



**JOURNALISM EDUCATION  
& RESEARCH ASSOCIATION  
OF AUSTRALIA**

ABN 15 600 195 857 Inc in SA A39791

Submission to the Department of Infrastructure, Transport, Regional Development,  
Communications and the Arts

For the review of options to support the independence of the national broadcasters, the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service (SBS), specifically examining options for delivering a greater level of financial stability and certainty to the national broadcasters — to safeguard against funding cuts and political interference.

[www.infrastructure.gov.au/natbroadcastersreview](http://www.infrastructure.gov.au/natbroadcastersreview).

Associate Professor Alexandra Wake, RMIT University  
Professor Matthew Ricketson, Deakin University  
Michael Ward, Sydney University

On behalf of the Journalism Education and Research Association of Australia

Thursday 31 August 2023 at 5:00pm AEST.

The Journalism Education and Research Association of Australia Incorporated (JERAA) is the peak body of Australian journalism educators and researchers from tertiary education and industry organisations. JERAA's primary aim is to raise the standard of teaching of journalism and to foster excellence and integrity in current and future generations of journalism practitioners. JERAA also supports research, knowing that good research seeks out new information, identifies issues and resolves problems for the benefit of the news media industry specifically and society more broadly. JERAA advocates for and celebrates excellence in journalism and in journalism education. JERAA provides annual awards and grants for journalism researchers and journalism students.

This submission has been written on behalf of JERAA's executive by the association's President, Associate Professor Alexandra Wake, by a co-editor of the association's academic journal, *Australian Journalism Review*, Professor Matthew Ricketson, and informed by Michael Ward whose PhD thesis on the ABC is under examination from the University of Sydney.

We have considered the terms of reference for this inquiry. Our key recommendations are:

- Acknowledgement in legislation that the provision of factual news and current affairs information to Australians is a human right, and that the ABC and SBS should be guaranteed appropriate funding to provide news and current affairs information that allows civil engagement of all citizens.
- Core government funding for Australian content for both ABC and SBS indexed and enshrined in legislation on a five-year cycle., with base funding to increase, at a minimum, in line with CPI increases.
- A mechanism that guarantees the base funding over the period, such that real funding cannot be reduced without legislative amendment.
- Acknowledgement that the ABC and SBS need a funding boost to fulfil their Charter responsibilities and to meet the future digital information needs of the country.
- Consideration of establishing an Independent Parliamentary Committee to review and recommend board appointments.

We also note that our recommendations are not much changed from our 2018 recommendations of the Inquiry into the allegations of political interference in the Australian Broadcasting Corporation (ABC). They were:

- a) An overhaul of the funding model to the ABC to remove the ability of political parties to financially punish the Corporation for its independent scrutiny of the government of the day.
- b) A revamp of the selection process for board appointments, with a specific interest on ensuring the bipartisan nature of the nomination panel, and removal of the ability of the Minister to overturn panel recommendations.

## **Overview:**

JERAA acknowledges the unique and special place of the ABC and SBS in the life of Australia and Australians and the vital role they both hold in providing news and current affairs, which enables citizens to exercise civil engagement in Australia. We welcome the opportunity to make another submission on funding and governance of these two organisations, which are the envy of many other liberal democracies.

We happily acknowledge that our support of the two public broadcasters has been consistent. We note that our 2018 submission stated that all Governments (Conservative and Labor) have put pressure on the ABC from time to time. However, under the Coalition governments of 2013 to 2022 multiple and often duplicating inquiries into the ABC had been ordered. This consistent pressure directly affected the Corporation and its ability to meet its charter responsibilities. It hasn't just been the parliamentary inquires, complaints to the broadcaster from politicians (and commentators sympathetic to the then government) about various reporters and reporting put significant pressure on managers within the ABC, and significantly reduced staff morale. Although no journalists admitted to self-censoring their work in a bid to appease the government, those who earned the ire of the Coalition government, such as Emma Alberici or Andrew Probyn, have found themselves replaced by others.

