

Australian Broadcasting Corporation

Submission to the

**Senate Environment and Communications
Legislation Committee**

**Inquiry into the Australian Broadcasting
Corporation Amendment (Rural and
Regional Advocacy) Bill 2015**

February 2016



ABC submission on the ABC Amendment (Rural and Regional Advocacy) Bill 2015

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The ABC is pleased to provide a submission to the Senate Environment and Communication Legislation Committee's [inquiry into the ABC Amendment \(Rural and Regional Advocacy\) Bill 2015](#). The Bill, put forward by Victorian Senator Bridget McKenzie of the Nationals proposes a number of changes to the *Australian Broadcasting Corporation Act 1983* ("ABC Act") and, in particular, the ABC Charter. This submission addresses the nature and implications of those proposals and demonstrates that, not only does the current Charter create obligations for the ABC to serve regional and rural Australians, it successfully delivers on that obligation.

ABC commitment to rural and regional Australia

The ABC has a strong and unwavering commitment to rural and regional Australia and to the one-third of Australians who live outside the capital cities. The Corporation's ability to successfully service this audience requires the contribution from staff across the country. Moreover, also it has have a dedicated Regional Division with over 400 staff in 48 locations—from Kununurra in the north west, Albany in the south west, Launceston in the south east and Cairns in the north east—who are specifically charged with developing content, services and activities that reflect and contribute to Australia's rural and regional communities. These teams report to the new ABC Regional Director, Launceston-based Fiona Reynolds, and an executive team that is based wholly outside the Corporation's headquarters in Ultimo, Sydney.

It is important to note that the ABC's commitment to servicing its regional and rural audiences extends far beyond the \$52 million operating budget of the Regional Division. The ABC investment in services to regional audiences, which includes content (both produced for and from regional areas and relevant national programs), transmission and other

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infrastructure costs, is in excess of \$385 million. This represents over one-third of its total annual budget. The ABC considers this level of spending to be commensurate with its obligations to serve the roughly one-third of Australians who live in regional communities, particularly given the funding envelope in which the Corporation has to operate.

This expenditure is broken down in Table 1 and further information on the ABC's budget is provided on pages 14–15.

Table 1: Indicative ABC Investment in Rural and Regional Audiences

	\$ million	
Content	199	Includes ABC Regional's \$52 million operational budget
Distribution and Transmission	151	
Property and equipment	12	
Support costs	12	HR, finance, audit, capital works, technology support, business operations and content services
Other corporate costs	13	Corporate costs, including Audience and Marketing and other corporate departments
Total	387	

A detailed account of the ABC's regional activities was recently provided by the ABC to the House Standing Committee on Communications and the Arts Inquiry into regional media and the arts.¹ In it, the ABC sets out the depth and breadth of its regional services across radio, television and online platforms. These services are delivered to Australians, no matter where they live, through terrestrial, satellite and digital networks. The ABC commends that submission to the Committee, a copy of which appears as **Attachment 2**.

In addition, the ABC regularly updates Parliament on its services and its commitment to rural and regional Australia via its Annual Report, its regular Senate Estimates appearances, responses to Parliamentary Questions on Notice, its triennial Cost and Performance Report to Government and through various parliamentary inquiries into its operations. In recent years, such inquiries have included:

- House of Representatives Standing Committee on Communications and the Arts Inquiry 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 (2015).

¹ House of Representatives Standing Committee on Communications and the Arts Inquiry 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 (2015).

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- Senate Environment and Communications Legislation Committee inquiry into the Australian Broadcasting Corporation Amendment (Local Content) Bill 2014 (2014).
- Senate Environment and Communications References Committee inquiry into the Australian Broadcasting Corporation's commitment to reflecting and representing regional diversity (2012–13).
- Senate Environment and Communications References Committee inquiry into recent ABC programming decisions (2011).

The ABC also commends its submissions to these inquiries to the Committee, as well as the corresponding committee reports and government responses.

The Bill

The ABC Rural and Regional Advocacy Bill is a Private Senator's Bill introduced by Senator McKenzie. It seeks to amend the ABC Charter in a number of respects, including the insertion of a geographic-diversity criterion and mandatory production requirements. This submission will address relevant proposed changes in detail.

As a taxpayer-funded national broadcaster, the ABC is owned by the people of Australia. The Corporation maintains consistent dialogue with its many stakeholders and is always open to feedback about its performance and ways in which it can better serve its audiences. As stated, the ABC has contributed to a number of inquiries examining its activities. Aware of its importance to regional and rural communities, the Regional Division has briefed and received continuous feedback from its many stakeholders, including regional members of Federal Parliament. It has sought to explain its audience strategies and activities.

The Corporation notes that, while there has been widespread public debate on the Bill, its views on the proposed legislation have not, until this submission, been directly sought. The ABC welcomes this opportunity to provide a full perspective on the issues raised in the Bill and the relative feasibility of its provisions.

Contrary to misapprehensions that appear to have underpinned some of the commentary on the Bill, the current ABC Act provides a firm and clear mandate for the Corporation to deliver a high level of broadcast service in the regions. Moreover, as this submission will demonstrate, the ABC delivers effectively on that mandate.

As the annual Newspoll ABC Appreciation Survey shows, a large majority of Australians (84 per cent) believe the national broadcaster performs a valuable role.² A similarly large majority believe it is doing a “good job” satisfying its Charter obligations.

² Newspoll. *ABC Appreciation Survey*, June 2015.

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Nowhere is the ABC more appreciated than in regional Australia, with 88 per cent believing it provides a valuable service to the community. Eighty per cent of Australians believe the ABC covers country/regional issues well, compared with 42 per cent who claim the same of commercial media. This figures increases to 82 per cent among Australians living in country and regional areas, compared with 50 per cent who feel the same of commercial media.

Moreover, the community understands the financial pressures and constraints that the Corporation is under, and the need for additional funding to allow the Corporation to increase its regional investment. Independent polling commissioned by the Australia Institute in 2015 found strong support across the nation for increased ABC funding to improve regional services.³

While the Bill reflects the Senator's deep commitment to regional Australia and acknowledges the pivotal role played by the Corporation, overall it demonstrates a paucity of understanding of the ABC's operations, its governance structure, and the budget constraints confronting the Corporation. It relies on a narrow conception of localism, mandates inflexible programming outcomes and ignores the important role played by parts of the ABC outside the Regional Division. Its provisions run totally counter to the Corporation's efficiency efforts.

The Senator's Second Reading Speech, which provides an insight into the assumptions that underpin the Bill, makes a number of flawed assertions in relation to the ABC's purposes and operations.⁴

First, it states that the ABC should "pay greater attention to market-failure principles and serve the areas and demographics where commercial companies would fear to tread". This ignores the history of the ABC and its Charter, which requires it to serve both specialised and mass audiences. Put simply, the ABC has never been "just" a market failure broadcaster. Australia has been well-served by a media sector that sees the ABC working alongside commercial operators, providing a diversity of choice and services that the private sector cannot and will not deliver. That dual role is well understood and well appreciated by the community.

The Corporation is valued for its ability to provide quality programming in areas served by commercial broadcasters, such as in news and entertainment. It is also valued for delivering programs that will not be provided by its commercial counterparts—in areas such as the arts, Indigenous, children's, education and science. It is also unique in its ability to use its platforms to ensure that regional news and entertainment reaches a much broader audience, as it has done through the recent critically-acclaimed and widely-viewed television program *Back Roads*.

The ABC disputes the Senator's assertion that the Corporation is ill-serving regional communities by focusing digital investment to "already competitive formats" like iView and

³ The Australia Institute. "Heartland: Why the bush needs its ABC", 2015.

⁴ Australian Senate. *Hansard*, 1 December 2015, pp.9422–3.

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24/7 news. For many ABC audiences, including those in regional areas, iview is the preferred viewing platform.⁵ The reality is that the ABC pioneered catch-up TV in Australia and iview is the preferred destination for more than half of the domestic catch-up audience. Even with the entry of other catch-up or video-on-demand channels, iview stands alone in its ability to provide a safe, ad-free environment for younger Australians who increasingly prefer mobile and tablet devices for video consumption.

ABC News 24 is the only free-to-air news channel in Australia. The Corporation funded the channel through internal efficiency savings and it provides a valuable service to audiences across the country, particularly the roughly 70 per cent who are unwilling or unable to receive pay-TV services.⁶ As a truly national service, ABC News 24 provides people in regional areas with greater access to public debate and discussion and enhances the Corporation's ability to bring regional issues before national audiences.

Senator McKenzie has also asserted that the ABC should abandon or reduce its investment in breakfast television news on the basis that this market is covered by commercial television. *ABC Breakfast News* represents a distinctive, high-quality breakfast news format and has been acquiring new viewers over the past 12 months because the audience sees its presentation and content as more attractive to that provided by commercial and pay-TV alternatives.

Finally, it should be noted that the ABC's mandate was provided to the Corporation with bipartisan support by Federal Parliament 30 years ago. It is well understood that the Act provides for the independence of the ABC and its Board to carry out its duties. The Board was deemed to be best placed, by dint of its experience and responsibility, to best determine the allocation of funds to meet Charter obligations. Operational and editorial independence are an important safeguard against political interference in the activities of the Corporation and ensure that funding priorities are made in the best interests of audiences and the community.

Amending the Act and Charter is something that should be undertaken with considerable caution. Parliament has only ever intervened in very limited and specific circumstances; for example, in March 2013, when it clarified that the ABC's remit to serve audiences extended to the provision of "digital media services". That Charter responsibility was for the benefit of all Australians, as is befitting a national broadcaster.

⁵ Launched in 2015, both the ABC Kids iview and Kids Play apps have now passed 1 million downloads.

⁶ 3.7 million Australians watch ABC News 24 each week, 1.4million of those viewers are located in regional Australia (Source: OzTAM & Regional TAM Consolidated data).

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Proposed Charter amendments

The Bill proposes a number of changes to the ABC Charter (a copy of the current ABC Charter is included as Attachment 1). The ABC addresses relevant amendments below.

3 Subparagraph 6(1)(a)(i)

Repeal the subparagraph, substitute:

- (i) *broadcasting 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; and*

The ABC does not consider the inclusion of the words “regional” [identity] and “geographic” [diversity] to section 6(1)(a)(i) of the Act to be necessary.

