



Submission to the review of options to support the independence of the national broadcasters

Views submitted by the Southern Highlands branch of ABC Friends (NSW & ACT)

August 27, 2023.

Terms of Reference

1. Re: Recommendations to support stable funding arrangements for the national broadcasters

(a) The only viable option to support stable funding arrangements for the national broadcasters is to build widespread and informed public understanding of the role and function of an independent publicly funded media service. In an increasingly complex world of rapid global communication, the dissemination of news and information is, on the one hand, at risk of being managed and controlled by powerful media barons following their individual commercial interests and political biases or, on the other hand, vulnerable to a multitude of conspiracy theorists with their equally pernicious agendas.

(b) The building of public understanding around the importance and role of public broadcasters will require well-researched and well-funded public education and civic information campaigns to be undertaken periodically by the Federal Government. Within that context we can envisage a role for bodies like ABC Friends, ABC Alumni, and comparable groups associated with SBS, to assist in supporting the funding of public media to an adequate level. But, as far as any Government-organised information campaigns are concerned, they need to be more broad-based across civil society, involving more than just the advocacy groups mentioned above and involving a wide range of other cultural, ethnic and civic organisations. Such campaigns could be

conducted somewhat in the spirit of past and current vaccination campaigns: “Fund public broadcasting to preserve our democracy!”.

(c) The task of building such a public understanding of the vital role of the national broadcasters is not an easy one and would require a sophisticated effort on the part of Government to foster an acceptance of declared principles, norms and values which underpin public media. It is through successful programs of this kind that the public will come to appreciate the independence, reliability and quality of the services provided and understand why they should be publicly funded.

(d) To the extent that such a public understanding of the importance of the national broadcasters is developed, this would also serve to ensure that their funding levels would be transparent and open to scrutiny in the public domain.

**Re: Funding mechanisms (page 9) :-
Section 1.**

(e) The Government should proceed to amend the relevant Acts of Parliament governing the ABC & SBS to legislate for a 5-year base funding model. This would provide greater certainty in line with the new Government’s declared policy.

(f) We believe there is value in amending the ABC and SBS Acts to guarantee a certain minimum percentage of GDP to be provided on a five-year basis as funding for the two national broadcasters. We recognise that any government would want to retain control of its budget, as seems essential, especially where circumstances of volatile economic and fiscal conditions impose unexpected budget constraints. If there arose a need to make a reduction in the planned level of funding, then the Acts should specify that the Treasurer must give evidence to Parliament of why this is so. On the other hand, the determination of a minimum level of funding for the national broadcasters should not preclude additional ad hoc budgetary allocations being made in order to meet special needs.

(g) Having the funding set by either of the two other bodies, as suggested in dot point 3 on page 9, seems unwise. Giving over the task to a Parliamentary committee does not absolve the Government of the power and the responsibility to make the final decision anyway. In addition, a committee process could result in a messy or contested outcome, depending on the committee’s membership and process. Giving over the task to a new statutory authority faces the same dangers and also introduces another tussle over who should be appointed to that body.

(h) The idea of an open transparent public review prior to the end of a five-year funding period (dot point 4) is a worthwhile method for the Government to gain a wider appreciation of how the public broadcasters’ needs are perceived. This would also strengthen their budget stability. The public should be able to make submissions to any such review since it is in a unique position to advise on how public broadcasting can be enhanced. It is far better placed than politicians to make this assessment.

**Re: Funding mechanisms : -
Section 2.**

(i) Yes, as developments in the media space can occur so rapidly, especially through technological innovation and change, it is clear that a need, previously unknown and not provided for, can quickly emerge. It may not be wise to leave such calls for an unexpected expenditure to be answered by waiting for the next 5-year funding cycle to come around. Additional funds may be required well before then.

**Re: Funding mechanisms :-
Section 3.**

(j) Greater stability in funding for national broadcasters would be enhanced by greater understanding and acceptance by the community of the reasons taxpayer funds are provided to them. Australians as a whole benefit from the services of the national broadcasters, not just those people who directly access them – e.g. alerts about natural disasters of flood and fire; community health warnings and advice; information about and celebration of national events and ceremonies. Hence, there should be a concerted initiative by Government to demonstrate to taxpayers how their money is spent and the benefits which it brings. This would also serve to counter the pernicious propaganda from certain vested interests which push for “privatisation” as a strategy for the ultimate elimination of public broadcasting.

Section 4.

No comments to offer.

2. Re: Recommendations to support effective governance arrangements for the national broadcasters

It is stipulated in the Act that, in making appointments to the two Boards, there shall be a process involving a Nomination Panel. That is a given. It is our view that the Government should make a commitment to maintaining the independence and integrity of the Boards of the ABC & SBS. This is as it should be. Further, it is our hope that the Government is equally committed to ensuring a high degree of transparency and accountability in the appointment process.