The government of the day continues to hold power over the broadcasters in two ways that are being addressed in this submission: one through their budgets, and the second by partisan appointments to the board. As long as the ABC's and SBS's funding is hostage to the governing party of the day, and the boards are overly sympathetic to one side of politics, then the ability of the ABC and SBS to fulfil their Charter responsibilities is undermined.

The ABC and SBS are funded by the government on behalf of the Australian people to provide a comprehensive, independent news and current affairs service. If governments do not accept the public broadcasters' need to be independent, then they are short changing the Australian people.

## **Governance Arrangements:**

Members of parliament of all political persuasions say they support the independence of the broadcasters but there has been a long history of appointments to the board that are demonstrably partisan. JERAA believes the current system of governance for the ABC has been hollowed out, subverted and bypassed. It may need to be changed but before that could be recommended it needs to be seen whether the current government will continue the previous government's subverting of the appointments process or whether it will make it work.

The history of board appointments is more complicated than it first appears. Since 1983 when the ABC moved from being a Commission to a Corporation, both major political parties have made partisan appointments to the board but the level of partisanship increased markedly in John Howard's Liberal/National Party coalition governments of 1996-2007 with the appointment of a succession of board directors openly hostile to the ABC. In 2002 the Labor

Party, while in Opposition, resolved to reform the process for board appointments and after it won government in 2007 brought to parliament amendments to the ABC's governing legislation. These amendments introduced an arms-length process for appointments to the boards of the ABC and SBS, by which an expert nomination panel appointed by the Department of Prime Minister and Cabinet assessed applicants and provided a list of recommended appointees to the minister. The Minister takes the proposed appointees to the Cabinet for approval. The process drew on the work of a former United Kingdom judge, Michael Nolan, who outlined seven principles for good governance in public life, including opening and transparency, independent scrutiny, and merit. The amendment was passed without the support of the Liberal Party (Ricketson and Mullins, 2022, pp. 45-6).

The new system began in 2012 and the Labor government lost office the following year. Over the next nine years, successive Liberal/National Party coalition governments flouted the system, either by ignoring the recommendations of the independent expert panel or by choosing people who had not even applied, notably the current Chair of the ABC, Ita Buttrose, who was a "captain's pick" of the then prime minister, Scott Morrison, in 2019. The Nolan system called for the PM to consult the opposition leader about the choice of Chair; Scott Morrison informed Opposition leader, Bill Shorten, about half an hour before he announced Buttrose's appointment.

Since Labor returned to power in May 2022, there has not been an opportunity to see whether it would continue the behaviour of the Coalition government or adhere to the process it set up a decade beforehand. There are two board positions vacant and the selection process is underway now; the Chair has indicated she will not seek to be re-appointed when her term ends early next year. History invites us to be sceptical of governments' ability to resist the urge to politicise board appointments but it is not possible to tell yet about the current Labor government. They have at least publicly committed to the process they put in place themselves.

That said, it is JERAA's view that the Chair of both public broadcasters should not be in a position where they are gatekeeping lists of candidates for the board. That is not their role. There is a body of literature that one of the worst features of corporate governance, and one of the reasons there is groupthink is entrenched in corporate Australia, is that boards tend to self-select replacement members.

JERAA would also like to remind the Parliament that under the current ABC and SBS Act, the editorial direction of the broadcasters is controlled by the Managing Director, not the Chair. It is vital to ensure that all members of the boards understand the difference between their role, which is to monitor management's adherence to the duties and obligations laid out by parliament through the public broadcasters' charters.

One of the problems in the past has been this assumption that the ABC or SBS boards, or the Chair in particular, have been able to make editorial decisions. That has never been part of the legislation. Members of the board must ensure that management adheres to the charter, but they must not direct editorial content.