The ABC is the national broadcaster and the current provision in the Act should be read in the context of the whole Act. The current phrases “national identity” and “cultural diversity” must be and are interpreted broadly. Therefore, when fulfilling its Charter obligations, the Corporation is already obliged to take account of regionalism and geographic diversity when broadcasting programs that contribute to Australia’s national identity and cultural diversity. The delivery of that obligation is demonstrated not only by the range of the ABC’s programming, but by its investment of over \$385 million in services to rural and regional audiences.

4 At the end of subsection 6(1)

Add:

- ; and (d) to encourage and promote journalistic excellence in Australia, foster an environment conducive to the promotion of regional journalism and allocate the resources necessary to carry out the Corporation’s functions and duties in rural and regional Australia.*

The current section 6(1)(a) of the ABC Act provides that the Corporation must “provide within Australia innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system”. The Act and the Charter also make it clear that the ABC is to be independent, with responsibility for the allocation of funding to rest with the ABC Board. This safeguard is to ensure that the ABC is free from political interference in its operations and in the delivery of its services.

If the intention of this amendment to ensure that the ABC provides best-practice journalism to its audiences, the Corporation considers that such an obligation is already exists in

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section 27, which requires the ABC to “develop and maintain an independent service for the broadcasting of news and information” and as a result of the duty of the ABC Board under section 8(1)(c) to “ensure that the gathering and presentation by the Corporation of news and information is accurate and impartial according to the recognised standards of objective journalism”.

5 After subparagraph 6(2)(a)(iii)

Insert:

- (iia) the responsibility of the Corporation to maintain an effective presence across Australia, including throughout rural and regional Australia, consistent with its status as an independent national broadcasting service; and*
- (iib) the responsibility of the Corporation to maintain regular transmissions of local content across a variety of platforms;*

The current section 6(1)(a) of the Act provides that the ABC must “provide within Australia innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system”. To this end, the ABC has developed a comprehensive suite of services, delivered via terrestrial, satellite and digital means, across 56 locations (48 of which are in regional areas). The ABC has more offices and more staff across more regional locations than any other Australian broadcaster.

The ABC further notes that, if implemented, the proposed provision would impede the independence of the Board and, if strictly interpreted, would impose additional financial costs on the Corporation at a time when its budget is significantly constrained.

6 At the end of paragraph 6(2)(a)

Add:

- (vi) the responsibility of the Corporation as the provider of quality regional services to provide services that transcend commercial objectives so that the Corporation can meet its obligations to regional Australian areas with small populations; and*
- (vii) the expectations of communities in regional areas as to the frequency and content of broadcasts; and*

The Corporation does not provide its services in accordance with “commercial objectives”. Its remit is to serve the people of Australia. As has been seen over recent years, commercial broadcasters, are reviewing activities in non-profitable areas, like regional Australia, because of slumping revenues and the difficulties of securing a consistent return on investment. The ABC has done the reverse—maintaining its investment in the regions and setting up a new Regional Division to consolidate and build upon this important work.

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ABC Advisory Council and the ABC Board

The Bill proposes amending the duties of the ABC Board in relation to policies affecting regional area:

7 After subsection 8(2)

Insert:

(2A) Before implementing any policy affecting regional areas the Board must consult:

- (a) regional employee stakeholders; and*
- (b) the Rural and Regional Advisory Council.*

Note: Details of the consultations undertaken under this subsection are to be included in the Corporation's annual report (see paragraph 80(ea)).

This proposed provision is unnecessary and demonstrates a lack of understanding of federal industrial legislation and the ABC's industrial agreements ("the Agreements"), which were ratified by Fair Work Australia.⁷ Under the Agreements, where the ABC formally proposes to introduce major changes to a production, program, organisation, structure or technology in relation to its enterprise, and the change is likely to have a significant effect on employees of the enterprise, the ABC must notify the relevant employees and relevant unions.⁸ Additionally, the *Fair Work Act 2009* provides that an employer must consult with a union if they are going to dismiss 15 or more employees, regardless of whether or not an Award or Agreement applies.

The ABC further notes that requiring the ABC Board to consult with an advisory body effectively removes from the ABC Board its ability to choose the matters on which it will consult when discharging its responsibilities under the ABC Act, thus diminishing its independence. The proposed change also detracts from the ABC Board's discretion, under subsection 11(9), to determine the manner in which advisory bodies are to perform their functions, and their meeting procedures. Moreover, the ABC Advisory Council is already free to advise the ABC Board about broadcasting matters on its own initiative (subsection 11(3)).

The Corporation likewise believes that Item 17 of the Bill, which proposes requiring the Board to report on such consultations in the ABC Annual Report, is unnecessary.

⁷ ABC Enterprise Agreement 2013–2016; ABC Retail Agreement 2013–2016; ABC Senior Employment Agreement 2011–2013, Executives 1 and 2; and ABC Senior Employment Agreement 2011–2013, Executives 3 and 4.

⁸ ABC Enterprise Agreement 2013–2016, section 54; ABC Retail Agreement 2013–2016, s.55; ABC Senior Employment Agreement 2011–2013, Executives 1 and 2, s.7; and ABC Senior Employment Agreement 2011–2013, Executives 3 and 4, s.7.

Proposed Rural and Regional Advisory Council

Items 9 through 13 of the Bill propose that the ABC Board be required to establish a second Advisory Council under the name Rural and Regional Advisory Council. Under a proposed new section 11(3A), this new body would be responsible for providing the Board with advice, whether requested by the Board or not, on the ABC's broadcasting programs in rural and regional Australia and other unspecified matters relating to rural and regional Australia. Further the proposed provisions require that the Rural and Regional Advisory Council would conduct "a biennial survey of rural and regional audiences relating to community satisfaction with the Corporation's broadcasting in rural and regional areas", the results of which will be published in the ABC's Annual Report. A proposed new section 11(6A) would require the Board to "have regard to the desirability of including in the membership of that Advisory Council representation of individuals who reside in rural or regional Australia".

Subsection 11(1) of the current ABC Act provides that "the Board shall establish an Advisory Council under the name Australian Broadcasting Corporation Advisory Council". In accordance with this provision, the ABC has a 12-member Advisory Council to provide advice to the Board on matters relating to the Corporation's services, including those delivered to regional Australians.

The ABC notes that Advisory Council members are appointed by the Board after a competitive selection process. The members are drawn from across the country, ensuring that they represent the Corporation's broad audience. Current members are drawn from locations that include Figtree, NSW; Youngtown, Tasmania; Westbrook, NSW; Parilla, SA; and Darwin, NT. The Advisory Council meets with representatives of the ABC Board and the Executive regularly and provides the Board with both feedback on audience expectations and appreciation of ABC services across the country.

An additional—and effectively competing—advisory body would simply replicate the costs of the current ABC Advisory Council and its Secretariat support, while replicating the advice provided to the Board, all at a time when the Corporation is under pressure to reduce administrative and support costs.

The ABC notes also that, in accordance with its broad obligations to serve all Australians, both the Corporation and the Board are already well informed about the needs and wants of regional Australians. For example, the Corporation conducts an annual Newspoll of ABC audiences across the country. This audience survey consistently indicates that more than 80 per cent of Australians across the nation enjoy and appreciate the services provided by the ABC.

During the creation of ABC Regional in 2015, the ABC spent some three months seeking and collecting feedback from audience members, politicians and local community leaders and ABC staff across the nation about its regional services and how they could be improved.

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This resource-intensive, but worthwhile, exercise informed ABC Regional's decision to fine-tune its regional radio schedule in late 2015.

Lastly, the ABC notes that the very nature of the work of the Corporation's staff in its 48 rural and regional locations sees them living and working alongside rural and regional Australians, attending local sporting, industry, community and cultural events. Members of these communities provide regular formal and informal feedback to the ABC on its services.

Just as the Corporation believes that the formation of a Rural and Regional Advisory Council would be costly and unnecessary, Item 18 of the Bill, which introduces new annual reporting requirements, is also unnecessary.

ABC Board appointments

The Bill seeks to amend the provisions for the appointment of Directors to the ABC Board:

14 After subsection 12(5AB)

Insert:(5AC) When appointing Directors referred to in paragraph (1)(b) or (c), the Governor-General must ensure that at least 2 of the Directors reside in regional areas.

Applications for ABC Board vacancies are not quarantined by geographic area, but are accepted from all over the nation.

Selection to the ABC Board is based on a merit-based selection process, which was enacted by amendment to the ABC Act, with bipartisan support, just three years ago. Following assessment of the applicants by an independent panel, appointment to the ABC is made by the Government on the advice of the Minister.

Under this current process, regional candidates can and, of course, do apply. Ultimately, selection is a matter for Government. The ABC is concerned that the use of arbitrary quotas may actually act against the best interests of the Corporation and its audiences. 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 geographic quotas were to hinder the ability of Government to choose people best qualified to help steer the Corporation through this challenging landscape. The ABC also disputes the notion that city-residing board members lack the ability to represent regional citizens in their respective states. This is as illogical as arguing that Senators must reside outside capital cities if they are to properly represent regional constituents.

If the Government is so minded, it is well placed to satisfy the demands of the proposed Bill without resorting to legislation, while also meeting the criteria for ABC Board appointments in

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the ABC Act. Two ABC Board positions will become vacant mid-year. One is currently held by a regionally-based Tasmanian businesswoman, Ms Jane Bennett and the other by WA-based epidemiologist, Dr Fiona Stanley AC FAA FASSA.

Local radio news bulletins

The Bill proposes to amend section 27 of the ABC Act, which sets out the Corporation's obligations to provide news services:

15 Subsection 27(2)

Repeal the subsection, substitute:

- (2) *Subject to subsection (5), the Corporation must:*
- (a) *broadcast daily from each broadcasting service regular sessions of news and information relating to current events within and outside Australia; and*
 - (b) *broadcast daily from each radio broadcasting service, at regular intervals, at least 5 radio bulletins that consist solely or primarily of regional or local news between the period:*
 - (i) *beginning at 5 am each day; and*
 - (ii) *ending at 8 pm each day.*

This provision would in practice impose an obligation on the ABC to broadcast additional radio broadcast hours regardless of the content or surrounding news environment. The Corporation notes that there would be a significant impost in increasing the scope of radio news operations in each of the 48 regional markets in which it has a staff presence. The ABC contends that this is simply not sustainable at a time when it is already dealing with a reduced budget.

This provision directly cuts across the independence of the board to determine funding priorities. It also runs counter to the Corporation's need to adapt to technical advances and changing audiences demands. Audience trends indicate that audiences obtain their news not just from radio, but also via television and increasingly online. To this end, the ABC provides its audiences with cross-platform news content, sourced from across the country.

