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5 January 2015

Ms Christine McDonald Secretary Standing Committee on Environment & Communications Legislation Committee The Senate Parliament House CANBERRA ACT 2600.

Dear Ms McDonald

# INQUIRY INTO THE ABC AMENDMENT (LOCAL CONTENT) BILL 2014

Thank you for your letter of 10 December 2014 inviting me to provide a written submission to the Committee on issues pertaining to the above Bill.

I offer a general response to the intent and formulation of the Bill. Thereafter I shall deal specifically with:

- The importance of local content
- The ABC and local content
- Amending the ABC Charter (specific suggestions about the formulation of a proposed legislative amendment).

My comments, in some measure, will reflect the particular circumstances of our adopted home State of Tasmania.

### 1: Personal Disclosure

1.1: I make this submission in an individual capacity.

1.2: Based in Hobart for the past five years, I work as an independent writer and occasional consultant to the boards and management of media organisations, internationally. I chair the board of Screen Tasmania, the state government's industry development and funding agency.

1.3: Previously, I spent more than three decades with the ABC, variously as a journalist/ foreign correspondent, executive producer and senior executive. Among senior executive roles were those of Chief of Corporate Planning and Governance and, held simultaneously, Head of International Projects (variously working from Adelaide, Sydney and Melbourne). I also had terms as General Manager of Education Services (Adelaide), General Manager of Corporate Strategy (Sydney) and Controller of News and Programs at Radio Australia (Melbourne). As a journalist, I served as a foreign correspondent based in Port Moresby and New Delhi, and as Radio Australia's representative in Canberra. I hold master's degrees in commercial law and Asian history, a graduate diploma in business administration, undergraduate qualifications in media and journalism, and a company director's diploma.

1.4: Prior to submission, I have referred this to a small number of associates, inviting both corrections of fact and/or comments about my argument.

# 2: General Response to the ABC Amendment (Local Content) Bill 2014

2.1: I endorse the stated purpose of the Bill, as described in the Explanatory Memorandum, "to strengthen the ABC Charter to ensure the national broadcaster is representative of all parts of Australian society". In context, this refers to the ABC's presence across all States and Territories. To introduce such an amendment would be consistent with the accepted duties of *national* public broadcasters internationally. A World Bank publication on public interest broadcasting<sup>1</sup>, for example, described one typical responsibility of a national public broadcaster in these terms: "contribute to national identity while also reflecting cultural and regional diversity".

2.2: However I consider that the present formulation of proposed s6(3A) of the *ABC Act* does not adequately reconcile legislative intent with the practical responsibilities of the ABC Board and management as industry participants. National public broadcasters, in common with other media enterprises, continue to grapple with disruptive technology-driven changes to industry structures, business models and patterns of audience consumption. Despite the significant transformation already experienced by the media industry, much more is anticipated. What constitutes the nature of a television channel today, for example, is likely to be very different in the foreseeable future. The Board and management of the ABC, therefore, rely upon the prerogative to govern independently and with strategic latitude in order for the Corporation to remain "innovative" (s6(1)(a), to provide programs of "wide appeal and specialised interests" (s6(2)(a)(iii) in a fast-changing media and audience environment, and to "provide maximum benefit to the people of Australia" (s8(1)(a).

2.3: The *ABC Act* offers little guidance when listing functions of the Corporation such as "contributing to national identity" and "reflecting the cultural diversity of, the Australian community" (s6(1)(a)(i)). There are numerous possible manifestations of identity and cultural diversity to be reflected through ABC content and services. Nonetheless one determinant of identity derives from the structure and constitution of Australia's federal system. National public broadcasting is born of and sustained by that system (subject to s51(v) of the Constitution). Unambiguously the Commonwealth is responsible for Australia's broadcasting system and for the provision of national public broadcasting services on behalf of the federation. Arguably, as a statutory corporation funded by the Commonwealth Parliament, the ABC has a particular duty to acknowledge the needs and interests of communities – urban and rural - in and relating to all States and Territories. On occasions, the ABC has acted to blur or diminish that responsibility by differentiating its role in serving "the nation" from the constituent parts of the federation. For example, having announced the closure of the ABC's internal TV production unit in Tasmania, in 2013, the Corporation proposed to

