

# Terms of Reference

The allegations of political interference in the Australian Broadcasting Corporation (ABC), with particular reference to:

- (a) the termination of ABC Managing Director, Ms Michelle Guthrie;
- (b) the conduct of the Chair and the Board;
- (c) the structure, composition and appointments of the ABC Board;
- (d) the political influence or attempted influence of the Government over ABC editorial decision-making, including:
  - (i) outcomes of the Competitive Neutrality of the National Broadcaster Inquiry and Efficiency Review - ABC and SBS, and
  - (ii) the role of funding uncertainty in facilitating political influence;
- (e) governance, legislative and funding options to strengthen the editorial independence and strength of the ABC to prosecute its charter obligations; and
- (f) other related matters.

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## SUBMISSION FROM ABC FRIENDS NATIONAL

### First – and by way of introduction – some details about the BBC

The British Broadcasting Corporation (the BBC) recently signed a new 10-year Charter agreement. Of course it operates differently from Australia's way of funding its operations, deriving its budget from license fees – lessened recently so as to allow the Govt. to provide them free for the over 75's.

Both the ABC and BBC were founded on the Reithian principles of public broadcasting and the role it should play in society.

“Independence, information and entertainment and all with complete professional integrity” were his markers.

Under the heading ‘**The Independence of the BBC**’, the Corporation's Charter incorporates the following:

“The BBC must be independent in all matters concerning the fulfillment of its Mission and the promotion of the Public Purposes, particularly as regards editorial and creative decisions, the times and manner in which its output and services are supplied, and in the management of its affairs.

“The BBC’s objective is the fulfillment of its **Mission** and **Public Purposes**.” (Just that simple sentence is its Charter).

The BBC’s **Mission** is to act in the public interest, serving all audiences through the provision of impartial, high quality and distinctive output and services, which inform, educate and entertain. (Again – just those words)

Then are listed the BBC’s **Public Purposes**

- To provide accurate and impartial news and information to help people understand and engage with the world around them. (There are references to depth of analysis, highest caliber of presenters and journalists championing freedom of expression).
- To support learning for people of all ages
- To show the most creative, highest quality and distinctive output and services. Then it mentions different genres and taking creative risks.
- To reflect, represent and serve the diverse communities of all of the United Kingdom’s nations and regions and, in doing so, support creative economy across the UK. It talks about raising awareness of the different culture and alternative viewpoints that make up society and the United Kingdom. Also, the meeting of the needs of the nations, regions and communities, helping to bring people together
- To reflect the United Kingdom, its culture and values to the world. Reference is given also for the BBC to observe high standards of openness and seek to maximise transparency and accountability

### **BBC Board Responsibilities**

Each member of the Board “must at all times uphold and protect the independence of the BBC including by acting in the public interest, exercising independent judgment and neither seeking nor taking instructions from Government Ministers or any other person”.

These are considerably stronger than we require here in Australia for ABC Board directors..

**Ofcom** (the independent communications regulator) is the arbiter over issues affecting the BBC when it is being challenged over perceived non-fulfillment of its Charter requirements or its Mission.

Incidentally, there is a clause saying that Ofcom (which reports annually to Parliament) must ensure “fair and effective competition”.

Our 'competitive neutrality inquiry' into the ABC is politically motivated here in Australia with the backing of all major competing media companies and the Government has set the parameters with no concern for the ABC's Charter and its guarantee of independence. It is not in the business of competing for advertising and therefore should not be part of the inquiry.

Note - that in 2017 the BBC 's total revenue was a shade under 5 billion pounds (Aust. Dollar equivalent \$8.7 billion) for a population of 65.6 million v. Australia's 24.3 million. (The ABC received \$1.14 billion total with \$175 million eaten up by transmission costs for our large continent)

Interestingly, the BBC has a clause that says "at least 254 million pounds (\$442 million Aust.) 'must be' spent each year on the BBC's World Service – a fascinating contrast to our cancelled 10 year contract for the Australia Network of \$223 million to reach millions to our North and provide for Radio Australia.

**So – to the ABC Friends National current submission to the Senate Standing Committee and its Inquiry into Allegations of political interference at the Australian Broadcasting Corporation (the ABC)**

Our summation, being a close observer of all matters concerning the governance and performance of the ABC – and in line with our stated aims to publicly and privately defend the ABC from political interference, from budget cuts and from unwarranted and unfair criticism, while at the same time urging and lobbying to ensure it meets its Charter requirements and continues to set the highest quality and ethical standards of broadcasting in the interests of all Australians.

To these ends we have published and publicized the following Vision Statement:



## The Vision Statement

### Preamble

Since July 1 1932 the ABC has provided independent public broadcasting so essential to our democracy. Yet, as we celebrate 85 years of this national icon, there is a disturbing campaign to undermine its traditional role as rival media and some politicians openly assault the fundamental principles of public broadcasting to protect their own interests and ideology.

