

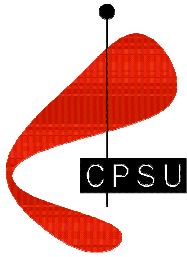
Why the ABC needs more funding in a converged media environment



The ABC has been actively engaged in embracing new services and delivery options for ABC content, however the rate of technological progress is changing Australians' expectations of the ABC and putting our national broadcaster under enormous financial and cultural pressure.

**A joint CPSU MEAA submission to the Federal Government for
ABC Triennial Funding 2013-2015**

About us



The Community and Public Sector Union (CPSU) is an active and progressive union with approximately 60,000 members. The CPSU represents employees of the Australian Public Service (APS), the ACT Public Service, the Northern Territory Public Service, CSIRO, ABC, SBS, Telstra, the telecommunications sector, call centres, employment services and broadcasting.



The Media Entertainment & Arts Alliance (MEAA) is the union which covers workers in the media, entertainment, sports and arts industries. Our 20,000 members work in TV, radio, theatre, film, entertainment venues, recreation grounds, journalists, actors, dancers, sportspeople, cartoonists, photographers, orchestral and opera performers, public relations, advertising, book publishing and website production.

This submission is from the ABC Section of the CPSU and the MEAA.

The ABC Charter requires the ABC to:

- Provide an innovative and comprehensive broadcasting service of a high standard;
- Broadcast programs that contribute to a sense of national identity, that educate, inform and entertain and that reflect Australia's cultural diversity;
- Encourage awareness and understanding of Australia internationally via news, current affairs, entertainment and cultural enrichment; and
- Promote the musical, dramatic and other performing arts in Australia.

ABC touches the lives of all Australians in one form or another

Regardless of who we are or where we live, the ABC plays a role in informing and shaping our views about Australian life. Whether it is watching Play School as a child, debating TripleJ's Hottest 100 with friends, tuning into our favourite radio programs or keeping abreast of the news and current affairs, the ABC touches us in one form or another.

Emboldened with a Charter to enrich the lives of Australians the ABC occupies a unique and significant place in Australian lives and the Australian media. Regular studies by Essential Media consistently show that the Australian public trusts the ABC more than any other media outlet¹. Australians love the ABC, they trust the ABC and most importantly they understand that the ABC plays an important role in the national debate about Australian life and culture.



¹ <http://www.essentialmedia.com.au/tag/abc-tv/>

Australians are demanding more from their ABC

The ABC has been actively engaged in embracing new services and delivery options for ABC content, however the rate of technological progress is changing Australians' expectations of the ABC and putting our national broadcaster under enormous financial and cultural pressure.



Graph1: Media Convergence. From ABC News Division Staff Presentation

Prior to 2000, the ABC only distributed content on radio and television and a little via the internet. In the converged media environment of 2012, the ABC distributes content via analog radio, digital radio, digital television, internet television (e.g. iView), via its website which has over 900,000 pages of content, smart phones, tablets and more.



2002

ABC Radio: 4 national radio networks, 1 international radio network, 9 metropolitan radio stations and 48 regional radio stations

ABC Television: 1 national analog television service, 8 local television stations, and Digital television and multi-channelling in 13 towns and cities nationally

ABC Online: ABC Online with more than 900,000 pages of content in narrowband and broadband, and ABC just developing online new services

ABC Commercial: 36 ABC Shops, 82 ABC Centres and ABC Shop Online

ABC Asia Pacific: Just started up an international television and online service (31 Dec)

2012

ABC Radio: 4 national networks, 9 metropolitan radio stations, 51 regional radio stations, 11 digital radio channels in each capital city and all digital radio services streamed online and available on free-to-air digital TV services

ABC Television: 4 national digital channels (ABC 1, ABC 2, ABC4Kids, ABC 3 & ABC News 24), 8 local television stations and iView – internet only catch-up television service.

ABC Online: Abc.net.au providing content via streaming, podcasting, vodcasting, video-on-demand and content designed for broadband delivery. ABC services are also available via SMS, 3G and other wireless devices including smartphones and tablets

ABC Commercial: 54 ABC Shops, 106 ABC Centres, ABC Shop Online, ABC Publishing – manages magazines and books, ABC Sales and Distribution responsible for DVD, Content Sales, Licensing, Events, Library and Non-Theatric Sales, ABC Music and Music Publishing, and ABC Digital, developing online and mobile applications.

ABC International: Radio Australia provided on Radio and Online and broadcast in eight languages, Australia Network – and international television and online service and rebroadcast to 46 nations in Asia and the Pacific and ABC International Projects.