## **Political Interference:**

It's important for this Parliament to note our concerns in 2018 that political independence for our national broadcasters also depends on the willingness for politicians to abstain from interfering with the day-to-day running of the national broadcasters; the ability of broadcasters to be in control of their reporting and analysis of news and current affairs; and acceptance by both pressure groups and the general public that the broadcasting service is independent.

We also noted that interference does not need to take the form of direct threats, but can be created by an atmosphere of repeated complaints and the setting up of time and resources-consuming inquiries into its work. We also note that political interference into the ABC has been a feature of its 90 years-plus history, as amply documented in Ken Inglis's two comprehensive volumes about the ABC.

The ABC plays a vital role in providing public interest journalism, which is vital for health of Australia's democracy. The overwhelming number of award-winning reports by ABC journalists, which have impelled governments to set up royal commissions and to introduce or change legislation, shows the great need for strongly supported public broadcasters in Australia. This is even more important today, with commercial news organisations struggling to find financial models to support their work. In his 2018 Henry Mayer lecture, publisher Morry Schwartz, went so far as to assert the ABC had become Australia's "paper of record".

## **Funding Certainty:**

JERAA believes that certainty for funding for the ABC and SBS must be enshrined in legislation and, as far as possible, removed from political interference by the government of the day. Under the current funding arrangements for the ABC and SBS, funding is not protected by legislation or any other framework and actually fails to keep up with the organisations' needs. At a minimum we strongly support the maintenance of 5-year funding terms for both broadcasters, while retaining the ability of governments at various times to provide additional funding for special projects such as sharp pivots caused by AI.

The funding model must adhere to the same principles as those argued for public integrity agencies. That is, funding should be for a period of five years in the case of the ABC and SBS, with base funding to increase by a minimum in line with CPI increases. The mechanism that guarantees the base funding over the period, such that funding cannot be reduced without legislative amendment.

Transmission and distribution costs should be clearly delineated from the production of news, information and entertainment programming to ensure that appropriate funding goes to content and that appropriate funding is allowed to change distribution with demonstrated changes in listener habits. We further note that the current Charter includes a requirement for the ABC to provide international broadcasting, and yet this has been rarely prioritised internally by ABC management. Cutting funding for the international services should not be the default of management budget cuts. We do not support the introduction of commercial

advertisements to the ABC but do support other commercialisation activities as currently exist.

There is a number of ways to work to ensure independence of funding. It may be true that if a government is determined to flout or avoid a system, it probably has the power to do so, but we suggest that if the broadcasters were treated as entities attached to the parliament rather than executive government, then parliament could ensure the funding was more secure through appropriate bills in much the same way the Australian National Audit Office budget is done.

### **Adequacy of funding:**

We acknowledge that the adequacy of ABC and SBS funding is outside the parameters of this review, but it is important to demonstrate that the adequacy of ABC funding and the way it is indexed continues to be a significant policy issue despite the injection of increased funds by the Albanese Government in October 2022 and May 2023.

To understand if the ABC is adequately funded - compared to historical levels- it is necessary to identify the 'real' level of Operational funds allocated by removing the impact of inflation on funding levels.

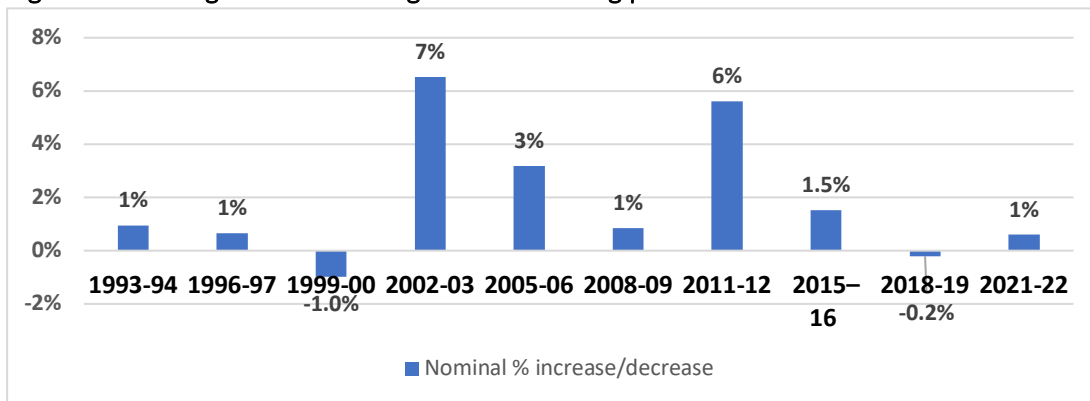
The case for establishing legislated funding certainty for the ABC and SBS can be clearly demonstrated in the history of funding inadequacy. Research has found a lack of funding certainty and the vagaries of government support for public service media, including severe cuts to the ABC in real terms, its impact on ABC programming and the implications for democratic participation (see for example, Ricketson & Mullins, 2022; Wake & Ward, 2020; Ward et al., 2022).