One of the clear ways in which these principles can be achieved is by insisting that it is vital that appointments to the two Boards must be made by a Nomination Panel which is truly independent and free of political influence. That can only be brought about by a reform to the way in which people are appointed to the Nomination Panel itself. Currently, it appears that appointments to the Panel are simply made by the Secretary of the Department of the Prime Minister and Cabinet. This must change. There are detailed criteria for the selection of the Chair and the non-executive Directors. Therefore, there should be clear publicly-stated criteria for the appointment of members of the Panel.

Re : Appointments to the ABC and SBS boards (pg 14) :-

Section 5.

There is no mechanism that could enforce “effective consultation”. It is the Prime Minister who makes the recommendation to the Governor-General. The requirement to consult with the Leader of the Opposition is no more than a courtesy. The Act requires that the tradition should be retained. Whether there is “effective consultation” or not is likely to depend on the character of the two leaders involved, the nature of their relationship, and the particular person being recommended at that time.

Section 6.

It is essential that people with the appropriate skills, backgrounds and experiences be appointed to the Boards on the basis of a merit-based selection system. For this purpose, the eligibility and selection criteria are already broad enough. In order to clarify the knowledge and experiences that should be included in the criteria, it is likely that the Nomination Panel would benefit from advice from the Chair and Managing Director of each of the Boards.

In order to shield the national broadcasters from political influence, it is important that every appointment to the Boards should be made on the basis that current and former members of Parliament or party hierarchy (federal and state) and senior political staff members are not eligible for appointment at any stage.

Section 7.

There are serious identifiable risks involved with opening up the appointment process to involve formal consultation with selected individuals and organisations. Whom to include? Whom to leave out? It would create an endless quarrel over the choices made. And it would invite wider public pressure and controversy since those consulted are likely to disagree on who should be appointed. This could be totally unnecessary and detrimental to the independence of the process.

Re : Role of the boards’ Chairs in the appointments process

Section 8.

It is possible that a Board Chair could offer valuable advice concerning such matters as the relevant selection criteria and the skills and experience required by the Board. (For instance, the Chair might point out that the Board has a need for someone with business acumen or someone with expertise in emerging technologies.) If this is adopted as part of the process, it must be done in a formal, structured way. The advice would have to be of a general nature and not at the level of discussing individual candidates. It would be advisable not to consult the Chair on actual potential appointments since it could give rise to accusations that the Chair had exercised some kind of undue personal influence in the selection made by the Panel. This would not be helpful for the acceptance of appointments made.

Re : Appointments to the Nomination Panel

Section 9.

Yes, definitely, clear selection criteria must be established for appointments to the Nomination Panel and made available to the public. As argued above, it is not satisfactory

to leave this part of the process to the Departmental Secretary. This single step would do much to advance the object of ensuring a high degree of transparency and accountability in the appointment process.

It is not necessary, however, to create a Parliamentary Committee to oversee the Nomination Panel. This would only serve to introduce another level of bureaucracy plus political interference and for no useful gain.

Section 10.

In order to shield the national broadcasters from political influence, an overriding imperative should be that every appointment to the Nomination Panel should be made on the basis that current and former members of Parliament or party hierarchy (federal and state) and senior political staff members are not eligible for appointment at any stage. The current provision of a 12 month embargo is well-intentioned but does not go far enough.

Re : Functions of the Nomination Panel

Section 11.

Yes, provided that suitable people are appointed to the Panel, it is an effective method. It has more chance of ensuring a more independent and transparent process than alternative methods suggested so far. The Grattan Institute report (2022) considered that even the current process is more transparent and allows for greater independence when compared to many other public appointments.

Section 12.

There is no necessity to expand the functions of the Nomination Panel. It has one stated task to perform in terms of recommending suitable people for appointment to the Boards as Chair or as non-executive Directors. That is clear and sufficient. By the same token, it would not make sense to attempt to reduce the scope of that responsibility.

Re : Other governance matters

Section 13.

(a) This review aims to consider ways to support effective governance arrangements for the national broadcasters. Given that the 2019 Senate report considered such matters in relation to the ABC, and the previous Government did not act on the report's recommendations, since they included provision for greater transparency and accountability in the appointment process, it would be desirable to revisit that 2019 Senate report and reconsider those recommendations in the light of current circumstances.

(b) It is important to recognise that a well-informed public will truly value the role played by independent public broadcasting in fostering democratic values in Australia and in holding the Government to account, regardless of which political party is in office.

(c) It would serve to strengthen the governance of the SBS if the processes concerning its appointments were made more consistent with those relating to the ABC. For

instance, in SBS staff also having the right to a staff-elected Director; in the requirement that the Prime Minister consult with the Leader of the Opposition concerning the recommendation for the Chair of the SBS Board; and in any other relevant areas where their governance varies.