Graph 2: Growth in ABC Services over the last decade

Graphs 1 and 2 illustrate the significance of the technological change over the last decade. Australians are demanding more content from the ABC. Australians are also demanding more options for how they will receive this content. The converged media environment presents enormous challenges and opportunities for the ABC.

What does Convergence mean for the ABC?

Although the Federal Government's response to the Convergence Review has yet to be released, it is clear from the report that the national broadcaster will continue to play a pivotal role in the media landscape and in the provision of quality content to the Australian public.

Key findings and recommendation of the report include:

- That Australians should have access to Australian content that reflects and contributes to the development of national and cultural identity;
- That legislative change is needed to underpin ongoing investment in a dynamic domestic content production industry;
- That Australians should have access to the broadest possible range of content across platforms, services and devices; and
- That Australians should have access to and opportunities for participation in a diverse mix of services, voices, views and information.

The CPSU and MEAA believe that the ABC is uniquely placed to meet the recommendations of the Convergence Review.

The CPSU and MEAA believe that in order for the ABC to meet its Charter obligations, the ABC must be funded to achieve the following:

1. The ABC must remain Australia's best and most trusted national news and current affairs broadcaster.

In an era of declining trust in the media and fragmentation of audiences, the CPSU and MEAA believe that the ABC must retain its status as a broadcaster with the highest editorial and production quality standards.

To achieve this, the ABC must maintain an exemplary standard of research, technical standards and presentation. There should be minimal mistakes – either technical or editorial - and ABC staff must be trained and supported to uphold these standards through ongoing employment.

The ABC must not compromise these commitments and needs to be adequately funded to meet them, in accordance with the ABC Charter.

Three years ago, the ABC started its continuous news channel without any additional funding from the Government. In 2012, News24 now accounts for 10 per cent of the Corporation's annual news budget of about \$150 million.



Since the launch of News24, ABC staff and the unions that represent them have observed that the ABC is struggling to resource news adequately. Quality and work practices are being stretched to breaking point and it is ABC staff that are being asked to carry the burden.

“I used to have more time to research a story before it went to air. Now I need to file it quickly so that it can be repurposed for online and radio – this means I don’t always have time to check facts and make more generalist statements to avoid making factually incorrect statement. News 24 has created a lot more work but we don’t have any more resources to do it”

ABC Journalist

“We used to tag non-ABC footage from the public as amateur footage when we used it, now we don’t bother because we don’t have time and management don’t care if people think it’s ours or someone else’s”

ABC Editor

In an era of greater competition, a fragmenting media landscape and myriad devices Australians are using to read, watch and listen to content, the ABC is asking itself the question – is this sustainable? To which the answer must be no.

That is why the CPSU and MEAA firmly believe that funding for news and current affairs needs to be increased if the ABC is to retain its status as a credible and trusted public broadcaster in Australia.

2. The ABC must provide a comprehensive public broadcasting service across all platforms

The ABC Charter requires it to be a comprehensive broadcaster that is able to distribute quality content on all devices – digital radio, television, online, and via smart phones and tablets etc. And although the ABC has a proven track record when it comes to adapting to change, the pace at which the media landscape is changing is placing the Corporation and its staff under immense stress.

For example, in 2011, ABC audiences downloaded 15 million vodcasts and 56 million podcasts from the ABC's online service. In 2012 ABC Chief Operating Officer, David Pendleton, forecasts this figure will grow to 20 million vodcasts and 70 million podcasts². ABC's internet catch-up television service iView attracts an average of 2.9 million visits per month.



Delivering these services to Australians is an unfunded new cost for the ABC, and is only likely to rise as demand for these services increases.

That is why we believe the ABC must receive an increase in funding in order to meet its Charter obligation to be a comprehensive broadcaster.

² What a fully digital environment means for a public broadcaster. Keynote address, Broadcasting Australia Conference. David Pendleton, Chief Operating Officer, Australian Broadcasting Corporation, 14 March 2012

3. The ABC must be an innovative organisation that fully capitalises on its intellectual capital

Creating new content from existing content and production capacity

The ABC owns one of the largest archives of content in the country. The ABC archives are both a national treasure and commercially valuable. In the digital age, the question of who owns the rights to content is a significant commercial issue for all content providers, including the ABC.

Presently there are dozens of commercially viable staff initiatives to use the ABC's archive material to produce an array of fresh and exciting content for digital platforms. However these content initiatives are not being explored or leveraged internally because the ABC's content commissioning processes, especially those for television but more recently radio as well, are too externally-focused.