The following data and analysis extend previous research which shows that while triennial funding has provided some financial certainty for the ABC, it has failed to provide the necessary regulatory framework to enable the maintenance and security of **real** funding. In fact, as Figure XX (below) shows, even the average nominal levels of funding over 10 triennial periods have not always resulted in increases, or even sustained nominal levels, of ABC funding.<sup>1</sup> For example, in the trienniums ending in 1999-2000 and 2018-19, nominal funding levels actually decreased. In another four periods, average three-year funding increased by one per cent or less.

---

<sup>1</sup> The triennium dates are based on analysis of ABC Annual Reports and other public reporting. However, there are some issues with analysing the periods. For example, the 2009/10- to 2011/12 triennium was extended by one year, before the next triennium funding agreement was approved.

Figure XX: Average nominal change in ABC funding per triennium

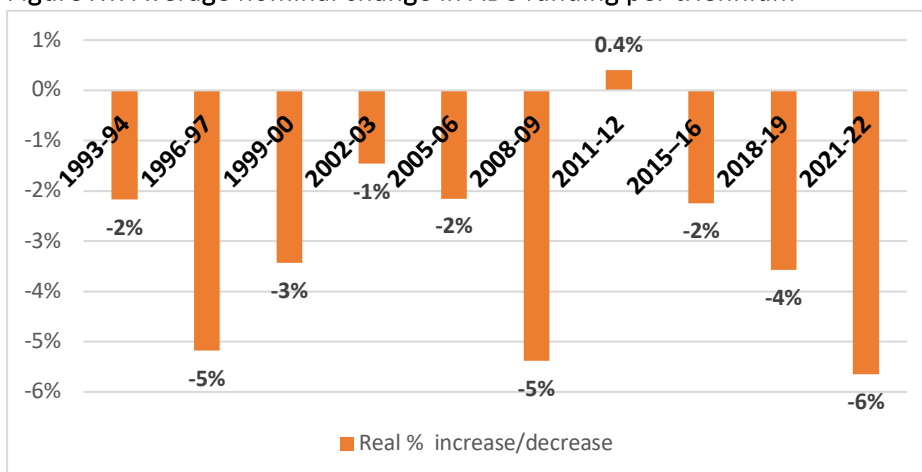


Note: year indicates the final year of a triennium, not the year of funding decision.

The data shows that a government agreement for three-year funding has not always guaranteed that level of funding will be delivered. For example, in 1996 the Howard government announced an \$11 million cut to the ABC in the middle of a triennial agreement (ABC, 1997). In 2014, the Abbot government announced major cuts to the ABC in the middle of a triennial agreement (ABC, 2015). A second approach to reducing ABC funding has been for announcements to be made of prospective reductions in future triennial agreements, as occurred in 2000 and the indexation freeze announced in 2018. This tactic gave the funding reductions when implemented an apparent inevitability. It is not expected that a five year funding guarantee would change the situation.

