

Senate Inquiry into Media Diversity in Australia

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About ABC Friends

ABC Friends was established in 1976 in response to funding cuts to the ABC made by the then federal government. Its purpose is to lobby on behalf of people who listen to, watch, read and interact with the ABC. ABC Friends is not aligned to any political party. Our organisation has grown in numbers and strength over the last several decades, with members in every state and a national office, led by Margaret Reynolds, ABC Friends National President.

Introduction

This submission argues that an independent national broadcaster, free from political, commercial or other interests, is essential for effective public interest journalism. Democracy requires that citizens have access to accurate information about what is happening. It cannot function properly if citizens are ignorant or misinformed.

The ABC, Australia's national broadcaster, is a cornerstone of Australian democracy and public life, because:

- It enables the Australian public to make informed judgments about what is happening in Australia and the world
- It helps maintain trust in those institutions that are essential for a functioning democracy, including its judicial and governing bodies, by reporting on those bodies and ensuring that their activities are made transparent
- It reports on the actions of decision-makers and, as necessary, holds them to account

As neither a state-owned nor a commercial broadcaster, the ABC presents the facts unhindered by consideration of vested political or business interests. It is a reliable and trusted source of information: 77% of Australians rely on the ABC for accurate information.¹ At a time when conspiracy theories have begun to infiltrate mainstream discourse, the role of a public broadcaster that can be relied on to present the facts and dig beneath the surface has never been more important. Fact-checking is a vital part of good journalism.

As Michelle Bachelet, the UN High Commissioner for Human Rights, stated at the 2020 Global Conference for Media Freedom:

The freedom to seek, receive and impart information and ideas through any media – in the words of the Universal Declaration of Human Rights – is crucial to enabling the exercise of all other human rights.

Sound, independent media, empowered to investigate issues and cite critical views, are key to ensuring that governance and institutions are transparent and accountable. They serve as watchdogs and early warning systems for the full range of potential dysfunctions. And by investigating and conveying reliable information, both 'real life' and digital media contribute to a culture of democratic practice, empowering people to make better choices, including in

the context of elections. We cannot participate fully in decision-making, or in democracy, if we are inadequately informed about events.ⁱⁱ

A nation's democratic health relates to the strength of its public service media, which contributes to democracy through news, editorial standards, and informed citizenship.

Response to the inquiry terms of reference

1. The current state of public interest journalism in Australia and any barriers to Australian voters' ability to access reliable, accurate and independent news

Reduced revenue and lost jobs

Public interest journalism in Australia faces serious threats. Lost advertising revenue has reduced investment in quality journalism by commercial outlets, while the investigative capacity of the ABC has been eroded by serious and sustained cuts to funding since 2014. ABC news and current affairs programs like Lateline and state-based 7.30 programs have been scrapped, while many others including PM, The World Today, Foreign Correspondent, and Four Corners, have been cut back. The result is less capacity for investigative reporting, less international reporting, and less opportunity to follow up important news stories.

Since 2006, thousands of journalism and related jobs have been lost across all sectors of the Australian media.

Census data shows that from 2006 to 2016, the number of Australians in journalism-related occupations fell by 9 per cent overall, and by 26 per cent for traditional print journalists (including those journalists working for print/online news media businesses). Data provided by the main media companies show the number of journalists in traditional print media businesses fell by 20 per cent from 2014 to 2018. This is at a time when Australia's population and economy were growing strongly.ⁱⁱⁱ

Within the ABC, 1250 jobs have disappeared since 2014.

Reduced confidence

Confidence in the reliability and accuracy of news has diminished as online audiences for "fake news" have grown. Opinion is often disguised as news, and conspiracy theorists use online platforms to gain traction for false narratives. Click bait headlines, that create false impressions about the content of stories, exacerbate the problem.

Audiences who seek a deeper understanding of the news have limited choices, particularly as investigative journalism is often located behind paywalls. And in many parts of Australia, access to news and information is limited by inadequate technology.

Attacks on media freedom

There have also been worrying attacks on press freedom. The raids by the AFP in 2019 on ABC and News Corporation journalists demonstrated a serious disregard for media freedom. In its submission to the Parliamentary Committee on Intelligence and Security, ABC Friends argued that media freedom is of paramount importance for the health of Australian democracy. The public has a right to know, and journalists doing their jobs should not be vulnerable to prosecution.

