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To: The Secretary,

Senate Environment, Communications, Information Technology and the Arts References Committee

POLITICISATION OF THE ABC BOARD

1. Evidence of it

2. What it is doing to the ABC

While both political parties, when in government, take the opportunity to appoint their own supporters - none before has so blatantly stacked the board with its collaborators. Apart from the staff appointed member, everybody now sitting on the Board was put there by this Government.

Chairman, Donald McDonald is a personal friend of the PM. He praised Howard unreservedly at a recent Liberal fund-raiser, saying how important the Government view was to the Board.

Maurice Newman, Chairman of the Stock Exchange, is a confidant of the PM and also a member of Peter Costello's Advisory Panel.

Michael Kroger is a leading Liberal who has happily agreed that he was a political appointee and has urged the Board to sell off 49% of the ABC website to commercial interests.

It is becoming increasingly apparent that this Board appointed Jonathan Shier not, *despite* his ignorance of public service broadcasting, but *because* of it - there was also, of course, the added bonus of his having Liberal Party affiliations.

They were right, of course. A very effective way of destroying 'ABC culture' i.e., its intellectual capital, is to appoint somebody, obviously crass and incompetent, and stand by and "watch him destroy the credibility of the ABC through managerial chaos and plummeting morale" (Hugh Mackay – SMH Spectrum 24.2.01)

The Board showed, not only total preparedness to tolerate Shier's spoliation, but a suspect eagerness to reward him for it. Not only is he being paid \$201,950 in salary, but he gets a special 'performance bonus' backdated to July 10 last year.

The Board's readiness to reward his lunatic squandering of the ABC's human and financial resources is equalled only by the Chairman's preparedness to submit to the political stand-over tactics of Minister Alston.

Oddly, Donald McDonald persists in denying that political pressure influences Board decisions, while the minister who wields this pressure doesn't even bother to deny it. Kerry O'Brien interviewed him last November and reminded him that, in his first submission to Cabinet in '96, he had raised the prospect of "A future narrower role for the ABC".

In that same document, O'Brien recalled for him, Alston had discussed "ways of gaining the ability to influence the future functions and activities more directly". In the same 7.30 Report, the Minister did not deny writing to the Chairman, seeking answers to certain demands of his before he agreed to finalise the triennial funding agreement.

Nor did he deny that he sought collusion from the Board to accept "rolling reviews and monitoring of all its program genres, in particular, reviews of radio and TV current affairs".

Political interference can hardly go further than this.

The proper function of the Board is to formulate policy - to state clearly and publicly what it is doing and why - to provide detailed strategy for the future of the ABC. This, it has failed to do.

Procedure

- 1. Board vacancies should be advertised in the media.
- 2. Applicants should have at least some of the following attributes:
 - a) background in and understanding of public service broadcasting.
 - b) demonstrated interest in arts, education and/or public affairs.
 - c) demonstrated involvement in social and cultural life of Australia.
 - d) Some managerial experience, commercial or industrial in running a complex organisation.
 - e) Applicants should have no party political affiliations.
 - f) Should be Australian residents.
- 3. Applications should be supported by a CV and a statement of reasons why he/she is interested in becoming a Board member. Professor Mark Armstrong, who was Chair of the ABC Board 1991 to 1996, suggests that an independent appointments commission might be set up to prevent governments from appointing their own referees to the Board.

Such a body could consider the overall composition of the Board and to what extent there was a mix of necessary skills and a fair representation of the various interests of Australian society.

It could well have a hands-on role, interview candidates, consider and discuss their eligibility and determine who are to be successful.

This is assuming that the commission would be truly an independent multi-party affair, responsible to parliament with its own established regulations and ways of proceeding.

"Multi-party scrutiny could create some shared ownership of the appointments and would certainly give governments an incentive to select well qualified people". (Prof. Mark Armstrong - The Australian 26.6.01)

- 4. When the new Board is set up, it will elect its own chairman.
- 5. It may well be advisable that the CEO <u>not</u> be a Board member, although he would report to it.

Board members should be free to consider his performance, in his absence.

A separation of the Board from the executive would bring an independence of thought to the two top tiers of ABC management.

6. The development and implementation of options for methods of appointment to the Board of the ABC would enhance public confidence in it as the independent national broadcaster.

With a properly constituted Board, the ABC is the only medium which has the autonomy to be the national forum for disinterested, open discussion of political, financial and business issues.

Jonathan Shier is apparently about to fulfil the PM's long cherished wish for "a more mainstream ABC", although that would seem to be a market already well served by the commercial sector.

Perhaps there is always room for more mediocrity.

The PM once, surprisingly, said he would like to have a "right wing Phillip Adams". One wonders why.

Phillip Adams might interview Henry Kissinger, Ralph Nader, Salman Rushdie - but it is John Laws who interviews our Prime Ministers.

That is fine and appropriate. Commercial radio does what it does best and Radio National does what nobody else does at all.

Its audience may not be large, but its voice is.

It is significant because it talks to the communicators - the serious journalists, writers and politicians, the educators and the cultural commentators.

It is unlikely that these people will readily forget or forgive those responsible for its destruction.

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