



# Agenda for ABC's New MD

*I want to underline...that we are an independent broadcasting organisation and we have had to retain our independence and work closely to our own Act as a non-commercial broadcaster during the 1980s when major political parties and certainly governments appeared to emphasise commercial values and practices. As a board we welcome the fact that they are moving back to a more balanced set of public values, within which the ABC can comfortably operate.*

Mark Armstrong, ABC chair, in evidence to the Senate Committee

**Now that the tumult and shouting over the appointment of an ABC Managing Director to replace David Hill have died down, there is time to reflect on the task ahead for incoming MD Brian Johns.**

Despite its limited, piecemeal and inadequate terms of reference, the sittings of the current Senate Select Committee on ABC Management and Operations have offered a useful public airing of the key issues facing the Corporation as it nears the end of the millennium. Some of these - for example, the ludicrous situation whereby the ABC still does not control or maintain its own transmitters, can only be tackled by government and/or by the ABC board. Others - such as those listed below - seem to deserve a prominent position on the agenda for the new Managing Director.

Note: page numbers given in the text refer to Hansards of the Senate inquiry.

## • Relations With Canberra

Whatever the truth of the wide speculation that Johns was the Government's preferred choice to head the ABC, the strength of Johns's influence and contacts in Canberra is likely to be sorely tested, whether by the current Labor or a Coalition Government. History has demonstrated that the job of running the ABC inevitably, sooner or later, puts the incumbent in a situation of conflict with the Government. It is worth remembering that Hill was initially seen as an ALP man, yet his strenuous lobbying on the ABC's behalf, his criticism of funding cut-backs and his refusal to bow to the Government on such issues as the ABC's coverage of the Gulf War made him unpopular in Canberra to the point where it seemed to some observers that the board had little option but to get rid of him.

There is no doubt that the ABC has lost standing in Canberra. The Australia Council, rather than the ABC, seems (at least in the mind of Prime Minister Keating) to be in the ascendancy as our premier cultural organisation. The perceived independence of the ABC has taken a couple of severe knocks - such as the Government's high handed announcement that the Sydney Symphony Orchestra is to be removed from the ABC, and the lingering impression that the board was under real, or at least psychological, pressure from the Government to appoint its favoured candidate.

## • Changing the Culture

The ABC's response to a society vastly different from that which prevailed in its formative years remains patchy. Token gestures, like employing 'ethnic affairs' reporters, are insufficient to redress over 50 years of an overwhelmingly Anglo-Celtic ethos in both programs and employment. Concern that the ABC should adequately reflect the society in which it operates is a recurring motif in the advice offered by the National Advisory Council, the ABC's public consultative mechanism.

The appointment of a number of women at middle management level marks a significant improvement from the dire days of the 1970s, but the top management jobs remain dominated by men. Overall, women now make up 41 per cent of the staff, up from 37 per cent in 1990 but still below the national labour force average of 43 per cent (ABS Nov 1994).

The later Hill years were characterised by a gung-ho obsession with new technological playthings. There needs to be a reassessment of priorities and a renewed emphasis on serving the interests of the variety of people who make up the ABC's many audiences.

## • Program Policy

David Hill was keenly aware that the ABC's perceived strength among audiences was its news/information/current affairs output, and during his incumbency there was a major shift of emphasis in both radio and television towards these areas - an emphasis which may also have reflected his own preferences. To illustrate: in 1984-85, there was a total of 454 hours of news and current affairs on television, representing 9 per cent of all transmission; in 1993-94, the hours of news and current affairs totalled 1315, or 15 per cent, while another 176 hours (2 per cent) were devoted to Australian documentaries (equivalent figure for 84-85 not available).

During the Hill era, there was a widespread perception that a kind of conscious anti-intellectualism, a suspicion of the Arts and Culture, prevailed among top management. This perception was reflected in what many saw as the inadequate support and resources given to Radio National, the ABC's intellectual flagship; though its listeners, according to research noted in the ABC's latest annual report, overwhelmingly believe that it provides a stimulating and entertaining mix over a wide range of subjects, and the best in-depth analysis of important events around the world. It was also reflected in the trend to lightweight infotainment programs on television at the expense of more demanding, if possibly less ratings-attracting, programs.

