

Chapter 2

Issues raised in evidence

2.1 This chapter canvasses issues raised by submitters in relation to the proposed amendment to the Australian Broadcasting Corporation's (ABC) Charter in relation to the delivery of services, the establishment of a Regional Advisory Council, and the residency requirements of ABC Board members.

2.2 This chapter also includes the committee's view and recommendation.

Broad support for the ABC

2.3 The majority of submitters expressed general support for the ABC and the work it undertakes in rural and regional Australia. Support for the Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 (the bill) was offered in the context of strengthening and improving the ABC.

2.4 For example, the National Farmers' Federation (NFF) submitted that the ABC plays an 'integral role' in the lives of rural and regional Australians and stated that it welcomed the 'regional measures contained in this bill as a means to refocusing and increasing emphasis towards regional services within [the] ABC'.¹

2.5 Similarly, Pastor Benjamin Quilliam submitted that 'the proposed bill is capable of restoring some the geographical and regional balance to the ABC'.²

2.6 Likewise, the Northern Territory Cattlemen's Association (NTCA) stated that:

The ABC has the potential to be a stronger and better-informed organisation as a consequence of the proposed Rural and Regional Measures Bill.³

Regional and geographic diversity

2.7 The proposed amendment to the ABC Charter to require the ABC to broadcast programs that contribute to a sense of regional and national identity, and inform and entertain, and reflect the geographic and cultural diversity of, the Australian community was supported by submitters.

2.8 The NTCA submitted that 'the roles played by rural, regional and remote Australians...[are] currently under-represented and misunderstood, and, at times,

1 National Farmers' Federation, *Submission 11*, pp. 1–2. See also Cotton Australia, *Submission 10*, p. 3.

2 Pastor Benjamin Quilliam, *Submission 4*, p. 4.

3 Northern Territory Cattlemen's Association, *Submission 1*, pp. 1–2.

misrepresented in the Australian media landscape'. As such, the NTCA described the bill's proposal to amend the Charter as 'positive' and stated that it would 'enhance the feeling of diversity, and promote greater understanding and acceptance of rural and regional life within the national psyche'.⁴

2.9 Free TV Australia described this proposed amendment as adding 'some much-needed detail to the ABC's charter' which would 'help the national broadcaster operate within the intention of its Act'. Free TV Australia submitted that the proposed amendment would 'focus the ABC on providing unique services to regional and rural areas'.⁵

2.10 However, the ABC questioned the need for this amendment 'given the ABC's continued focus on serving regional audiences and the level of trust it receives in turn'. It submitted that any intervention in the Charter in response to specific interests should be 'approached with extreme caution'.⁶

Committee view

2.11 The committee is of the view that a clear statement of expectations in relation to services for rural and regional Australia is required to ensure that they remain a clear priority for the ABC. The committee supports amending the Charter to include a requirement that programs which contribute to a sense of regional and national identity, and inform and entertain, and reflect the geographic and cultural diversity of, the Australian community, are broadcast.

Board membership

2.12 The proposal to change the requirements of the composition of the ABC Board to include two non-executive Directors who are substantially involved with rural and regional Australia was described as 'appropriate and justifiable, and in keeping with the bill's theme of augmenting the ABC's purview to better provide for rural and regional Australia'.⁷

2.13 Free TV Australia submitted that this proposal would:

...enable the ABC to make better informed investment decisions in regional areas and ensure that they have full knowledge of the suite of services already provided by the commercial sector. In turn this will help focus the expenditure of taxpayers' money in markets consistent with the ABC's Charter.⁸

4 Northern Territory Cattlemen's Association, *Submission 1*, p. 1.

5 Free TV Australia, *Submission 2*, pp. 1–2.

6 Australian Broadcasting Corporation, *Submission 9*, p. 8.

7 Northern Territory Cattlemen's Association, *Submission 1*, p. 1.

8 Free TV Australia, *Submission 2*, p. 2.

2.14 Mr James Christian in expressing his support for the bill, stated that 'fundamentally, this bill acknowledges the importance of the ABC's corporate governance, and that in order to have an ABC that reflects all of Australia, the ABC must represent all of Australia'.⁹ Mr Christian submitted that:

Amending the ABC's Charter such that two non-executive directors must be appointed on the basis of their involvement with rural and regional Australia should help restore the balance back to the bush. The city-centric journalism and service development focus is not fair to those not in the city; the geographic identities that make up Australia are being lost.¹⁰

2.15 The NTCA expressed support for the proposed changes to the membership of the Board and stated that:

Northern Territory pastoralists, and indeed Australia as a whole, will benefit from an improved ABC with a geographically diverse and regionally representative Board, which has a deeper understanding of the perspectives, views and needs of rural and regional Australia.

