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Ms Janet Holmes
Secretary,
House of Representatives Standing Committee on Communications, Transport and the Arts
Parliament House
CANBERRA ACT 2600

Dear Ms Holmes,

Friends of the ABC Submission

On behalf of Friends of the ABC I wish to make the following submission to the above committee in relation to:

“the adequacy of radio services in regional and rural Australia and the extent to which there is a need for the Government to take action in relation to the quantity and the quality of radio services in regional and rural Australia, having particular regard to the following:

- The social benefits and influence on the general public of radio broadcasting in non-metropolitan Australia in comparison to other media sectors;
- Future trends in radio broadcasting, including employment and career opportunities, in non-metropolitan Australia;
- The effect on individuals, families and small business in non metropolitan Australia of networking of radio programming, particularly in relation to local news services, sport, community service announcements and other forms of local content, and;
- The potential for new technologies such a digital radio to provide enhanced and more localised radio services in metropolitan, regional and rural areas.”

Friends of the ABC also seeks permission to publish this submission.

Yours sincerely,

Darce Cassidy
National Spokesperson
Friends of the ABC

Executive Summary

1. **About Friends of the ABC**
Friends of the ABC is an independent community organisation operating in both metropolitan and regional areas in all states and territories of Australia.
2. **Networking and Local Programming.** Competitive pressures have led to more networking, and consequently less local programming on commercial stations. Budget cuts are threatening the ABC's ability to serve regional audiences. Rather than compel commercial broadcasters to localise, the government ought to support community broadcasters and the ABC, who have a strong commitment to local broadcasting but remain poorly funded.
3. **Regional listeners have fewer choices than metropolitan listeners.** Regional programs are often of lower quality than metropolitan programs. It is unlikely that, given the small population in regional areas, advertising revenue will support more regional commercial stations, or permit a significant increase in program quality
4. **ABC is cost-effective.** The ABC is far more efficient than commercial broadcasters, and far more cost-effective than other national broadcasters like the British Broadcasting Corporation and the Canadian Broadcasting Corporation. Increased funding for the ABC would be the most effective way of improving both the quality and quantity of radio services available to regional and rural Australia.
5. **Taxpayers are willing to pay more for the ABC.** Studies by the Economic Planning Advisory Commission show that taxpayers are willing to pay more for the ABC
6. **48 Regional Stations and one thousand transmitters nationally.** ABC programs are broadcast through more than a thousand transmitters, and the ABC operates 48 staffed regional radio stations, providing not only information and entertainment but also employment and career opportunities in regional centres.
7. **Specialist Rural Reporters.** The ABC employs specialist rural reporters in its regional stations and in all capital cities. They not only provide specialist rural, weather and market information for rural listeners, but importantly help to bridge the city/country divide by reporting rural issues to city based listeners via Radio National.
8. **Threat to ABC training capacity.** The ABC has an excellent record in training its rural and regional staff. Recent reductions in the ABC Training Department will compromise the ABC's ability to properly train its regional and rural staff.
9. **Some ABC Radio service not available in regional areas.** Listeners in regional areas can not receive the same range of ABC programs as metropolitan listeners. The ABC's Parliamentary and News Network, PNN, can not be heard outside capital cities.
10. **Conclusion .** Friends of the ABC recommends that the Committee re-examine the ABC's triennial funding submission and that the Committee seek the restoration of the ABC budget to its pre 1996 level, indexed for inflation.

1. About Friends of the ABC

Friends of the ABC is an independent community organisation comprising organisations in each Australian state and territory which in turn have local groups that operate in regional centres and in all state and territory capitals. For example, in NSW, Friends of the ABC has branches in Bega, Eurobodalla, Taree, Albury, Port Macquarie, Armidale, Coffs Harbour, Blue Mountains, Illawarra and Sydney.

Its objectives are:

To support the maintenance and advancement of the Australian Broadcasting Corporation:

- to fulfil to a high standard its role as an independent and comprehensive national broadcaster;
- to be adequately funded by government for that role;
- to remain independent of government influence, commercial sponsorship and advertising; and
- to promote Australian culture in all its diversity.

FABC engages in a range of activities which include informing the public, communicating with Members of Parliament and media, presenting submissions to government reviews and inquiries; addressing public meetings, conducting rallies, running a number of web sites and publishing a newsletter.