<sup>&</sup>lt;sup>1</sup> Buckley, S., Duer, K., et al, 2008, *Broadcasting, Voice, and Accountability: a public interest approach to policy, law, and regulation,* The World Bank Group, Washington, p. 194.

make available up to \$1.5 million for investment with Tasmania's independent production sector, <u>conditional</u> on a matched contribution being made by the State Government. The conditional character of this cross-jurisdictional proposal therefore differed from other potential arrangements in which State authorities might collaborate voluntarily with the ABC to provide supplementary or special purpose services or increased levels of production.

2.4: In this submission, I argue the ABC will fail to contribute adequately to a sense of national identity if the character of decision-making over content and network strategies is highly centralised at the expense of diversity and local relevance.

2.5: The Bill's amendment to s6 – the ABC Charter – goes to the purpose of the national broadcaster and not just its structure or deployment of resources. A legislative statement of purpose or Charter must be of enduring relevance, capable of accommodating the changing operational environment of the media sector. In my judgment, it is unwise to link the legislated statement of purpose with detailed prescriptions as to what organising principles the ABC should apply in fulfilment of its purpose. To do so might impede unreasonably the capacity of the Board and management in anticipating or responding to trends in the digital and increasingly globalised media environment.

2.6: Specifically, I refer to the Explanatory Memorandum (Notes on Clauses, Schedule 1). In their present form, these clauses suggest an elaboration of the ABC's legislated purpose ("the Corporation must have a distinct and discernible presence in each State and Territory, and across all platforms on which the Corporation disseminates content"). They go on to impose requirements that might not always offer the most effective or efficient means of achieving the purpose in a given environment (for example, the proposed requirement to maintain internal TV production capacity). Even though, in my opinion, there is strong merit in the ABC sourcing content from a mix of internal and outsourced providers, I caution against legislating for the retention of internal television production units. Preferably, the legislative amendment should prescribe the intended outcome for audiences and the community, and less the means by which the outcome is achieved. This would be consistent with the remainder of the Act, which demands adherence to certain standards (for example, accurate and impartial news services) and codes of conduct, but does not detail their content or processes.

# 3: The Importance of Local Content in Australia

3.1: It may be helpful to clarify the meaning of "local content" for the purpose of this submission about the ABC given that the term is used elsewhere in public policy to refer to "Australian content" on television. In the present context, local content refers to:

(a) Content created in a particular State or Territory for delivery to audiences in that State or Territory because of its particular relevance to local audiences

(b) Content created in a particular State or Territory for delivery to audiences nationally (or at least to more than one State or Territory) because of its wider relevance and/or expression of Australia's cultural diversity as a federation.

3.2: The provision of local media content for local audiences, and services that connect local communities with the nation, remain very important in Australia's highly mediated and "connected" society. It would be misleading to assume diverse communities are adequately served as a consequence of media plenitude. The circumstances of Australian States and

Territories are likely to continue diverging as a result of a number of socio-economic, demographic and geographical factors. It is not just a divide between town and the bush or resource-rich States and the rest or the dominance of Sydney and Melbourne or the distinctive ethnic profiles of those cities. Divergence may be expected to grow as a result of economic imbalances and demographic shifts, including the implications of an ageing population, which will occur at different rates and intensity in different regions. Resultant symptoms of divergence will include challenges that affect not only the nation but also individual States and regions.

