



Australian Government

**Australian Government response to the
Environment and Communications References
Committee report:**

**Allegations of political interference in the Australian
Broadcasting Corporation**

August 2019

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Overview

The Australian Government notes the report by the Environment and Communications References Committee (the Committee) into Allegations of political interference in the Australian Broadcasting Corporation (ABC).

On 1 April 2019, the Senate Environment and Communications References Committee published its report into allegations of political interference in the ABC. The Committee made six recommendations. Five recommendations were directed towards the Government and one was directed to the ABC Board. Of the five for Government, four suggest consideration of changes to the *Australian Broadcasting Corporation Act 1983* (ABC Act) and associated regulations. The fifth related to the Government providing greater funding certainty to the ABC. The Government notes this final recommendation but does not support the four recommendations that propose changes to the *Australian Broadcasting Corporation Act 1983* (ABC Act) and associated regulations. The Government is of the view that the legislated appointment process for ABC Board appointments is adequate and does not require amendments to the ABC Act and the *Australian Broadcasting Corporation (Selection criteria for the appointment of non-executive Directors) Determination 2013*.

Australian Government response

The Australian Government's response to Allegations of political interference in the Australian Broadcasting Corporation Report is set out in detail below.

Recommendation 1:

2.29 The committee recommends that the *Australian Broadcasting Corporation Act 1983* be amended to define the term 'consult' in subsection 24X (1), to ensure that the Prime Minister provides the Leader of the Opposition with information about the outcome of the Nomination Panel recruitment process and any alternate nominee, and the opportunity to discuss a proposed recommendation for appointment.

The Government **does not support** this recommendation.

The legislation requires that the Prime Minister engage directly with the Leader of the Opposition in the House of Representatives before recommending a person to be appointed Chairperson of the ABC. The form this consultation takes is ultimately a matter for the Prime Minister.

Recommendation 2:

2.39 The committee recommends that the *Australian Broadcasting Corporation (Selection criteria for the appointment of non-executive Directors) Determination 2013* be amended to:

- allow for applicants with substantial experience or knowledge in the field of education;
- emphasise the need to demonstrate an understanding of the role of the fourth estate and independent media in democracy; and
- require no less than two non-executive members of the ABC Board to demonstrate substantial experience or knowledge in the media industry

The Government **does not support** this recommendation.

The current criteria already includes knowledge/experience in the media industry; business or financial management; corporate governance; and cultural industry or policy.

In addition, under section 24W of the ABC Act, the Minister may, in relation to a particular appointment, give written notice to the Nomination Panel of additional selection criteria for that appointment.

The framework for establishing selection criteria captures the range of critical skills, experience and knowledge required to exercise the duties of the ABC Board, and, through the ability to specify additional criteria, has flexibility to address a particular lack of skills if required.

Recommendation 3:

2.44 The committee recommends that the Australian Government amend the *Australian Broadcasting Corporation Act 1983* to set out the selection criteria for the Nomination Panel and enhance the transparency and accountability of the work of the Nomination Panel.

The Government **does not support** this recommendation.

Appointments to the Nomination Panel are made by the Secretary of the Department of the Prime Minister and Cabinet and are already at arms-length from Government. The Secretary must give notice on the Prime Minister's Department website of each person appointed to the Nomination Panel. These notices provide details with regard to the reasons for appointment.

The functions of the nomination panel are set out in the ABC Act.

Recommendation 4:

2.69 The committee recommends that the Australian Government amend section 24X of the *Australian Broadcasting Corporation Act 1983* to require the Prime Minister to table a statement advising the Parliament on the extent and outcome of consultations with the Leader of the Opposition.

The Government **does not support** this recommendation.

The legislated process for appointments to the ABC Board already requires that when a person who is not recommended by the Panel for appointment to the Chair of the ABC Board, the Prime Minister must table a statement of reasons for the appointment in each House of the Parliament. The Prime Minister must also consult the Leader of the Opposition before recommending to the Governor-General the person to be appointed as Chairperson. This process already facilitates transparency and parliamentary scrutiny. The Government has fully complied with the process for each appointment.

Recommendation 5:

3.39 The committee recommends that the ABC Board formally review these events, including the findings of this inquiry, and report to the Minister on lessons learned and steps taken to guard against a similar occurrence in future.

The Government **notes** this recommendation is a matter for the ABC Board.

Recommendation 6:

4.35 The committee recommends that the Australian Government acknowledge the benefits and desirability of stable funding for the Australian Broadcasting Corporation, not only for Australian Broadcasting Corporation planning purposes but also as a guard against political interference, and commit to stable funding for the Australian Broadcasting Corporation over each budget cycle.

The Government **notes** this recommendation.

In 2019–20, the Government will provide the ABC over \$1 billion in annual funding. This represents a substantial investment of public funds and will ensure that the ABC is able to continue to provide television, radio and digital media services in line with its Charter. The level of funding being provided to the ABC is increasing year on year.

Not only was the 2019 Budget consistent with the 2018 Budget, the Government increased funding when it renewed the terminating Enhanced News program and provided \$43.7 million to help fund the broadcaster's rural and regional journalism for the next three years.

In addition, the ABC continues to be exempt from the government wide efficiency dividend.

The Committee presented no evidence to support the majority report statement that the Government has used funding as a lever to exert political interference in the ABC.

In a rapidly changing media environment, the ABC has greater funding certainty than any other media organisation in the nation. Unlike other government funded organisations and all companies in a volatile industry, the ABC has funding certainty for the four year period to 30 June 2022.