This submission is made by Darce Cassidy, National Spokesperson for Friends of the ABC, who is authorised to make public statements on behalf of the organisation.

Further information about Friends of the ABC is available from our national website at <http://www.fabc.org.au>, which has links to the websites of the state organisations.

2. Networking and Local Programming.

Competitive pressures have resulted in more networking, and consequently less local programming on commercial stations. Commercial stations exist to make a profit for their shareholders. When their competitors reduce costs by networking high-profile city-based broadcasters like John Laws, commercial regional stations have little choice but to follow suit. Thus while the number of commercial radio stations in regional Australia has grown significantly, local content has not.

Since 1980 the ABC's budget has been reduced by 20%. While regional and state-based programs in television have declined, the ABC has expanded its regional radio network, both in the number of stations and the number of staff employed in regional areas. This expansion in regional areas has been achieved at the expense of the staffing and resources of the ABC's city-based radio activities. At a time of extreme financial stringency the ABC has demonstrated a clear commitment to its regional radio services.

For example, in the early 1990s the ABC dramatically expanded its regional network in Victoria. The three existing stations at Horsham, Albury-Wodonga and Sale were augmented by new stations at Warrnambool and Bendigo, and new offices, staffed by journalists, were established in Traralgon and Shepparton. Similarly in South Australia the existing stations at Port Pirie, Renmark and Mt Gambier were augmented by a new station at Port Lincoln and an office in Port Augusta. Similar growth took place in other states.

However the \$66 million reduction in the ABC's budget in 1996 has had an indirect impact on ABC regional radio. While there were no reductions the number of staff working directly in regional areas, city-based support and management of regional radio was drastically reduced. The position of General Manager Regional Radio was abolished, and the duties combined with that of the manager of metropolitan radio. Similarly at a State level the positions of Manager Regional Stations in all states were abolished, and the duties amalgamated with those of the manager of the capital city metropolitan station. The regional network lost its separate identity, and became part of 'Local Radio' together with the capital-city metropolitan stations. While many ABC staff and managers remain committed to regional radio, there is a fear that it will become an afterthought, a forgotten appendage to the higher profile metropolitan stations.

Legislation to compel commercial stations to produce a minimum percentage of local programming is fraught with difficulty, as previous attempts at quota systems for commercial broadcasters have demonstrated. The ABC has demonstrated a long-term and serious commitment to regional broadcasting. It does not require compulsion or encouragement, but simply adequate funding.

3. Regional listeners have fewer choices.

While there has been significant growth in the number of regional commercial radio stations, regional listeners still have much less choice than metropolitan listeners. Regional commercial programs are often of lower quality than metropolitan programs. It is unlikely that advertising revenue will support more regional commercial stations, or permit a significant increase in program quality.

Unless regional communities grow in size, it is unlikely that additional commercial stations will be economically viable in small and medium-sized regional centres. An increase in choice, and in quality, should come from the expansion of ABC and community radio services in regional areas. The critical role of the ABC is widely recognised in regional areas. The President of the National Party in Victoria, Mr John Tanner, is reported by the Bendigo Advertiser (22 September 2000) as saying:

There is a great change in technology and communications at the moment, but this can be slow coming to rural and regional Victoria, and when commercial considerations are taken into account, it is often country communities that miss out. That's where the ABC fills the void

The Sunraysia Daily (23 September 2000) quoted Mr Tanner as follows:

I want to make it clear to the ABC that country Victorians need the services they currently receive and any review of news and current affairs should not adversely impact on country programming.

The ABC, through news and current affairs, provides an important service in local area and also opens a window to the rest of the nation and the world. We're keen to ensure this continues.

We are luckier in Victoria than some other parts of the nation, in that most areas are also serviced by commercial operations. However for depth and breadth of coverage, the

ABC fills the most important role.

FABC agrees, but the ABC cannot maintain its services to regional listeners if it is not adequately funded. Despite a 20% reduction in funding since 1980, the ABC has increased the number of regional radio stations, and their staffing level. To a large degree ABC News and Current affairs had been quarantined from the budget cuts, but that would not appear to be the case any longer. However as pressure on ABC budgets continues, with the indexation factor applied to ABC budgets being consistently less than the actual increases in ABC costs, it is increasingly difficult to shield regional radio and news and current affairs. As we detail elsewhere in this submission, cuts in regional management, in training and in other support areas are impacting on regional radio. Cuts to news and current affairs of \$3.7 million (or \$8 million according to some interpretations) will be particularly felt in regional areas, as Mr Tanner has pointed out.