Legislators have traditionally shied away from imposing programming requirements within the ABC Act, recognising that ABC management, working to priorities set by the Board, are best placed to make those decisions.

Finally, the ABC notes that the proposed requirement that it broadcast numerous radio bulletins "that consist solely or primarily of regional or local news" is inconsistent with

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available evidence about the needs and wants of regional audiences. The ABC's collaborative research project *ABC Spoke*, which investigated personalisation and localisation of news and information, found that people do not want local news and information in isolation, instead preferring it to be included in a "feed" with national and international stories, and that people's definition of "local" content varies widely.⁹

This finding essentially confirmed the Corporation's long-established approach to news, which incorporates local stories into news bulletins that also contain state, national and international stories. By comparison, the proposed subsection 27(2)(b) would require the ABC to broadcast five bulletins each day that consist "solely or primarily" of local news. In essence, it would require the Corporation to provide a service that may be in the best interest of some politicians, but would likely not accord with audience needs. As other submissions to this inquiry have noted, this sets a very bad precedent.

Regional employment

The Bill proposes imposing obligations on the ABC in relation to the employment of staff in regional Australia:

16 After section 33

Insert:

34 The Corporation as an employer in regional areas

The Corporation must:

- (a) ensure that there are procedures in place to ensure that emergency regional broadcasting events are staffed in accordance with occupational health and industrial safety standards; and*
- (b) employ a proportion of its employees in regional areas in support of greater per capita investment in rural and regional areas of Australia than population density and commercial aims would otherwise dictate.*

The Corporation considers that subsection (a) of this proposed provision demonstrates a lack of understanding of its obligations under the *Work Health and Safety Act 2011*. This Act imposes appropriate occupational health and safety standards on the ABC. The ABC also considers this proposed provision to be misleading, as it implies that the ABC currently acts contrary to the safety of its staff and that staff safety is secondary to its obligation to inform the nation. Neither is true.

⁹ ABC R&D. 'News, Place & Relevance', White Paper, 2015, <http://rd.abc.net.au/assets/downloads/ABCDN-NewsPlaceRel.pdf>.

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As noted above, the ABC spends over \$385 million per annum on the delivery of its services to rural and regional Australia. This is approximately one-third of the ABC's current annual budget applied to service approximately one-third of the national population living in rural and regional Australia.

The requirement that the ABC allocate more of its budget to salaries in regional areas "than ... commercial aims would otherwise dictate" makes no sense given the ABC's clearly articulated Charter role. As a public broadcaster, the ABC does not operate on a commercial basis and never has. The Act requires the board to ensure that "the functions of the Corporation are performed efficiently and with the maximum benefit to the people of Australia". It does not state that its staffing or other resourcing decisions should be based on any other criteria.

Annual reporting

The Bill seeks to impose a number of new obligations on the ABC in relation to the items included in its annual report. Items relating to annual reporting against other obligations created under this Bill have been covered in the relevant sections above.

19 Paragraph 80(I)

Repeal the paragraph, substitute:

- (l) particulars of any significant changes during the period in transmission coverage, or transmission quality, of national broadcasting services provided by the Corporation:*
 - (i) in Australia generally; and*
 - (ii) in rural and regional areas; and*

- (m) particulars of the total number of employees at the end of the period aggregated by:*
 - (i) location of employment; and*
 - (ii) type of employment; and*

- (n) the percentage at the end of the period of the total number of employees that are employed in:*
 - (i) regional areas; and*
 - (ii) metropolitan areas;*

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- (o) *particulars of the average ratio of individuals employed by the Corporation as journalists to support staff in:*
- (i) *regional areas; and*
 - (ii) *metropolitan areas; and*
- (p) *particulars of the hours of local, rural and regional news broadcast, aggregated by broadcast area.*

The ABC considers this proposed amendment unnecessary. The Corporation is already required to report to government on significant changes in transmission, regardless of geography. Likewise, it already reports on its staffing arrangements and also responds to such questions regularly through the Senate Estimates process.

Funding

The Bill and Explanatory Memorandum are noticeably silent on the funding impact of the various measures proposed. As set out in the ABC's recent submission to the House Communications and the Arts Standing Committee's Inquiry, any assessment of the Corporation's performance or desire to place further requirements on its operations must also take into consideration the ABC's funding and the environment in which it is operating.

In 2014, the Government imposed funding cuts on the Corporation over a five-year period. In addition to further cuts announced during the course of 2014, the overall reduction is \$355 million over five years. The net impact of the cuts is detailed in Table 2, below.

Table 2: ABC funding cuts 2014–15 to 2018–19

Reduction (\$ million)	2014–15	2015–16	2016–17	2017–18	2018–19	Total
1% reduction, May 2014 budget	9.0	9.0	9.0	9.0	9.0	45.0
Australia Network Service	10.6	22.0	22.0	23.0	23.0	100.6
Cross-portfolio reduction (marketing)	0.4	0.8	0.8	0.8	–	2.8
November 2014 Funding reduction	–	20.0	62.0	56.0	69.0	207.0
Total	20.0	51.8	93.8	88.8	101.0	355.4

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The ABC is on track to deliver its required funding cuts via support service efficiencies and other non-audience-facing measures. The opportunity cost, however, of the funding cuts is the ability of the ABC to be more agile in addressing areas of need. It is a pool of diminishing returns—as the Corporation continues to service its budget reduction; it is ever more difficult to use internal efficiencies to invest elsewhere.

In addition, the ABC is seeking renewal of two terminating programs in the 2016 Budget. The government has not yet indicated whether it will renew funding for the ABC's Enhanced Newsgathering (\$20 million in 2015–16) and Digital Content Delivery programs (\$14 million in 2015–16), both of which have benefitted rural and regional Australia. However, should this funding not be renewed, it amounts to a further diminution of the Corporation's budget and an effective 10% cut to ABC News's budget. The Managing Director has indicated that the Corporation will be forced to review its services and staffing allocations as a result.

Conclusion

The ABC is deeply committed to servicing the one-third of Australians who live in regional and rural Australia. Each year, the ABC invests approximately one-third of its annual budget on ensuring that these audiences have access to relevant, informative, engaging and entertaining content and services. The ABC's unwavering commitment to regional and rural Australia is firmly entrenched in the Corporation's Charter, structure and ethos, and is reflected across a wide variety of platforms, content and services. To this end, in 2015, the ABC additionally established its Regional Division whose responsibility is to coordinate and deliver programming and services to meet the needs of its regional and rural Australians.

The Corporation recognises the challenges that the commercial media face in servicing rural and regional audiences. However, the ABC is not—nor has it ever been—a “market failure” broadcaster. It recognises that its responsibilities are to serve *all* Australians no matter where they live and, to this end, has over 400 dedicated staff in 56 locations across the nation—including 48 regional areas. The stories of these communities and the individuals within them are curated and communicated across a range of media platforms to allow audiences living in other communities, including those in metro areas to gain a better understanding of life across the many different communities and regions in Australia.

The ABC appreciates the Committee's deep and abiding interest in broadcasting and in matters relating to regional and rural broadcast services. However, as set out above, the Corporation cannot and does not support the Bill. The proposed amendments appear founded on a misconception of the ABC's Charter responsibilities and a misunderstanding of the Corporation's current services and commitment to rural and regional Australia. The Bill would also result in a duplication of certain support services and would bring significant financial impost on the Corporation. Moreover, while the ABC Act was drafted *inter alia* to ensure that the Corporation's independence and ensure it remains free from political

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interference, the Bill would serve to significantly reduce the independence of the ABC and its Board.

The Corporation is firmly of the view that the current ABC Act, including the ABC Charter, is well drafted and appropriate to ensure that the ABC is well placed to service all Australians irrespective of where they reside.

ATTACHMENT 1

ABC Charter

Section 6, ABC Act 1983

- (1) The functions of the Corporation are:
- (a) to provide within Australia innovative and comprehensive broadcasting services of a high standard as part of the Australian broadcasting system consisting of national, commercial and community sectors and, without limiting the generality of the foregoing, to provide:
 - (i) broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community; and
 - (ii) broadcasting programs of an educational nature;
 - (b) 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; and
 - (ba) to provide digital media services; and
 - (c) to encourage and promote the musical, dramatic and other performing arts in Australia.

Note: See also section 31AA (Corporation or prescribed companies to be the only providers of Commonwealth-funded international broadcasting services).

- (2) In the provision by the Corporation of its broadcasting services within Australia:
- (a) the Corporation shall take account of:
 - (i) the broadcasting services provided by the commercial and community sectors of the Australian broadcasting system;
 - (ii) the standards from time to time determined by the Australian Broadcasting Authority in respect of broadcasting services;
 - (iii) the responsibility of the Corporation as the provider of an independent national broadcasting service to provide a balance between broadcasting programs of wide appeal and specialised broadcasting programs;
 - (iv) the multicultural character of the Australian community; and
 - (v) in connection with the provision of broadcasting programs of an educational nature—the responsibilities of the States in relation to education; and

- (b) the Corporation shall take all such measures, being measures consistent with the obligations of the Corporation under paragraph (a), as, in the opinion of the Board, will be conducive to the full development by the Corporation of suitable broadcasting programs.
 - (3) The functions of the Corporation under subsection (1) and the duties imposed on the Corporation under subsection (2) constitute the Charter of the Corporation.
 - (4) Nothing in this section shall be taken to impose on the Corporation a duty that is enforceable by proceedings in a court.
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ATTACHMENT 2

ABC submission to the House of Representatives Standing Committee on Communications and the Arts

Inquiry 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

February 2016

Introduction

The ABC welcomes the opportunity to make a submission to the Committee's inaugural inquiry. The terms of reference for the inquiry are:

...the importance of public and commercial broadcasting, online content and live production to rural and regional Australia, including the arts, news and other services.

As Australia's oldest national broadcaster, the ABC has a long connection with, and a deep commitment to, serving all Australian audiences.

This submission sets out the array of services the Corporation provides and the strategies it is using to connect with the 7.7 million Australians living outside the major capital cities. It also demonstrates that, in balancing its Charter obligations with reduced funding, the ABC delivers on its obligations to rural and regional Australia, and that this is widely understood and appreciated by these audiences. At a time when the disruptive impact of new technology is forcing many commercial media outlets to contract their services in the regions, or to exit completely, the ABC stands alone in investing more in local content.

The Corporation notes the Committee's emphasis on both new and old platforms as delivery mechanisms for rural and regional audiences. The ABC pioneered the extension of digital services to rural and regional Australia. While television and radio broadcasting remain important distribution platforms, trends here and overseas have reinforced the validity of that strategy. Digital applications are increasingly important in informing, educating and entertaining audiences who are shifting away from appointment viewing, switching to mobile and keen to curate their own media experiences.