In December 2020, the Federal Minister for Communications appeared to undermine the ABC's editorial independence in a letter to the ABC Board in which he asked a series of questions about a Four Corners program and said "Why should an objective observer not conclude that the program demonstrates a failure by the board in its duty under Section 8 of the ABC Act to ensure that the

gathering and presentation of news and information by the ABC is accurate and impartial according to the recognised standards of objective journalism?”

While complaints about the ABC by political leaders are not new, the Minister's statement was troubling because he did not lodge a complaint through established channels and because he politicised the issue by publicising his letter before sending it to the ABC.

It is of vital importance that Australians are served by a vibrant and diverse media, free from political interference. The ABC Charter, contained within the ABC Act, has enshrined the ABC's independence but in recent years that protection has been found wanting. ABC Friends believes that greater legislative protection, combined with more stable, guaranteed funding, is needed if the ABC is to meet its obligations under the Charter.

Access to communication services

Under its Charter the ABC is required to provide comprehensive broadcasting services to Australia, but many communities have no access to the ABC.

When the ABC discontinued its shortwave service in 2017 into Northern WA, western Queensland and the NT, it argued that listeners could continue to tune in via AM and FM frequencies, the viewer access satellite television (VAST) service, and online. But those alternative methods to receive ABC broadcasts or vital information such as weather warnings are not necessarily available to all rural and remote communities and travellers/workers on the move. There is also a data cost for VAST and online services.

The shortwave service also ceased for PNG and the Pacific, a short-sighted move that undercut Australia's capacity to win hearts and minds through soft diplomacy. And that occurred just as countries like China began to expand shortwave services in the region. Indeed, China subsequently took over frequencies previously used by the ABC SW radio service.

It is not only remote communities in Australia that have suffered. In September 2020, the NSW coastal town of Bermagui lost service because the private company that looked after the transmission equipment was no longer able to afford the maintenance costs. Bermagui was in the eye of the terrible bushfires that ravaged the NSW south coast in 2020. Residents and firefighters relied on the ABC for essential communications – had the transmission equipment failed just a few months earlier, those residents might not have received warnings to evacuate until it was too late.

The service to Bermagui has since been reinstated, with the ABC and SBS meeting the repair costs, but this is a short term solution. There are 90 digital black spots across Australia where transmission equipment is no longer maintained and where services could be disrupted without notice.

It is unacceptable that some Australian communities are denied communication services that most of us take for granted, because there are no shortwave services or because transmission towers are not maintained. Like roads, electricity and water, telecommunications is an essential service, and it should be fully funded by the federal government.

2. The effect of media concentration on democracy in Australia

Australia suffers a high degree of concentration in its commercial media. The legacy commercial media are dominated by News Corporation, Channel 9 and Channel 7. News Corp supplies around 70% of Australia's newspapers and, in some parts of Australia, it is the sole source of commercial news.

Of further concern is the nature and record of News Corp. It is politically partisan and relentless in its campaigns in Australia and other countries. So, not only is there little commercial media diversity, but News Corp prefers to push its campaigns and favour its allies. Concern for providing accurate and

impartial news appears to have been left far behind. Such points have been made forcefully by former Prime Ministers Kevin Rudd and Malcolm Turnbull. News Corp's treatment of the climate debate provides an obvious example of distorted reporting.

3. The impact of online global platforms such as Facebook, Google and Twitter on the media industry and sharing of news in Australia

Facebook, Google, Twitter and YouTube provide online platforms for the publication of news, views and information. These platforms have, however, been liable to manipulation with the result that news is often seriously distorted and misinformation is rife. Increasingly, audiences receive their information in silos that present a fragmented picture of what is happening in the world.

... the survival of liberal democracy requires a functioning public sphere in which information circulates freely and in which wrongdoing, corruption, incompetence and injustices can be investigated and brought to public attention. And one of the consequences of the rise of social media is that whatever public sphere we once had is now distorted and polluted by being forced through four narrow apertures called Google, YouTube, Facebook and Twitter, services in which almost everything that people see, read or hear is curated by algorithms designed solely to increase the profitability of their owners.^{iv}

The report on Digital Platforms by the Australian Competition and Consumer Commission noted deep concerns about the growth online of disinformation and harmful content, and the way in which the tech giants' dominance was damaging the choice and quality of news and journalism in Australia. The report revealed that the tech giants had appropriated a substantial share of advertising revenue from traditional print media, which had "reduced the ability of some media businesses to fund Australian news and journalism." The effect has been dramatic, with thousands of journalism-related jobs lost and a decline in the quality of journalism.

