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The Parliament of the Commonwealth of Australia

# Arts and the news to rural and regional Australia

**Inquiry into broadcasting, online content and live production to  
rural and regional Australia**

House of Representatives  
Standing Committee on Communications and the Arts

May 2016  
Canberra

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## Chairman's executive summary

Rural and regional Australians deserve access to high quality arts performances and reliable news services. This inquiry has been a timely and productive examination of how well rural and regional communities are currently served in these two distinct, but important, areas.

The committee makes 16 recommendations to help ensure that Australians living in rural and regional communities can access high quality arts performances and reliable news services.

The live performance industry in Australia each year reaches millions of people, enriching their lives and providing a host of community and health benefits, as well as contributing millions of dollars to the economy. In 2012, the live performance industry generated \$2,546 million (value adding \$1,529 million to the Australian economy) and employed over 18,000 people. As a group, Australia's major performing arts companies reached 16 million people in 2014-15, through live arts performances and broadcasts or recordings of their work. In 2015, the major performing arts companies delivered live arts performances and arts programs to close to four million people in metropolitan and regional locations.

Major performing arts companies like Opera Australia and The Australian Ballet bring excellence to the one third of Australians who live in rural and regional communities. Opera Australia, as Australia's national opera company, presents more than 700 performances each year, reaching more than half a million people. Since 1996 it has toured to 110 different venues, presented 549 high quality performances and travelled more than 280,000 kilometres around the country. The Australian Ballet delivers 200 performances in cities and regional areas across Australia each year, reaching over 10,000 people in regional communities.

The performances and interactive programs delivered by these groups are highly valued by these communities, and often have a profound impact on audiences and participants. They can also be an important source of inspiration for, and have a long-lasting impact on, students and local professionals. These groups, and the other performing arts companies, play a crucial role in shaping and reflecting Australia's cultural identity.

In 2014 there were over 18.5 million tickets for attendances at live arts performances, exceeding the sporting code attendances of over 13.7 million that year. This is a 3.4 per cent increase on 2013 attendances at live arts performances. In Australia, which prides itself on being a sporting nation, the ticket numbers for attendances for live arts performances reflect that the arts are also highly valued.

Touring is one of the key ways in which people in rural and regional communities can access quality live performances without having to visit a capital city or larger metropolitan area. Regional touring is generally undertaken by Australia's major performing arts companies and some small to medium arts groups, and is usually subsidised to some degree by the company. These touring and regional engagement activities also typically receive government funding support. The performing arts groups do an outstanding job of delivering tours and regional engagement activities to rural and regional communities. There is wide demand for these shows and engagement, and they are highly valued by people in these communities. Australia's major performing arts companies recognise the importance of enabling everyone, regardless of how far they may live from a major metropolitan centre, access to the very best Australia has to offer.

While regional tours often run at a loss, with groups regularly subsidising their touring activities, they tend to regard it as an 'investment', rather than a loss. Governments must see its funding for these tours and activities in a similar light.

The committee's nine recommendations relating to the arts are aimed at helping to ensure that the excellent work already being done continues and, where possible, is further enhanced. **The committee recommends:**

- the continuation of funding for Australia's major performing arts companies
- the Government take into account the dynamic and changing nature of the arts in its grants programs, including acknowledging the dynamic nature of the major performing arts companies, such as Opera Australia, which sees its repertoire as evolving, for example, to include amplified performances and musicals, and challenges the definition of opera so it is not stuck in a 19th century form of opera that makes it part of the past rather than part of the future
- the Government, when assessing the effectiveness of its funding, encourage the educative role that performing arts companies play, for example, The Australian Ballet, which brings professional excellence to these communities in its performances, and through its interactions with schools has reached thousands of students and teachers
- maintaining adequate funding for the Australia Council for the Arts' Playing Australia program

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- National Touring Status arrangements are retained and extended to additional performing arts companies
  - the Australia Council explore ways to encourage and formalise mentoring arrangements between performing arts companies and rural and regional communities
  - the new Catalyst Australian Arts and Culture Fund be evaluated, and this be reported on the Department's website to heighten awareness of the program
  - the Government consider funding and support for digital innovation in the delivery of the arts
  - the eligibility for the Catalyst Australian Arts and Culture fund includes competitions and eisteddfods.