This inquiry has a strong emphasis on the provision of arts content to regional audiences. Promotion of the arts is a key element of the ABC Charter and the national broadcaster is aware of the important role it plays in showcasing the talent of Australian artists—including those living and working outside the major centres.

The submission notes the importance of infrastructure in servicing the needs of rural and regional Australia. The ABC is a firm believer in the principle of equality of services—all taxpayers contribute to the funding of the Corporation and thus all should have, within the constraints of resourcing, access to its platforms and content. The ABC believes, as Committee Chairman, the Hon. Bronwyn Bishop MP, stated when announcing this inquiry, that ‘people should be able to access and enjoy the arts, and have reliable and relevant news and other services no matter where they live in Australia.’¹⁰

The size of the continent and the remote nature of many rural communities makes infrastructure provision a challenge and the reality is many Australians are denied ABC services and programming because of infrastructure shortfalls, most notably in the area of digital radio and fast broadband. The Committee should consider these factors when deliberating on media services in rural and regional Australia.

The ABC notes that this is one of two parliamentary inquiries currently examining the Corporation’s commitment to, and work in, rural and regional Australia. On 4 December 2015, two days after this Committee announced its inquiry, the Senate Environment and Communications Legislation Committee initiated an inquiry into the ABC Amendment (Rural and Regional Advocacy) Bill 2015 introduced by Senator Bridget McKenzie of The Nationals. The Bill seeks to amend the ABC’s Charter to impose additional regional requirements on the ABC. The ABC is participating in the inquiry into that Bill.

The ABC also refers the Committee to a number of submissions made by the Corporation in recent years, which articulate the ABC’s performance in providing local content and servicing areas outside the major population centres.¹¹ The final reports of those inquiries and government responses to recommendations are also relevant.

ABC funding

As a public broadcaster, the ABC is primarily funded through public appropriations. Its ability to fulfil its Charter obligations, as set out in *the Australian Broadcasting Corporation Act 1983* (‘ABC Act’), including the delivery of services referred to in the terms of reference for this review, is necessarily shaped by funding provided to it by Government.

Any assessment of the Corporation’s performance must therefore take into consideration ABC funding. In 2014, the Government imposed funding cuts on the Corporation over a five-

¹⁰ Media Alert, House of Representatives Standing Committee on Communications and the Arts, 2 December 2015.

¹¹ Senate Environment and Communications Legislation Committee inquiry into the Australian Broadcasting Corporation Amendment (Local Content) Bill 2014; Senate Environment and Communications References Committee inquiry into the Australian Broadcasting Corporation’s commitment to reflecting and representing regional diversity (2012–13); Senate Environment and Communications References Committee inquiry into recent ABC programming decisions (2011).

year period amounting to a \$250 million reduction over five years (with a further \$50 million per annum on-going reduction in the ABC's budget). The net impact of the cuts is detailed in Table 1, below.

Table 1. ABC funding cuts 2014–15 to 2018–19

Reduction (\$ million)	2014–15	2015–16	2016–17	2017–18	2018–19	Total
1% reduction, May 2014 budget	9.0	9.0	9.0	9.0	9.0	45.0
Australia Network Service	10.6	22.0	22.0	23.0	23.0	100.6
Cross-portfolio reduction (marketing)	0.4	0.8	0.8	0.8	–	2.8
November 2014 Funding reduction	–	20.0	62.0	56.0	69.0	207.0
Total	20.0	51.8	93.8	88.8	101.0	355.4

The ABC has adhered to its commitment to deliver these funding cuts via support-service efficiencies and other non-audience-facing measures. However, the Corporation has always been upfront about the need to invest in new digital content to keep faith with its Charter and with audiences. The opportunity cost of the funding cuts was the inability of the ABC to use its own efficiencies to fund digital investment. Changes have been made to the Corporation's content output to generate \$20 million for new digital initiatives. For clarity, ABC Regional has been quarantined from this exercise.

The ABC faces further financial pressures as a result of two terminating programs this financial year. If funding for Enhanced Newsgathering (\$20 million in 2015–16) and Digital Content Delivery (\$14 million in 2015–16) is not renewed, then the ABC will have to review services and jobs to address the shortfall. Enhanced Newsgathering funds have been used to provide ongoing audience benefits, including state-based online news sites; regional video journalists (VJs) and camera crews; new bureaux in Geelong, Parramatta and Ipswich; and specialist reporters. It is impossible for the Corporation to maintain the same level of output, particularly in the News Division, with an effective cut of 10 per cent to its annual operating budget.

ABC Regional

The ABC has been an integral part of regional Australia since the Corporation's origins in the early 1930s.

ABC Rockhampton and Newcastle were among the first stations to broadcast under the fledgling ABC brand in 1932. ABC Rural, which is now part of ABC Regional, recently celebrated its 70th anniversary. Its flagship program, *Country Hour*, is recognised by the Guinness Book of Records as the longest-running radio program in Australia and one of the most durable radio programs in the world. To ensure the enduring nature of the ABC's connection with regional audiences, the ABC's organisational structure and activities relating to regional coverage have not remained static over time, but have kept up with audience demands and technological changes.

The Corporation maintains the largest regional broadcasting footprint in Australia. It stands alone in maintaining the scale and effectiveness of its regional and rural operations, despite suffering in recent times from reduced revenue. The ABC's position of trust and authority and its multi-platform skills enable it to act as a virtual town square—linking remote communities to the broader population and vice-versa—and providing vital sources of information and interactivity.

In times of emergency and stress, the ABC provides a vital connection between residents and authorities.

The creation of the ABC's Regional Division in November 2014 is in keeping with the audience's expectations and the Corporation's commitment to servicing regional audiences. In announcing the creation of the new division, ABC Managing Director, Mark Scott, said the impetus was an awareness that, at a time of immense change within the media sector, the role of the ABC in providing an important link to communities in distant parts of Australia had become paramount.

Under its Director, Fiona Reynolds, who is based in Launceston, ABC Regional has set itself the vision to be 'the champion of regional voices in Australian conversations, culture and stories.' Its mission is to 'deliver outstanding content, services and activities to reflect and develop regional communities and enrich national conversations.' Contrary to assertions of 'Sydney-centric thinking', the Division's executive comprises senior managers stationed outside that city.

ABC Regional is designed to:

- Give a stronger voice to the one-third of Australians living outside the capital cities;
- Contribute to a sense of national identity and reflect Australia's diversity, in accordance with the ABC Charter; and
- Provide a response to the reduction in services by the commercial media sector in regional Australia, who cannot maintain their operations, as servicing these audiences is not economically sustainable.

The Division's actions have been fully in accordance with its strategy and its commitment to consulting widely with stakeholders.. Not one dollar has been withdrawn from the regional

content budget—programming, scheduling and staffing changes have been designed to maximise content funding and the return for audiences within a rapidly-changing sector.

In fact, ABC Regional has increased its contest investment via the very successful *Back Roads* program aired over summer on Monday nights. *Back Roads*, which originates from the extensive community consultations, has built a consolidated audience averaging 1.19 million across the eight-part series. It was a national Top 10 program across the summer period and one of the ABC's best-performing debut programs of recent years. The ABC Chairman announced at the ABC Showcase in Canberra in early February that *Back Roads* would be renewed for a second season and was likely to be 'an enduring audience favourite in the years ahead'.

ABC Regional has 424 staff located in 48 regional locations, as well as in capital cities, producing content for highly-regarded programs like the *Country Hour*, *Landline* and *Australia All Over*.

The Division's operational budget is \$52 million. However, this understates the extent of the ABC's services and investment in serving rural and regional audiences. The Corporation notes the Committee's focus is on 'bringing the arts, news and other services to rural and regional Australia'. The "to" in that sentence is important. The ABC acknowledges that local content, especially news, produced *in* local communities by content-makers who understand their audiences and the issues that resonate with them, is crucial. This underpins the Regional Division's footprint and the investment in staff and content.

However, as *Back Roads* demonstrates, the ABC is unique in its ability to use content produced across its many platforms and divisions (and from various production centres), and the knowledge it has of its audiences, to provide a rich source of programming and services to rural and regional Australia. And, as importantly, to use those same platforms to ensure that Australians in the major population centres are fully informed on what is occurring away from the big cities. *Landline*, the award-winning television documentary program that has become another essential component of ABC Regional's output, also achieved significant ratings when aired over summer.

As this Committee would recognise from the current debate about media law reform, one of the key concerns harboured by regional politicians relates to the lack of visibility 'the cities' have about issues that concern their constituents. The ABC speaks to the cities about the bush as much as it does the reverse.

Therefore, in calculating the full level of investment the ABC makes in servicing rural and regional audiences, the full range of content and capital inputs must be considered. As described later in this submission, areas of the ABC other than the Regional Division provide content for, in and about regional Australia that must be included in any such calculation. Likewise, allowance must be made for the fact that regional audiences enjoy and consume the same national and state-wide content as other Australians. Further, the distribution and

transmission infrastructure required to service far-flung communities is substantial—covering roughly 75 per cent of the Corporation’s \$200 million annual bill. Other support and service costs, must also be considered. The ABC has made an attempt to calculate the content component of the overall investment in services to regional audiences. Table 2 shows those approximate levels of investment.

Table 2: Indicative ABC Investment in Rural and Regional Audiences

	\$million	
Content	199	Includes ABC Regional’s \$52 million operational budget
Distribution and Transmission	151	
Property and equipment	12	
Support costs	12	HR, finance, audit, capital works, technology support, business operations and content services
Other corporate costs	13	Corporate costs, including Audience and Marketing and other corporate departments
Total	387	

ABC Regional content

The content output of the Regional Division involves a range of activities, including local radio services, emergency broadcasting, rural programming, local news and user-generated content from regional areas.

Local radio and live production

The ABC includes a diverse and wide-reaching Local Radio network, with content emanating from 46 centres across the country. Every one of the Division’s locally-produced and presented radio programs are aired live, with the majority broadcast from 6.15 am through to 11.00 am each weekday, along with live news bulletins and regional state-wide drive-time programs in every state and the Northern Territory. It is estimated that in 2016, ABC Regional will broadcast an average of more than 972 hours of live local content each week.