3.3: Tasmania, for example, already confronts such challenges as the oldest and most rapidly ageing State, trying to deal with a range of significant economic and social issues. The bald statistics are confronting: almost half of the adult population is deemed to be functionally illiterate,<sup>2</sup> a higher than national average number of students fail to complete year 12, the unemployment rate is the highest of all States, the rate of workforce participation is lower than the mainland average, about one-third of population is dependent on some form of social welfare and anther one-third on the public service for employment. Overall Gross State Product per capita is about 27 per cent less than the national average<sup>3</sup>. These conditions demand active and ongoing local conversations defined by public interest and not just commercial segmentation. At the same time Tasmania is strengthening its reputation in the creative industries, tourism and agriculture/aquaculture. Local content for local audiences is important to help enable community engagement, confidence and cohesion.

3.4: The ubiquity of screen-based media in the lives of the Australian people – via broadcasting, web-based and mobile delivery platforms – necessitates a trans-media provision of local content in order to remain relevant and accessible. That is, local content must be available via all relevant media platforms in common use.

3.5: Local content is important to media diversity and share of voice in the democratic system. It is especially important in smaller State and Territory markets where there are fewer locally domiciled enterprises and highly concentrated patterns of media ownership. A more diverse media sector will have a greater capacity, collectively, to fulfil the role of public sentinel and witness to issues of public interest. It is not just in states like NSW where the need is apparent. The Chief Commissioner of Tasmania's Integrity Commission, former Victorian Supreme Court judge Murray Kellam, told a Parliamentary inquiry in November 2014 that the Commission had "plenty of evidence of misconduct and serious misconduct"<sup>4</sup> within the State.

3.6: Local services remain essential to the support of community life, not least in response to frequent emergency circumstances, but also for the telling of stories and the celebration of community events and achievements.

<sup>&</sup>lt;sup>2</sup> Australian Bureau of Statistics report, 2006.

<sup>&</sup>lt;sup>3</sup> Australian Bureau of Statistics, Australian National Accounts: State Accounts 2013-14.

<sup>&</sup>lt;sup>4</sup> Testimony by Hon Murray Kellam QC AO to the Tasmanian Parliament's Standing Committee on Integrity, Hobart, 17 November 2014.

3.7: Media enterprises employ relatively high skill-level workers and contribute significantly to the economically valuable creative industries sector. In 2011, Access Economics<sup>5</sup> estimated that the film and television industry alone employed about 49,000 workers and contributed more than \$6 billion to Australia's GDP (compared with a \$3.8 billion contribution by the sports and recreation sector). At the time, prior to the ABC's decision to cease inhouse television production in Tasmania, the local industry contributed about \$90 million (almost 1.5% of the national total) and employed about 700 fulltime employee equivalents (I do not have a current estimate). State Government support, through Screen Tasmania, demonstrably contributes to the ongoing growth of the Tasmanian independent production industry. The more local content providers that exist, sustainably, beyond Sydney and Melbourne, the more valuable the economic and skilled workforce contribution to be shared across State and Territory economies - including those regions most needy of expanding their high value-added industry activities.

# 4: The ABC and "Local Content"

4.1: Some public statements have enduring relevance. A former ABC Managing Director, Brian Johns, made one such statement during a breakfast meeting of State Parliamentarians in Western Australia:<sup>6</sup>

... within weeks of my term almost three years ago, I realised in moving around the States, where the real strength of the ABC lay. The real strength rests in its extension through the length and breadth of this country. It is not a Sydney-based, Melbourne-based or Perth-based strength. It is a strength that depends upon, rests upon the extensive reach that we have into every community in this country. That was a very telling message for me personally.

4.2: ABC Local Radio stations, of which there are about 60 across metropolitan and regional centres of Australia, provide the most comprehensive coverage of local issues and opportunities for engagement with audiences and communities. Radio and online are the only ABC media platforms that give local communities a voice. When a national TV program or reporter visits to cover a local story, it tends to be through the national lens and in competition for resources and access to airtime. In a sense, the fly-in-fly-out assignment to "local" Australia is not unlike the coverage of international events, when the ABC uses a fly-in reporter rather than resident correspondent. In both circumstances, they may capture the surface action but are less likely to provide insight.