4. ABC is cost-effective.

The ABC is far more efficient than commercial broadcasters, and far more cost-effective than other national broadcasters like the British Broadcasting Corporation and the Canadian Broadcasting Corporation. Increased funding for the ABC would be the most effective way of improving both the quality and quantity of radio services available to regional and rural Australia.

Dr Glenn Withers, Professor of Public Policy at the Australian National University, has been a consultant for Kerry Stokes and for the ABC. He writes:

For instance, work done by the London office of McKinsey and Company has shown that, the taxpayer cost of under ten cents per capita a day for the ABC is much less than the 14.4 cents per day that the CBC (Canada) costs and the 33.4 cents per day paid for the BBC.

Equally, my own recent research seeking to benchmark the national broadcaster against commercial media finds that ABC cost per radio broadcasting hour is 40 percent that of the commercial radio sector, and that ABC cost per television station hour is 36 per cent that of commercial station cost. (Australian Financial Review, 22 March, 2000)

5. Taxpayers willing to pay

Australia is not a Third World country. Its economy is in good shape. Dr. Glenn Withers, in a summary of a study commissioned by the ABC titled *National Public Broadcasting Benefit* reported that in an:

....independent 1994 study of public budget outlays, the Economic Planning Advisory Commission established that the willingness to pay through taxes for arts and public broadcasting support exceeded the liability for these activities by seven per cent. Unlike areas such as family assistance, defence, unemployment, general industry assistance and the like, where taxpayers wanted to contribute less, the respondents were prepared to pay more for the arts and public broadcasting.

(ABCzINE, No 1/ Summer 2000)

Writing in the Australian Financial Review (22 March, 2000) Dr Withers reported that a National Social Science Survey recently made available to the ANU :

...indicated that the average willingness to pay for the ABC was 30 percent higher than the actual outlay per capita (\$48 per head versus \$37 per annum)

6. Forty eight Regional Stations

ABC programs are broadcast through more than a thousand transmitters, and the ABC operates 48 staffed regional radio stations, providing not only information and entertainment but also employment and career opportunities in regional centres.

Australia is a large and sparsely populated country, making the delivery of radio services more difficult than in Britain, but comparable to Canada. Yet despite costing far less to operate on a per capita basis, the ABC runs far more regional radio stations than either the BBC or the CBC, both more populous countries than Australia.

7. Specialist Rural Reporters

In addition to news journalists, local current affairs presenters and general program makers, the ABC employs specialist rural reporters in its regional stations, and in the capital cities. The ABC has almost 50 specialist rural reporters whose job it is to cover issues relating to Australia's primary industries and regional communities.

Preference is given in employment to people with special knowledge in primary industry and/or a rural background. These reporters broadcast specialist rural weather and market information at the peak breakfast listening time, and in the highly regarded country hour at lunchtime.

Importantly, these regionally based specialists also contribute to rural news on Radio National, informing city based listeners of rural issues.

Country Breakfast, broadcast 6-7:00 am on Radio National. Presented by Helen Brown, *Country Breakfast* is an entertaining look at rural and regional issues, with interviews, stories from reporters on location all around Australia, regular updates of news, financial markets and weather and a unique social commentary in the *Country Viewpoint*.

Country Breakfast offers in-depth coverage of social, economic and political events and issues affecting people beyond the urban fringe. Helen Brown puts these developments into context for a broad general audience. She talks to rural industry leaders and experts, as well as taking listeners to people on the land to hear about their lives.

Rural Reporter, 5:30am Sundays and 12:30pm Tuesdays on Radio National. The ABC's Rural journalists from around the country introduce the stories and people in rural and regional Australia.

Living and working in often small regional centres, the ABC's Rural Reporters have an insight into how these industries and communities tick, and the sorts of stories that will interest or impact on the rest of the country.

In Conversation, with Helen Brown, 12:15pm Fridays on Radio National. The people and personalities behind the rural news each week with *In Conversation*. *In Conversation* features a chat with some of the most influential figures in rural Australia about their challenges and inspirations.

