ABC



06 Mar 2019 Sydney Morning Herald, Sydney

Author: Jennifer Duke Fergus Hunter • Section: General News • Article Type: News Item Audience : 88,634 • Page: 9 • Printed size: 306.00cm² • Region: NSW • Market: Australia ASR: AUD 22,265 • words: 510 • Item ID: 1088223371

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EFFICIENCY REVIEW

ABC and SBS to defend 'core' content

Jennifer Duke, Fergus Hunter

The ABC and SBS are gearing up to defend their programming in light of a new review that has suggested some content is not "core" to the charter responsibilities of the public broadcasters.

The 100-plus page outcome of an efficiency review, headed by former Foxtel boss Peter Tonagh and former media regulator Richard Bean, was handed to management teams of the ABC and SBS on Monday.

Sources said the review sug-

gests the public broadcasters refocus activities to ensure they are more aligned to their charter obligations. In particular, ABC Life and SBS Food were referenced as being "further away" from the core duties of the two broadcasters.

The declaration has already frustrated some public broadcasting executives who believe considering whether content is "charter-aligned" falls outside the scope of the review, which was ordered by the Turnbull government in 2018.

A separate review into whether the public broadcasters compete unfairly with commercial media companies recently cleared the SBS and ABC of claims their taxpayerfunded status put rivals at a compettive disadvantage. Television lobby groups argued some programming, like SBS Food, was outside charter requirements

Other recommendations of the efficiency review include more backoffice collaboration between the ABC and SBS, which is not seen as a controversial suggestion given the two already share some operations. The review was not allowed under its terms of reference to suggest merging the two broadcasters.

From July 2019, the ABC's funding indexation will be frozen for

three years, representing a reduction in overall funding of \$84 million. The broadcaster, which receives more than \$1 billion in funding each year, says services will be affected by the squeeze.

The efficiency review's findings landed as the ABC's board, acting managing director, head of news and triple J content director fronted a Senate inquiry into political interference.

In the hearing yesterday, it was revealed the ABC has dropped an internal investigation into allega-

tions former chairman Justin Milne tried to interfere with editorial matters for political purposes.

According to the evidence given to the committee, sacked managing director Michelle Guthrie decided not to participate so the investigation could not go ahead.

Ms Guthrie was fired

from the \$900,000-a-year role late last year and took the ABC to court over claims her dismissal was in retaliation for raising complaints against Mr Milne.

Deputy chair Kirstin Ferguson said the board decided on September 23 to appoint an independent expert to investigate allegations Ms Guthrie made about Mr Milne. There were then "protracted"

There were then "protracted" discussions over the process terms of reference of the investigation and it never actually commenced.

"Ms Guthrie advised in January of this year that in light of Federal Court proceedings she was not willing to participate and the board resolved it was not able to progress," Dr Ferguson said. Ms Guthrie's Federal Court ac-

Ms Guthrie's Federal Court action ended on Friday in a confidential settlement with the board.

While The Australian Financial Review reported the figure was \$500,000, sources close to the ABC say the true figure is "higher".



Peter Tonagh