4.3: Industry cost structures are such that television networks tend to operate nationally except for "windows" in program schedules allowing for State and Territory news bulletins and perhaps some other content. However, in my opinion, the ABC's sequential closure of in-house television production activities outside of Sydney and Melbourne is not just a response to financial constraints. It also expresses a particular industry and philosophical perspective.

4.4: The core business of a modern television broadcasting enterprise is to commission, schedule and market program services to an audience. Many argue that a broadcaster needs only to incorporate those strategic functions. Accordingly it will purchase off-the-shelf programs, commission original content and acquire whatever other services may be required

<sup>&</sup>lt;sup>5</sup> Access Economics (2011), *Economic Contribution of the Film and Television Industry*, a study commissioned by the Australian Federation Against Copyright Theft (AFACT).

<sup>&</sup>lt;sup>6</sup> Brian Johns Address, Breakfast for State Parliamentarians, Perth, 13 February 1998.

to complete the broadcasting chain, from wherever it chooses in the commercial marketplace. This makes particular sense for commercial broadcasters. The trend in the ABC has also been to outsource supply, including most content production. States other than NSW and Victoria, to some extent, have been doubly affected by the ABC's decisions – both losing their internal production units and local practitioners suffering a relative lack of visibility due to their remoteness from centralised decision-making.

4.5: Tension arises for the ABC in fulfilling aspects of its social purpose while also performing as a participant in the media industry - competing for audiences and striving for efficiency. Those responsible for the commissioning and scheduling of television programming predominantly focus on the national market and on the centrally driven program schedule. They commission productions and they purchase ready-made program content to fill defined "slots" in the schedule and according to judgments of artistic and editorial merit, and popular appeal. They belong to and associate with a community of industry peers driven, predominantly, by a passion to tell stories. As a professional class, I have observed, they generally share a sense of production values and a conventional wisdom of what constitutes "good television". In other words, they create the television they want. From a broadcasting industry perspective, the ABC would argue, centralisation of television activities and the resort to externally produced content has made economic and qualitative sense. The Corporation need not any longer maintain a "standing army" of production personnel, who once had to be kept employed in a structure that limited scope to source the best available content at the best price, and not require the same spread of capital assets around the country (such as television studios). The tension arises for the ABC when such industry perceptions of quality, talent and cost-effectiveness conflict with or discount the importance of the ABC's social purpose as a national institution in the Australian federation.

4.6: Major strategic choices available to the ABC, within its funding envelope, involve a small number of positioning "levers": the priority it accords to the diversification of media platforms/channels in the digital environment, versus major content genre such as news or drama, versus the relative spread of its people and capital assets across the nation (the federal structure), versus its procurement and content sourcing policies. It appears to have given preference increasingly to media platform development and certain content genre (news, drama and comedy/light entertainment, mainly out of Sydney and Melbourne) over screen-based production in the States and Territories.

4.7: The availability of relatively low-cost digital production and communications technology – including cameras and post-production/editing equipment – has lowered substantially the barriers to entry to the screen production industry. Where practitioners in smaller States and Territories once experienced structural disadvantage, due to their lack of traditional production infrastructure and resources, they are now able to apply digital production technology and fast broadband to quite ambitious projects locally. Increasingly, from States like Tasmania, independent production houses and individual practitioners variously work on State-based productions, co-produce with other Australian and international entities, and provide specialist services such as audio production or digital animation inputs to productions elsewhere in Australia or overseas.

4.8: It is not only the independent production sector to have embraced the opportunities of digital innovation. The ABC is rightly acknowledged as an innovator. Germaine to this submission, however, I draw attention to my direct experience of the ABC's South Australia