The CPSU and MEAA believe that some tied-funding is needed to unlock some of the value in that rich trove of ABC content.

If the ABC drew more upon their internal content production capacity in both radio and television, we believe that the ABC would be able to fully exploit their archive material which, in turn, would help sustain the ABC's internal content production capacity.

Externally produced content is cost effective in the shorter term because the ABC can work with external parties who can access production offset incentives from the Government. However, content made externally has a limited shelf life when it comes to the ABC's ability to repurpose the content. This is because the ABC does not own the exclusive rights and more often than not will only retain the rights for a shorter period of time. For example the ABC was unable to fully enjoy the fruits of international sales of one of its most successful programs to date, *The Slap*, because the intellectual rights reside with an external production company

The ABC must strike the right balance between short-term cost effectiveness and long-term cost effectiveness. The ABC must also find the right balance between creating content which is tried, tested and has a loyal audience, and creating content that is both new and experimental. Both are needed to make sure the ABC stays relevant and distinct.

Valuing and retaining ABC staff

In order for the ABC to fully capitalise on its intellectual capital and to innovate, it must also maintain a stable and skilled workforce. Insecure forms of employment in the ABC are increasing.

The ABC has been the creative hothouse for so much talent in Australia. Its production techniques and standards of craft are highly regarded and valued by the Australian media. Yet the CPSU's submission into the ACTU's Insecure Work Inquiry³ found that in spite of this, the ABC is withdrawing from its commitment to nurture Australian talent.



95% of ABC union members surveyed in 2010 said casualisation was a serious concern in the ABC

The CPSU's submission to the ACTU's Insecure Work Inquiry noted that the ABC employs people nationally in administrative, production, research, technological and retail roles. At 30 June 2011, the ABC employed 5,412 people, with most employed in the news, television, radio and resources departments.

In the ABC, employees are engaged as ongoing, fixed term, specified task or casual. Since the 1990s there has been a significant increase in non-ongoing work at the ABC.

In the period July to October 2011, only 43 permanent employees were recruited to the ABC compared with 406 on contract (term or task) engagements. In the previous financial year, 177 permanent staff were recruited and 982 employed on (term or task) engagements.

³ http://www.cpsu.org.au/multiversions/27351/FileName/Secure_work_submission_310112.pdf

Employment statistics from June 2009 showing employees by engagement type are set out in Figure 15 below. This shows that as at June 2009 only 73.2% of ABC employees were ongoing.

Graph 3: ABC employees by employment type June 2009

Employment Type	Number	Percentage
Ongoing	3945	73.2%
Fixed Term	216	4.0%
Specified Task	315	5.8%
Casual	912	16.9%

Graph 4: ABC non-ongoing employees 2005-2009

	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09
Total employees	5024	5098	5260	5373	5388
Number of non-ongoing	1083	1155	1346	1425	1443
Total non-ongoing	21.56%	22.66%	25.59%	26.52%	26.78%
<u>Non-ongoing by division</u>					
News	16.71%	17.76%	19.79%	21.32%	22.57%
ABC Resources	28.67%	29.57%	33.48%	33.13%	36.05%
Radio	25.56%	27.41%	32.23%	30.20%	31.00%
Television	30.59%	36.21%	39.95%	41.08%	36.57%

A common form of insecure employment, particularly in the television and radio departments at the ABC, is 'run of show' specified task employment. Using these contracts the ABC engages employees in television production roles for the duration of the show's season. In many cases the annual production run only lasts for 8-9 months each year, leaving employees to find other work for the remaining three to four months of the year. Figure 17 below shows how employee numbers, particularly in television and radio fluctuate between June and December each year.

Graph 5: Specified task employees at ABC 2004-2009

	Dec-04	Jun-05	Dec-05	Jun-06	Dec-06	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09
Total ABC	180	240	174	276	272	346	274	355	259	315
News	24	29	18	33	43	58	45	53	44	39
ABC Resources	35	21	16	16	30	26	21	31	22	27
Radio	31	58	48	63	52	94	80	88	71	89
Television	36	64	28	78	52	88	46	89	36	72
Total from these division	126	172	110	190	177	266	192	261	173	227

Many employees in these roles have longstanding employment relationships with the ABC, working on the same television shows year after year. Our unions have made some progress in obtaining severance benefits for these employees but this is no substitute for ongoing employment.

In recent years there has also been significant outsourcing of television production in the ABC. The CPSU and MEAA believe that the ABC is moving towards closing down internal television production.