As problematic as the nominal funding changes have been, they pale when compared to the impact of real funding cuts. Figure XY (below) shows the real changes in ABC funding over 10 triennial periods from 1993-94. The graph shows that only once in over 30 years of triennial funding has the ABC actually received a real increase in funding, in the 2009/10 to 2011/12 triennium. Furthermore, the funding situation is becoming more serious with the three recently completed trienniums showing a combined decrease in real funding of 12 percent.

Figure XY: Average nominal change in ABC funding per triennium

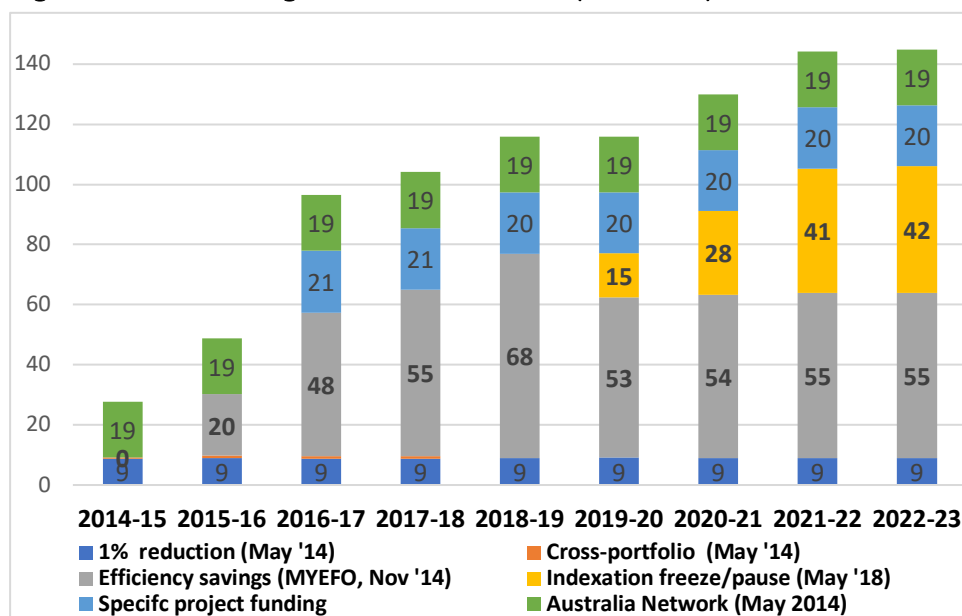


Note: Year indicates the final year of a triennium, not the year of funding decision.

The analysis of the real changes in funding over the ten trienniums confirms the annual data to show the increasing financial precarity of Australia’s public service broadcasting. It demonstrates that stronger regulatory arrangements are required to safeguard decisions made about future funding and to attempt to ensure sustainable (real) levels of funds for [public broadcasting].

The following tables were prepared by Ward for *The Conversation* and show the extent of the reductions to ABC operational funds from 2014 to 2021. During this time, ABC income was reduced by over \$900 million (Appendix 1 includes a table detailing the reductions). Many of these reductions continue to have an impact on the ABC’s capacity to meet legislative objectives.