In 2015, the ABC began audio streaming an additional 14 regional services, in addition to the two already underway.¹² The streams ensure more Australians can access radio online and on mobile via the ABC app, which delivers content to audiences wherever they may be. The

¹² The new services cover Alice Springs, Far North Queensland, Gold Coast, North-West Queensland, Southern Queensland, Western Queensland, Northern South Australia, Western South Australia, Northern Tasmania, Gippsland, the WA Goldfields, WA South West, the Kimberley and WA North West.

Corporation is examining extending streaming to all regional networks within the next two years. In addition to live broadcasting, each centre maintains an ABC Local website showcasing interactive content from across the region, which allows the audience and staff to delve into community issues, events and conversations.

The ABC pioneered the use of local websites in the 1990s to provide communities with news and information created in, and relevant to, those areas. Whilst a lot of the current debate about protecting local content focuses on television broadcasting, the ABC believes that online and mobile platforms are an increasingly efficient and effective way of servicing local audiences. This was recognised in the Final Report of the Convergence Review in March 2012, which stated:

Online delivery of content provides for greater convenience for users. It also allows for the development of local content that is more closely tailored to the needs of individual Australians. Significantly, online content can also provide Australians with greater opportunities for greater interaction with content and a forum to exchange views.¹³

Emergency broadcasting

In times of emergency, Australians turn to the ABC, especially those in regional Australia, who are more likely to feel the brunt of nature's savagery and who are more reliant on the national broadcaster for information and advice. As has been evident during the current bushfire season, the ABC's commitment to, and resourcing of, emergency coverage remains paramount.

The Corporation trains employees in emergency broadcasting and has staff dedicated to monitoring the environment and working alongside emergency agencies to refine and develop communication systems. The ABC is the only radio broadcaster in rural and regional Australia undertaking this task and dedicating staff to it. It is an essential part of the Corporation's commitment to servicing rural and regional Australians. The ABC has a long history of assisting emergency agencies by broadcasting education material.

This includes the ABC Resilience campaign: a series of radio Community Service Announcements to encourage people to better plan and build resilience ahead of disasters. The ABC Emergency website (abc.net.au/emergency) has been updated to better present resilience-related content online. The content includes a series of articles encouraging people to prepare and checklists (optimised for mobile viewing) for each type of emergency. There is also information about making communities more resilient and overcoming the impact of natural disasters. Stories about personal experiences and a history of previous disasters are presented alongside to help the audience understand the potential effects of a disaster and what's involved in recovery.

¹³ Australian Government. *Convergence Review: Final Report*, March 2012, p.84.

ABC Rural content

The ABC has the largest network of specialist rural reporters in the world, with 35 reporters based in 35 regional offices. They are supported by a team of six national reporters based in various locations, and state-based teams of executive producers and presenters who mount the daily weekday *Country Hour*. As mentioned previously, this is Australia's longest-running radio program and has just celebrated its 70th birthday. ABC rural reporters provide daily *Rural Reports* on Local Radio in most regions and contribute local content to *The Country Hour* produced in each state and in the Northern Territory, as well as other programs across the Local Radio network. Their content also regularly travels to news and current affairs programs, other ABC radio networks (Radio National, Radio Australia) and widely online through various ABC websites and social media.

From July 2015, these teams were joined in the Rural & National Programs arm of ABC Regional by the award-winning TV reporters from *Landline*. Since 1991, *Landline* has been ABC TV's main vehicle for current affairs coverage of regional and rural issues and events and continues to build its audience. Other programs to come under the Rural and *Saturday Night Country* National Programs banner in 2015 included *Back Roads* and *Australia All Over*.

A key strength of ABC Rural is its ability to comprehensively cover local issues in any community and represent global issues to local audiences. ABC Rural reporters have led the field in covering major stories, including coverage of the Trans-Pacific Partnership and other trade negotiations, foreign investment in agriculture, and the impact of drought. In 2015, the ABC recognised the importance of national policy-making to regional audiences by creating a new Regional Affairs Reporter role, based at Parliament House, to work alongside the National Rural Reporter. No other media outlet has that extent of specialist knowledge in Canberra.

As the Deputy Prime Minister remarked in late January 2016, technology is rapidly changing the way in which regional audiences consume news and information. The ABC is ahead of the curve, making the creation and coordination of rural content truly multi-platform. The *ABC Rural* website has tripled its average weekly page views in the past four years.

Content on rural issues is increasingly not only for rural Australians. A significant proportion of *Landline*'s increased television audience in 2015 emanated from metropolitan markets—up 25 per cent each year since 2012. *ABC Rural* online and mobile content continues to attract regional and metropolitan audiences, given the broad and passionate interest in issues like land management, environmental protection, food-production systems, animal welfare and foreign investment.

Rural and regional ABC News content

Alongside its ABC rural reporters, ABC Regional has a total of 88 news reporters working in 48 regional locations, as well as two home-based reporters, located in Port Augusta in South Australia and Nowra in NSW. Home-based reporting has proven to be a successful experiment in flexibility, opening the way for further expansions in regional coverage without the extensive costs associated with acquiring additional buildings.

ABC Regional news reporters work closely with the News division to provide stories for audiences on radio, online/mobile and the nightly television news. A number of locally-produced and presented bulletins are run each weekday across the country, while at the same time reporters file stories for state-wide bulletins.

The bulletin changes made by ABC Regional before Christmas, and now being implemented across the country, are designed to free-up reporters to deliver more local news and information during breakfast programming and throughout the day. This ensures that news and current affairs is delivered in real-time, as events unfold, rather than through static news bulletins.

In contrast to pre-recorded bulletins produced by other outlets, ABC regional reporters have the ability to establish a live audio link in the field to report breaking news. Twenty-eight stations are also equipped with video equipment that enables live video links from the field. This equipment supports filing footage for TV News and ABC News 24, as well as setting up live crosses into TV programs.

Audience-created content

The ABC is a champion of audience-created or user-generated content (UGC), seeing this as an important way for audiences to participate more freely in local and national conversations. The ABC Open project, which is now part of ABC Regional, has provided an innovative and successful vehicle for local story-telling. ABC Open material is showcased on ABC platforms, adding colour, diversity and unique perspectives. ABC Open has proved important in highlighting the work of emerging regional performers and artists, and in encouraging local communities to improve their skills in writing, photography and digital production.

ABC Open projects encourage and support audience members to contribute digital content as text, photos, audio and video. Many projects have an arts focus or reveal personal stories of life in regional Australia.

The 'Makers and Creators' video project introduces the work of artists and artisans in regional Australia to audiences on ABC TV and iview. It generated 224 videos in a 12-month period. One of the stories, about an artist who turns ocean rubbish into sculptures of marine

creatures, was viewed more than 90,000 times online and attracted viewers from around the world.

Other projects, like '500 Words' and 'Humans of Bundaberg', have showcased writing and photography from regional Australia. A number of projects were produced in partnership with state and local arts organisations, such as 'Artist by Artist', which helped celebrate the Queensland Arts Council's 50th anniversary. Another, called 'I am an artist, I come from the bush' helped Aboriginal artists share their personal experiences of station life in the Kimberley.

To date, ABC Open has helped just over 16,000 contributors tell more than 90,000 unique stories via the ABC's broadcast and digital platforms.

Engagement with regional communities

The ABC's role in regional Australia goes beyond the content it creates. Its staff members live and work in the communities they serve. The trust and goodwill generated allows the ABC to participate in or inspire a range of activities each year that shine a light on the stories, events and issues in regional communities.

The Heywire program demonstrates the ABC's ability to bring Australians together; in this case, talented young Australians from remote areas who participate in a national competition to display their skills, creativity and raw potential. Each February, the winners are brought to Canberra for a week-long summit which includes meeting with policymakers from a range of departments and agencies to discuss issues that matter to them and their peers.

The Heywire competition itself acts as an artistic crucible. For example, Grafton local and 2010 ABC Heywire winner Alexandra Neill has been appointed artistic co-director of the National Young Writers Festival for the next two years.

Heywire demonstrates the ABC's deep commitment to regional Australia that extends far beyond the role of basic 'media coverage'. Heywire provides a unique platform that enables rural Australians to voice their opinions, and share their experiences, with policymakers and politicians- an opportunity that they would be unlikely to obtain without this program. The ABC has looked closely Heywire and plans to build on its success, establishing new partnerships with community-focused organisations, including local government.

Broader ABC regional audience investment

ABC divisions do not operate as discrete entities, particularly in a converged digital era. Content is created or curated from within various parts of the ABC for distribution across an

array of platforms for a diverse spread of audiences. Regional content is not quarantined to the Regional Division.

Four Corners, for example, is headquartered in Sydney, but its investigative teams cover issues that extend well beyond that city. A detailed investigation may focus on a regional locale, a state-based issue, a national concern or an international controversy. (Regional investigations in the past two years have included *Hidden Harm*, examining the damage caused to babies by alcohol; *Iron Man*, a detailed look into the life of Andrew ‘Twiggy’ Forrest; *Remote Hope*, a story of survival in remote Indigenous communities; *Ice Rush*, about the drug scourge sweeping through regional Australia; and *Battle for the Reef*, about the future of the Great Barrier Reef.)

Regardless of the origin of the story, or even the locale of the camera footage or interview, the content can be of major relevance to regional audiences. Similarly, ABC TV may contract with a Sydney-based independent production company for a documentary or drama series, but that content may actually be shot in, or be of specific relevance to, a regional audience.

Australian Story, widely acclaimed for its focus on personal narratives, reaches deep into regional Australia for its narratives. The last program for 2015 travelled to the Victorian city of Bendigo, to cover a local business identity, Margot Spalding, and her campaign to support a small Muslim community trying to build a mosque.

Q&A routinely travels beyond its Sydney production base to explore issues of relevance to local communities. Over the past three years, *Q&A* has been to Toowoomba, Ballarat, Canberra, Geelong, Arnhem Land, Rockhampton, Werribee and Launceston. While there are extra costs involved in these exercises, the program has committed to extending its presence in regional Australia in 2016.

The ABC’s News, Radio and Television divisions create content which speaks directly to, and is derived from, regional Australia, including the *7PM News* and national current affairs programs, like *7.30* and *Four Corners*. These divisions also manage the platforms on which most of the ABC’s regional content is accessed by audiences.

Back Roads, which aired on ABC Television over summer was a collaboration with ABC Television and ABC News.

A similarly collaborative process exists in the delivery of online and mobile services, which include the ABC News website, iview and the ABC Radio player and app. These services draw in regional content, ensuring that it is relevant to regional audiences, as well as to audiences across the country. The ABC News site offers ‘localised’ versions of stories for each state and highlights digital features produced by ABC regional offices.

iview provides a platform for on-demand video content and regularly features the work of ABC Open producers from across regional Australia. Strong local stories receive attention at

state and national levels, while regional audiences receive relevant local content alongside the national content they also demand. As described above, the ABC is also active in regional communities through promoting and supporting user-generated content. This content creates a wealth of regional stories, photos and video that appears nationally on digital platforms as well as ABC TV and ABC News 24.