branch from where I worked as General Manager of Education Services and, for a period thereafter, alternating between Adelaide and Sydney in the role of Chief of Corporate Planning and Governance (approximately 1999-2003). At a comfortable distance from the ABC Ultimo headquarters in Sydney, where functional rigidities and divisional rivalries were more robustly in evidence, the small Adelaide team got things done. Camera crews, where possible, were prepared to use down time from news assignments to shoot material for other purposes. Cross-disciplinary personnel met to solve problems directly and on occasions without the need to refer to divisional hierarchies in Sydney. The education unit developed high-turnover, very low-cost techniques to produce content for the now defunct Australia Network international television service (which I had helped to establish). In advance of mainstream practice, Adelaide constructed a simple television presentation room, as a practical and affordable alternative to a conventional studio. It created a completely digital production chain by using less-expensive equipment and by multi-tasking its producers. This delivered a measurable benefit to audiences, who could receive more program hours of English language tuition than the cash budget would otherwise have permitted, and a productivity benefit to the ABC.

4.9: The application of basic principles of organisation design can affect the behaviour of the broadcaster and the dynamics of service delivery. For example, under Managing Director Brian Johns in 1997-98, the ABC undertook an (imperfect) organisational restructure referred to as "One ABC".<sup>7</sup> The restructure sought to address the challenges of media convergence in the digital age, improve efficiency and promote localism throughout the Australian federation. State and Territory directors were authorised to commission the production of local TV content intended for local audiences. No significant budget re-allocation took place. In the first instance, money was less important than the consequence of decentralising management authority. Individual States and Territories produced TV interstitials (very short segments scheduled between major programs). Together they produced a series of 10 documentary programs called Radio Pictures drawing on the talent and local knowledge of staff in ABC radio centres around the country. ABC Television in Tasmania produced a series of six programs called Ten Days on the Island. One could argue about the merits of particular programs. But there could be no denying the proof of concept demonstrated during the relatively short lifespan of One ABC. For the specific purpose of stimulating local content creation, a simple change of organisation design reversed the dominant centripetal logic of management authority.

5.0: Initiatives such as those outlined above were possible so long as the ABC had internal production resources – and motivated staff - that could be leveraged to achieve marginal productivity gains. They were suited to certain types of information/factual programming but not high budget, high production value content. I do not wish to exaggerate the significance of these local endeavours. Nonetheless they demonstrated the potential for achievement when practitioners throughout the Australian federation were given "permission to roam" creatively. Furthermore they illustrated the potential of a "third way" for the ABC - characterised neither by a fully centralised production model nor a return to the era when every State and Territory maintained a full function media facility inclusive of expensive production studios and high-end post-production suites.

<sup>&</sup>lt;sup>7</sup> Flawed/incomplete implementation of the overall structure resulted in Brian Johns's successor as Managing Director, Jonathon Shier, deciding to partially dismantle One ABC. Nonetheless Mr Shier's regime continued to place a high priority on services for people in regional and rural Australia, bidding successfully to the Howard Government for funding to enable the provision of additional output across radio, television and online platforms (a proposal known as the National Interest Initiative).

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5.1: Between 2002 and the closure of the ABC Tasmania's internal television production unit in 2012, excluding news and current affairs, the unit produced 241 hours of first-run broadcast television programs in the form of *Gardening Australia, Collectors, Best of Collectors, Second Opinion* and *Auction Room.* Between 2000 and 2012, the ABC had commissioned a total of 30 hours of content from independent producers that involved investment from Screen Tasmania. Of that, non-Tasmanian companies made almost one-third. As of the time of writing this submission, the ABC had also cancelled the weekly local television current affairs edition of *7.30.* The rate of ABC commissioning of independent productions from or about Tasmania have not – and are most unlikely to – make up the difference in volume of output previously contributed by the internal production units.