2.16 However, the NTCA also suggested that one of the two proposed Directors should be required to be from 'remote Australia' as the definition of 'regional' would statistically leave the majority of the country unrepresented on the Board.¹¹ It submitted:

The Northern Territory Cattlemen's Association supports the Bill because of its potential to enhance the ABC for the benefit of the NTCA membership, but submits that one of the two Directors should be from remote Australia.¹²

2.17 This suggestion was echoed by Mr Christian who submitted that:

...given the vast area of the country that is considered "remote" as opposed to "regional" or "rural", I propose the Bill include a reference to "remote" Australia to ensure the representation of remote Australians in both content and service delivery. Adapting the ABC's Charter to ensure the acknowledgement of the existence of all Australians is fundamental to the ABC's success as a truly national broadcaster.¹³

2.18 This was similarly supported by Pastor Quilliam who suggested that the bill's definition of 'regional' is broad and encompasses significant urban areas as well as remote areas. Pastor Quilliam made a number of suggestions regarding how areas

9 Mr James Christian, *Submission 5*, p. 1.

10 Mr James Christian, *Submission 5*, p. 1.

11 Northern Territory Cattlemen's Association, *Submission 1*, p. 1.

12 Northern Territory Cattlemen's Association, *Submission 1*, p. 2.

13 Mr James Christian, *Submission 5*, p. 3.

could be defined to ensure that a proportion of Board members would be required to reside in 'remote' areas rather than simply 'rural' or 'regional' areas.¹⁴

2.19 Dr Harry Criticos also suggested that one of the directors who resides in a regional area could be a person with media background to ensure that that the 'council is made more aware of the issues and community concerns of regional media and broadcasting'.¹⁵

2.20 However, some submitters argued that there was no need to enshrine in legislation the number of Board members with rural backgrounds. Mr Zanker submitted that 'successive governments have appointed persons from rural backgrounds to the board as a matter of policy'.¹⁶

2.21 The ABC submitted that under the current legislation, the appointment of Board members is 'independent and merit-based'. It expressed concern that 'the use of arbitrary quotas as proposed in this legislation may actually act against the best interests of the Corporation and its audiences'. The ABC submitted that:

The ABC is a corporation operating in a complex and rapidly-changing media environment. Stewardship of that business requires board members with business and media skills. The ABC would be concerned if prescribed quotas were to hinder the ability of Government to choose people best qualified to help steer the Corporation through this challenging landscape.¹⁷

Committee view

2.22 The committee notes the evidence from submitters in relation to the definition of 'regional' communities and the request by submitters for representation of 'remote' communities on the Board. The committee is confident that the Government will take into account the need to ensure that the ABC Board reflects the diversity of interests in the Australian community, including the interests of remote areas, when making appointments.

2.23 The committee acknowledges that the Australian Government is able to appoint Board members from rural backgrounds, and has done so in the past as a matter of policy. Nonetheless, the committee is of the view that making this a statutory requirement provides rural and regional communities with the appropriate certainty that their needs and views are represented by the ABC Board.

2.24 The committee also notes that the requirement for the Minister (in relation to non-executive directors) or the Prime Minister (in the case of the ABC Chair) to table a statement in each House of Parliament outlining the person's substantial connection

14 Pastor Benjamin Quilliam, *Submission 4*, pp. 2–3.

15 Dr Harry Criticos, *Submission 3*, p. 1.

16 Mr Mark Zanker, *Submission 6*, p. 1.

17 Australian Broadcasting Corporation, *Submission 9*, p. 11.

to, or substantial experience in, a regional community. The committee notes that the Minister for Communications, Senator the Hon Mitch Fifield, stated that this will allow the Government to 'establish a baseline for the regional skills set of the ABC Board'.¹⁸

Regional Advisory Council and reporting requirements

2.25 The proposal to require the ABC Board to establish a Regional Advisory Council to advise the Board, and the establishment of new annual reporting requirements for the ABC were supported by submitters. For example, Mr Christian described the establishment of a Regional Advisory Council as 'a worthy cause'. Mr Christian stated:

