



Communications Law Centre, UTS

Submission to the Senate Committee Inquiry: The
Australian Broadcasting Corporation's commitment to
reflecting and representing regional diversity

18/1/2013

Table of Contents

Executive Summary	1
1. Introduction.....	1
2. The importance of localism in broadcasting	1
3. The ABC's commitment to reflecting and representing regional diversity	2
4. Local content and local production quotas	3



Communications Law Centre, UTS

Executive Summary

1. The CLC submits that the provision of local content is essential for participatory democracy in regional communities.
2. Radio and television remain the most immediate (and hence effective) media to disseminate information in dispersed regional communities. Therefore, legislation and regulation should continue to support local content and production on radio and television (and radio and television like) services.
3. The CLC submits that the ABC has demonstrated a long standing commitment to local content and production.
4. The CLC recognises that television production is costly. The ABC has a role to play in correcting market failure in local content production, however it operates with significant budgetary constraints.
5. In spite of the challenges faced by the ABC, the CLC does not support the total closure of the Tasmanian production unit. The maintenance of internal production facilities allows the ABC to have a greater local presence in each state, which allows more thorough coverage of matters of local significance.
6. In particular, the CLC does not support a reduction in local news and current affairs programming and production.
7. The CLC submits that the implementation of local content or production quotas, as imposed on commercial broadcasters under the *Broadcasting Services Act 1992* (Cth.), should be used as a last resort. All programming and production decisions should first be reviewed by the (independent) Board.
8. The Board should take into account the findings of this Inquiry when reviewing programming and production decisions.

1. Introduction

- 1.1 The Communications Law Centre, UTS (CLC) is an independent, non-profit, public interest centre specialising in communications, media and online law and policy. We appreciate this opportunity to respond to the Committee's Inquiry into the Australian Broadcasting Corporation's commitment to reflecting and representing regional diversity.

2. The importance of localism in broadcasting

- 2.1 The CLC submits that the provision of local content is essential for participatory democracy in regional communities.

- 2.2 Despite improvements in communications technology, the 'digital divide' between regional and metropolitan areas remains evident. Although the delivery mechanism may change, radio and television remain the most immediate (and hence effective) media to disseminate information in dispersed regional communities. Therefore, legislation and regulation should continue to support local content and production on radio and television (and radio and television like) services.
- 2.3 Although the Australian Broadcasting Corporation (ABC) is not subject to local content or production quotas (as are commercial broadcasters), a commitment to localism is required through its Charter obligation to "reflect the cultural diversity of the Australian community".¹ This is acknowledged by the ABC itself in its submission to the Convergence Review Interim Report.² The ABC is also obliged to provide "innovative and comprehensive" broadcasting services³, which arguably is a higher standard than that imposed on commercial broadcasting services.⁴ The ABC is therefore charged with providing high quality broadcasting services in the public interest.

3. The ABC's commitment to reflecting and representing regional diversity

- 3.1 The CLC submits that the ABC has demonstrated a long standing commitment to local content and production. It has created a total of 51 news bureaux across Australia, which allows extensive coverage of matters of local significance.⁵ Its designation as the emergency services broadcaster necessitates "on the ground" reporting in affected areas, providing timely information to local communities. The coverage provided by the ABC during the Black Saturday bushfires in 2009, the Queensland floods in 2011 and the recent Tasmanian bushfires in January 2013 was of a very high standard and accessible to the public through various media.⁶
- 3.2 The ABC has also sought to develop new platforms for disseminating local content and to encourage local production. The *ABC Open* initiative has allowed "hyperlocal" production by members of regional and remote communities. Additionally, the *iView* platform has made locally produced content available to a wider audience. If a converged content production fund is implemented as per

¹ *Australian Broadcasting Corporation Act 1983* (Cth.), s 6 (1) (a) (i)- "The functions of the Corporation are...to provide: broadcasting programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community...".

² Australian Broadcasting Corporation, submission in response to the Convergence Review Interim Report, February 2012, p 11. "The ABC views the provision of local content as central to its Charter requirement to "reflect the cultural diversity of the Australian community"".

³ *Australian Broadcasting Corporation Act 1983*(Cth.), s 6 (1) (a)- "The functions of the Corporation are... to provide within Australia innovative and comprehensive broadcasting services of a high standard...".

⁴ The general requirement on commercial broadcasters is to contribute to the provision of adequate and comprehensive broadcasting services in a licence area- see Sch. 2 *Broadcasting Services Act 1992*(Cth.).

⁵ See ABC submission n 2, p 11.

⁶ The ABC set up an emergency website for the 2013 Tasmanian bushfires, see <http://www.abc.net.au/news/2013-01-04/richmond2c-forcett-26-lake-repulse-bushfires---tas---jan-2013/4452480>. This complemented extensive coverage on radio and television.

Recommendation 14 of the Convergence Review⁷, the fund will likely allow further local content and production at reduced cost.

- 3.3 Online delivery of content provides a convenient way for citizens to access local content. However, local content should continue to be produced on radio and television because they remain the most influential mediums (as noted in 2.2 above).
- 3.4 The CLC recognises that television production is costly and requires significant economies of scale in order to recoup investment. As a result of supply side pressures, together with the equalisation policy⁸ and technological developments such as ‘hubbing’, commercial television broadcasters have significantly cut back local content and production in favour of centralised content and production in capital cities.
- 3.5 The ABC has a role to play in correcting market failure in local content production, however it too operates with significant budgetary constraints. In its submission to the Convergence Review Interim Report, the ABC stated that it would increase its local content production if it was able to access additional resources either through direct funding or the proposed converged content fund.⁹ The submission goes on to explicitly identify regional video journalism as an area where expansion is required to cover remote communities which do not receive any ABC services.
- 3.6 In spite of the challenges faced by the ABC, the CLC does not support the total closure of the Tasmanian production unit. The maintenance of internal production facilities allows the ABC to have a greater local presence in each state, which in turn allows more thorough coverage of matters of local significance.
- 3.7 In particular, the CLC does not support a reduction in local news and current affairs programming and production.

4. Local content and local production quotas

- 4.1 The CLC submits that the implementation of local content or production quotas, as imposed on commercial broadcasters under the *Broadcasting Services Act 1992* (Cth.), should be used as a last resort. The ABC Board is responsible for reviewing programming and production decisions.
- 4.2 There is a significant public interest in maintaining the independence of the ABC; additional government legislation and regulation has the potential to impinge upon this independence. All programming and production decisions should first be reviewed by the (independent) Board.

⁷ See Department of Broadband, Communications and the Digital Economy Convergence Review- Final Report March 2012, Recommendation 14, xviii.

⁸ Regional television equalisation occurred in the late 1980s and early 1990s. Commercial regional television licences were aggregated and affiliations with metropolitan commercial stations increased. This policy was implemented ostensibly to give viewers in regional areas greater choice, however many local news bureaux were closed in the process. See <http://televisionau.com/feature-articles/aggregation> for further discussion.

⁹ Ibid n 5.

- 4.3 The Board should take into account the findings of this Inquiry when reviewing programming and production decisions. In particular, the Board should consider whether the closure of the Tasmanian production unit offers “maximum benefit to the people of Australia” under s 8 (1) (a) of the *Australian Broadcasting Corporation Act 1983* (Cth.).
- 4.4 In addition, the performance of the ABC against its Charter is subject to review by the Government. This provides an additional safeguard in the absence of legislation and regulation under the *Broadcasting Services Act*. The review should consider the findings of this Inquiry.

Professor Michael Fraser, AM
Director
Communications Law Centre, UTS

William Renton
Researcher
Communications Law Centre, UTS