ABC Friends welcomes the Federal Government's decision to introduce a mandatory code by which the originators of news can negotiate agreements for the re-use of their material with the online platforms. We welcome the inclusion of the ABC and SBS in the code and we understand that the revenue raised by the ABC will be allocated to news in rural and regional Australia. We emphasise that the payments should not be used as an excuse to further reduce ABC funding. It will be important to monitor the effectiveness of this system, to ensure that the parties are able to negotiate on a level playing field and that the results are fair and equitable.

4. The barriers faced by small, independent and community news outlets in Australia

Across Australia there has been a dramatic decline in local newspapers. Many have disappeared, while others have shrunk to a shadow of their former selves. Some have been replaced by online publications which are often inaccessible due to poor connectivity, particularly in remote and rural communities.

Between 2008 and 2018, 106 local and regional newspaper titles closed across Australia, representing a net 15 per cent decrease in the number of these publications. These closures have left 21 local government areas previously covered by these titles without coverage from a single local newspaper (in either print or online formats), including 16 local government areas in regional Australia.

News Corp, with its dominant role in Australia, bears some responsibility for the decline. In 2016, it was cleared by the ACCC to complete its acquisition of APN News & Media's regional newspapers. In May 2020, it announced the closure of 112 of these titles while moving 76 to an online-only model, leaving a news vacuum in dozens of communities across Australia. With the stroke a pen by News Corp, regional towns across the length and breadth of Australia lost their local newspapers.

In 2020, with advertising hit by COVID 19 restrictions, the situation worsened. The ABC five-year plan notes “a steady decline in local news from commercial providers accelerated with the impact of Covid-19, leaving many communities without a local news service”.

And so, much local news remains unreported – citizens have less opportunity to hear about the actions taken by their local councils, businesses, community groups, schools or clubs.

John Naughton has argued that the citizens of most UK towns and cities now have much less information about what’s happening in their localities than their grandparents did. This is almost certainly true in Australia. Some local news is now reported online, but access is limited for those Australians who live in locations with poor internet services.

If Australians outside the major metropolitan centres are not to be left behind, the ABC will need to play the central role in filling the gap. The ABC provides an essential service in times of crisis and it is the only broadcaster capable of providing a comprehensive news and entertainment service. The ABC acknowledged this in its Five Year Plan. “The ABC may be required to focus more resources on local coverage and supporting a diversity of outlets in the local news ecosystem,” the plan said.

But after years of funding cuts, the ABC does not have the money to fulfil this vital role. By 2021-22 its budget will be more than 10 per cent lower than it was in 2013. As David Anderson, ABC Managing Director, has stated, by the time we reach the 2022 financial year the ABC will have to absorb cumulative budget cuts that amount to \$105.9 million per annum.

5. The role of government in supporting a viable and diverse public interest journalism sector in Australia

Public service broadcasters play an essential role in upholding democracy. They do this by providing accurate and impartial news and ensuring that citizens are well informed.

In 2019 the European Broadcasting Union, the world's leading alliance of public service media, researched the link between democracy and public service media and found that public service TV tends to be most watched in countries with strong democracies. In countries where public service media is well-funded and enjoys a high market share:

- People are more active in politics
- There is more political stability and an absence of violence
- Corruption is under control^{iv}

KEY FINDINGS



The Council of Europe recognised the important role of public service media in upholding the fundamental right to freedom of expression and information, in accordance with Article 10 of the European Convention on Human Rights:

By virtue of their remit, public service media are an important public source of unbiased information and diverse political opinions. They are particularly suited to foster pluralism and awareness of diverse opinions, notably by providing different groups in society with an opportunity to receive and impart information, to express themselves and to exchange ideas. They can contribute greatly to the promotion of social cohesion, cultural diversity and pluralist communication accessible to everyone.^{vii}

This is as true for Australia as it is for other countries. Numerous independent surveys have found that the ABC is one of Australia's most trusted institutions and its reporting is reliable. But, like public service media elsewhere, the ABC faces serious challenges. Its independence is frequently threatened by those who hold political power and funding cuts have eroded its capacity to do its job.