Commercial, public and community broadcasters play important roles in providing news services to people in rural and regional Australia. Most people still get their news from television, but there has been a rapid uptake of online content, for example with catch-up free-to-air television services and paid streaming services. It is important to recognise that the media landscape is being transformed by digital and other industry developments and, coupled with the challenges inherent in serving regional areas, consider how services to these communities may be affected.

The ability to access diverse local content, including news and emergency information, is vitally important to Australians living outside of the major metropolitan centres. People in these communities should have equitable access to fast and reliable broadband and related services.

The Government needs to take the necessary actions to help ensure that rural and regional communities continue to receive reliable and quality news services, including locally relevant content. The committee makes seven recommendations aimed at providing the necessary support for regional services in the changing media landscape. **The committee recommends:**

- reducing broadcast licence fees for free-to-air and community broadcasters
- the need for the Government to take into account the implications of any reforms to media ownership on broadcasting and news services to rural and regional Australia
- reviewing the existing broadcast licencing system to consider the adequacy of the concept of 'local' and the provision of incentives for broadcasters who deliver more targeted local content to rural and regional audiences

- ensuring that the ABC Board is more representative of the Australian community, including rural and regional communities and ensure two members are from rural and regional Australia
- changes to the ABC Code of Practice to include a requirement that any correction or clarification must be made on the relevant program in which an error has been made, in addition to being published on the ABC website
- developing a level playing field for public, commercial and community broadcasters in adhering to standards for broadcasting
- developing a framework to enhance the accuracy and accountability of the ABC
- the SBS and ABC remaining as separate entities.

On behalf of the committee, I thank the organisations and individuals that assisted the committee during the inquiry through submissions and giving evidence at the public hearings. I also thank my colleagues, the Deputy Chair of the committee, Mr Tim Watts MP, and other members of the committee, Mr Laurie Ferguson MP, Ms Nola Marino MP, Mr Graham Perrett MP, Ms Melissa Price MP, Mr Rowan Ramsey MP, Ms Maria Vamvakinou MP and Mrs Lucy Wicks MP, for their contribution to the report. I would also like to thank Committee Secretary, Mr Stephen Boyd, Inquiry Secretary, Ms Samantha Mannette, Senior Researcher, Dr John White, and the secretariat team for their diligent work on this report.

Hon Bronwyn Bishop MP  
Chairman



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## Membership of the Committee

Chairman      The Hon Bronwyn Bishop MP

Deputy Chair      Mr Tim Watts MP

Members      Mr Laurie Ferguson MP

Ms Melissa Price MP

Ms Nola Marino MP

Mr Rowan Ramsey MP

Mr Graham Perrett MP

Ms Maria Vamvakinou MP

Mr Keith Pitt MP (to 2/3/2016)

Mrs Lucy Wicks MP

## Committee Secretariat

Secretary      Mr Stephen Boyd

Inquiry Secretary      Ms Samantha Mannette

Research Officer      Dr John White

Administrative Officers      Ms Jazmine Rakic

Mr Danny Miletic



## Terms of reference

The Committee, under its power to inquire into the annual reports of government agencies, will inquire into the importance of public and commercial broadcasting, online content and live production to rural and regional Australia, including the arts, news and other services.

The inquiry was initiated from the following reports:

- Australian Broadcasting Corporation Annual Report 2015
- Special Broadcasting Service Corporation Annual Report 2015
- Australia Council for the Arts Annual Report 2014-15
- Australian Communications and Media Authority Annual Report 2014-15.