The Regional Advisory Council's intended mandate, and the Bill's annual reporting obligation changes appear to make the provision of factual, objective data imperative to the ABC's successful transition into an accurate and wholly representative organisation.¹⁹

2.26 The NFF submitted that the establishment of a Regional Advisory Council would have a 'positive effect'.²⁰

2.27 Pastor Quilliam, in expressing his support for the establishment of the Regional Advisory Council, also submitted that the remuneration for the Regional Advisory Council should be mandatory rather than a decision for the ABC Board. Pastor Quilliam submitted that this would:

...cause the Board to take more notice of the advice given by the Regional Advisory Council...and assist in ensuring the new Council is not just a "puppet" council filled with people who don't have the time or resources to take a proper look at the ABC's regional business.²¹

2.28 Free TV Australia stated that the new reporting requirements would 'add an important level of transparency in decision making of matters impacting regional Australians'.²²

2.29 However, the ABC submitted that the establishment of a Regional Advisory Council would:

...simply replicate the functions and advice provided by the current ABC Advisory Council, while also adding to the costs of the council and its secretariat support.²³

18 Senator the Hon Mitch Fifield, *Senate Hansard*, 18 October 2017, p. 7902.

19 Mr James Christian, *Submission 5*, p. 2.

20 National Farmers' Federation, *Submission 11*, p. 2.

21 Pastor Benjamin Quilliam, *Submission 4*, p. 5.

22 Free TV Australia, *Submission 2*, p. 2.

23 Australian Broadcasting Corporation, *Submission 9*, p. 9.

2.30 The ABC further expressed its opposition to the consultation requirements included in the bill as it argued that the amendment 'effectively removes from the ABC Board its ability to choose the matters on which it will consult when discharging its responsibilities, therefore diminishing its discretionary powers'.²⁴

2.31 The ABC also expressed concern in relation to the additional reporting requirements proposed by the bill. It submitted that

The proposed amendments, which would see employee numbers reported as a simple regional versus metropolitan comparison, are arbitrary and based on a fundamental misunderstanding of how the ABC is structured to provide value for taxpayers. A direct comparison without the inclusion of relevant context would also fail to present an accurate picture of how many ABC employees are dedicated to producing content and delivering services for regional audiences.²⁵

Committee view

2.32 The committee notes the concerns raised by the ABC, but is of the view that the Regional Advisory Council will provide the ABC with a more formal mechanism to ensure that decisions made by the ABC Board occur after proper consultation with affected audiences.

2.33 The committee notes the comments of the Minister for Communications, Senator the Hon Mitch Fifield, that the proposed reporting requirements are 'important for transparency' and that 'it is appropriate that the Parliament, and the Australian people, are able to see the deployment of staff and the production of local content'.²⁶ The committee considers the proposal to be an appropriate and important accountability measure.

Other issues

2.34 A number of submitters commented on the decision by the ABC to cease shortwave radio services and argued that this is evidence that the ABC does not understand the needs of rural and regional Australians.²⁷ Submitters also argued that the ABC must be adequately funded in order to serve rural and regional communities.²⁸

24 Australian Broadcasting Corporation, *Submission 9*, p. 10.

25 Australian Broadcasting Corporation, *Submission 9*, p. 11.

26 Senator the Hon Mitch Fifield, *Senate Hansard*, 18 October 2017, p. 7902.

27 See Mr Darryl Fallow, *Submission 7*; Mr James Christian, *Submission 5*; Pastor Benjamin Quilliam, *Submission 4*, Northern Territory Cattlemen's Association, *Submission 1*.

28 See Mr Darryl Fallow, *Submission 7*, p. 3; Mr Mark Zanker, *Submission 6*, p. 1.

2.35 These issues were extensively canvassed during the inquiry into the Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015, nevertheless the committee notes the ongoing concerns of submitters.

Committee view and recommendations

2.36 The committee acknowledges the important role that the ABC plays in the lives of rural and regional Australians, indeed in the lives of all Australians. Over many decades its services have informed and entertained communities in areas where other media options are limited.

2.37 This bill contains a range of important and appropriate measures to support and cement that role, and ensure the ABC continues to focus on and meet the diverse needs of rural and regional Australia.

Recommendation 1

2.38 The committee recommends that the Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 be passed.

**Senator Jonathon Duniam
Chair**