The cross-divisional 'On the Road' initiative in the Darling Downs in October 2015 showcased the region's stories and conversations nationally. The ABC's locally-based team played a large part in ensuring content from the region was shared more broadly across ABC platforms, with user-generated contributions also included as part of the ABC Open. National programs including *Q&A*, *Book Club*, *Compass*, *Studio 3* and *Gardening Australia* aired live or were pre-recorded in various locations across Toowoomba and Outside Broadcasts were held on Radio. The week concluded with an ABC Open Day in the centre of Toowoomba where ABC News 24's *Breakfast* was broadcast live along with a variety of activities for the community to get involved.

ABC News recognises that its online and mobile sites provide an effective means of ensuring that rural and regional audiences are fully informed. The investment in state-based editions means audiences now have a greater mix of rich local news and information from their region, including interactive material, alongside the best of the national and international coverage. Engagement on those sites has increased markedly since the introduction of the local focus. ABC Rural stories and information are also now offered from a section on the ABC News front pages resulting in a significantly greater audience to that content. ABC News is now looking at more targeted regional feeds – allowing users in Townsville, for example, to get automatic access to a broad range of stories from North Queensland.

ABC Radio

The ABC's extensive radio network provides a powerful demonstration of the Corporation's ability to service regional communities through rich, diverse local content and an appreciation of audience needs. While ABC Local Radio is the main focus, the four national networks (Radio National, NewsRadio, triple j and Classic FM) also play a key role in informing, educating and entertaining Australians outside the main population centres. They are each also concerned to source material from and about regional Australia not only to reflect a truer picture of the nation, but to inform metropolitan audiences on life beyond the suburbs.

Regional and rural issues are the subject of regular discussion on RN's influential *Breakfast* program and *Drive* programs. The *Breakfast* program's Queensland correspondent for example, travels regularly into regional areas to provide comprehensive reports on drought and other issues of concern, always featuring the voices and experience of local residents. In 2015, the network established a new position for a reporter in Western Australia, who now

supplies a stream of material focused on regional and natural-resource issues into *Drive*, *Breakfast* and other programs where appropriate. The daily 'Afternoons' program features a weekly rural news segment and regularly features items from the extensive network of regional reporters.

There are also many instances of RN programs travelling to regional Australia. In late 2015, for example, the *Saturday Extra* program was hosted by Geraldine Doogue in Longreach, and featured local guests outlining the benefits and challenges of life in regional Queensland. Beyond the news and current affairs focus, the *Earshot* documentary program has been particularly committed to bringing a rural flavour to the daily 1100–1200 timeslot. During 2015, 35 programs took listeners 'into' the bush. This diverse selection included the story of the weather forecasters stationed on Willis Island (north of Cairns), a fond portrait of White Cliffs, and the story of the party of explorers who opened up the track from Normanton to Darwin.

The role of the radio networks is particularly relevant for the Committee's focus on live performances and the arts. Not only does ABC Radio cover regional performers, it gives them unrivalled access and exposure to national audiences.

The music network trio of triple j, triple j Unearthed and Double J all play an active part in stimulating and supporting live performance in regional Australia, through activities and vehicles like triplejunearthed.com, Unearthed competitions to play at regional festivals, tour support for musicians, support of *Raw Comedy* and *Class Clowns*, *One Night Stand* and regional festival coverage on Double J.

triple j Unearthed, which is a unique digital channel devoted exclusively to uncovering new Australian music talent, has 19,230 artists from regional Australia registered on its website, with Canberra and Darwin supplying another 2,000. In the past two years, 203 tracks from regional artists on triplejunearthed.com were broadcast to a national audience on triple j radio and 487 tracks from regional artists on triplejunearthed.com were broadcast to a national audience on triple j Unearthed.

triple j supports up to 10 tours or festivals each month around the country. Taking in both festivals and artist tours, 37 of a possible 120 partnerships a year include regional towns. They are chosen based on line-up, area and the audience reached, with a view to a long-term relationship of serving that regional area. In 2015, triple j supported the following regional festivals:

- Mountain Sounds (Central Coast, NSW)
- Big Pineapple (Sunshine Coast)
- Groovin' the Moo (Bunbury, Bendigo, Oakland, Maitland, Canberra, Townsville)
- Splendour in the Grass (Byron Bay)
- Yours & Owls (Wollongong)
- This That (Formerly Fat as Butter, Newcastle)

- Festival of the Sun (Port Macquarie)
- Falls Festival (Marion Bay, Lorne, Byron Bay)
- Southbound (Bunbury)
- Unify (Tarwin)
- Party in the Paddock (TAS)

The One Night Stand is triple j's annual, free, all ages, drug-and-alcohol-free concert.¹⁴ Past venues have included places like Dubbo, Mildura, Alice Springs, Tumby Bay, Dalby, and Sale. triple j has assessed the benefits to local communities of these concerts, using the 2014 Mildura concert as an example:

The initiative was of significant benefit to the Mildura community by: bringing a major cultural performance to a region; supporting local artists; 'exposing' the life and people of the region to a national audience; encouraging young people to get involved in their community in planning and putting on the event; providing a huge economic benefit to the region over the weekend of the concert and enhancing future tourism through promoting awareness of that particular region.

It should also be noted that triple j's youth current affairs program *Hack* actively seeks stories of particular relevance to the network's many regional listeners.

RN programming often features performers from outside the main population centres and also provides a platform to bring international acts closer to rural and regional audiences. An *Earshot* program from December 2015 had musician and pilot John Morrison flying world-class violinist Ian Cooper and virtuoso Ambre Hammond around the top end of Australia. Another RN program, *Soundproof*, featured a NSW Northern Rivers artist Jay-Dea Lopez.

ABC Classic FM provides Australia with its only dedicated classical musical channel capable of serving both city and regional audiences. It is also the leading national venue for Australian classic music performances.

Classic FM's regional coverage has included:

- Australian Festival of Chamber Music, Townsville. Live and recorded concert broadcasts every year in July and August.
- Musica Viva Australia: Huntington Music Festival (Mudgee, NSW). Live and recorded concert broadcasts every year in November.
- Port Fairy Music Festival, Victoria. Concerts recorded for broadcast in October 2014.
- Launceston: two Tasmanian Symphony Orchestra broadcasts per year from the Albert Hall, Launceston.
- Bangalow Music Festival, NSW. Coverage in 2014, concerts recorded for broadcast.

¹⁴ <http://www.abc.net.au/triplej/events/onenightstand/apply/about/>.

- Shepparton, Victoria. Annual broadcast of the final concert of the Australian National Piano Award.
- Bendigo International Festival of Exploratory Music.
- Coverage in 2015 of the opening a new, privately funded concert venue, Ngeringa Cultural Centre, near Mt Barker in South Australia.
- Some coverage of music events staged in Albany, WA, as part of the annual Perth International Arts Festival (2014).
- A 60-minute radio feature in 2014 about the history and activities of the Darwin Symphony Orchestra.

ABC Television

ABC Television operates primarily as a national service that aims to reflect back to Australia the breadth and diversity of the country. The Division categorises 'regional production' as that occurring outside its main production centres in Sydney and Melbourne. Nonetheless, ABC TV has done extensive work to deliver content that reflects rural and regional diversity, both in terms of the subject matter of its content and the physical location of its production.

Since 2011/12, ABC TV has commissioned 184 projects in Western Australia, Tasmania, South Australia, Queensland, the Northern Territory and the ACT, resulting in over one thousand hours of content and \$131 million in production expenditure in these states and territories. Regional programs have included the Indigenous comedy *8MMM* (NT); the arts documentary *Bespoke*, filmed around Australia; the epic drama series *Anzac Girls*, filmed in South Australia; as well as digital-first initiatives such as *Wastelander Panda* (SA), *Noirhouse* (TAS) and *The Daters* (SA).

ABC TV was heavily involved in the 2015 'On the Road' exercise in Toowoomba. The week featured a live Q&A, an episode of *The Book Club* filmed before a live Toowoomba audience, as well as episodes of *Compass*, *Catalyst*, *Gardening Australia*, *ABC3* and *Giggle & Hoot*. The ABC is exploring another 'On the Road' series of programming for 2016.

The ABC is committed to broadcasting the Australia Day celebrations and ANZAC Day commemorations in each state and territory.

Working with the independent sector, the ABC has broadcast dramas like *The Code* which was filmed in the outback, Parliament House and the cities; *Glitch*, which was filmed in regional Victoria; *The Doctor Blake Mysteries* in Ballarat; and the Indigenous family series *The Gods of Wheat Street*, which was filmed and set in Casino, NSW. Factual series like *Outback ER*, *Jillaroo School*, *the Great Barrier Reef*, and *Flying Miners*, explore issues in regional Australia that are relevant to all Australians. ABC's Children's content, including *Play School*, *3on3*, *Bushwacked!* and *Behind the New* contain significant regional coverage.

An internal survey conducted by the ABC of ABC Television's commissioned programs broadcast in 2014, found that 60 per cent of those titles carried a regional storyline and/or were partially shot outside of Sydney and Melbourne (a full list of these programs is in Appendix A).

ABC Television's regular programming is committed to reflecting the diversity of Australia's community:

Compass

In 2014 and 2015, *Compass* covered stories on a local GP in Coonabarabran; the Country Women's Association in Crookwell and Morrisett NSW; an ambitious canoe adventure on the River Murray run by St Luke's Anglicare from Albury Wodonga to help people with mental health issues; and the story behind a country town Anglican farewell in Kandos for a much loved local, and a no-frills Muslim funeral for an asylum seeker.

In 2016, *Compass* will feature a series on the effect of Chaplains on prisoners' lives in regional Australia; the effect of domestic violence in rural Australia, and the story of an extraordinary correspondence that documents a Benedictine monk's personal insights and growing affection for the Western Australian bush and the Indigenous people he came to love in New Norcia.

Catalyst

The ABC's weekly science program *Catalyst*, broadcast on Tuesdays at 8pm, also contains stories from around Australia. In 2015, the program covered stories including:

- Birdsong in northern NSW, Yarra Ranges Vic, Serendip Sanctuary Geelong;
- 'Parrots vs Possums' in southern Tasmania;
- The problems of tick allergies, shot on the South Coast;
- 'On Gluten' in Gunnedah;
- 'A life Without Males', shot in Wirraminna Station and Eulo;
- 'Toorale Man' in Bourke, Far West NSW;
- Antarctic Acidification from Casey station (Antarctica) and Hobart; and
- Story on Lead shot in Boolaroo and Bourke, NSW.