Furthermore, the ABC is challenged by repeated government cost cutting and a rapidly changing media environment: making it difficult to maintain its traditional standards of quality programming.

'We, ABC Friends National, advocate the following as a Statement of the Rights, Responsibilities and Values we expect from both the Government and the Australian Broadcasting Corporation:

- Clear explanations and open procedures and processes when the government appoints future ABC board members and board chairpersons.
- Transparency of ABC board and management decision-making – particularly the sharing on a regular basis of the objectives of policy decisions and of programming.
- Recognition by the government of the day that the ABC's authority and its role in the Australian media landscape depends on its independence and freedom from political influence. The Senate estimates and other hearings should ensure public scrutiny and accountability.
- Financial security being essential for sound management and for board decision-making, there is a clear need for the ABC budget to be secure and at a level which ensures the ABC can fulfill its Charter requirements that it provide the highest quality of programming with depth, range and diversity for all of Australia. A five-year rolling budget is recommended.

- In interpreting the ABC Charter requirements, the Friends believe:
  - That the ABC is required to present an independent, professional and authoritative journalistic voice in its news coverage, current affairs reporting, documentaries, and in its range of specialist programs.
  - There is a stated Charter responsibility for the ABC to provide for all Australians quality, innovative and diverse programming on radio, on television and digitally.
  - That there is a responsibility for the ABC to report authoritatively on international issues and news, while promoting Australia's 'story' to the Asian and Pacific region.
  - That the ABC's responsibilities include the provision of emergency service broadcasting, regional and rural programming, children's, music, science, religious and selected other areas of broadcasting as determined by management.
  - That, in encouraging and promoting musical, dramatic and other areas of the performing arts, the ABC has mentoring role for developing creative talent around our continent
  - We note that the ABC Charter refers specifically to the corporation's educational responsibility.
  - And, lastly, *that the ABC's prime objective is to set the 'gold standard' for ethical, quality, specialist and diverse broadcasting nationally in the interests of informing, entertaining and stimulating our robust Australian democratic way of life.*

July 1, 2017

This Vision or Mission Statement from ABC Friends of 18 months ago continues, we believe, to be relevant and, further, that it has now become even more important to ensure the points made are discussed and achieved.

Further, that the recent intimidation and clear attempts to politicize the ABC is counter-productive to ensuring a continuing strong ABC presence and voice in this country and overseas, and allowing it to both fulfill its part in ensuring the democratic principle of 'the community's right to know', and also in meeting the ABC's other Charter requirements over all areas of public broadcasting.

In specific terms, ABC Friends National, representing six National State and Territory Committees (Victoria, Tasmania, NSW and the ACT, SA and the NT, Queensland and WA) plus tens of thousands of ABC Friends and Supporters that we represent, make the following points on the Terms of Reference

(a) On the termination of the ABC Managing Director, M's Michelle Guthrie, we make no comment as that was, right or wrong, the decision of an independent board as per the 1983 ABC Act stating its complete independence.

(b) The conduct of the Chair and Board seem on what has been put in the public arena to fall short of defending publicly and strongly the ABC management and the Managing Director from political and other criticism.

Most of the criticism is unjustified, in our view, though, obviously editorial and other mistakes are made in an organization operating as the ABC does with deadlines, and with its size and its complexity. However, taken overall, we believe all Australians should be proud of its professionalism and the way it has maintained the trust and support of the vast majority of Australians.

ABC staff should justly feel unhappy with the role of the Chairs and Boards now and in many past occasions with the lack of strong and sustained public advocacy on its behalf.

(c) The appointment of the Chair is so vital as to the stewardship of a valuable and important taxpayer funded organization that the candidate selected should be, in our view selected by the Prime Minister of the time after close consideration - and then that he/she should only be appointed with the approval of the Opposition leader, who has right of veto.

Board members should be appointed on clear criteria and on the nomination of an all-party panel. We are not happy with the current board representation – neither its range of skills and experiences, nor its diversity. Further, there have been too many “captain’s choices”.

(d) As the Charter states, the board is politically independent and so should only continue to need to “give consideration” to questions and concerns of the Government of the day. It scarcely operates out of the public gaze with its detailed annual reports, greater transparency of decision making and reporting already being introduced by the ABC, the Senate Estimates hearings and the fact that the ABC through its very nature conducts its operations under the scrutiny of listeners and viewers, and the media

- The ABC should not be part of the competitive neutrality inquiry.
- The ABC should have five year rolling funding with three years always underpinned by legislation.

(e) The ABC Charter is clear and should be maintained as is.

Margaret Reynolds (President of ABC Friends National )