5.2: Self-evidently there are more ways than one by which to provide screen-based coverage of State and Territory issues. There is nothing sacrosanct about the particular weekly format of the 7.30 program (the quality of which was variable). The ABC has said it will enhance such coverage through weekday programs and, as news stories warrant, through extended Sunday night news bulletins. It is premature to make a judgment about the changes to be experienced on-screen in 2015. But one can reflect upon what has been lost with the end of local 7.30 editions. A review of the 2014 program rundowns of the Tasmanian 7.30 confirms that it was more a magazine than a "hard" current affairs program. Certainly it carried political interviews and reports of contentious public issues. More than that, it showed Tasmania to Tasmanians, celebrated achievements and noted curiosities of environment and culture. Many of its stories, in my opinion, may have been deemed to be too "soft" within a narrow news agenda. Experience suggests that "local" stories over time struggle to get to air in competition with national or international events coverage perceived to be more deserving. The risk is, without the guarantee of a half-hour slot on Friday, such local stories might not find a home or be featured prominently. If so, Tasmania will be the poorer. This is a State that has a very particular need to reflect upon itself and offer encouragement and inspiration to its people.

5.3: The ABC continues to source some Tasmania-related programs from the independent production sector in the State. Notwithstanding, the Tasmanian experience of the ABC is one of inconsistency, in the absence of a formal mandate to represent the federation's diversity on screen. Policies and priorities change. This is not to accuse individuals of bad faith. It is to acknowledge that content decisions by the ABC are strongly influenced by the preferences of individual executives at a given point in time acting with a centralised perspective. I offer two very recent examples of significance to the Tasmanian industry:

(a) Screen Tasmania negotiated with a senior decision-making executive in ABC Television a low-cost collaboration following the announcement of the closure of the internal production unit in Hobart. The aim was to address the ABC's declared wish to generate more content from the Tasmanian independent production sector. Under the agreement, Screen Tasmania sought ideas for development across all genre – drama, documentary, comedy and light entertainment. The local industry submitted more than 45 proposals for assessment by Screen Tasmania, which then put forward 12 of the strongest proposals to the ABC. By that time, the ABC executive who made the agreement had departed. The successor executive(s) accepted none of the proposals. Although acceptance was never guaranteed, in line with merit-based principles of assessment, the change in personnel meant there was no longer a sponsor of the agreement or sense of continuity within the broadcaster.

(b) Similarly, Screen Tasmania and ABC Television both provided financial support for the development of a 26-episode children's drama series to be set and filmed in Tasmania. Along with the Foxtel drama series, *The Kettering Incident*, recently filmed in the State, the children's series promised to have a long-term transformative impact on the local production industry. An Australian commercial network agreed to acquire rights to broadcast, a major German public broadcaster (ZDF) signed on as a distributor, BBC Kids expressed strong interest, and Screen Australia and Screen Tasmania indicated a preparedness to invest. This multi-party financing arrangement typified deals necessary to mount such productions in Australia. Shortly before final production agreements were to be finalised, however, the key ABC sponsoring executive departed the Corporation. His successor chose not to proceed and, given the interlocking nature of production financing deals, the series did not go into production.

It is in the nature of the business that reversals occur. Many more projects remain suspended in development than reach production. In each of the cases cited, the ABC personnel concerned with these decisions would have acted in the context of their own professional priorities, creative judgment and financial constraints. The point is, for whatever reasons legitimate or not, experience indicates the ABC cannot be relied upon for a consistent approach or commitment to levels of independent production in the States or Territories – that is, in the absence of formal obligation. If the Corporation no longer wishes or no longer has the financial capacity to operate internal production activities, across the nation, it should be held to account to ensure that a reasonable proportion of its screen-based commissioning and acquisition relates to the diversity of the Australian federation.

5.4: At the time of writing, I have no further knowledge of the ABC's intention as to the scope and particular functions of a proposed new Regional Division, beyond that announced by Managing Director Mark Scott on 24 November 2014. He said the new division would provide a coordinated focus on "rural and regional" (logic suggests this may exclude capital cities in States such as South Australia and Tasmania) content across Australia, bringing together regional radio centres and news operations. The Director of the new division would be located somewhere other than Sydney or Melbourne.

5.5: I know Mr Scott to be a man of integrity and good faith having spent the final period of my ABC career working under his leadership. The issue I address in this submission is systemic, not one of professionalism or quality of leadership. Even more so when a government reduces the real level of the ABC's Appropriation, the Board and Managing Director must exercise judgment over the Corporation's strategic priorities and deployment of resources. Their judgment will be exercised in accordance with their understanding of the statutory purpose of the ABC. It is timely for the Parliament to clarify that purpose in relation to the constituent parts of the Australian federation.