## List of abbreviations

ABC	Australian Broadcasting Corporation
ABC Act	<i>Australian Broadcasting Corporation Act 1983 (Cth)</i>
ABS	Australian Bureau of Statistics
Australia Council	Australia Council for the Arts
ACMA	Australian Media and Communications Authority
ACT	Australian Capital Territory
ACTF	Australian Children’s Television Foundation
AMPAG	Australian Major Performing Arts Group
ANT Live	Australian National Theatre Live
BSA	<i>Broadcasting Services Act 1992 (Cth)</i>
Catalyst	Catalyst – Australian Arts and Culture Fund
CBAA	Community Broadcasting Association of Australia
CEO	Chief Executive Officer
CFA	Country Fire Authority
DAB+	Digital Audio Broadcasting
ESA	Emergency Services Agency

ISP	Internet Service Provider
IRCA	Indigenous Remote Communications Association
LAP	Licence Area Plan
MPA	Major Performing Arts
MPAs	Major performing arts companies
NBN	National Broadband Network
NESTA	National Endowment for Science, Technology and the Arts
NPEA	National Programme for Excellence in the Arts
SBS	Special Broadcasting Service (Corporation)
SPA	Screen Producers Australia
SVOD	Subscription video on demand
VAST	Viewer Access Satellite Television



# Recommendations

## 2 Access to the Arts

### Recommendation 1 (Paragraph 2.123)

The committee recommends that the Australian Government, through the Australia Council for the Arts and its other funding programs, continue to provide funding to Australia's major performing arts companies, including, but not limited to, Opera Australia, The Australian Ballet and Bell Shakespeare, to assist these groups to continue to deliver quality productions and regional engagement activities to communities in rural and regional Australia.

The committee notes that in 2014 there were 18,536,343 tickets for attendances at live arts performances, exceeding the sporting code attendances of 13,744,662 that year. This is a 3.4 per cent increase on 2013 attendances at live arts performances.

### Recommendation 2 (Paragraph 2.125)

The committee strongly recommends that the Australian Government maintain adequate levels of funding for the Australia Council for the Arts' Playing Australia program.

### Recommendation 3 (Paragraph 2.127)

The committee recommends that the Australia Council for the Arts, through its Playing Australia program, retain and extend the National Touring Status arrangements, to additional companies, which in accordance with evidence taken results in greater certainty and planning efficiencies.

#### Recommendation 4 (Paragraph 2.131)

The committee recommends that the Australian Government, when assessing the effectiveness of its funding for the industry, take into account the dynamic and changing nature of the arts. For instance, the Chief Executive Officer of Opera Australia explained how he sees the legitimate changing nature of repertoire in the following ways:

- *The Rabbits* was amplified and people said, 'If it is amplified is it really opera?' and our response was, 'Yes, it is opera. It is sung through, it is composed and it is performed by an orchestra with a chorus and opera singers.' Similarly, opera in Sydney Harbour is amplified because of the nature of being outdoors. *The Divorce* was written by a composer who is very well regarded, Elena Kats-Chernin, and Joanna Murray-Smith was the librettist. We say it is an opera. I guess the debate could rage on and on and on.
- One could argue that *Les Miserables* is an opera. Or is it a musical? We perform operas and musicals, and we like the fact that there is a debate about what opera is, and it is good if we can challenge the definition again and again. I would worry that if we were stuck in a 19th-century form with opera we would be part of the past rather than part of the future.
- Having the different style for performances in its repertoire allows for cross-fertilisation of talent. Musicals like the *South Pacific* season, are were very well attended by our subscribers and also brought a new audience to us. It is healthy, I think, for the future of the form that we stretch it and challenge and expand as much as we possibly can.

#### Recommendation 5 (Paragraph 2.133)

The committee recommends that the Australia Council for the Arts, through its Playing Australia program, explore ways to encourage and formalise mentoring arrangements between performing arts companies or related peak body groups, and the presenter groups and individuals in rural and regional communities involved in the delivery and support of live performances in these communities.



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**Recommendation 6 (Paragraph 2.134)**

The committee recommends that in evaluating the effectiveness of funding for the major performing arts companies, the Australian Government, should highlight and encourage the important educative role that these companies play. The committee notes for instance, the interaction with schools by The Australian Ballet and Bell Shakespeare, which has reached tens of thousands of students and teachers. These groups bring excellence to the one third of Australians who live in rural and regional communities.

