

**ABC MANAGING DIRECTOR OPENING STATEMENT – SUPPLEMENTARY BUDGET ESTIMATES 24
OCTOBER 2017**

Thank you, Chair. The ABC, its legislative remit and its Charter obligations have been the subject of much debate both in and outside Parliament in recent weeks. I think it is timely to outline the ABC's position so it can be properly referenced in these and other proceedings.

The ABC is part of the fabric of Australian life. It has been so since the 1930s, establishing an essential role as a provider of quality, innovative programming that delivers for both mass and niche audiences. It is respected because of its independence, the trust it engenders in the community and the value ascribed to its work.

I think it is important to clarify what the ABC Charter states. And what it does not.

The Charter requires the ABC to:

- Provide quality, innovative and comprehensive programs of both wide appeal and specialised interest,
- Create programming that contributes to a sense of national identity and reflects the cultural diversity of Australia, and
- Use its full range of platforms to inform, educate and entertain.

That mandate has been durable over time, even if the language prior to the ABC becoming a Corporation may have been expressed slightly differently. The ABC has constantly evolved, adapting to technology and to changing audience trends, to maintain its connection to the community and its sense of public service.

What the Charter does not say is that the ABC is just a market failure broadcaster, doing only what the commercial sector does not want to do or cannot. That has never been our defining role, nor should it be in the future.

The ABC is acutely aware of its public service remit and its responsibility to take account of what is happening elsewhere in the sector.

We have focused on being innovative and provided distinctive programming in areas where we can make a difference and maximise choice for audiences. Where would catch-up TV be in Australia without the bold plunge taken by the ABC in 2008 in creating iview? Who supports comedy? The arts? Who has made the investment in investigative journalism? And in quality children's content?

At a time when many commercial operators are abandoning regional newsrooms, the ABC is taking the initiative. We have committed \$15 million a year in additional resourcing for our regional centres, creating up to 80 new content-making jobs.

Each week, the ABC connects with 70% of the Australian population through its many programs and services. On a monthly basis, that figure rises to 85%. As it is funded by the taxpayer, the ABC has an obligation to reach as many Australians as possible. Not by "dumbing down", but by offering quality services and content relevant to its many audiences.

For those who seek to restrict the activities of the ABC, I pose the question: What problem are we trying to solve here? The public certainly doesn't think there is a problem. More than 80% of Australians consider that the ABC is doing a good job keeping faith with its principles and its obligations. We consistently rank among the most trusted institutions in Australia. Our trust as a media organisation is much higher than for our commercial counterparts.

I am sure in this hearing we will traverse many issues that relate to Charter remit and to transparency.

As I said in a recent speech, there is no more accountable media organisation in Australia than the ABC. We are adding to that accountability next February with the first of our Annual Public Meetings, providing another opportunity for stakeholders to learn more about our work and how we deliver against our objectives.

Our corporate accounts, which are publicly available on our website, provide a detailed breakdown of our remuneration for all employees earning over \$200,000 – all without sacrificing individual privacy, as the current law demands.

Those salary tables provide an interesting contrast with the BBC. The BBC's top executive is a male, and its top presenter is also male. That presenter earns 2.3 million pounds a year, or \$3.7 million Australian dollars. Our highest paid talent earns roughly one-eighth of that figure and is a woman. I am the highest paid person at the ABC under a salary set by the Remuneration Tribunal.

We lead the way on gender representation. Five of our nine board members are female, 49% of our senior executive is female and 51% of the general workforce is female. This is also the case in relation to pay. There is no pay gap unfavourable to women at any level in the ABC. We have parity across our executive and our senior on-air talent.

ABC independence is highly valued by the community, and I submit that you cannot have it by degrees. The ABC Board, which is appointed Government, is ultimately responsible for the performance of the national broadcaster and must do so by carefully balancing its obligations and audience expectations. It should not be burdened with quotas, sectional claims, red tape and political vendettas in achieving what the community expects of it.

Thank you. I have copies of this statement available for the committee.

Committee: *SENATE ENVIRONMENT
AND COMMUNICATIONS*

Tabled Document

Inquiry: *SUPPLEMENTARY ESTIMATE 1*

Date: *24/10/17*

Witness: *Ms MICHELLE GUTHRIE*

Organisation: *ABC*