A review of the overall program emphasis in both radio and television would appear timely, along with a recognition that while Radio National's audience may be relatively small in numerical terms, it is a highly influential and important audience.

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Such a review would best be conducted in the context of preparing a major re-interpretation of purpose and program philosophy for the ABC as it nears its eighth decade, based on its charter but taking fresh perspectives suited to a rapidly changing communications environment.

Continued vigilance needs to be exercised to ensure that the commendable levels of Australian content on television which were reached under Hill do not slip back to the pathetic levels of the 1970s. Since adequate funding is necessary to achieve this, it should be the main plank in the ABC's case for additional funding.

### • Commercialisation

*One part of the fundamental character of the ABC as an important national institution is its essentially non-commercial nature. As the commercial revenue grew at the margin from being a useful contribution to cost recovery of some activities to being a driving force, then essentially you undermine the difference in broadcasting policy terms between the commercial sector of broadcasting and the public sector, you eat into that policy of sectoral diversity.....*

Michael Hutchinson, Acting Secretary,  
DOCA, p.481

*In my opinion the challenge of ever tightening funds can be met by the proper utilisation of independently funded programs like ours. In this way the ABC could have access to the highest quality production made by reputable producers, utilising funding from a combination of private and public sources. This is balanced so as to give no control to any specific investors and gives the ABC total control of what it puts to air.*

David Flatman, independent producer,  
p.140.

*The very presence of a commercial investor in an infotainment program gives rise to an irreconcilable conflict between preserving the ab-*

*olute independence and integrity of the ABC from even the suggestion of commercial influence on the one hand, and on the other hand recognising and giving at least some satisfaction to the valid expectations that a commercial investor has in investing in such a program. Clearly, if investors' every conceivable expectation of commercial benefit were thwarted, funds for co-productions would very quickly dry up.*

The Palmer Report (quoted by David Hill), p.52

Evidence to the committee suggests that, at the very least, ABC television management did not maintain sufficient oversight of the rapidly growing practice of sponsorship by outside organisations, whether in funds or in kind, of TV 'infotainment' programs where these organisations had a special interest in the subject matter.

It is unfair that producers like David Flatman have been scapegoated simply for using an accepted commercial approach to raising program funds, apparently with full ABC approval. Any fault lies with the ABC itself, where management failed to recognise (or admit) that this issue was a time-bomb.

Johns is already on record as saying that he would not countenance advertising on the ABC (though of course there is no impediment - other than opposition in the Parliament - to a future Government bringing in legislation to permit advertising, as happened with the SBS). Regrettably, the ABC is already touched by the potential for insidious influence, from major sponsors/advertisers on its Australia TV service as well as those involved in infotainment programs.

Moreover, moves towards an ABC partnership with the Fairfax organisation in the pay TV news service raise further serious concerns about possible pressure from outside, and about the ABC's overall program independence.

### • New Services

*[Australia TV] has been hampered by consistently non-commercial management, by generally well-meaning people.....[T]here has been a real culture clash. Those people who are non-commercial and ourselves have, unfortunately, clashed badly. The general mores, values and attitudes inherent in running it have been so non-commercial that the initial atmosphere of the entire enterprise was one of inconsistency, confusion and what a business person would call lack of proper management.*

John Keeney, consultant, Australia  
Television Sales, p.114.

The Australia TV service was hastily put to air on a minimal budget (a gift horse from the government whose mouth was never properly looked at). Insufficient consideration and resources were given to crucial issues like audience research and marketing the service to sponsors.

The ABC's performance in this area does not inspire confidence about its forthcoming venture into pay TV; indeed it has a long history of business transactions marred by naiveté and limited commercial nous.

*If the ABC provides news to its pay TV subsidiary ..... that does and should and will involve a financial payment. The ABC is not allowed, under the terms of the approval, to provide resources from the core ABC to its pay TV subsidiary, other than on a fully commercial basis.*

Michael Hutchinson, A/Secretary,  
DOCA, evidence p.481

No ABC representative has given convincing evidence to the Committee of how the structural separation of the ABC's pay TV entity from the rest of the organisation will work, particularly in areas like news where overseas bureaus would inevitably be serving both free to air and pay services.