Lack of funding certainty can also lead to more timid reporting, as a recent ABC Alumni submission argued:

The strain of treading a line between the Charter requirements...and making do with increasingly less funding, combined with the need for consequent staffing losses and diminished resources for program-making, have taken a heavy toll. Such an environment can breed timidity because of the apparently well-founded fear that giving offence to government might result in further assaults on the ABC's independence, funding and functions.^{viii}

It has also been argued that government efforts to diminish the ABC have worn down successive ABC chairs and managers and created a culture that encouraged a 'pre-emptive buckle'. Such developments threaten the ability of the ABC to do its job: to hold power to account.

As the digital platforms report stated:

In Australia, the two publicly funded broadcasters, the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service Corporation (SBS), are the predominant means by which the Government has addressed the potential under-provision of public interest journalism. In recognition of the role performed by the ABC and SBS in addressing the public good nature of journalism and consequent risk of under-provision of public interest journalism, the ACCC recommends that stable and adequate funding be provided to the ABC and SBS.^{ix}

As noted elsewhere in our submission, the ABC has suffered major funding cuts, with a 28% decline in its funding in real terms since the mid-1980s. Put another way, funding for the ABC decreased from approximately 0.6% of total federal government expenditure in the late 1970s to approximately 0.2% in 2019. Yet, its range of services has increased massively: more TV stations, more radio and the development of online services.

Now is the time to boost funding to the ABC, not decrease it.

Recommendations

ABC Funding

At a time when Australians have lost trust in much of the news they receive, the role of the ABC in providing accurate, impartial news and information has never been more important. But government funding cuts have undermined the ABC's capacity to perform this role. Equally important is the need for an independent ABC, where staff can do their jobs without fear that offending government might result in funding cuts.

ABC Friends therefore recommends that Australian governments commit 0.5% of federal government expenditure to funding the ABC and that they establish longer-term frameworks for this funding in order to de-couple ABC funding from the electoral cycle.

Access to communications

The federal government has a responsibility to ensure that all Australians have access to essential services, including telecommunications.

Accordingly, ABC Friends recommends that the federal government guarantee to meet the full costs of broadcast transmission services and, specifically, increase funding to:

- Reinstatement of shortwave services to rural and remote Australia
- Provide ongoing maintenance for the transmission towers that cover 90 digital black spot sites across Australia

Media freedom

Australia is one of the few western democracies that does not have press freedom written into its constitution. ABC Friends supports reforms to protect journalists and their sources.

ABC Friends therefore recommends that the federal government establish a Media Freedom Act that affirms the importance of press freedom in Australia, demonstrates Australia's commitment to democratic accountability and the rule of law, and protects press freedom by ensuring that legitimate journalism is excluded from the scope of criminal offences.^x

Endnotes

ⁱ Roy Morgan, ABC Friends, Community Attitudes to ABC Survey, May 2020

ⁱⁱ <https://www.ohchr.org/EN/HRBodies/HRC/Pages/NewsDetail.aspx?NewsID=26508&LangID=E>

ⁱⁱⁱ <https://www.accc.gov.au/system/files/Digital%20Platforms%20Inquiry%20-%20Final%20report%20-%20part%201.pdf>

^{iv} Naughton, For the sake of democracy, social media giants must pay newspapers, The Guardian, Sat 28 Nov 2020.

^v <https://knowledgehub.ebu.ch/democracy/democracy-and-public-service-media>

^{vi} EBU, Democracy and public service media, <https://knowledgehub.ebu.ch/democracy/democracy-and-public-service-media>

^{vii} Council of Europe, Freedom of Expression, [https://www.coe.int/en/web/freedom-expression/public-service-media#{"34030027":\[\]}\]](https://www.coe.int/en/web/freedom-expression/public-service-media#{)

^{viii} ABC Alumni submission to the 2018 Senate Inquiry into allegations of political interference in the ABC

^{ix} <https://www.accc.gov.au/system/files/Digital%20Platforms%20Inquiry%20-%20Final%20report%20-%20part%201.pdf>

^x For a more detailed consideration of this issue see Rebecca Ananian-Welsh, "Australia needs a Media Freedom Act. Here's how it could work", <https://theconversation.com/australia-needs-a-media-freedom-act-heres-how-it-could-work-125315>