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Submission to the Inquiry into ABC Rural and Regional Advocacy Bill

I would like to thank Senator McKenzie for the invitation to make a submission to the above Senate Inquiry.

I have been researching regional media, radio in particular, and more specifically local content over the past few years. I find that Inquiries such as this being held into the value of media in regional Australia is an area that needs to be discussed, particularly in light of the media reform laws that are being proposed which will be devastating for regional communities if they proceed.

Focusing on this Senate Inquiry into the ABC Amendment Bill, I would argue that in light of the research that I have conducted, the role the ABC in regional Australia has become more important than ever. When the ABC was established in 1932, it was to be Australia's national broadcaster with commercial radio 'filling the gaps' left by the ABC: That is, commercial radio was to be a local service. While this was a scenario that served many regional areas well when there was one commercial radio station per licence area, this no longer holds true.

The turning point for regional media occurred in 1992 when the broadcasting industry was deregulated. From 1992 there was the aggregation of television in which regional areas received all the commercial television stations rather than one. There was also the introduction of supplementary FM licences in regional Australia thus providing an AM and FM service in all licence areas. This meant that regional Australia has a good viewing and listening choice. That is to say, rather than one commercial television station, one commercial radio station, the local paper and the ABC (radio and television) as existed prior to deregulation in 1992, regional Australians can choose between three commercial television stations, two commercial radio stations, the local paper, the ABC (radio and television). Without question, it can be argued that in the current media climate Australians are spoilt for choice.

However, as much as this choice of media has been beneficial to regional areas since deregulation, the 'localness' of regional media has suffered. As individual radio licensees sold their holdings to networks, local content in many areas suffered through concentrated ownership. As networks grew, so too did the consolidation of newsrooms and local voices. Hubs were created to service the growing number of stations in a network as radio licensees took advantage of economies of scale. *Media Watch* and others have reported extensively of news being sourced from hubs for television and radio. While networks may argue the benefit networking their news, I would argue that it is a sub-standard service at a local level. However, it must be noted that the production of local content is expensive, and that advertising revenue may not always meet those production costs. As the ACMA stated in their 2013 report *Regional commercial television local content investigation*, the provision of local content comes at a high cost and is not always profitable, and as funding pressures continue, the incentive for commercial broadcasters to produce local content may decrease over time (p. 2). This can also hold true for regional radio.

It is clear that cost / funding pressures on regional broadcasters are causing them to rethink the news service they deliver to regional Australia. Radio and television stations, as

commercial enterprises, are profit driven. They have to be. They are not going to invest in programmes if they cannot obtain a return on their investment. An example of this is in 2001 when Prime Television axed their Newcastle local news service as it could not compete with NBN Television's news service. Return on investment is just one of many reasons why we are seeing less local production¹. Which brings us to the ABC.

The revenue stream of the ABC is guaranteed, albeit fluctuating. Many argue that the ABC is entering areas that should be left for commercial broadcasters. Perhaps, but commercial broadcasters have had ample opportunity to enter the spaces occupied by the ABC. Commercial broadcasters did not take up those opportunities at the time, or were slow to enter that particular domain and were left behind. However, it can also be argued that investment into areas such as News 24 or iView were at the expense of regional ABC stations.

While some may disagree, it can be argued that the ABC doesn't need to 'chase an audience' as its purpose is not to compete against commercial broadcasters but to supply quality programming and information to the Australian public. If regional ABC stations are attracting an audience, what does that say about the service provided by the commercial stations? For example, the locally produced Breakfast programme on ABC 1233 Newcastle is the number one show in the latest Newcastle radio survey. Centrally produced programmes do not rate as high. It seems that ABC management and the government both miss this very important point.

The programmes the ABC puts to air are invaluable. Take ABC open for example. It gives us an insight into who we are as Australians, uncovering a number of wonderful stories. Then there is ABC local, and again let us use 1233 Newcastle as an example. Prior to the cutbacks in 2015, 1233 produced programmes that provided an insight into the lives of those that reside in the Hunter region of NSW. Programmes such as 'River Stories' gave us an understanding of life along the Hunter River.

Commercial broadcasters do not produce the types of programmes mentioned due to costs and staff required. Also, it is not part of a commercial broadcaster's DNA to produce the content described above. Commercial broadcasters are there to provide entertainment and a modicum of information. In essence, commercial broadcasters rely on homogenous formats that give results: That is, an audience that can be on-sold to advertisers.

While many, including some in the government, view the ABC as a waste of taxpayer dollars and should be privatised, I would argue that this is a myopic view and we should look at the benefits of a well-funded public broadcaster. The funding model for commercial media is broken and they will continue to centralise their operations. As such, the ABC should be expanding their services in regional Australia to fill the gap left by commercial media especially in the area of news as more commercial licensees centralise their newsrooms. The funding cuts by the LNP government and the resulting cutbacks implemented by ABC management in 2015, have damaged the ABC in regional areas and we risk losing the storytelling of Australia, which documents our lives and maintains a historical record of our nation. The cutbacks have also affected the provision of local news and information in many regional areas.

The ABC does an excellent job as emergency broadcaster compared to commercial stations, but it can only do this if well staffed. In Newcastle for example, ABC 1233 were the first to enter emergency mode during the 2007 'Pasha Storm' and the April 2015 storm event, providing those in the Hunter with information around the clock for the duration of these storms. The commercial stations (radio and television) performed poorly. However, it cannot be stressed enough that by the ABC centralising many of its regional operations, it takes away any local decision making which has wide reaching affects across regional Australia. What I am arguing here is that programme-makers who live within regional areas are best placed to understand their community and decide which stories best reflect those communities, and how those stories are told, be it in the news, in documentaries, through a

¹ To clarify, in this context, 'local' refers to locally produced content in the regional licence area.

daily radio programme or an emergency situation. These are decisions that cannot be made effectively or efficiently from a capital city.

There is more to the ABC than 7.30, Lateline, News 24 or Q and A. If we are judging the success, or otherwise, of the ABC on these alone then we are surely missing the 'bigger picture' of the valuable contribution the ABC makes to our cultural heritage and its importance to regional Australia. I would argue strongly that a regional ABC is a vital part of the Australian media landscape and we cannot afford to lose the balance the ABC offers. Nor can we afford to lose the important contribution it makes to Australian society and culture at a regional level, and how it connects regional communities. As many commercial broadcasters have surrendered their role as the 'local' broadcaster, it is now up to ABC management and government to support such an important public broadcaster. Governments and ABC management need to understand that the ABC cannot act like a commercial enterprise and centralise its regional operations, and that the ABC needs to be better funded to provide regional Australians with a quality news and information service.

Yours Sincerely

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