The valuable service provided by the ABC in seeking to bridge the city/country divide was highlighted by the comments on the deficiencies in reporting by other media noted by NSW farmer and freelance journalist Tim Hughes. Speaking at a forum organised by the Australian Centre for Independent Journalism in October 2000, Mr. Hughes lamented the poor

understanding of rural and regional issues by city-based Australians. In an article based on his talk published in *The Australian's* Media supplement (October 19, 2000) Hughes wrote:

According to Bond University's visiting professor in journalism, Roger Patching, who was for 20 years journalism course coordinator at Charles Sturt University (Bathurst), "The reporting of regional Australia is becoming more like the Third World - it only attracts widespread general coverage if there is a revolution, a disaster or an election."

Regional Australia, a geographically and socially diverse place where 30 per cent of our nation's population live and work, appears to be getting less exposure in the metropolitan media, with what does run increasingly negative and covering a narrower subject base.

Particularly in the city dailies, and even the nationals, the number of stories from some overseas countries is frequently greater than the combined news of all non capital-city Australia.

He continued later:

As a freelance journalist living in regional Australia who contributes to publications at local and national level, and as a farmer who consumes the urban media, I sometimes find it hard to reconcile the society of which I am a part with the one I read about. Both the mechanics of the media today, and the background of its participants, mean regional issues are being treated differently from the way they were a couple of decades ago.

It is unsurprising that the gulf in coverage of rural news is widest in the eastern states, where many media consumers are more international than domestically focused. However, because it is in the eastern capitals that the nation's key decision makers are based, reduced representation of regional Australia in the Sydney, Melbourne and Canberra media only threatens to widen the gap of understanding further.

8. Threat to ABC training capacity.

The ABC has an excellent record in training its rural and regional staff. Recent reductions in the ABC Training Department will compromise the ABC's ability to properly train its regional and rural staff.

Friends of the ABC are aware that training for regional radio staff has been a perennial challenge, mostly because of the cost of such training.

We understand, however, that the ABC Training and Development department has made considerable efforts to ensure that regional staff receive training. It has used creative, cost-effective means of ensuring that regionally based staff receives training:

- through use of ISDN technology, trainers based in capitals have conducted training and coaching sessions for regional staff.
 - regional broadcasters have sent tapes of their on-air work to trainer coaches for feedback and constructive suggestions.
 - trainer consultants have travelled to specific stations to provide a full range of program advice, feed back sessions, and training in needed skills.
- ABC Training and Development has partially funded exchanges of personnel between regional stations and capital-city stations.

- through visits to regional stations by capital-based Training and Development and other ABC “expert” trainers. An innovative series of such visits was conducted throughout Queensland, for example, in 1999. Trainers based in Brisbane conducted a full training needs analysis and then travelled to all regional stations in the state, delivering requested training, much of it adapted to the time and circumstances available.
- Training and Development recruited, in 1998, two Regional Program Managers (from regional stations) as state training co-ordinators, in order to benefit from their expertise in regional management and broadcasting in devising training strategies for regional staff.
- Training and Development provided “train-the-trainer” training to regional managers and other senior staff, to equip them to train staff on-the-job.
- Training and Development has developed on-line training material, now accessible to regional staff through their PCs.
- Some regional staff have received “development opportunities” through being seconded to Training and Development, to develop courses for colleagues; some have been selected to train in Australia and overseas, and have taken those experiences back to their regions..
- Training and Development has ensured that, where possible, broadcast and journalism trainees spend some time during their traineeships in regional centres.
- Regional staff are encouraged to apply for such training and development opportunities as the Andrew Olle Fellowship and the Reuters Fellowship.

We are aware that fully documented proposals for training from Training and Development have not been pursued, presumably because of lack of funds. This includes a presentation training project which would have provided much-needed further training for regional on-air staff.

There is a continuing and urgent need to ensure that regional staff in the ABC receive training and development.

Many regional staff are young, and many are recruited either from university courses or from local community newspapers. Much of their initial “training” is received from staff in their stations.

Regional staff are usually extremely pressed; they are expected to be multiskilled and to “do everything” to keep the stations going.

It will always be a challenge to ensure that they are capable of performing the tasks required of them, given the stringency of ABC budgets and the many tyrannies of distance.