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A fresh perspective is needed on the implications for the ABC's primary, free to air services and audiences of the Corporation's headlong rush to establish new services. It is to be hoped that Brian Johns's stint as chair of the Broadband Services Expert Group will have given him a rational perspective and an ability to sort out reality from hype.

### • Funding

*We believe that there has been a very significant stretching and thinning of resources throughout the organisation which has put in severe jeopardy the quality of the output and has also placed amazing stress on the staff in the organisation. [Expansion of services] is being done largely on the goodwill and unpaid overtime....of the staff. There are increasing rates of workers compensation in relation to stress-related illnesses and there is very low morale.*

Vivienne Colmer, ABC National Officer,  
CPSU, p.93.

In recent years the ABC's cry of insufficient funds has sounded increasingly hollow: not because it is untrue, but because, while it is repeated like a mantra, the ABC has failed to argue its case effectively with the Government - and with the public. A drop in staff from a peak of over 6,700 in 1985 to 5,500 today could mean two things: either the ABC was too fat to start with, or the place is indeed staggering under the burden of staff losses. Unfortunately for the ABC, audiences will remain unconvinced unless the Corporation's services actually fade to black.

What is needed is a comprehensive review of the organisation which would elicit detailed case studies of the effects of funding stringencies, and chapter and verse on where resources and staff have been lost and where additional funds could productively be deployed. It would answer such questions as whether the television service is maintained at the expense of radio; whether the ABC's best program staff been among those who have taken

redundancy; whether the system of having everyone on contract is still working, or whether there is now room for a compromise approach which would once again allow the best talent an assured career within the ABC.

The Government and the public deserve full information about the ABC's plight so that they can judge for themselves whether the ABC has a genuine case for more funds to restore lost or run-down capacity whether of people or equipment.

### • The Orchestras

The Government has made a miscalculation in proposing the removal of one orchestra - the SSO - from the ABC. The ABC's responsibility for orchestras is a historical accident arising from the need for the broadcaster when it began operating in the 1930s to have access to live performances of music, because of the limited availability and quality of recorded music. This rationale has long since ceased to prevail. Both the Dix and the Tribe inquiries recommended divestment of the ABC orchestras. Dix also recognised, however, the vital importance of retaining control of orchestras within one national organisation to ensure, for example, the co-ordination and planning of concert programs, co-operative use of visiting artists, and efficient dispersal of Commonwealth funds.

The National Advisory Council has expressed its concern to Minister Lee that this major decision 'could be made without seeking community views' and that other such major decisions about the ABC's future could be made in isolation and without adequate consultation.

A piecemeal approach to the orchestras question is not the answer, and the Government needs to be persuaded accordingly, though not necessarily with the outcome of retention within the ABC.

### • Community Input

It is now some years since the ABC disbanded its State Advisory Councils. The National Advisory Council remains the only formal conduit for comment and advice to the Board from

the viewing and listening public, though its advice is limited to program matters. This Council comprises 12 members appointed by the Board 'to reflect a broad representation of the community' - a herculean task by any standard for a body meeting two or three times a year.

While systems for complaints handling have greatly improved in recent years, audience feedback programs such as TV's *Backchat* cannot be considered a serious form of community input given that the ABC itself selects the comments, which are often treated in a patronising or trivialising way. Consideration ought to be given to a higher profile for top ABC management and the board, for example, through 'meet the audience' public forums - in regional centres as well as major cities.

### • Lines of Communication

*....the board never got to debate the philosophical substance of those threshold issues of pay TV. The debate was constantly kept at the level of technical minutiae; if we do not do this, we will be dead.....*

Former board member  
John Cleary, p.576.

Evidence put to the Senate Committee suggests that in recent years major policy decisions on such matters as the ABC's role in pay TV have been made by the Board on the basis of less than adequate briefing and debate. A policy secretariat established in the 1980s on Dix's recommendation to provide independent policy advice to the board gave way to a Corporate Policy and Planning Division which, during the Hill era, has been closely associated with management and management initiatives. Consideration needs to be given to improving the lines of communication so as to ensure that the board is fully informed of all options pertaining to major policy decisions. □