In 2014, *Catalyst* covered stories on coral trout in the Whitsundays; the wind and weather warnings on the South Coast and Jindabyne; and organ failure in the Hunter region. Stories are planned in Townsville and the Great Barrier Reef in 2016.

Gardening Australia

The ABC's long-running *Gardening Australia* program explores the diversity of Australia's landscape, gardens and gardeners.

In 2014, the program travelled to the Darling Downs, Surfers paradise, Benowa, Woombye in Queensland; Porongurup in the Great Southern region of WA, Dalwallinu in the Wheatbelt region, Western Australia; Pennyroyal, Newbury, Merebein, Gippsland in Victoria; Eggs and Bacon Bay and Glengarry in Tasmania; Alice Springs and Santa Teresa in the NT; Quorn, Cape Jervis and Young in the South West Slopes region of South Australia; Ebenezer, Jervis Bay National Park, Tyagarah, Byron Bay and Bodella in NSW.

In 2015, the program covered stories from Hesket in the Victorian Macedon Ranges; Booderee National Park in Jervis Bay, NSW; Didillibah on the Sunshine Coast, QLD; Berambing in the Blue Mountains, NSW; Montville on the Sunshine Coast, QLD; Romaine in Northern Tasmania; Toodyay in the Wheatbelt region of WA; Gingin in WA and two episodes in Renmark – Riverland area in South Australia.

ABC Children

Programs filmed in regional locations included *Bushwacked*, *Blue Zoo* (Coffs Harbour), *Nowhere Boys* (regional Victoria) and *Prisoner Zero* (NSW Central Coast). In production or planned are *Bushwacked Bugs!* (two episodes in the Blue Mountains and Central Coast), *Tomorrow When the War Began* (regional Victoria), *Year 12 Diaries* (across Australia) and *This is Me* (two/three of the episodes and children featured are from regional Australia).

As of January this year, the ABC has committed to eight titles with the external sector with production outside Sydney and Melbourne. These include the eight-part comedy *Rosehaven* in rural Tasmania; *DAFUQ?*, a satire on VICE-like reporters being filmed in WA; and the documentary *Blue Water Empire: The History of the Torres Straits* produced in Queensland.

The ABC is working in partnership with the South Australian Film Corporation (SAFC) on its 'digital first' initiative for South Australian filmmakers to create content for national distribution and to encourage local production in South Australia. This initiative seeks to commission projects with grants of up to \$100,000 across a range of genre areas from factual, comedy, drama, arts, entertainment and Indigenous divisions providing assessment and commissioning support for distribution on iview.

The ABC also launched the Art Bites documentary initiative with Screen Australia, SAFC, ScreenWest, Screen NT, Film Vic, Screen Tasmania and Screen QLD that calls for proposals for short-form Arts web series by early-career filmmakers. First-round applications have just closed and are being assessed. Across Australia, 90 applications were received, which highlights the ABC's commitment to servicing all of its audiences.

The joint initiative, *Eureka*, between the ABC, Film Victoria and the Australian Children's Television Foundation is also seeking applications for new short-form live action TV series for children aged between eight and 12 years to be available on ABC iview, ABC3's YouTube channel and possibly on ABC3 broadcast.

In 2014, the ABC and Film Victoria announced a joint Drama and Comedy Initiative, committing to up to 12 television productions. From this \$4.5 million package resulted projects including *Sammy J & Randy in Rickett's Lane*, the third series of *Miss Fisher's Murder Mysteries* and *Glitch*.

The ABC continues to explore similar initiatives with state arts and cultural bodies.

ABC arts programming

Section 6(1)(c) of the ABC Act specifies as one of the functions of the Corporation 'to encourage and promote the musical, dramatic and other performing arts in Australia.'

The objective of the Corporation's arts strategy is closely aligned to the ABC's Charter requirement to reflect the cultural diversity of the Australian community.

In this financial year, ABC Arts will air: David Stratton's *The Story of Australian Cinema*, which is filmed all over Australia; the second series of *Stop Laughing... This is Serious*, which features regional content and talent from across Australia; and *Streets of Your Town*, a series on the aesthetics of our suburbs.

A number of one-off documentaries will feature artists or locations in regional Australia. They include *Girl Asleep*, *Meet the Mavericks*, *Spear*, *Kev Carmody: Songman*, *Michelle's Story*, *Particia Piccinini: A Dark Fairytale*, *Play to Win*, *One Shot* and *Glenn Murcutt*.

Under development in Perth is a music documentary series that expands into a national music arts campaign that follows primary school children as they are given instruments and then learn, play and experience classical music for the first time. It will focus on a school in a disadvantaged, low socio-economic area that does not have a school musical program.

In 2015, the ABC launched the Arts Channel on iview and 2016 will see content commissioned for the channel with a regional focus:

- *Slam TV*: shot all over Australia, including Byron Bay and Queensland; *Slam* is a six episodes × five minute short-form, multi-platform documentary series showcasing inspiring and challenging contemporary poets/writers and performers exploring their diverse cultural backgrounds, creative influences and the complex topics explored in their work. Designed for online sharing and social media, the series has the potential

to grow into a regular series featuring leading voices the Australian poetry, hip hop and spoken word culture.

- *Arts News*: various regional content, e.g. Perth Festival.
- *On Assignment*: shot in WA; is a 4 × 6 minute photography series that takes audiences into the field with some of the best shooters in Australia to find out how they capture the perfect image. Using the popular ‘how to’ YouTube format as a starting point, *On Assignment* is an exclusive view Arts Channel commission that will hook audiences who have a passion for a photography and a desire to learn the tricks of the trade. All the while exploring the work and lives of some of Australia’s leading artists.
- *24 Frames*: artists from all over Australia, three years in the making, *24 Frames* is a new collection of short dance films made collaboratively by 24 artists, dancers, choreographers and filmmakers. Across the 12 episodes, we see contemporary dance in all its forms come to life on screen.

In the financial years 2011/12 to 2014/15, ABC Arts commissioned 26 projects that were produced outside of Sydney and Melbourne.

ABC Arts works in conjunction with a number of arts organisations around the country, including the Perth Festival, the Adelaide Film Festival and the Museum of New and Modern Art in Hobart. The Corporation is also creating an Arts Reference Panel to provide expert advice to the ABC Board, and assist in the development of a new pan-ABC Arts strategy. Panel members will consist of arts industry leaders from across Australia, including regional areas. Regional Arts leaders invited to participate include Dalisa Pigram from the Marrugeku Dance Co. in Broome, Warwick Thornton from the Northern Territory, Stephen Williamson from the Araluen Arts Centre in Alice Springs, and Scott Rankin from Tasmania.

Commitment to rural and regional Australia

The ABC is acutely aware of commentary in recent months about the extent of its commitment to servicing regional audiences and an alleged ‘Sydney-centric’ bias in decision-making. There are also assertions that the Corporation should restructure and redirect funding to address market failure issues in regional media.

The argument that the ABC can and should simply redirect funds away from ‘non-core’ digital activities in Sydney to address commercial broadcasting market failure pockets in rural and regional Australia is fundamentally flawed, and betrays a lack of understanding about history, production, programming, budgeting and the ABC Charter.

Despite claims to the contrary, the ABC has never been, and nor will it ever be, a ‘market failure broadcaster.’ It was created alongside commercial broadcasters in the 1930s to provide a range of quality programming and to maximise diversity within the Australian media sector. The ABC has and continues to fulfil its Charter obligations, while maintaining its relevance to a diverse audience, despite a raft of changes within the media sector.

The ABC Charter requires the Corporation to provide ‘innovative and comprehensive broadcasting and digital services of a high standard’ 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.’ The ABC has a responsibility to provide a balance between broadcasting programs of wide appeal and those of a specialised nature.

The ABC believes it does a good job in balancing these obligations, particularly within the constraints of a reduced budget. Independent survey results confirm the audience has a similar view. As the 2015 Annual Report documents, the annual Newspoll *ABC Appreciation Survey* shows that a large majority of Australians (84 per cent) believe the national broadcaster performs a valuable role.¹⁵ A similarly large majority believe it is doing a ‘good job’ satisfying its Charter obligations.

Nowhere is the ABC more appreciated than in regional Australia, with 88 per cent believing it provides a valuable service to the community.¹⁶ 80 per cent of Australians believe the ABC does a ‘good job’ covering country/regional issues, compared with 42 per cent who claim the same of commercial media. This figure increases to 82 per cent among Australians living in country and regional areas, compared with 50 per cent who feel the same of commercial media.

Moreover, the community understands the financial pressures and constraints that the ABC is under, and the need for additional funding to allow the ABC to increase its regional investment. Independent polling commissioned by the Australia Institute in 2015 found strong support across the nation for increased ABC funding to improve regional services.¹⁷

Those survey results are driven by a community belief that even in an age of ‘media plenty’ the ABC performs a valuable role in creating, commissioning and curating content, and in providing innovative platforms and format for the audience to consume it. Moreover, amid the plethora of digital material available, the ABC continues to provide a safe, trusted destination and brand for accessing information and entertainment.

Assertions that the Corporation can easily redirect large parts of its funding to address regional market failure (on the grounds that capital city markets are less dependent upon ABC services) are inaccurate, unsustainable, and would, if implemented, disenfranchise large sections of the ABC audience. No less than regional audiences, capital-city audiences value the unique and innovative services the ABC provides as part of its Charter obligations. These arguments also ignore the fact that a substantial portion of ABC content emanating from ABC capital-city offices is of great relevance to and valued by regional audiences.

¹⁵ Newspoll. *ABC Appreciation Survey*, May 2015.

¹⁶ Newspoll. *ABC Appreciation Survey*, May 2015.

¹⁷ The Australia Institute. “Heartland—Why the bush needs its ABC”, September 2015, <http://www.tai.org.au/downloadpopup/nojs/11830>.

Those arguing for a massive internal shift of funding have been reluctant, for obvious reasons, to detail the ABC services they believe should be scrapped to finance the extra regional investment.

