

Chapter 1

Introduction and background

Referral

1.1 On 16 November 2017, the Senate, on the recommendation of the Selection of Bills Committee, referred the Australian Broadcasting Corporation Amendment (Rural and Regional Measures) Bill 2017 (the bill) to the Senate Environment and Communications Legislation Committee (the committee) for inquiry and report by 16 February 2018.¹

Purpose of the bill

1.2 The bill proposes to amend the *Australian Broadcasting Corporation Act 1983* (ABC Act) to facilitate the provision of broadcasting services by the Australian Broadcasting Corporation (ABC) that meet and reflect the needs of rural and regional Australia.

1.3 The intention of these proposed amendments to the ABC Act is to ensure that rural and regional communities are provided for in the functions of the Corporation, and through representation on the ABC Board.²

Inclusion of regional and geographic diversity

1.4 The bill proposes to amend the ABC Charter to ensure that the ABC broadcasts programs that contribute to a sense of regional and national identity, and inform and entertain, and reflect the geographic and cultural diversity of, the Australian community.³

1.5 This proposed amendment is intended to reflect the unique purpose of the ABC, that is, to have regard to providing broadcasting services that encompass Australia as a whole. The proposed amendment will also ensure that the ABC contributes to and promotes rural and regional Australia, and provides information and services that meet the needs of audiences in these areas.⁴

Regional Advisory Council

1.6 The bill proposes to require the ABC Board to establish a Regional Advisory Council, made up of members who have a substantial connection to, or substantial

1 *Journals of the Senate*, No. 71, 16 November 2017, p. 2249.

2 Explanatory Memorandum (EM), p. 2.

3 EM, p. 2.

4 EM, pp. 2–3.

experience in, a regional area through business, industry or community involvement. These members must not be a member of another advisory council or committee.⁵

1.7 Proposed subsection 11(3A) establishes that the Regional Advisory Council would, either on its own initiative or at the request of the ABC Board, advise the ABC Board on matters relating to the provision of broadcasting services in rural areas by the ABC.

1.8 The bill proposes to require the ABC Board to consult with the Regional Advisory Council before making any change to a broadcasting service in regional areas which will have a significant impact on regional audiences.⁶

1.9 The ABC Board would also be required to report on all consultations with the Regional Advisory Council through its Annual Report.⁷ If the ABC Board determines that members of the Regional Advisory Council should be remunerated, then such remuneration will be determined by the Remuneration Tribunal.⁸

ABC Board connection to regional Australia

1.10 The ABC Board is appointed by the Governor-General following a merit-based selection process. The bill proposes to require the Australian Government to take all reasonable steps to ensure that the ABC Board includes at least two appointed non-executive directors who have a substantial connection to, or substantial experience in, a regional area through business, industry or community involvement.⁹

1.11 This proposed amendment is intended to ensure that the perspectives, views and needs of regional areas are appropriately considered by the ABC Board.¹⁰

Annual reporting obligations

1.12 Section 80 of the ABC Act currently provides for matters which must be included in the organisation's Annual Report. The bill expands on these reporting requirements to include an obligation to provide statistics on the number of employees in regional areas and metropolitan areas separately. These statistics will include both individuals employed as journalists and those employed as support staff.¹¹

5 Subsection 11(1A), subsection 11(6A) and subsection 11(6B).

6 Subsection 11(13).

7 EM, p. 3.

8 Subsection 11(10A).

9 Subsection 12(5E).

10 EM, p. 3.

11 EM, p. 3.

1.13 The proposed reporting requirements will also include an obligation to report on the total number of hours of local and regional news bulletins broadcast during the reporting period.¹²

Conduct of the inquiry

1.14 The committee advertised the inquiry on its website and wrote to relevant organisations inviting written submissions. The date of receipt of submissions was 12 January 2018.

1.15 The committee received 12 submissions which are listed at Appendix 1 of this report. The public submissions are available on the committee's website at: https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications.

1.16 The committee thanks all of the individuals and organisations that contributed to the inquiry.

Reports of other committees

1.17 When examining a bill or draft bill, the committee takes into account any relevant comments published by the Senate Standing Committee for the Scrutiny of Bills. The Scrutiny of Bills Committee assesses legislative proposals against a set of accountability standards that focus on the effect of proposed legislation on individual rights, liberties and obligations, and on parliamentary propriety.

1.18 In its Scrutiny Digest No. 13 of 2017, the Scrutiny of Bills Committee stated that it had no comment on the bill.¹³

12 EM, p. 3.

13 Senate Standing Committee for the Scrutiny of Bills, *Scrutiny Digest*, No. 13 of 2017, 15 November 2017, p. 3.

Previous inquiry

1.19 This bill follows the introduction of the Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015 by Senator Bridget McKenzie in 2015.

1.20 Senator McKenzie's bill proposed to amend the ABC Charter in relation to the delivery of services in rural and regional Australia. In addition, the bill sought to define the ABC's mandate for its public service function for journalism in rural and regional Australia. The bill proposed to:

- require the ABC to broadcast programs that not only contribute to a sense of national identity or cultural diversity, but also a sense of regional identity and geographic diversity;
- require the ABC to foster the space within which its journalists operate to the benefit of communities and the viability of regional journalism through the provision of the resources necessary to enable the ABC to satisfy its functions and duties in regional communities;
- require the ABC to maintain an effective presence in regional communities and to provide regular transmissions of local content across a variety of platforms;
- mandate that the ABC approach its obligations to providing services in regional Australia from a social service and community perspective rather than a commercial position; and
- require the ABC to have regard to community expectations in regional areas as to the frequency and nature of broadcasts.¹⁴

1.21 The bill also proposed to establish a rural and regional advisory council which would advise the ABC Board on rural and regional issues, and conduct a biennial survey of regional audiences regarding their satisfaction with services. The ABC Board in appointing members to the council would also have to have regard to the desirability of the members being residents in rural and regional Australia.¹⁵

1.22 The bill also proposed that there be a requirement for at least two directors of the Board to reside in regional areas.¹⁶

1.23 On 13 April 2017, the Senate Environment and Communications Legislation Committee tabled its report on the bill.¹⁷ The majority of submitters to the inquiry

14 Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015, EM, p. 2.

15 Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015, EM, p. 2.

16 Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015, EM, p. 2.

expressed support for the proposed amendments to the ABC Charter in relation to the delivery of services to rural and regional Australia. Many submitters pointed to the termination of shortwave services in the Northern Territory in late January 2017 as evidence that the needs of rural and regional Australia have been ignored by the ABC.¹⁸

1.24 The committee recommended that the bill be passed subject to a number of amendments including omitting the proposed residency requirements for members of the ABC Board and the rural and regional advisory council and instead inserting broader requirements such as having a 'regional interest'.¹⁹

Scope of report

1.25 The committee notes that many of the issues raised in evidence during its inquiry into Senator McKenzie's bill are also relevant to this inquiry. The committee does not intend to re-examine this evidence but acknowledges the context that it provides for both the development and examination of this bill.

1.26 The committee also notes the recommendations made in relation to Senator McKenzie's bill, and acknowledges the views presented by the committee in its report on that bill.

17 Senate Environment and Communications Legislation Committee, *Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015*, April 2017.

18 Senate Environment and Communications Legislation Committee, *Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015*, April 2017, p. 7.

19 Senate Environment and Communications Legislation Committee, *Australian Broadcasting Corporation Amendment (Rural and Regional Advocacy) Bill 2015*, April 2017, pp. 35–38.