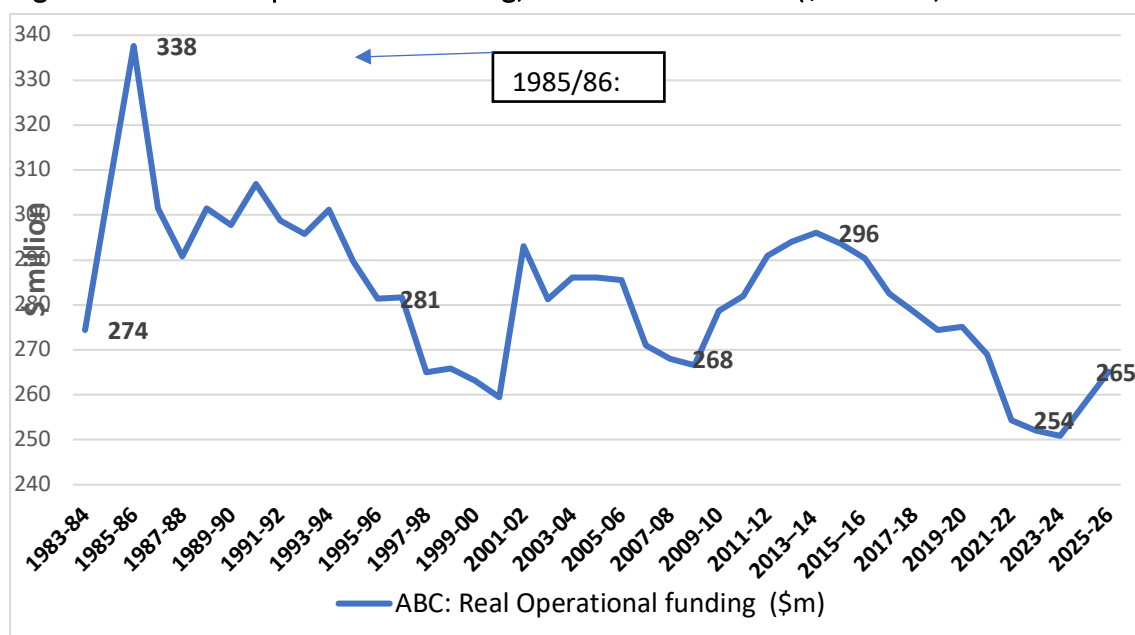
**Figure 1: ABC funding reductions 2014-23 (\$millions)**



As noted, these reductions have left ABC funding at a historically low level when adjusted for inflation. The following graph shows the impact by adjusting annual funding to 1983/84 dollar values. The chart shows a decline in the ‘real’ value of ABC Operational funding from 1983-84, with a slight increase from now to 2025-26 (as presented in the May 2023 Budget). Appendix 2 shows the data in the graphs in table form.



Figure 2: ABC real operational funding, 1983–84 to 2025-6 (\$ millions, 1983–84 dollars)



Between 2013 and 2022, the ABC’s real funding fell by 15 percent, from \$296 million (adjusted to 1983/84 dollars; \$861 million in 2013 dollars) to \$254 million (\$881 million in 2021/22 dollars).

The funding allocated in the last year of the Morrison Government was the lowest real budget allocation to the ABC in almost 40 years, when it received \$246 million in the last Fraser Government budget.

The data indicates the continuing budget pressure facing the ABC. The \$928 million funding ‘lost’ over a decade almost certainly cannot be recovered in future funding allocations.

The first two Albanese Government budgets have increased ABC funding, and with continued increases in the forward commitments, Operational funding will total \$1.015 billion by 2025/26 (compared to a forward estimate of \$919 million in the last Morrison budget).

However, the ABC will continue to remain at historically low funding levels. Returning the ABC to, for example, its 1983/84 level would require another \$40 to \$50 million annually, in addition to increased allocations budgeted.

### **The Authors:**

**Alexandra Wake** is an Associate Professor in Journalism at RMIT University. Her MA (Research) examined the ABC-led training program at the newly re-created public service broadcaster, the South African Broadcasting Corporation. Her PhD looked at the effectiveness of ABC-led journalism training in the Solomon Islands. She was a news editor for the ABC in Central Queensland and a senior journalist and trainer at the ABC in Brisbane in the 1990s. Alex's last experience inside the ABC was as a freelancer with ABC Radio Australia in 2015. She has been on the JERAA executive for more than a decade, and currently serves as the President. Her forthcoming book is on Transnational Broadcasting in the Indo Pacific.

**Matthew Ricketson** is a Professor of Communication at Deakin University. He was appointed by the federal government in 2011 to assist Ray Finkelstein QC in an Independent Inquiry into the Media and Media Regulation, which reported in 2012. Since 2016 he has been the Media Entertainment and Arts Alliance's representative on the Australian Press Council. He is president of the Journalism Education and Research Association of Australia. He is a co-author with Patrick Mullins of *Who Needs the ABC? Why taking it for granted is no longer an option*.