The ABC Act states that an independent ABC Board has ultimate responsibility for deciding how the national broadcaster's funds are distributed. Parliaments have traditionally resisted attempts to tie the Board's hands, or to amend the Act and Charter to require specific programming or production outcomes as it undermines the integrity and original intent of the Act. The ABC submits that this remains the best process for audiences and the broader Australian community. Board members are cognizant of their need to bring local issues to the table, but to ultimately make decisions in accordance with the ABC Act. Section 8 of the Act requires the Board 'to ensure the functions of the Corporation are performed efficiently and with the maximum benefit to the people of Australia, while maintaining the ABC's independence and integrity'.

The ABC was created within a dual media system, where public and private companies operate within the one sector, and believes that this remains the best way of delivering local diversity to audiences, particularly in rural and regional Australia.

The Committee's inquiry takes place against a backdrop of dramatic changes in the media landscape. Arguably, the media industry has been the sector most disrupted by convergence and new digital technologies and that within that sector, it has been regional markets that have been hardest hit.

Media Entertainment and Arts Alliance (MEAA) research suggests that more than 1,500 jobs have been lost from regional commercial news services in recent years. In just the past 12 months, while the new ABC Regional division has been established, WIN TV has announced the closure of its Mackay and Mildura newsrooms, there have been job losses at Fairfax's Newcastle and Hunter operations, and the Prime Media Group has confirmed the loss of editorial positions in Tamworth and Wagga Wagga.

The ABC recognises the importance of a diverse media sector in rural and regional Australia and is keen to ensure a plurality of voices outside the capital cities. The Corporation has advanced some ideas about how it can assist audiences and commercial and community media in the regions.

Those ideas, which are relevant to the current debate about media law reform, include strategic investment in regional locations, expanding the ABC footprint and creating new programs that focus on regional Australia, as well as a capacity to share raw news content with other media.

Additional funding would enable the ABC to recruit and deploy more than 100 extra video journalists, program makers, rural reporters and digital producers. Regional radio programs would be extended and new television and radio programs created.

In light of its funding constraints, it is unrealistic to expect the ABC to provide new services in regional markets beyond those already resourced, or to totally restructure its approach to remedy market gaps.

For example, there have been suggestions in recent weeks that the ABC should be mandated to provide local television news bulletins in each local area. In fact, since the 1990s, the ABC has been using its local online sites to provide extensive news coverage. Stories generated by local reporters are fed into local radio bulletins and into the state-based television news bulletins that have been a mainstay of the ABC's local television coverage since the 1950s.

The Corporation's approach—incorporating local stories into news bulletins that also contain state, national and international stories—is consistent with the ways in which audiences make use of media. The ABC's collaborative research project ABC Spoke, which investigated personalisation and localisation of news and information, found that people do not want local news and information in isolation.¹⁸ They instead prefer it to be included in a feed with national and international stories. Further, people's definition of 'local' content varies widely.

Expanding to 58 local television news bulletins each day would require a massive capital and staffing investment. At present, ABC TV operates in 15 discreet markets, providing separate state and metro services in each state and territory, other than the ACT, which requires only one. Localised bulletins would require new studio fit-outs, additional staff, extra satellite and play-out costs, and new video fibre links. They would entail a significant and costly reconfiguration of the transmission and distribution networks used to deliver the Corporation's television services around the country.

This massive investment would run counter to audience trends and the ability of media companies to use new digital services to provide more efficient and effective ways of servicing those audiences. As the Departmental 'ABC and SBS Efficiency Study' noted:

Audience demand appears to be shifting away from the linear experience of the past towards a preference for on demand content accessed through multiple devices. While the traditional broadcast model is proving more robust than some predicted, the national broadcasters are likely to face pressure to make their content available on a wider range of devices and to plan for content to be increasingly provided to consumers on demand. The challenge for national broadcasters is to rebalance their resources whilst continuing to meet expectations of providing traditional services.¹⁹

¹⁸ ABC R&D. 'News, Place & Relevance', White Paper, 2015, <http://rd.abc.net.au/assets/downloads/ABCDN-NewsPlaceRel.pdf>.

¹⁹ Department of Communications. 'ABC and SBS Efficiency Study: Draft Report', April 2015, p.7

Conclusion

The ABC submits that through its history, its footprint and its activities, no other broadcasting organisation has as deep an understanding of and affinity with rural and regional Australia. This submission demonstrates the effectiveness of the new Regional Division in developing strategies to make better use of existing resources to service its audiences. And it shows how the ABC makes good use of its creativity and skills outside that Division to deliver on its Charter roles.

At a time of rapid and extensive change in the Australian media landscape, that dependence on the ABC, and the need to resource it properly for the task ahead, becomes vital.

APPENDIX A

ABC TV Programs with a Story Set in Regional Australia, or Fully or Partially Set in Regions, Broadcast in 2014

GENRE	PROGRAM TITLE	DUR
ARTS	SKULLBONE PLAINS	1 × 30'
	SOUNDS LIKE HOME	1 × 30'
	THE REAL MARY POPPINS	1 × 60'
	WAR PAINT: THE WORLD ACCORDING TO GEORGE GITTOES	1 × 30'
	THE LOST TOOLS OF HENRY TOKE	20 × 5'
	SHOW ME THE MAGIC	1 × 54'
	THE KING SUN: JOHN OLSEN - A PORTRAIT AT 85	1 × 30'
	I WANT TO DANCE BETTER AT PARTIES	1 × 30'
	HELEN GARNER'S MONKEY GRIP	1 × 30'
	FIRST PERSON KODACHROME	1 × 30'
	BIRDMAN: THE ART OF WILLIAM T COOPER	1 × 30'
	TENDER	1 × 73'
	HANNAH GADSBY'S OZ	3 × 30'
	GIRT BY SEA	1 × 60'
	THE BOY CASTAWAYS	1 × 90'
	ART + SOUL	3 × 60'
	OUTBACK CHOIR	1 × 60'
CYBER DREAMING	1 × 30'	
COMEDY	NOIRHOUSE SERIES 2	6 × 5'-10'
	UPPER MIDDLE BOGAN SERIES 2	8 × 30'
	TIMOTHY	1 × 30'
	PLEASE LIKE ME SERIES 2	10 × 30'
DRAMA	THE CODE SERIES 1	6 × 57'
	THE DOCTOR BLAKE MYSTERIES SERIES 2	8 × 57'
	THE BROKEN SHORE	1 × 110'
	JACK IRISH: DEAD POINT	1 × 100'
	WASTELANDER PANDA	6 × 10'
	PARER'S WAR	1 × 100'
	ANZAC GIRLS	6 × 57'
	TIM WINTON'S THE TURNING	1 × 90'
	HEALING	1 × 114'
ENTERTAINMENT	THE CHECKOUT SERIES 2	20 × 30'
	KITCHEN CABINET SERIES 4	7 × 30'
	JULIA ZEMIRO'S HOME DELIVERY SERIES 2	9 × 30'
	GOOD GAME	43 × 30' & 2 × 60'

	RAGE (VARIOUS)	52 × 720'; 52 × 420'
	ONE NIGHT STAND MILDURA 2014	?
FACTUAL	THE WAR THAT CHANGED US	4 × 57'
	OPENING SHOT/THE AGONY OF ECSTASY	1 × 31'
	THE DREAMHOUSE	6 × 30'
	HELLO BIRDY	6 × 30'
	OPENING SHOT/SKIMPY	1 × 30'
	FLYING MINERS	3 × 60'
	GAYCRASHERS	1 × 32'
	HEAD FIRST	5 × 60'
	SHARK GIRL	1 × 60'
	OPENING SHOT: DEFENDANT 5	1 × 28'
	BOFFIN BUILDER AND BOMBARDIER	8 × 10' OR 1 × 30'
	GARDENING AUSTRALIA	36 × 30'
	COMPASS	24 × 27'30'
	CATALYST	24 × 30'
	COUNTDOWN: DO YOURSELF A FAVOUR	2 × 60'
	BOOMTOWN	6 × 30'
	DEVIL ISLAND	6 × 30'
	FAMILY CONFIDENTIAL SERIES 3	6 × 30'
	THE DATERS SERIES 1	21 × 10'
	WHEN THE BEATLES DROVE US WILD	1 × 60'
	SAVE YOUR LIFE TONIGHT	6 × 30'
	OPENING SHOT: CRACK UP	2 × 29'
	Q&A	44 × 60'
	TRIGGER POINT	2 × 57'
	LIFE AT 9	2 × 60'
	ENIGMA MAN: A STONE AGE MYSTERY	1 × 57'
ONCE MY MOTHER	1 × 73'	
INDIGENOUS	MYSTERY ROAD	1 × 118'
	BLOWN AWAY	1 × 57'
	THE GODS OF WHEAT STREET	6 × 60'
	WILD KITCHEN WITH CLAYTON DONOVAN	3 × 30'
	OUTSIDE CHANCE	?
SPORT & EVENTS	NTFL 2014	18 × 120'
	ANZAC DAY MARCH ACT 2014	1 × 120'
	ANZAC DAY MARCH SA 2014	1 × 210'
	ANZAC DAY MARCH TAS 2014	1 × 90'
	ANZAC DAY MARCH QLD 2014	1 × 150'
	ANZAC DAY MARCH NT 2014	1 × 90'
	ANZAC DAY MARCH WA 2014	1 × 120'
	GOLF: AUSTRALIAN LADIES MASTERS 2014	1 × 268'; 1 × 267'

	FOOTBALL INT'L JPN VS AUS	1 × 150'
	CENTENARY OF ANZAC ALBANY	1 × 120'
	BASKETBALL MEN'S INTERNATIONAL (Aus v China)	1 × 151'; 1 × 126'; 2 × 120'
	AOTY NOMINEE PROFILES 2014	1 × 30'
	AOTY AWARDS 2014	1 × 60'
	WAFL 2014	25 × 90'
	WOMEN'S INTERNATIONAL AUSTRALIA VS BRAZIL	1 × 120'
	W-LEAGUE 2014	14 × 117'; 1 × 143'; 1 × 168'
	WNBL 2014	20 × 117'; 1 × 147'; 2 × 90'
	NATIONAL FLAG RAISING AND CITIZENSHIP	1 × 66'
	AUSTRALIA'S PARALYMPIANS 2014 (PROFILES)	1 × 18'
CHILDRENS	BUSHWHACKED SERIES 2	13 × 24'
	BIG TED'S BIG ADVENTURE SERIES 1	20 × 3'
	PLAY SCHOOL	45 × 27'
	ABC3 SMACKDOWN GAMES (2014) SERIES 6	1 × 17'
	BTN	35 × 24'
	MY24	13 × 24'
	BLUE ZOO	22 × 25'30"
	RAWR	26 × 3'5"