5.6: There is a cost to being the ABC as a national public broadcaster (with particular obligations) and an obligation on the Parliament to acknowledge this whenever it considers amendments to the *ABC Act*. Successive external reviews, prior to the most recent one commissioned by the Abbott Government, have consistently found that the Corporation has operated with overall efficiency and even with a structural funding deficiency (KPMG, 2006)<sup>8</sup>

<sup>&</sup>lt;sup>8</sup> KPMG, ABC Funding Adequacy and Efficiency Review, 2006.

relative to its obligations under the Act. Of course, as in many countries, public broadcasting in Australia tends to be a contested site for politicians and vested interest groups.

5.7: In responding to the invitation of the Senate Committee to make this submission, which I do as a critical friend of public broadcasting and with some sense of civic obligation to the institution of Parliament, I feel considerable disguiet. This is not per se related to Government decisions about the ABC's budget, which ought reasonably be measured against prevailing economic circumstances, or to any debate the Government may wish to conduct about the future role of the national broadcasters. Rather I believe the Government has failed the public interest test by making and violating material undertakings on national public broadcasting that, if uttered by a corporation in trade or commerce, would have likely constituted misleading and deceptive conduct. Its conduct of the 2014 Lewis review into ABC/SBS efficiency lacked public transparency and therefore invited scepticism. The decision to close Australia Television (a legitimate public policy option for consideration) came about without any comprehensible rationale of the national interest or statement of alternative approach to Australia's "soft power" projection. This is disrespectful to the electorate and evidence of an unsatisfactory standard of governance. Is it any wonder that only 13 per cent of Australians express trust in the major political parties and only 25 per cent have faith in the Commonwealth Parliament?9

# 6: Amending the ABC Charter

6.1: As stated in 2.1 above, I endorse the intent of the proposed legislative amendment, as described in the Explanatory Memorandum. But I consider the formulation of proposed s6(3A) of the *ABC Act* does not adequately reconcile legislative intent with the practical responsibilities of the ABC Board and management as industry participants.

6.2: I submit that the Parliament, in considering the formulation of a proposed amendment, might take account of the following suggestions:

(a) Prescribe the intended outcome or benefit to be achieved on behalf of State and Territory audiences and communities rather than detail the means by which the outcome is to be achieved.

(b) Utilise other provisions of the Act to help ensure the ABC's accountability for the outcome, above, if the Parliament requires such assurance. For example, s8 defines the duties of the ABC Board, s8(d) of which could be amended to ensure the Corporation maintains a reasonable level of commitment to reflecting the cultural diversity and circumstances of the Australian federation. s31B(e) of the Act might be amended to require the ABC Corporate Plan to include relevant targets and performance indicators.

(c) Align the language of the amendment with the style and content of other sections of the *ABC Act.* For example, the proposed amendment refers to "news programs", "current affairs program", "investigative reporting and regional reporting", whereas the Act otherwise uses the term "news and information".

<sup>&</sup>lt;sup>9</sup> Essential Communications, *Trust in Institutions*, <u>http://www.essentialvision.com.au/trust-in-institutions</u>, 1 July 2014.

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6.3: In my opinion, the proposed amendment of s6 of the ABC Act might read as follows:

Paragraph 3A(a) - the Corporation must have a distinct and discernible presence in each State and Territory, providing a reasonable amount of content across all ABC media platforms in common usage, as required to reflect the diverse circumstances and culture of the Australian federation. This presence should include, but is not limited to, State and Territory-sourced news and information relating to current events.

7.0: Thank you, again, for the invitation to provide this submission to the Committee. I shall be available to clarify matters or respond to questions as appropriate.

Geoff Heriot Director Heriot Media & Governance Pty Ltd.