for drama production at all.

Following a review last year, the ABC has committed to a mix of in-house and outside production and to working with the independent production sector, a position the Alliance supports. Given the central role the ABC has played in television production now over 50 years, and for reasons alluded to above amongst others, it is essential that the ABC retain in-house capacity across all program types.

As noted in the Discussion Paper, the ABC and SBS currently manage and procure distribution and transmission services for their digital television channels independently. As the Paper suggests, there may be scope to consider their jointly utilising a shared platform while retaining separate identities and programming. At the moment it seems likely the only beneficiaries of the current arrangements are Broadcast Australia and the Macquarie Communications Infrastructure Group. However, given existing contractual arrangements it may be some time before a renegotiated arrangement could be considered.

It is possible that a better resourced ABC international service could benefit from working with SBS particularly in respect of the delivery of language programs to the Asia region.

As both the ABC and SBS have changed in response to a changing environment, including establishing a presence on-line, within an inadequate funding envelope, organisational structures could now usefully be reviewed to ensure they are as efficient and productive as they can be. Some functions may best be addressed by consideration of some shared back-office functions if it can be done in a manner that has zero impact on the two organisations' editorial and programming independence. As both organisations have endeavoured to do more without matching funds, consideration needs to be given to their physical presence and management structures around the country.

Finally, in considering operational efficiencies that might be secured with some shared back-office functions whilst retaining their individual identities and brands, it is possible that Australia's newest public service broadcaster, NITV, could also benefit, for instance, possibly in drawing on the ABC or SBS in respect of supporting their expertise in further developing and maintaining its online presence.