**Michael Ward** worked at the ABC from 1999 to 2017. His PhD about the ABC is under examination from the University of Sydney. He works as a sessional academic at the University of Sydney and as course coordinator for Boston University. Ward has conducted research on ABC funding, using public financial sources to build data sets behind these tables and figures, including [ABC portfolio budget statements](#), a 2014 [Budget paper](#), relevant federal Budget Strategy papers; an [Australian Parliamentary Library report](#) and ABC answers to Senate Questions on Notice.

## References:

- ABC. (1997). ABC Annual report. ABC 1996/97 [https://about.abc.net.au/wp-content/uploads/2012/06/AnnualReport1996-1997\\_CompleteReport.pdf](https://about.abc.net.au/wp-content/uploads/2012/06/AnnualReport1996-1997_CompleteReport.pdf)
- ABC. (2015). ABC Annual report. ABC 2014/15 <https://about.abc.net.au/reports-publications/2014-2015-annual-report/>
- About the ABC: Legislative framework. Retrieved 20 July 2018, from <http://about.abc.net.au/how-the-abc-is-run/what-guides-us/legislative-framework/>.
- ABC (2018) Does the ABC crowd out other media? <https://www.abc.net.au/future/the-abc-and-the-australian-media-sector/9998560>
- ABC (2018) Resources The Cost of Being the ABC <https://www.abc.net.au/future/resources/>
- ABC (2018) Future of Your ABC. Public broadcaster funding around the world – how the ABC compares. <https://www.abc.net.au/future/public-broadcaster-funding-around-the-world-how-the-abc-compares/9873936>
- Benson, R. & Powers, M. (2011). Public media and political independence: Lessons for the future of journalism from around the World, London: Freepress.
- Benson, R., Powers, M. & Neff, T. (2017). Public media autonomy and accountability: Best and worst practices in 12 leading democracies. *International Journal of Communication*, 11, pp. 1-22.
- Inglis, Ken. (2016) *Whose ABC?: The Australian Broadcasting Corporation 1983–2006*. Black Inc.
- Linden, Andrew. "ABC Board Chair over-Reaches in a Bid to Appease Hostile Government." *The Conversation* (theconversation.com), 27 September 2018. <https://theconversation.com/abc-board-chair-over-reaches-in-a-bid-to-appease-hostile-government-103913>.
- McQuail, D. (1994) *Mass Communication Theory: An Introduction Third Edition*. SAGE, London.
- McKenzie, N., Baker, R., Bachelard, M. (2016). Top director spurned corruption whistleblower as corporate scandal grows. *Sydney Morning Herald*. [smh.com.au](http://smh.com.au), Fairfax.
- Ricketson, Matthew, and Patrick Mullins. *Who Needs the ABC?: Why Taking It for Granted Is No Longer an Option*. Brunswick, Victoria: Scribe Publications, 2022.
- Roy Morgan, (2018) ABC most trusted | Facebook most distrusted. June 26. Finding No. 7641. Press Release Special Poll
- Schweizer, C., Puppis, M., Künzler, M. & Studer, S. (2014) *Public funding of private media*, London: London School of Economics. Available at <http://www.lse.ac.uk/media@lse/documents/MPP/LSE-MPP-Policy-Brief-11-Public-Funding-Private-Media.pdf>
- Wake, A. & Ward, M. (2020). Latest \$84 million cuts rip the heart out of the ABC, and our democracy. *The Conversation*. 24 June 2020. <https://theconversation.com/latest-84-million-cuts-rip-the-heart-out-of-the-abc-and-our-democracy-141355>

Ward, M., Ricketson, M., Wake, A., Mullins, P. (2022). No-one is talking about ABC funding in this election campaign. Here's why they should be. *The Conversation*. 27 April 2022.  
<https://theconversation.com/no-one-is-talking-about-abc-funding-in-this-election-campaign-heres-why-they-should-be-181948>