



Opening statement by David Anderson, Managing Director of the ABC, to the Senate Environment and Communications Legislation Committee (Senate Estimates)

Tuesday 3 March 2020

Thank you Chair.

I would like to make some brief opening remarks to address three issues: the campaign for media freedom, the ABC's response to the Bushfire crisis over summer and the steps we are taking to make savings in response to declining real funding.

Firstly, I want to talk about our response to the raid on our Ultimo office by the AFP last June.

Last week I made the very difficult decision not to appeal the recent ruling of the Federal Court that the AFP's warrant to conduct this raid and take documents was valid. The ABC's legal position was carefully considered.

I speak for all ABC journalists when I say how concerned and frustrated I am that our laws allow this situation to prevail. All Australians should share that concern: the AFP raid was an assault on public interest journalism and the Federal Court ruling was a blow to media freedom and democracy in Australia. The two ABC journalists at the heart of the raid, Dan Oakes and Sam Clark, have now been suspects for 537 days.

But as I said last week, we don't believe we can litigate our way to reforming fundamentally bad laws. Australia's regime for issuing warrants fails to adequately protect whistle-blowers and public interest journalism and makes us look antiquated when compared with other western democracies.

I would urge the Committee and all your colleagues to demonstrate the leadership Australians expect and to enact laws that ensure Australia is a transparent and strong democracy that supports press freedom.

These past few summer months have of course been devastating for many Australian communities as bushfires have destroyed homes and lives. The scale and severity of these fires have affected all of us and we have witnessed in those dark moments the genuine bravery of our firefighters and volunteers who been at the centre of that devastation.

The ABC has played a key role as well, with our teams in rural and regional communities acting tirelessly to ensure critical information has been available to those in harm's way. Our metro newsrooms and local radio stations kept the nation up to date on those terrible developments. I am pleased the ABC's role has been recognised by many Australians, including the Deputy Prime Minister Michael McCormack who said the ABC saved lives.

The ABC has made 935 emergency broadcasts this financial year compared to 371 the year prior and 256 in 2017-18.

The scale of the bushfires meant many of our teams returned from leave voluntarily to ensure the continuation of services during this critical period. Our team in Bega for example, a team of nine dedicated people, worked continuously, night and day, to keep our audiences informed and supported. They are just one example of many and they exemplify the ABC's commitment to its audiences.

This commitment and need to be increasingly flexible in the face of natural disasters amounts to significant budget pressure across the entire ABC.

Which brings me to the savings challenge the ABC is faced with.

The pause in the ABC's indexation announced in 2018 will reduce the Corporation's fund ~~\$84~~ over three years will result in an ongoing cut of \$41 m per annum from 2022. It is important to remember that this comes on top of \$64 million of ongoing cuts that were imposed on the corporation in 2014. To summarise the ABC will have to absorb cumulative budget cuts that amount to \$105.9 million per annum by the time we reach the 2022 financial year. This is an extraordinary strain on our ability to meet community expectations.

At this point it is not possible to absorb further cuts without an impact on jobs and services.

Which brings me to the savings challenge the ABC is faced with.

Since 2014 we have had cumulative budget cuts that amount to \$105.9 million per annum by the time we reach the 2022 financial year. This is an extraordinary strain on our ability to meet community expectations.

The ABC has a statutory obligation to work efficiently and to ensure savings where possible, and we have a strong history in finding those savings and reinvesting them in other services that meet audiences demands. In this way we have delivered both ABC iview, the news channel, podcasts and a range of digital services. It is how we delivered the \$15m p.a. connecting communities' package in 2017 which saw 80 jobs established across regional Australia.

Later this month I will deliver the ABC's strategy for the next five years, the pathway that will guide us as we continue to deliver the very best of what Australians expect of us. We are still determining how the pressures from budget cuts will be met, but there will likely be some job losses announced as part of that strategic outlook.

We are determined to continue to be an ABC that is capable, reliable and flexible to whatever demands come our way. The Committee is aware that I have asked the Communications Minister to end the current indexation pause so we can continue to make the greatest contribution. Our Chair Ita Buttrose and I have also raised this with the Prime Minister and I'm pleased at the positive nature of that conversation.

The final point I would like to make is that Australians expect the ABC to remain independent and they trust us to manage our budget to deliver the services they love and expect.

Despite what our critics claim, ABC services are valued highly by all Australians on all platforms.

More than 11.3 million Australian adults, or 67% of the population, watch read or listen to ABC content each week.

Some 35% of Australians living in our 5 major capital cities listen to ABC radio stations each week. They listen for an average of 10 hours per week. And more than 3 million listeners in regional Australia tune in to ABC radio each week.

ABC iView has 3.7 million monthly users who on average use the platform 5.7 times during the month. A collective 741 million minutes are viewed each month on ABC iView.

ABC NEWS achieved record-breaking audience figures across digital and broadcast platforms in January and claimed the number one spot in the Nielsen digital news site rankings with 11.2 million unique visitors. ABC NEWS online had the highest daily audience among news brands on 14 out of the 31 days, with its total audience 32% higher than in January 2019.

ABC Kids has delivered some of our highest scores for Quality and Distinctiveness showcasing the value it drives for Australians. 60% of Australian Kids aged 0 – 4 tune into ABC KIDS on tv each week.

The ABC has the number one children's program, the locally produced and much-loved Bluey, which consistently dominates broadcast multichannel rankings and is the strongest performing program on iView ever with 220 million plays in total.

And we routinely track attitudes to the ABC as an important measure of our performance, and the results consistently show high degrees of trust in, and appreciation for, what we do.

- 77% of Australians believe that the ABC does a good job at “being distinctively Australian and contributes to Australia’s national identity”.
- 77% of Australians agree that “A health ABC is essential to Australia’s future”.
- 74% agree that “The ABC helps me to understand the diversity of Australia”.

I would now be very pleased to answer any questions you have.