This trend is demonstrated by the Director of Television's recent announcement of the closure of the arts unit and discontinuation of a range of television programs including *The New Inventors*, *ArtNation* and *The Collectors*. This resulted in the redundancies of a number of ongoing staff. The CPSU and MEAA believes that the programs are being withdrawn to make space for, and to free up finances to fund, further outsourcing of television production.

These moves come after the axing of many other programs over the last several years including the complete outsourcing of drama and comedy. Only a small number of internally produced programs remain at the ABC. Employment with external producers is overwhelmingly insecure.

Increases in the use of outsourcing and increased use direct non-ongoing employment mean that fewer and fewer positions in the ABC are provided on a secure basis. In recent years, the ABC, particularly in television production, has moved from a model where ongoing employment was the norm to a situation where insecure employment is much more prevalent.

"I have been working at the ABC my whole adult life (eight years) but I am not a permanent employee. The area that I work in engages many of us on fixed term contracts for 8 months every year then lets us go over Christmas. In February we get a call asking us if we want another contract – which most of us do – and the whole thing starts again. I would really like to be a permanent employee but the ABC say they don't need me permanently even though I've been working here exclusively for eight years. It makes it hard."

ABC Producer

4. The ABC must be a public broadcaster that is free of commercial influence

Now more than ever Australians need a public broadcasters that is free of commercial influence and is trusted to provide a quality broadcasting service. ABC funding must continue to increase to ensure that the ABC is not compromised in delivering the ABC Charter. The ABC must also maintain an internal production capacity that allows it to retain full editorial control.

5. The ABC must continue to represents the diversity of Australian lives and maintain a strong commitment to localism

The ABC has a Charter obligation to provide content which contributes to a sense of national identity, content which informs, entertains and educates and which reflects Australia's cultural diversity. To do this the ABC must continue telling local stories with local voices. But a commitment to localism is more than just allowing people to communicate and participate in local communities. It also refers to the production of local stories which are broadcast to wider audiences and assist in nation building by creating a greater understanding of local and regional issues.⁴ As technology changes it is critical that the ABC maintain its commitment to localism.

Indeed, a Senate inquiry into the ABC's recent programming decisions made note of this when it made the following recommendation: "That the ABC ensure it maintains an effective capacity to internally produce quality programming across the regions in addition to news, sport and current affairs. The committee notes that the increasing use of external producers has the capacity to diminish the ABC's independence and skills base."⁵

The Senate Committee also noted that "based on evidence presented during this inquiry, the committee believes that the ABC needs to be vigilant about its Charter commitments to broadcasting 'programs that contribute to a sense of national identity and inform and entertain, and reflect the cultural diversity of, the Australian community'. It is clear to the committee that the core way of achieving programming which reflects cultural diversity is to broadcast programs which represent regional issues and subject matters."

Over the years the ABC has met this obligation by maintaining its commitment to resourcing ABC operations in every state and territory, and through its regional radio presence. This presence allowed for local voices to tell local stories. However over the last two triennia, we have seen more ABC jobs centralised on the eastern seaboard and the ABC turn its back on localism. The impact to communities in Perth, Hobart, Adelaide, the Northern Territory and Brisbane is considerable.

The ABC Perth premises are located over two floors at 30 Fielder St in East Perth. In years gone by these floors were teeming with researchers, producers, writers, actors, camera operators and editors who made local ABC content. There was a buzz of energy throughout the building and the next generations of content makers aspired to work for