**Recommendation 7 (Parapgraph 2.136)**

The committee recommends that the Department of Communications and the Arts evaluate and report on the effectiveness of the new Catalyst Australian Arts and Culture Fund. An assessment should be included in the Department's annual report and separate publication made available on the Department's website, from time to time, to heighten awareness of the fund.

**Recommendation 8 (Paragraph 2.140)**

The committee recommends that the Australian Government consider, as parts of its grants programs strategies to promote and support digital developments for arts delivery and engagement, providing funding and support for innovation in this area by:

- existing major companies, for example, The Australian Ballet's ambitious 'raising the roof' project in which it is scoping building its own studio at its Melbourne headquarters, and
- emerging groups with innovative models, for example, Australian National Theatre Live, which is a new enterprise aiming to record, produce and screen quality Australian theatre performances to cinemas and locations across Australia.

**Recommendation 9 (Paragraph 2.142)**

The committee commends the Australia Council for the Arts for removing the restriction on providing grants for competitions and eisteddfods, and notes that competitions are an important element in the professional life of artists.

The committee recommends that in its application of the Catalyst fund, the Department of Communications and the Arts similarly ensure that the criteria allows for grants funding for arts competitions and eisteddfods.

### 3 Broadcasting services

#### Recommendation 10 (Paragraph 3.111)

The committee recommends that the Minister for Communications and the Arts and the Australian Communications Media Authority work together to reduce broadcast licence fees for free-to-air and community broadcasters.

The committee recognises the important role that commercial and community broadcasters play in delivering news and other content to rural and regional audiences, and that the evidence shows that most people still get their news from television. The committee heard concerns from commercial and community broadcasters about the need for reform of the current high licensing fees.

#### Recommendation 11 (Paragraph 3.113)

The committee recommends that, in undertaking any reforms to media ownership relating to the 'reach rule' and the 'two-out-of-three cross-media control rule', the Australian Government consider the implications of the legislation on broadcasting and news services in rural and regional Australia. A statement on what actions have been taken to mitigate any negative impacts on rural and regional communities should be articulated by the Minister for Communications and the Arts in the presentation of the legislation.

#### Recommendation 12 (Paragraph 3.119)

The committee recommends that the Department of Communications and the Arts and the Australian Communications and Media Authority review the existing broadcast licencing system to consider the adequacy of the concept of 'local' and the provision of incentives for broadcasters who deliver more targeted local content to rural and regional audiences. Broadcasters who deliver more targeted local content could be rewarded through the points system for determining licence fees.

#### Recommendation 13 (Paragraph 3.127)

The committee recommends that the Government introduce legislation to amend the *Australian Broadcasting Corporation Act 1983* to ensure that:

- the ABC Board is more representative of the Australian community, and has at least two rural or regional based members, and
- the ABC Advisory Council has at least two rural or regional based members.

**Recommendation 14 (Paragraph 3.136)**

The committee recommends that the Australian Broadcasting Corporation (ABC) Code of Practice be revised to include a requirement that any correction or clarification must be made on the relevant program in which an error has been made, in addition to being published on the ABC website.

**Recommendation 15 (Paragraph 3.138)**

The committee recommends that the Minister for Communications and the Arts and the Australian Communications and Media Authority (ACMA) develop a framework to enhance the accuracy and accountability of the Australian Broadcasting Corporation (ABC).

The committee's view is that all broadcasters should adhere to ACMA standards for broadcasting. In relation to the ABC in particular, given its extensive reach as a trusted national public broadcaster, on which many communities rely for their news, the committee believes that this entails heightened responsibilities for accuracy and accountability.

**Recommendation 16 (Paragraph 3.140)**

The committee recommends that the Special Broadcasting Service Corporation (SBS) and the Australian Broadcasting Corporation remain separate entities.

The committee commends the SBS for its important work in providing specialised multicultural broadcasting according to its charter, and in broadening its audience through general interest programming. The committee believes the SBS addresses a fundamental content gap within the Australian broadcasting space, while operating as a highly efficient organisation.