Friends of the ABC hopes the committee will recommend the ABC be funded to provide the regional training it has delivered in the past.

Given the audiences which the ABC garners in regional areas, and the need for those audiences to be well informed, regional staff need to be well prepared. If they continue to learn, so will the communities they serve.

We believe your committee should also recommend that the ABC investigate:

- developing more on-line radio broadcast training modules which can be accessed by regional staff at any time of the day. These modules should include broadcast production skills, presentation skills, computer skills, and a range of management and management-related skills, including stress management courses, given the many demands on regional staff.
- just as in distance-education tertiary courses, making provision for access to experienced staff who can add value – and feedback - to textual courses. Courses for on-air staff should include feedback on tapes mailed to tutors.
- any other innovative distance-education methods which will ensure the delivery of “learning” to regional staff.
- should budgets allow, making provision for staff “enrolled” in on-line modules to attend an annual workshop with trainers in the nearest capital city.
- organising a formal coaching and mentoring initiative for regional staff, by either experienced regional or city-based broadcasters and journalists – though not from their own stations. This should include regular conversations and feedback sessions.
- regular exchanges between regional and city staff in each state, each year.
- special budgets being set aside in the Radio division to assist numbers regional staff to attend relevant courses at local colleges or TAFEs.
- improving career-planning mechanisms, focussing on regional staff, in the Human Resources division.

Friends of the ABC is concerned that budget cuts to ABC Training and Development, and the apparent reduction in its staff (leaked to The Australian earlier this month) will hamper the corporation’s ability to ensure that quality training and development opportunities will be made available to regional staff.

Friends of the ABC urges the committee seek a public commitment on the part of senior ABC management to continuing the Training and Development department’s invaluable role in training ABC staff.

We suggest that the ABC commit training funding at the per-staff member levels suggested by human-resource professionals in current benchmarking studies.

Friends of the ABC also encourage the committee to recommend that the corporation continues to employ experienced professional trainers with wide broadcast experience to ensure high-quality “on-air” results in regional communities.

9. Some ABC Radio services not available in regional areas.

Listeners in regional areas can not receive the same range of ABC programs as metropolitan listeners. The ABC's Parliamentary and News Network, PNN, can not be heard outside capital cities. While ABC Regional Radio, Classic FM, Triple J and Radio National can be heard in large and medium size regional communities, there are significant holes in the ABC coverage.

Lack of funds is hampering the ABC's efforts to extend its radio coverage to all Australians. In *Many Voices, One ABC - Funding the ABC for a Digital Future*, a summary of the ABC Triennial Funding Submission, the ABC pointed out :

In addition to enhancement and minor extension of transmission services to regional Australia, the ABC sees it as important to deliver its package of services equitably to all Australians. Additional funding will be required to enable the gradual extension of

services such as NewsRadio on the Parliamentary and News Network (PNN) and Triple J to areas currently without reception. Ideally, the extension will take place in three stages so that ultimately centres with populations of 10,000 or more can receive the full package of ABC services

that insufficient funds had been made available to address deficiencies in coverage for existing ABC services. Even in parts of Canberra there are shadow areas, e.g. in Tuggeranong Valley, where reception of Classic FM is very poor.

10. Conclusion

Citizens of regional Australia are significantly disadvantaged in access to information, entertainment and communications. They have less choice of radio and television, regionally produced programs are usually less well resourced and often of lower quality, there is little regional television production, access to the Internet and the telephone system for regional residents is much more expensive, and increasingly the major capital city media under report, and sometimes misreport, regional issues.

While governments can encourage commercial print, television and radio media to give regional audiences a better deal, it is difficult to see how they can compel them to ignore the interests of their shareholders, and the realities of the free market. Past attempts at this kind of regulation had little success.

The ABC, through its consistent record, has demonstrated a strong commitment to its regional listeners. Its proposals to enhance regional programming, contained in its last triennial funding submission, should have been supported by the parliament at the time. The Committee has an opportunity to review this submission.

Friends of the ABC recommends

- **that the Committee re-examine the ABC's triennial funding submission**
- **that the Committee seek the restoration of the ABC budget to its pre 1996 level, indexed for inflation.**
- **that the Committee recommend that, in the context of an increase in funding, the ABC budget at least at current levels to ensure strong news and current affairs coverage through regional stations, and for training for regional staff**