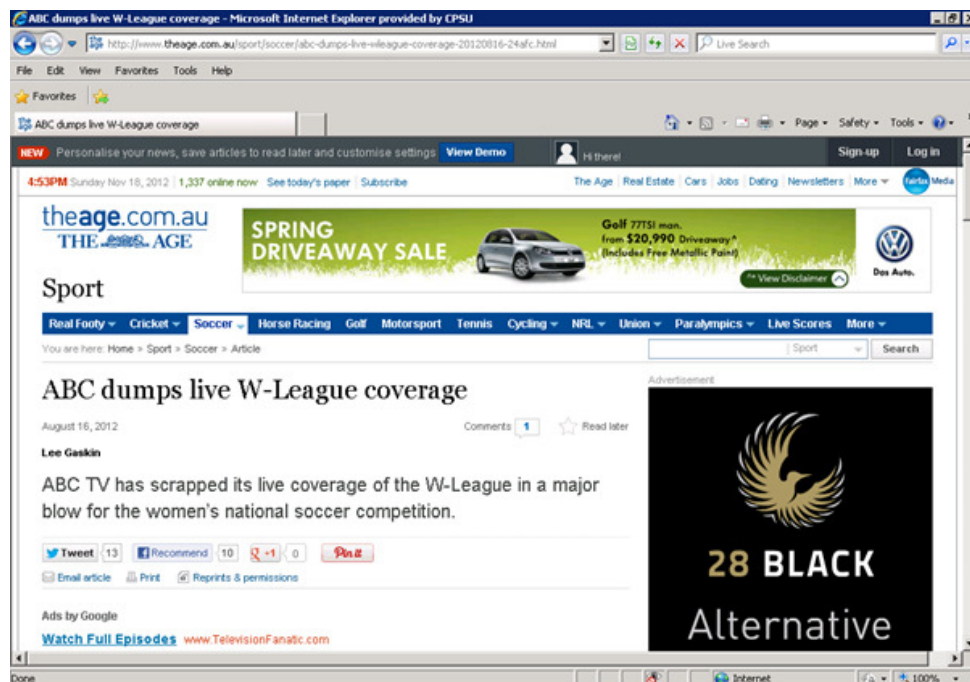
⁴ Towards a digital future: Submission by the ABC Section of the Community and Public Sector Union - http://www.dbcde.gov.au/__data/assets/pdf_file/0006/107493/main_submission_CPSU_ABC_Section.pdf

⁵ Recent ABC programming decisions - http://aph.gov.au/Parliamentary_Business/Committees/Senate/Committees?url=ec_ctte/abc/report/index.htm

the ABC – an organisation that was internationally recognised as a significant training ground for the industry. Fast-forward to today and the second floor of the ABC building is now a vacant office space, cluttered with empty desks and meeting rooms and with less than a handful of workers on any given day. The building is only seven years old. Similar stories can be told for ABC Hobart and ABC's Ripponlea TV Production Studios.



Whilst ABC management talk about a commitment to a mixed model of internal and external ABC content production, the reality is that there are no local content production quotas, and no commitment to maintain current internal production levels. When *RollerCoaster* and *Can We Help* were decommissioned by the ABC, WA staff were not asked to make new programs to replace them. In Hobart, *Auction Room* is the only internal content being produced for ABC television and at the time of writing, no new work has been commissioned from TAS ABC. At the time of writing this submission the ABC also announced they would no longer make Marngrook, one of the ABC's more popular football programs. Staff at ABC's Ripponlea complex where Marngrook was produced are still waiting to hear what if any production will take its place.



This trend to source externally produced content is also starting to creep into the Radio division. In September of this year, the ABC announced that they would be axing the Radio Drama Production Unit and replacing it with a new unit which will rely more on content which is brought-in from overseas.

The lack of local internal content production and the centralisation of ABC jobs on the eastern seaboard both have a direct relationship to the ABC's ability to reflect the cultural diversity of Australia. Local perspectives, local stories and a commitment to the regions are the pillars on which the ABC was founded.

6. The ABC must continue its role as an important training ground for Australian content makers and journalists

As noted earlier in this submission, the ABC has played a significant role in the training and development of Australia's media talent. The ABC is an accredited training organisation. Over the years, the ABC has nurtured some of our nation's best and brightest journalists, producers, writers, actors and broadcasting operations specialists.

The financial pressures of a continuous news service and a converged media environment have seen the ABC turn its back on this commitment. With an increased funding commitment from Government, we can turn this around. The ABC has a pivotal role to play in Australia's education revolution. Australians quite rightly should be able to rely on the national public broadcaster to provide educational pathways for our next generations of content makers and broadcasting specialists.

Australian colleges and universities should be able to rely on the ABC to provide critical learning and employment opportunities for media students. Local economies should be able to continue to rely on the ABC to provide employment opportunities in the industry. If the ABC does not fulfill this role, then who will? Now more than ever Australians need the ABC.

Summary

The ABC has been actively engaged in embracing new services and delivery options for ABC content, however the rate of technological progress is changing Australians' expectations of the ABC and putting our national broadcaster under enormous financial and cultural pressure.

Over this triennium, the CPSU and MEAA believes that the ABC needs more funding to:

- Retain its status as a credible and trusted news and current affairs service domestically and abroad;
- Ensure the ABC remains a comprehensive broadcaster, capable of delivering distinctive content in a converged media environment;
- Leverage the commercial value of the ABC archives and support internal content production initiatives;
- Secure full control of the rights to ABC content;
- Maintain internal content production infrastructure which allows the ABC to tell local stories using local voices;
- Maintain a stable and skilled workforce; and
- Provide training and career pathways for future generations of Australian content makers.